

1 LEWIS BRISBOIS BISGAARD & SMITH LLP
DANIEL V. HYDE, State Bar No. 063365
2 BRANT H. DVEIRIN, State Bar No. 130621
633 W. 5th Street, Suite 4000
3 Los Angeles, CA 90071
Phone: 213-250-1800 / Fax: 213-250-7900
4 Email: Brant.Dveirin@lewisbrisbois.com

5 Attorneys for Defendant
6 Palos Verdes Homes Association

7 ARMBRUSTER GOLDSMITH & DELVAC LLP
DAMON P. MAMALAKIS, State Bar No.: 184489
8 R.J. COMER, State Bar No.: 186284
11611 San Vicente Blvd., Suite 900
9 Los Angeles, CA 90049
Phone: (310) 209-8800 / Fax: (310) 209-8801
10 Damon@agd-landuse.com

11 Attorneys for Defendants
Robert Lugliani and Dolores A. Lugliani, as co-trustees
12 of The Lugliani Trust; Thomas J. Lieb, Trustee, The Via
Panorama Trust

13 SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES
14 CENTRAL DISTRICT - STANLEY MOSK COURTHOUSE
15

16 CITIZENS FOR ENFORCEMENT OF
17 PARKLAND COVENANTS and JOHN A.
18 HARBISON,

19 Plaintiffs,

20 vs.

21 CITY OF PALOS VERDES ESTATES, a
municipal corporation; PALOS VERDES
22 HOMES ASSOCIATION, a California
corporation; ROBERT LUGLIANI and
23 DOLORES A. LUGLIANI, as co-trustees of THE
LUGLIANI TRUST; THOMAS J. LUGLIANI,
24 TRUSTEE, THE VIA PANORAMA TRUST
U/DO MAY 2, 2012 and DOES 1 through 20,

25 Defendants.
26
27
28

CASE NO.: BS142768

*Assigned for all purposes to the
Hon. Barbara A. Meiers, Dept. 12*

**DECLARATION OF SIDNEY CROFT IN
SUPPORT OF DEFENDANTS PALOS
VERDES HOMES ASSOCIATION; ROBERT
LUGLIANI AND DOLORES A. LUGLIANI,
AS CO-TRUSTEES OF THE LUGLIANI
TRUST; AND THOMAS J. LIEB, TRUSTEE,
THE VIA PANORAMA TRUST U/DO MAY 2,
2012'S OPPOSITION TO PLAINTIFFS'
MOTION FOR SUMMARY JUDGMENT OR
SUMMARY ADJUDICATION OR BOTH**

Petition Filed: May 13, 2013

Trial Date: None Set

Hearing Date: May 29, 2015

Hearing Time: 10:30 a.m.

Department: 12

1 I, Sidney Croft, declare and state as follows:

2 1. I am a licensed California Attorney, and I have served as General Counsel to the
3 Board of Directors of the Palos Verdes Homes Association (“Association” or “PVHA”) since
4 1968.

5 2. I am personally familiar with the facts set forth in this declaration and if called
6 upon to do so, I could and would competently testify to those facts.

7 3. In my capacity as the longstanding General Counsel of the Association, I am
8 familiar with the history of the Association, its governing documents, and the historical and more
9 recent deed restrictions. I have personally either reviewed or drafted many of the Association’s
10 governing documents and deed restrictions. As relates to the present litigation, I have reviewed all
11 potentially relevant Association documents and directly participated in the drafting of the various
12 documents that resulted in the various property conveyances and agreements at issue.

13 4. For this declaration, I have undertaken additional review (to supplement my
14 existing familiarity) of all of the Plaintiffs’ various pleadings (including the numerous exhibits
15 submitted and attached to those pleadings over the course of the litigation as well as the original
16 versions of many of those documents that are Association documents) as well as all of the
17 underlying documents including all of the various deeds, conveyances, and agreements at issue in
18 this case.

19 5. I also participated and have personal knowledge about the decision of the
20 Association to settle the previous litigation with the Palos Verdes Peninsula Unified School
21 District (“School District” or “District”). The terms of that settlement are set forth in a document
22 known as the Memorandum of Understanding (“MOU”), transactions pursuant to which are
23 challenged by the Plaintiffs in this case.

24 **History of Formation of Association**

25 6. In 1913, Frank A. Vanderlip, Sr., then a successful banker based in New York,
26 purchased the land of Palos Verdes. Though the peninsula had been utilized for crops and cattle
27 since the 1880s, Vanderlip envisioned the rural farming community of Palos Verdes as a location
28 with great potential for development as a residential community by the sea.

1 7. Vanderlip began subdivision of the land and construction in what is today the City
2 of Palos Verdes Estates in the 1920s. Deed restrictions were first imposed on the land in 1923,
3 when the Bank of America, the successor trustee to Commonwealth Trust Company, trustee for
4 what was then known as Vanderlip’s Palos Verdes Project, drafted a trust indenture, and outlined
5 the provisions for development.

6 8. The Association was created at the time of the initial development of the project
7 and was incorporated on May 24, 1923. As development of the project proceeded, Bank of
8 America conveyed various open space parcels to the Association. Of importance, the Association
9 was obligated to pay property taxes on this open space—the property that was not sold to private
10 residents. Following the economic crash in 1929, the Association did not have the resources to
11 maintain the open space and owed taxes to Los Angeles County on that property. Concern about
12 the maintenance of that property and the taxes owed led to a vote in 1939 to incorporate the City
13 of Palos Verdes Estates. Following incorporation, in 1940, the Association transferred its interest
14 and responsibility for maintaining the open space (i.e., property the Association owned that was
15 not intended to be platted for private residential development) to the new city, which as a
16 municipality, was not required to pay taxes on that property.

17 9. Important to this case, and to the history of development of the City, is that there
18 are several recorded documents, dating back to the time of formation of the Association, that have
19 always governed, and have continued to govern, the use of open space. It is the Association, and
20 specifically the Association’s Board of Directors, that is charged with the duty to interpret together
21 the many restrictions that are included in the recorded documents, and to balance the competing
22 interests involved in interpreting and applying those restrictions.

23 10. *Plaintiffs in this case, are essentially doing the one thing that the Association can*
24 *never do, which is to focus on a single recorded document, and worse yet, focus on one or a few*
25 *provisions in that one document, and then argue, based on those provisions, that there has*
26 *somehow been a violation. The Association has (as it has always had) a much more complex task*
27 *to interpret and apply the provisions of the recorded documents in accordance with the purposes*
28 *of the Association as reflected in its governing documents and by-laws. It is that very exercise of*

1 *the Association's business judgment that the Plaintiffs seek to challenge in this case.*

2 **The Original Developer Recorded Declaration No. 1 on July 5, 1923**

3 11. The first or original deed restrictions governing the project are entitled Declaration
4 of Establishment of Basic Restrictions; Conditions, Covenants, Reservations Liens and Charges
5 ("Declaration No. 1"). They were executed on June 29, 1923 and recorded July 5, 1923. A true
6 and correct copy of portions of Declaration No. 1 is attached as Exhibit 5 to Evidence in Support
7 of Plaintiffs' Motion for Summary Judgment or Adjudication ("Plaintiffs' Evidence"). Exhibit 5
8 also includes portions of Declarations 23 and 25, and Amendment 10 to Declaration 20, as well as
9 the articles of incorporation and by laws of the Association (collectively referred to as
10 "Declaration No. 1"). Of note, Amendment 10 states that Bank of America is the successor to
11 Commonwealth Trust Company (*See* page 9 of Exhibit 5).

12 **Material Provisions of Declaration No. 1**

13 12. In the introductory provisions of Declaration No. 1 (page 4 of Exhibit 5), it states
14 "Whereas, the power to interpret and enforce certain of the conditions, restrictions and charges set
15 forth in the Declaration is to reside in Palos Verdes Homes Association, a non-profit, cooperative
16 association organized and existing under and by virtue of the laws of the State of California, and
17 in Palos Verdes Art Jury, created and established as provided in said Declaration No. 1."

18 13. Declaration No. 1, under Article IV, Zoning, Section 10, Business and Public Use
19 Districts, Class F, sets out the land use classification that subsequently included the subject Area
20 A now owned by real parties, the Luglianis. *See* Paragraph 18 below, which discusses this in
21 more detail. Section 10 states as to property in this classification, "no building, structure or
22 premises shall be erected, constructed or designed or intended to be used for any purpose other
23 than that of a public or private school, playground, park, aeroplane or dirigible landing field or
24 accessory aerodrome or repair shop, public art gallery, museum, library, firehouse, nursery, or
25 greenhouse or other public or semi-public building, or a single family dwelling." *Of note, Exhibit*
26 *5 to Plaintiffs' Evidence does not include all of the pages of Declaration No. 1, so the entirety of*
27 *Declaration No. 1 is attached here as Exhibit A (See page 29 of Declaration No. 1).*

28 14. Under Declaration No. 1, Article II, Section 4, Powers of the Homes Association,

1 page 19 et seq. (p. 16 of Exhibit 5), “The Association shall have the right and power to do and/or
2 perform any of the following things, for the benefit, maintenance and improvement of the property
3 and owners thereof at any time within the jurisdiction of the Homes Association, to wit: (a). To
4 maintain, purchase, construct, improve, repair, prorate, care for, own/and or dispose of parks,
5 parkways, playgrounds, open space and recreational areas....for the use and benefit of the owners
6 of and/or for the improvement and development of the property herein referred to...(i) To acquire,
7 by gift, purchase, lease or otherwise acquire and to own, hold, enjoy, operate, maintain, and to
8 convey, sell, lease, transfer, mortgage and otherwise encumber, dedicate for public use and/or
9 otherwise dispose of, real and/or personal property either within or without the boundaries of said
10 property...(q) To exercise such power of control, interpretation, construction, consent, decision,
11 determination, modification, amendment, cancellation, annulment, and/or enforcement of
12 covenants, reservations, restrictions, liens, and charges imposed upon said property as are herein
13 or may be vested in, delegate to, or assigned to the Homes Association...”

14 15. Under Declaration No. 1, Article VI, Section 11, page 40 (page 23 of Exhibit 5), it
15 provides: “In its own name, so far as it may lawfully do so, or in the name of Commonwealth
16 Trust Company or of any lot or parcel owner subject to its jurisdiction, Palos Verdes Homes
17 Association shall interpret and/or enforce any or all restrictions, conditions, covenants,
18 reservations, liens, charge and agreements herein or any time created for the benefit of the said
19 property or in any property which may thereby be expressly made subject to its jurisdiction by the
20 owners thereof, or to which said lots or any of them, may at any time be subject. In case of
21 uncertainty as to meaning of said provisions or of any provisions of this declaration, the Homes
22 Association shall (except as to the provisions of Article III hereof, which shall be interpreted by
23 the Art Jury) in all cases interpret the same and such interpretation shall be final and conclusive
24 upon all interested parties.”

25 16. Declaration No. 1, Article VI, Section 12, page 41 (page 24 of Exhibit 5), provides
26 that “The provisions contained in this declaration shall bind and inure to the benefit of and be
27 enforceable by Commonwealth Trust Company, Palos Verdes Homes Association, by the owner
28 or owners of any property in said tract, their, and each of their, legal representatives, heirs,

1 successors and assigns...”

2 17. The by laws of the Association are attached to Declaration No. 1 (page 35 of
3 Exhibit 5) and among the provisions of the by laws, is Article XIV, entitled Park and Recreation
4 Board, and provides for the formation of the Board. The enumerated powers (section (a)) include
5 the power to devise and adopt and care for and maintain a system of parks, regulation and open
6 space, under the overall direction of the Association’s Board. This is important, because initially
7 the Association maintained all open space and recreational areas, which, together with the
8 obligation to pay tax on these properties, imposed a significant burden on the Association. As
9 discussed below at Paragraph 20 and above in Paragraph 8, subsequently the Association
10 transferred to the City all of its open space pursuant to the 1940 Deeds so that the maintenance and
11 tax burdens which the Association could not handle fell upon the City.

12 **On July 26, 1926, Bank of America Recorded Declaration No. 25**

13 18. Bank of America then executed and recorded on July 26, 1926, restrictions entitled
14 Local Protective Restrictions, Conditions, Covenants, Reservations, Liens and Charges Affecting
15 Real Property known as Tract 8652 (“Declaration No. 25”). Of note, Plaintiffs’ Evidence, Exhibit
16 5, only includes portions of Declaration No. 25. The complete Declaration No. 25 is attached as
17 part of Exhibit A. Section 2(d) of Declaration 25 designated Lot A of Tract 8652, which includes
18 most of Area A, as a Business and Public Use District of Class F, the permitted uses in which are
19 described in Paragraph 13 above.

20 **On January 21, 1931, Bank of America Deeded Tract 8652 to the Association**

21 19. As development of the project proceeded, on January 21, 1931, Bank of America
22 deeded Tract 8652, as well as other open space tracts, to the Association “to be used and
23 administered forever for park and/or recreation purposes.” That deed (the “1931 Deed”) contains
24 a number of notable provisions, including: (a) in Section 3, the right of the Association (through
25 its Park and Recreation Board) to establish regulations governing the use of the property; (b) in
26 Section 3(a), a reservation by the grantor of the right to “enter upon, develop, plant, improve, or
27 maintain any part or all of said realty for the benefit of all of Palos Verdes Estates in a manner not
28 inconsistent with the purposes for which said realty is hereby conveyed after due notice to/and

1 consultation with the Park and Recreation Board” of the Association; and (c) in Section 5, the
2 right of the Association to enter into exchanges of this property for other land. The 1931 Deed is
3 not attached to Plaintiffs’ Evidence, so it is attached here as Exhibit B.

4 **In the late 1930s and early 1940s, the Association Deeds All Association Property to**
5 **the City**

6 20. In the late 1930s the Association, due to the stock market crash and resulting
7 depression, could no longer maintain the open space and faced a substantial property tax burden,
8 which put the lands that the Association was responsible for maintaining at risk of loss by tax sale.
9 To be relieved of the property maintenance and tax burdens, the residents in 1939 voted for City
10 incorporation. This made sense as a conveyance to the City would eliminate the unpaid property
11 tax liability, and the City could form a tax-supported Parks and Recreation department, which
12 could better maintain the open space, and going forward, the City would be exempt from property
13 taxes. Thus, in 1940, the Association deeded all lands under its control to the new City, and the
14 City thereafter took over the maintenance obligation of the property. This was accomplished by
15 the owner, the Bank of America, deeding all remaining open space property to the Association and
16 the Association in turn conveying that property to the City. The 1940 Bank of America Deed is
17 not attached to Plaintiffs’ Evidence, so it is attached here as Exhibit C (1940 Bank of America
18 Deed). The transfer of the properties to the City was accomplished with two (2) deeds from the
19 Association, dated June 1940 (“1940 Deeds”), which are Exhibit 6 and 7 to Plaintiffs’ Evidence.
20 Those deeds include Lot A of Tracts 8652 and 7540, which includes most of Area A. *See also*
21 *The Bolton Engineering Documents* attached as Exhibit 4 to Plaintiffs’ Evidence, which show that
22 the entire Area A is part of the greater Lot A and is comprised of portions of Tracts Nos. 7540,
23 8652 and 26341. In 1940, Tract 26341 did not exist; rather it was a part of Tract 8652 and
24 subsequently removed and given its own Tract number. The land now denoted Tract 26341 was
25 and is still part of Area A.

26 **Tract 7540 Deed and Tract 8652 Deed (the 1940s Deeds)**

27 21. Each of the 1940s Deeds apply only to certain named “Lots” of certain defined
28 Tracts. I am confident that the 1940s Deeds’ property descriptions include Area A now owned by

1 real parties, the Luglianis, and at issue in this case, even though some of the terminology over
2 time has changed slightly as I explain next. Declaration No. 1 used terminology “Parcels A and
3 B”, referring to the properties comprising the project as a whole, whereas the 1940 Deeds used
4 terminology “Lots A, B, C, D, etc.” of certain specific tract numbers, which came into existence
5 as phases of the project were platted. Page 6 of the 1940 Deed from the Association to the City
6 and page 3 of the second 1940 Deed from the Association to the City (pages 6 of Exhibit 6 and
7 page 3 of Exhibit 7, the 1940s Deeds) both state in paragraph 2 that “Each and every provision,
8 condition, restriction...contained in the previous Declarations [identified by Book and page
9 numbers] are hereby made a part of this conveyance and expressly imposed upon said realty as
10 fully and completely as if herein set forth in full.” This incorporation by reference of the previous
11 Declarations means that the authority of the Association to interpret the relevant restrictions and
12 the conclusive effect of that interpretation (as discussed in Paragraph 15 above) are expressly
13 applicable to the 1940s Deeds. Then in paragraph 3 of each of the 1940s Deeds (Exhibits 6 and
14 7), those deeds provide “That, except as hereinafter provided, said realty is to be used and
15 administered forever for park and/or recreation purposes only ... for the benefit of (1) residents
16 and (2) non residents property owners....for the purpose of safeguarding said realty and any
17 vegetation and/or improvements thereon from damage.... Paragraphs 4, 5 and 6 of the 1940s
18 Deeds state that structures are allowed if incidental to recreation purposes (4); may be sold as
19 allowed in paragraph 3, i.e. for the benefit of residents and owners (5); and owners may be
20 permitted to develop paths, steps and other improvements for egress, views, etc. consistent with
21 the recreational use (6).

22 22. The regular and consistent practice of the Association when tasked with
23 interpretation of deed language and its meaning, has always been to read the language of the
24 various Declarations (here Declarations no. 1 and 25) and any applicable deeds (here the 1931 and
25 1940s Deeds) together, as a whole, and to determine, based on that combined reading, the best
26 course of action for the Association in the best interests of its members. Declaration No. 1, Article
27 VI, Section 9 provides: “All of said restrictions, conditions, covenants, liens and charges
28 contained in this declaration shall be construed together”

1 23. The real parties in this case, the Luglianis, are the owners of a home directly
2 adjacent to Area A, and have sought to make recreational use of a small unusable portion of
3 mostly steep hillside directly behind and below their adjacent home (i.e. Area A).

4 24. As set forth in detail below, the terms of the MOU resolved many issues for the
5 City and the Association. The Association's express decision to enter into the MOU was an
6 exercise of its business judgment to settle the litigation with School District, which at the time was
7 on appeal. The significant additional benefit of the MOU was that the Association and City were
8 able to preserve more usable flat land for park space (areas known as Lots C and D under the
9 MOU) in exchange for allowing the Luglianis to use the small portion of adjacent hillside property
10 for recreational use (Area A). In addition and also of substantial importance, the School District
11 affirmed the application of all protective and use restrictions to all properties conveyed in 1938.

12 **Litigation with the School District**

13 25. In 1938, the Association conveyed 13 properties to the School District subject to
14 the restrictions set forth in the deed (the "1938 Deed"). The deed to the School District states:
15 "AND SUBJECT TO conditions, restrictions and reservations of record; and to the express
16 condition that said reality shall not be used for any other purpose than for the establishment and
17 maintenance of public schools, playgrounds and/or recreation areas;". In the opinion of the
18 Association's Board based upon the 1938 Deed, the properties could not be sold by the District for
19 development to raise funds or otherwise for uses in conflict with the 1938 Deed. The District
20 planned to create four lots from the two lots, C and D of Tract 7331, and sell them for
21 development. The 1938 Deed is not attached to Plaintiffs' Evidence and is attached here as
22 Exhibit D.

23 26. On February 1, 2010, the District filed a lawsuit against the City and Association
24 seeking a declaration that the land use restrictions in the 1938 Deed and Declaration No. 25 were
25 no longer enforceable, *Palos Verdes Peninsula Unified School District v. Palos Verdes Homes*
26 *Association*, Los Angeles Superior Court Case No. BC431020 (the "District Lawsuit"). On
27 September 22, 2011, the trial court entered judgment in favor of the Association, and found that
28 the Association deed to the District and the 1925 Declaration remained enforceable. The judgment

1 is attached to Plaintiffs' Evidence as Exhibit 11. The District appealed the judgment.

2 27. The Association spent nearly two years in expensive litigation, incurred significant
3 legal fees and costs of over \$450,000, representing approximately half of the Association's
4 reserves at the time. PVHA faced a long road of appeal expenses in the foreseeable future, as well
5 as continued controversy that was dividing the Palos Verdes community. The parties, the District,
6 Association, City, and the real parties in this case, the Luglianis, decided to enter into a complex
7 settlement agreement, as set forth below to resolve many issues that posed significant challenges
8 to the Palos Verdes community, including the District litigation.

9 **The MOU**

10 28. After many months of back and forth negotiations, the parties (Association,
11 District, City and the Luglianis) entered into a four-party settlement agreement, known as the
12 MOU, which was approved by the governing boards of the District, City and Association. The
13 MOU (without attachments) is attached as Exhibit 12 to Plaintiffs' Evidence.

14 29. Under the MOU, the parties agreed to the following:

- 15 a. The School District agreed that Lots C and D were to revert back to the control
16 of the Association (they were no longer subject to potential sale by the District
17 for profit and for development);
- 18 b. The District agreed the District would not attempt to sell the other eleven lots
19 that were originally deeded to the District by the Association, and would abide
20 by the terms of the 1938 Deeds and Declaration No. 25;
- 21 c. The Association, subsequently, agreed to transfer Lots C and D to the City for
22 use as open space (park and/or recreational uses), and in return, the City
23 transferred Area A to the Association;
- 24 d. The Association then sold and conveyed Area A to the Luglianis, subject to a
25 restrictive open space easement, for a price of \$500,000 paid to the Association;
26 and
- 27 e. The District and the Association dismissed their appeals, which allowed the
28 trial court judgment to become final.

1 f. Although not part of the MOU, following entry into the MOU, the Luglianis
2 donated \$1.5 million to the District.

3 30. The transfer of Lots C and D to the City was accomplished by two quit claim
4 deeds, Quitclaim Deed No. 20121327411, from the School District to the Association, and
5 Quitclaim Deed No. 20123277412, from the Association to the City. The Quitclaim deeds are
6 not included in Plaintiffs' Evidence and are attached here and Exhibits E and F.

7 31. Area A is approximately 75,930 square feet and roughly equivalent in size to Lots
8 C and D, although much less useful when compared to Lots C and D as Area A is comprised
9 mainly of steep slopes. Having Lots C and D restricted to open space (lots not previously part of
10 the City as they were owned by the District) is a key element in the City's General Plan.

11 32. Area A is much less useful as open space than Lots C and D. I know this about
12 Area A as I have visited the property and walked Area A with PVHA's counsel of record in the
13 case. Area A is largely steep and inaccessible to the public, contrasted with Lots C and D, which
14 are relatively flat and much more usable as open space. My office is in Palos Verdes Estates, and
15 I regularly drive by Lots C and D, and I have witnessed school age children regularly crossing the
16 Lots which are next to a school. In contrast, Area A is inaccessible to the public, due to the steep
17 grade and the fact that it is located behind the Luglianis' residence. No such constant use of the
18 public is made of the steep area behind the Luglianis' home.

19 33. As explained in "Article I—Purpose of the MOU and Parties Authority to Enter,"
20 the purpose of the MOU is to (1) reaffirm application of the use restrictions on the properties
21 conveyed by the Association to the District under the 1938 Deed; (2) create a mechanism to
22 resolve the District Lawsuit without further expense; (3) subject future lighting on the athletic
23 field for Palos Verdes High School to the City's zoning regulations and approval of the
24 Association; (4) resolve encroachments into Area A by the Luglianis, who accepted responsibility
25 for maintaining the retaining walls on the steep slope and an open space easement restricting use
26 of Area A; and (5) establish lots C and D as open space in the City.

27 34. As part of the Association's review, evaluation, balancing of interests, and business
28 judgment, the Association interpreted the relevant documents as a whole to provide that the

1 restrictions in the 1931 Deed and those placed upon the City in the 1940s Deeds by the
2 Association no longer applied to Area A as a result of the reconveyance of Area A to the
3 Association, which either imposed the restrictions itself in the first instance or was the successor
4 to the entity that did. The Association's interpretation was that the restrictions in these Deeds
5 were not intended to apply to the Association should it reacquire Area A, as the Association
6 required the discretion – subject to the various Declarations discussed above – to respond to
7 changing circumstances just as it did when it conveyed Area A to the City because of financial
8 distress in 1940. This interpretation is distinguishable from the position taken by the Association
9 in the School District litigation, which was that the restrictions at issue continued to apply to Lots
10 C and D for so long as these were owned by the District or by any private party (i.e., other than
11 the Association) to whom the District may have sought to transfer Lots C and D. The
12 Association further interpreted the relevant documents to provide that the remaining restrictions
13 applicable to Area A (as to the Association and the Luglianis) were the Class F restrictions (as set
14 forth in Declaration Nos. 1 and 25) and that the uses set forth in the 2012 Grant Deed from the
15 Association to the Luglianis were consistent with the Class F applicable restrictions. Moreover,
16 reading Declaration Nos. 1 and 25, together with the more recent deeds, the Board concluded that
17 all the restrictions taken together did not preclude the Luglianis, as property owners, from making
18 recreational use of adjacent mostly-inaccessible hill property subject to a restrictive open space
19 easement. The lack of any express prohibition, together with the fact that the Association was
20 exchanging Lots C and D for Area A, and School District was agreeing to preserve 11 other
21 School District lots from development, weighed heavily in favor of the Association's approval of
22 the MOU. The Association would not have proceeded with the transactions contemplated by the
23 MOU without its determination that these transactions were consistent with the applicable
24 restrictions.

25 35. On April 19, 2012, the Association's Board formally approved the MOU, stating in
26 the Resolution that approving the MOU was in the best interest of the Association. The
27 Association's Resolution (Resolution 166) is attached as Exhibit 21 to Plaintiffs' Evidence. The
28 Association's Board complied with its required notice provisions as set forth in its by laws for the

1 April 12, 2012 Board Meeting.

2 36. Prior to the April 19, 2012 PVHA meeting, Phil Frengs, the President of PVHA,
3 and I attended a public meeting of the Palos Verdes Estates City Council where the terms of the
4 MOU were subject to a public meeting. Both Mr. Frengs and I spoke, as did numerous residents.
5 Opinions were expressed both for and against the MOU.

6 I declare under penalty of perjury under the laws of the State of California that the
7 foregoing is true and correct.

8 Executed on May 12th, 2015, at Palos Verdes Estates, California.

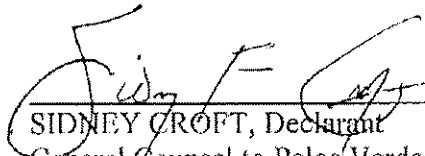
9
10 
11 _____
12 SIDNEY CROFT, Declarant
13 General Counsel to Palos Verdes Homes Association
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT A

Tract 7333 and Tract 8652

MONTEMALAGA

PROTECTIVE
RESTRICTIONS

PALOS VERDES
ESTATES

LOS ANGELES COUNTY
CALIFORNIA



ARTICLES *of* INCORPORATION *and*
BY-LAWS *of* PALOS VERDES HOMES
ASSOCIATION

BANK OF AMERICA, *Trustee*

OLMSTED BROTHERS, *Directors of Design*

CHAS. H. CHENEY, *Consultant in City Planning*

PALOS VERDES ESTATES

PROTECTIVE RESTRICTIONS

Summary

EVER since people began to congregate in cities, and even in country communities, the problem of touching elbows has been with us. In Palos Verdes Estates constant effort has been directed to building an ideal garden suburb and residence park, with all the advantages of the city, in the country.

From the very beginning of this project, in the Trust Indenture which is the constitution under which it is being built, and through all the plans and layouts made, every possible protection has been established, to make sure that the neighborhoods in Palos Verdes can never be spoiled. Every man who builds a fine home or other building here need not fear that a thoughtless or unsympathetic neighbor will put in a kind of building next to him so unattractive or inappropriate as to be ruinous. All this has been done, we believe, in a way that will not prove onerous, and yet will give the fullest protection. Careful zoning has been done to locate the few areas necessary for business buildings, apartments and house-courts at appropriate and convenient centers, leaving, however, over ninety per cent of the property restricted to detached single family homes, under the most favorable conditions possible.

The restrictions have been most carefully worked out for every part of Palos Verdes Estates, to accomplish the following results:

First: To preserve the fine views of ocean, mountains, and park;

Second: To increase with the years the wonderful natural beauty of the property, enhanced with fine planting; and

Third: That every purchaser in Palos Verdes may be sure when building his home there that his neighbor will have to build an equally attractive type of building. In other words, he will feel secure in knowing that his home can never be damaged by an unsightly or undesirable structure either upon adjoining lots or in any part of Palos Verdes Estates.

The experience of many of the finest residential tracts in other large American metropolitan areas has clearly demonstrated the advantage of the adoption of such protective restrictions as will promote and safeguard the attractiveness and desirability of residential neighborhoods.

In preparing the restrictions for Palos Verdes Estates, the project has been guided by the experience of many years in these other parts of the country; by the counsel and advice of Olmsted Brothers of Brookline, Massachusetts, the foremost landscape architects in this country; by Charles H. Cheney, nationally known Consultant in city planning; and by the experience of an able staff of architects, landscape architects, engineers and city planners.

In thus taking advantage of the best experience of the country and adapting it to the special conditions of site, climate and residential ideals of Palos Verdes Estates it is believed that the protective restrictions here worked out are the best that have been yet devised for any American community, and will result in making Palos Verdes not only the most beautiful and attractive residential city in California, but one of the finest and most notable in any part of this country or abroad.

On account of the large extent of Palos Verdes Estates, the varying character of the property, the great number and wide range in location, size, slope and outlook of the lots, the declarations of restrictions taken as a whole may seem to be somewhat complex. The fact is, however, that the restrictions and conditions relating to any one lot are quite simple, and may be easily summarized.

Briefly, their main features are as follows:

Marking a greater step forward in the time that the protections will last than any other residential development in Southern California, is the provision of the Palos Verdes restrictions extending their life over a period of 37 years, or until 1960, with automatic extension for successive 20-year periods thereafter unless then changed by the owners of one-half in area of the property. Although the protection of such long time restrictions is most desirable the conditions surrounding property are subject to somewhat rapid change in a section so fast growing as Southern California, and hence a term as long as the above would be unsafe except for the provision

which has been included providing a means by which the zoning and local restrictions as to any lot may be modified with the approval of the owners of two-thirds of the property within 300 feet of the proposed change, and of Palos Verdes Homes Association and the Art Jury.

One important feature of the restrictions is that which requires an open or free space on each side of every dwelling, the extent of which varies with the location and the width of the lot. This assures the maintenance of a bright, open, sunshiny neighborhood for each dwelling, with a maximum of light and air, and avoids that unpleasant jamming of one house against another, which has spoiled so many residential developments.

The building set-back requirements from the street have been carefully worked out with the idea of maintaining views and increasing the architectural perspective. The average set-back is 20 to 30 feet, varying in different tracts according to the kind and type of house best suited to that location. For fire protection a set-back from rear lot lines is also required. All set-backs have been much modified where the lots are shallow or on hillsides where it is difficult to get into the buildings unless they are near to the street.

Not more than one house may be built on any building site which is zoned for single-family dwellings, nor may any building site be re-subdivided. In some cases, however, large lots have been designated as including more than one building site.

Palos Verdes is, of course, primarily a high class residential city in which over 90 per cent of all lots are restricted to one-family houses. No flats, apartments, duplexes, house-courts or stores are permitted in the single-family neighborhoods, but only at very limited convenient centers where they have been designed to be as much out of the way of the strictly home neighborhoods as possible. The four principal communities of Malaga Cove, Lunada Bay, Valmonte and Miraleste have as a matter of convenience reasonably small business centers, about two miles apart, where a few blocks of necessary stores, garages and service stations may be located. Adjoining them are some blocks open to apartment houses, hotels and house-courts. But the number and kind of these buildings have been

strictly limited, and the project will control their architectural design in such a way as to make them distinctive, attractive and convenient without in any way detracting from, but rather supplementing, the fine and extensive residential neighborhood surrounding them.

There are also established as a matter of convenience additional small business building groups at local centers about a mile apart, as at Montemalaga, Zurita, Margate, etc., to serve areas that would otherwise be inconveniently far from a neighborhood store and market.

Industries, asylums, or nuisance businesses are prohibited in all parts of the Estates.

No billboards, advertising signs or "For Sale" signs can be erected in Palos Verdes, and the few store and business signs necessary must meet with the approval of the Art Jury.

The character of the property is such as to preclude the keeping of live stock, which includes rabbits, pigeons, chickens and other poultry, except where there is no residence within a considerable distance when they may be allowed in special cases, for private use only, by a special permit from the Palos Verdes Homes Association. Likewise, on the larger lots, a special permit may also be given for the keeping of horses and cows.

No outhouses, private garages or tents may be erected prior to the erection of the dwelling house or principal building on the lot.

The minimum cost of houses that may be erected ranges from a fairly low amount in areas where there are cheaper lots to considerably higher restrictions along the ocean bluffs and at special points, the amount being determined by the size, value and neighborhood of the lot.

But more important than any specific requirement as to the minimum cost of houses is the provision in the restrictions for the approval by Palos Verdes Homes Association and the Art Jury of the plans and specifications of all buildings prior to the beginning of construction, and for inspection during construction. This inspection is being

done from the beginning as carefully and thoroughly as it is in a large modern city, thus preventing the danger of careless or bad construction, defective wiring and plumbing, unfortunately so common in most of the unincorporated areas outside of the larger cities of Southern California. The experience of the best Eastern developments has shown that in practice this kind of regulation works greatly to the advantage of lot owners as a whole. It will further the harmonious and attractive development of the property and prevent unsightly buildings—with respect to their location on the lot, design or color scheme. It is also believed that with the long experience of the men intrusted with this part of the work, it will be possible to give, when plans are presented, suggestions of substantial value to home builders, and to prevent costly errors.

Fences, walls, hedges and poles will be limited to a reasonable height. No trees on any lot larger than twenty feet in height may be cut down without the consent of the Park and Recreation Board of Palos Verdes Homes Association.

Easements and rights-of-way are reserved for sanitary, electrical utility and other necessary purposes on the rear five feet of lots, and also over side lines where needed. These easements will not interfere with the full and free use of property by owners for planting.

As nearly every lot must be provided with a private garage special attention has been given to the prevention of unsightly garages. Architects and builders have learned that the garage can very agreeably be made a part of most dwellings, but where this does not seem practicable the restrictions as to the location of garages have been carefully drawn to keep them in a location as unobtrusive and unobjectionable as possible.

To carry on the common interest and look after the maintenance of all lots and the welfare of all lot owners right from the beginning, a community association, with the name of Palos Verdes Homes Association, has been incorporated as a non-stock, non-profit body under the laws of California, in which every building site has one vote. It will be the duty of this body to maintain the parks, street planting and other community affairs, and to perpetuate the restrictions.

The Association is governed by a Board of five directors elected by the members. Each purchaser on receiving his deed automatically becomes a member of this Association and entitled to vote.

One of the greatest difficulties in starting new communities outside of an incorporated city is to bridge the gap of time from the beginning of the project until there are enough people under state law to organize the ordinary forms of government, and to employ the necessary help to keep up streets, parks and playgrounds, and to look after other community interests such as fire protection, secure the necessary watchmen and police, collect garbage, and the like. In smaller projects the selling company often provides a temporary paternalistic interest, which unfortunately, however, often later requires concessions for the sake of making sales that are not always to the greatest common good. To avoid all such difficulties Palos Verdes Homes Association and the Art Jury have been legally constituted under the restrictions, as perpetual bodies to carry out and look after, from the beginning, the best interests and highest ideals of the purchasers.

They will take care of the common and private parks, parking strips on the streets, sidewalk planting, etc.; see that vacant lots are kept free from weeds and rubbish; supervise the ornamental lighting features; care for and maintain club houses, tennis courts, golf courses or any other recreation features that the members may desire; arrange with county authorities for the upkeep of streets, fire and police protection; and otherwise co-operate with all authorities to assure the greatest common welfare to all residents and owners in Palos Verdes.

In order to defray the expenses necessary to properly maintain and fulfill the purposes of the Association, an annual tax or assessment will be levied by the officers on all lots which have been subdivided and legally filed of record in Palos Verdes, including those owned by the Project. This tax or assessment is limited so as never to exceed the rate of the old City of Los Angeles, and is established on the assessed valuations of the County Assessor.

While this maintenance charge will naturally be made only large enough to produce as much as is required for the proper upkeep of the property, and may in some years be considerably less than Los Angeles City taxes, the maximum has been established sufficiently large that the Association may have means for making an equitable assessment should residents and property owners desire further playground equipment, community meeting houses or other common improvements.

The Art Jury and the Palos Verdes Homes Association exist solely for the common benefit of all property owners in the Estates and should be made use of by them to bring about the most attractive, convenient and satisfactory development possible.

Owners expecting to build should instruct their architects to secure copies of the printed building code and other regulations from the Secretary of the Palos Verdes Homes Association, 504 Lane Mortgage Building, Los Angeles, or at 75 Malaga Cove Plaza, Palos Verdes Estates, California. A pamphlet explaining the procedure before the Art Jury should also be obtained in advance of starting working drawings. A building permit, such as is usually required in every incorporated city, is necessary before any construction can be commenced, signed by the Building Commissioner of Palos Verdes Homes Association and the Secretary of the Art Jury.

A complete printed copy of the restrictions of record for each tract will be furnished when deeds are delivered, or can be had upon application to Sales Department, Palos Verdes Project, 501 Lane Mortgage Building, Los Angeles.

DECLARATION NO. 23 OF ESTABLISHMENT

OF

LOCAL PROTECTIVE RESTRICTIONS, CONDITIONS, COVENANTS, RESERVATIONS, LIENS
AND CHARGES AFFECTING THE REAL PROPERTY KNOWN AS

TRACT 7333, MONTEMALAGA, PALOS VERDES ESTATES

WHICH IS SITUATED IN THE COUNTY OF LOS ANGELES
IN THE STATE OF CALIFORNIA

DATED: AUGUST 27TH, 1925

(FILED OF RECORD, SEPT. 4, 1925, IN BOOK 5190, PAGE 30 ET SEQ., OF OFFICIAL RECORDS OF
LOS ANGELES COUNTY; AS AMENDED BY AMENDMENT NO. 6, DATED DEC. 21, 1925,
RECORDED JAN. 7, 1926, IN BOOK 5383, PAGE 28 ET SEQ., OF OFFICIAL
RECORDS OF LOS ANGELES COUNTY.)

DECLARATION, made this 27th day of August, 1925, by Bank of America, a corporation organized and existing under and by virtue of the laws of the State of California:

WHEREAS, Bank of America is successor in interest to Commonwealth Trust Company by virtue of a merger of said Commonwealth Trust Company into the said Bank of America, effective at close of business on the 6th day of October, 1923, by virtue of an agreement of merger made and entered into between said Commonwealth Trust Company and said Bank of America; and,

WHEREAS, said Bank of America, as such successor to Commonwealth Trust Company, is owner of a certain tract of land in the County of Los Angeles, State of California, known as Tract Number 7333 of said County, as per map recorded May 20, 1925, in Book 113, Pages 72 to 75, inclusive, of Maps, in the office of the County Recorder of said Los Angeles County; and

WHEREAS, said Commonwealth Trust Company did on the 5th day of July, 1923, file in the office of the said County Recorder, in Book 2360, Page 231, of Official Records of said County, a certain Declaration of Establishment of Basic Protective Restrictions, et cetera, and Bank of America, as successor in interest to said Commonwealth Trust Company, did also on December 5th, 1923, file Amendment No. 1 thereto in Book 2940, Page 27, and on June 25th, 1924, Amendment No. 3 thereto, in Book 4019, Page 274, of said Official Records, which said Declaration and Amendments are hereinafter referred to as "Declaration No. 1," covering and applicable to certain property therein described, including all of said Tract No. 7333, above described; and,

WHEREAS, said Bank of America is about to sell, dispose of or convey certain portions of said property, which it desires to subject to certain additional local protective restrictions, conditions, covenants, reservations, liens and charges between it and the acquirers or users of said property, as hereinafter set forth; and,

WHEREAS, the power to interpret and enforce certain of the conditions, restrictions and charges set forth in this Declaration is to reside in Palos Verdes Homes Association, a non-profit, cooperative association organized and existing under and by virtue of the laws of the State of California, and in Palos Verdes Art Jury, created and established as provided in said Declaration No. 1;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That Bank of America hereby certifies and declares that in addition and supplemental to the basic plan set forth in said "Declaration No. 1," it has established and does hereby establish the local plan for the protection, maintenance, development and improvement of said Tract No. 7333, and has fixed and does hereby fix the local protective restrictions, conditions, covenants, reservations, liens and charges upon and subject to which all lots, parcels, and portions of said tract shall be held, leased or sold and/or conveyed by it as such owner, each and all of which is and are for the benefit of all of said tract and of each owner of land therein and shall inure to and pass with said tract and each and every parcel of land therein and shall apply to and bind the respective successors in interest of the present owners thereof, and are and each thereof is imposed upon said realty as a servitude in favor of said property, and each and every parcel of land therein as the dominant tenement or tenements, as follows, to-wit:

**USES OF
PROPERTY
CLASS A
DISTRICTS**

Section 1. (a) The following portions of said tract are hereby established as Residence Districts of Class A, as defined and limited in said Declaration No. 1:

All of the numbered lots and blocks of said Tract No. 7353 not otherwise established or classified in this section.

**CLASS F
DISTRICTS**

(b) The following lots and portions of said tract are hereby established as Business and Public Use Districts of Class F, as defined and limited in said Declaration No. 1:

Lot A, B, C and D

**BUILDING HEIGHT
LIMITS
2 1/2-STORY
HEIGHT
LIMITS**

Section 2. (a) All of said tract is hereby established as a 2 1/2-Story Height District, as defined and limited in said Declaration No. 1.

**TYPE OF
ARCHITECTURE
TYPE I
ARCHITECTURE
DISTRICTS**

Section 3. (a) All of said tract is hereby established as a Type I Architecture District, as defined and limited in said Declaration No. 1; provided that the main roofs of all structures erected, constructed, altered or maintained in Type I Architecture Districts in said tract shall be of burned clay tile or slate approved by the Art Jury.

**MINIMUM COST
OF BUILDING**

Section 4. (a) No building or structure, exclusive of accessory outbuildings, shall be erected, placed or maintained upon any building site embracing any of the following lots or any portion or portions of said lots, which, including a reasonable fee of architect, and a reasonable profit of builder, shall cost or be of the value of less than the sum set opposite said lot in the following list, to-wit:

- In Block 1544, Lots 1 and 2, \$20,000.
- In Block 1545, Lots 1 to 4, inclusive, \$20,000.
- In Block 1550, Lots 1 to 7, inclusive, \$25,000.
- In Block 1551, Lots 1 to 7, inclusive, \$15,000.
- Lot 8 and 9, \$15,000.
- Lot 10, \$20,000.
- Lots 11 and 12, \$15,000.
- Lot 13, \$25,000.
- In Block 1552, Lots 1 and 2, \$15,000.
- Lot 3, \$12,000.
- In Block 1553, Lots 1 to 4, inclusive, \$15,000.
- In Block 1554, Lots 1 to 7, inclusive, \$20,000.
- In Block 1555, Lots 1 and 2, \$20,000.

**BUILDING
SET-BACK
LINES**

Section 5. (a) No building or part thereof, including porches, except steps, balconies, or other architectural features approved by the Art Jury, shall be erected, placed, permitted or maintained nearer the street or lot line hereinafter specified than as follows:

IN BLOCK 1544

Lots 1 and 2 not less than twenty (20) feet from Via Mirabel or from Lot A, except from that portion thereof between Lot 4 in Block 1545 and Lot 1 in Block 1544.

IN BLOCK 1545

Lots 1 and 2 not less than thirty (30) feet from Via Cochese and not less than twenty (20) feet from Lot A.

Lot 3 not less than twenty-five feet from Via Cochese and not less than twenty (20) feet from Lot A.

Lot 4 not less than twenty (20) feet from Via Mirabel or from Lot A, except from that portion thereof between Lot 4 in Block 1545 and Lot 1 in Block 1544.

IN BLOCK 1550

Lot 1 not less than forty (40) feet from Via Visalia or Punta Plaza and not less than twenty (20) feet from Lot C, or Lot D.

Lots 2 and 3 not less than twenty (20) feet from Via Visalia and not less than twenty (20) feet from Lot C.

Lot 4 not less than thirty (30) feet from Via Visalia and not less than twenty (20) feet from Lot C.

Lot 5 not less than forty (40) feet from Via Visalia and not less than twenty (20) feet from Lot C.

Lot 6 not less than fifty (50) feet from Via Visalia and Via Mirabel, and not less than eighty (80) feet from the rounded corner of their intersection and not less than twenty (20) feet from Lot C.

Lot 7 not less than fifty (50) feet from Via Mirabel and not less than twenty (20) feet from Lot C.

Lot 8 not less than twenty-five (25) feet from Via Cochese and not less than twenty (20) feet from Lot C.

Lot 9 not less than fifteen (15) feet from Via Mirabel.

Lot 10 not less than twenty-five (25) feet from Via Mirabel and from Via Cochese and not less than fifty (50) feet from the cut-off corner of their intersection.

IN BLOCK 1551

Lots 1 and 2 not less than thirty (30) feet from Via Acalones and Via Visalia.

Lots 3 and 4 not less than forty (40) feet from Via Visalia and Via Mirabel.

Lots 5 to 8, inclusive, not less than thirty (30) feet from Via Mirabel.

Lot 9 not less than twenty (20) feet from Via Mirabel.

Lots 10 to 12, inclusive, not less than twenty (20) feet from Via Acalones.

Lot 13 not less than sixty (60) feet from Via Acalones.

IN BLOCK 1552

Lots 1 and 2 not less than thirty (30) feet from Via Acalones.

Lot 3 not less than thirty (30) feet from Via Acalones and Via Negales and the cut-off corner of their intersection.

IN BLOCK 1553

Lot 1 not less than forty (40) feet from Via Visalia or Via Mirabel and not less than eighty (80) feet from the rounded corner of their intersection.

Lot 2 not less than forty (40) feet from Via Visalia.

Lot 3 not less than forty (40) feet from Via Visalia or from the southerly boundary of Lot 3.

Lot 4 not less than forty (40) feet from Via Mirabel or from the southerly boundary of Lot 4.

IN BLOCK 1554

Lot 1 not less than forty (40) feet from Via Visalia and not less than five (5) feet from the alley along the southeasterly line thereof.

Lots 2 to 5, inclusive, not less than forty (40) feet from Via Visalia or Via Mirabel.

Lot 6 not less than forty (40) feet from Via Mirabel or the southerly boundary of said Lot 6, and not less than eighty (80) feet from the rounded corner of their intersection.

Lot 7 not less than forty (40) feet from Via Visalia or the Southern boundary of said Lot 7, and not less than five (5) feet from the alley along a portion of the Northwestern side of said Lot 7.

IN BLOCK 1555

Lot 1 not less than thirty (30) feet from Punta Plaza and not less than forty (40) feet from the South line of said Lot 1.

Lot 2 not less than forty (40) feet from Punta Plaza or Via Visalia or from the South line of said Lot 2, and not less than eighty (80) feet from the rounded corner of their intersection.

Lot B not less than thirty (30) feet from any boundary line thereof and not less than seventy (70) feet from the rounded corner at the most Southern extremity of said Lot B.

SET-BACKS FROM SIDE LINES OF LOTS

(b) On every lot in a residence district of Class A there shall be left a free space adjoining each of the side lot lines thereof, extending the full depth of the lot; and no building or part thereof, including porches, except a private garage as provided in said Declaration No. 1, and steps, balconies or other architectural features approved by the Art Jury, shall be erected, permitted or maintained on or upon said free spaces of any numbered lot in said tract. The width of each of said free spaces, measured at any point in the depth of the lot, shall be not less than seven and one-half (7½) feet plus one-tenth (1/10th) foot for each foot by which the width of the lot at that point exceeds fifty (50) feet up to a maximum required width of free space of twenty (20) feet; provided, however, that the width of free space on one side of a lot may be reduced by not more than one-third (1/3) of the width above required if the width of the free space on the opposite side of the lot is at all points greater than the width above required by a proportionate amount. PROVIDED that the provisions of this section shall not apply to the common lot line between lots used jointly as one building site or as to which an approved party-wall agreement exists as provided in paragraph (c) of Section 27 of Article IV of said Declaration No. 1.

If the width, or set-back lines of any lot be difficult of determination by reason of its irregular shape or otherwise, or, if the extent or location of the free spaces required herein be uncertain, the Building Commissioner of Palos Verdes Homes Association shall in all cases determine what are to be deemed the width and set-back lines of such lot and the extent and location of such free spaces, and such determination in respect thereto shall be final.

(c) Anything to the contrary herein notwithstanding, the right and power is expressly reserved to Bank of America and its successors in interest, on account of the irregular topography of said tract, the difficulty of making garages accessible to the street, and other unforeseen conditions which may work undue hardship in certain cases, to make by written agreement with the owner or owners of any lot in said tract reasonable variations in the set-back lines herein established as to said lot, including the location of private garages not less than five (5) feet from the street line on steeply sloping lots, provided said variations are not, in the opinion of the Art Jury, injurious or undesirable to the neighborhood in which they occur, and the approval of the Art Jury be given thereto in writing.

Section 6. (a) Easements and Rights of Way are hereby specifically reserved to Bank of America, its successors and assigns, for the creation, construction, operation and maintenance of:

(1) Poles, wires and conduits for the transmission of electricity for lighting, heating, power, telephone and other purposes and for the necessary attachments in connection therewith; and,

(2) Public and private sewers, storm water drains, land drains and pipes, water systems, water, heating and gas mains or pipes; and,

(3) Any other method of conducting and performing any public or quasi-public utility services or function beneath the surface of the ground.

(b) Such Easements and Rights of Way are hereby specifically reserved on:

(1) The rear five (5) feet of the following lots:

In Block 1550, Lots 8 and 9.

In Block 1551, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13.

In Block 1552, Lots 1, 2 and 3.

In Block 1553, Lots 2, 3 and 4.

In Block 1554, Lots 1, 3, 4, 5 and 7.

(As amended by Amendment No. 6.)

(2) A five (5) foot strip adjoining the following lot lines in said Tract:

In Block 1550, on each side of the line dividing Lot 10 from Lots 8 and 9;

In Block 1551, on each side of the line dividing Lot 2 from Lot 3; Lot 13 from Lots 3, 4, 5 and 6; Lot 6 from Lots 3, 13, 12 and 11; Lot 7 from Lot 11; Lot 8 from Lot 9; Lot 11 from Lot 12;

In Block 1552, on each side of the line dividing Lots 1, 2 and 3 from Lot 4;

In Block 1553, on each side of the line dividing Lot 2 from Lots 1 and 4; Lot 3 from Lot 4;

In Block 1554, on each side of the line dividing Lot 1 from Lot 2; Lot 3 from Lots 4 and 7; Lot 5 from Lot 7;
In Block 1555, on each side of the line dividing Lot 1 from Lot D. (As amended by Amendment No. 6.)

(3) A strip three (3) feet in width adjoining every lot line in said tract, provided that this subsection shall not apply to a lot line adjoining a street, walk or alley; and except as otherwise provided in this section.

(4) In and over all streets, walks and alleys in said tract, as shown on said map of said Tract No. 7333.

(e) No building or structure shall be erected, constructed, altered or maintained upon locations affected by said easements or rights of way provided that Palos Verdes Homes Association may give temporary permits, revocable at any time, for structures covering such portions of any easement or right of way as in its opinion may not be necessary for other use during the time of said permits.

(d) Said easements shall at all times be open to Bank of America, its successors and assigns, and to Palos Verdes Homes Association, who shall have the right of ingress and egress thereto and therefrom, and the right, privilege and easement of doing whatever may be necessary in, under and upon said locations for the carrying out of any of the purposes for which said easements and rights of way are reserved and shall not thereby in any manner be deemed guilty of trespass; and Bank of America shall have the right at any time to convey or, with the written approval of Palos Verdes Homes Association, to extinguish such easements and rights of way as to any or all of said property.

(e) The right is expressly reserved to Bank of America, its successors and assigns, to suspend, use, maintain and replace over any portion of any lot in said tract within five and one-half (5½) feet from any lot line or the line of any easement herein reserved to said Bank of America, wires, cross-arms, and appurtenances for conveying electric energy to be used for light, heat, power or other purposes, and use the same for such purposes, together with the right to alter the same in such manner as the requirements of Bank of America, its successors and assigns, may from time to time demand. No poles are to be placed within the space where such right to overhang is

reserved. Bank of America, its successors and assigns, and its and their agents and employees, shall at all times have free access to said wires, cross-arms and appurtenances for the purpose of repairing, removing, maintaining and operating the same.

Section 7. No title to land in any street, walk or alley is intended to be conveyed to purchasers of any property except where expressly so stated in deeds.

Section 8. All of the restrictions, conditions, covenants, reservations, liens and charges set forth in this Declaration of Restrictions shall continue and remain in full force and effect at all times against said property and the owners thereof, subject to the right of change or modification provided for in Section 9 hereof, until January 1, 1960, and shall as then in force be continued automatically and without further notice from that time for a period of twenty years, and thereafter for successive periods of twenty years each without limitation unless within the six months prior to January 1, 1960, or within the six months prior to the expiration of any successive twenty-year period thereafter a written agreement executed by the then record owners of more than one-half in area of said property, exclusive of streets, parks and open spaces, be placed on record in the office of the County Recorder of Los Angeles County, by the terms of which agreement any of the said conditions, restrictions, covenants, reservations, liens or charges are changed, modified, or extinguished, in whole or in part, as to all or any part of the property originally subject thereto, in the manner and to the extent therein provided. In the event that any such written agreement of change or modification be duly executed and recorded, the original conditions, restrictions, covenants, reservations, liens and charges as therein modified shall continue in force for successive periods of twenty years each unless and until further changed, modified or extinguished in the manner herein provided.

Section 9. Any of the conditions, restrictions, covenants, reservations, liens and charges set forth herein or hereafter established in any declaration of additional restrictions or deed, contract of sale or lease legally filed of record unless otherwise provided therein, may be changed or modified by written instrument duly executed and

TITLE TO
STREETS
RESERVED

DURATION OF
RESTRICTIONS

MODIFICATION OF
RESTRICTIONS

placed on record: (1) as to any property then owned by Bank of America, by Palos Verdes Homes Association and Bank of America; (2) as to any other property, by Palos Verdes Homes Association, the owner or owners of record of two-thirds in area of such property and Bank of America, or its successors in interest, as owners of the reversionary rights therein; provided, however, that in either case no change or modification shall be made without the written consent duly executed and recorded of the owners of record of not less than two-thirds in area of all lands held in private ownership within three hundred feet in any direction of the property concerning which a change or modification is sought to be made, and provided further that this shall not be construed as requiring the consent of the owners of any property not under jurisdiction of Palos Verdes Homes Association; and also provided that any approval given thereto by Palos Verdes Homes Association shall not be valid unless and until said Association shall first have had a public hearing thereon.

RECORDS AND REPORTS *Section 10.* (1) Any agent or officer of Palos Verdes Homes Association and/or the Art Jury may at any reasonable time enter, inspect and report upon any property subject to the jurisdiction of the Palos Verdes Homes Association and/or the Art Jury as to its maintenance or improvement in compliance with the provisions hereof; and Palos Verdes Homes Association, the Art Jury and/or any agent or officer thereof shall not thereby be deemed guilty of any manner of trespass for such entry or inspection. Palos Verdes Homes Association and/or the Art Jury may issue a certificate of completion and compliance as to any property so inspected and make and collect a charge therefor.

(2) For the purpose of making a search upon or guaranteeing or insuring title to, or any lien on and/or interest in any lot or parcel of said property, and for the purpose of protecting purchasers and encumbrancers for value and in good faith as against the performance or non-performance of any of the acts in this Declaration of Restrictions authorized, permitted or to be approved by Palos Verdes Homes Association and/or the Art Jury, the records of the Secretary of Palos Verdes Homes Association and/or of the Art Jury shall be conclusive as to all matters shown by such records and the

issuance of a certificate of completion and compliance by Palos Verdes Homes Association and by the Art Jury showing that the plans and specifications for the improvements or other matters herein provided for, or authorized, have been approved and that the said improvements have been made in accordance therewith, or of a certificate as to any matters relating to Palos Verdes Homes Association or to the Art Jury by the respective secretaries thereof shall be conclusive upon all persons and shall fully justify and protect any title company or person certifying, guaranteeing, or insuring the said title, or any lien thereon, and/or any interest therein, and shall also fully protect the purchaser or encumbrancer in good faith and for value in acting thereon, as to all matters within the jurisdiction of Palos Verdes Homes Association and/or the Art Jury. In any event after the expiration of one year from the date of the issuance of a building permit by Palos Verdes Homes Association for any structure, work, improvement or alteration, the said structure, work, improvement or alteration shall, in favor of purchasers and encumbrancers in good faith and for value, be deemed to be in compliance with all the provisions thereof, unless actual notice executed by Palos Verdes Homes Association and/or the Art Jury of such non-completion and/or non-compliance, shall appear of record in the office of the County Recorder of Los Angeles County, California, or legal proceedings shall have been instituted to enforce completion and/or compliance. (As amended by Amendment No. 6.)

Section 11. If, at any time, the owner or owners of lands adjoining or outside of said property shall agree with Bank of America, or its successors in interest, and/or Palos Verdes Homes Association to hold, sell and convey said land subject to restrictions, conditions, covenants, reservations, liens or charges set forth in an agreement and/or Declaration of Restrictions duly executed by such owner or owners and approved by Palos Verdes Homes Association and the Art Jury, and such agreement and/or Declaration of Restrictions shall thereafter be recorded in the office of the County Recorder of Los Angeles County, California, Palos Verdes Homes Association and the Art Jury shall from and after the date of said recordation have power to do and perform any and all of the acts, to fix, impose and collect charges, assessments

ANNEXATION
OF ADDITIONAL
PROPERTY

and dues from the owners of said property as therein provided and to grant said owner or owners membership in Palos Verdes Homes Association as therein agreed to and provided; provided, however, that the Art Jury shall have full jurisdiction over all lands and property over which Palos Verdes Homes Association may at any time have jurisdiction.

REVERSION OF TITLE

Section 12. Each and all of said restrictions, conditions, covenants, reservations, liens and charges is and are for the benefit of each owner of land (or any interest therein) in said property and they and each thereof shall inure to and pass with each and every parcel of said property, shall apply to and bind the respective successors in interest of Bank of America. Each grantee of Bank of America of any part or portion of the said property by acceptance of a deed incorporating the substance of this Declaration either by setting it forth or by reference therein, accepts the same subject to all of such restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers of the Art Jury and of Palos Verdes Homes Association. A breach of any of the restrictions, conditions and covenants hereby established shall cause the real property upon which such breach occurs to revert to Bank of America, or its successors in interest, as owners of the reversionary rights herein provided for; and the owner of such reversionary rights shall have the right of immediate re-entry upon such real property, in the event of any such breach; and, as to each lot owner in the said property, the said restrictions, conditions and covenants shall be covenants running with the land, and the breach of any thereof, and the continuance of any such breach, may be enjoined, abated or remedied by appropriate proceedings by the owner of the reversionary rights or by any such owner of other lots or parcels in said property or by Palos Verdes Homes Association, but such reversion shall not affect or impair the lien of any bona fide mortgage or deed of trust which shall have been given in good faith and for value; provided, however, that any subsequent owner of said property shall be bound by the said restrictions, conditions and covenants, whether obtained by foreclosure or at trustee's sale or otherwise.

VIOLATION OF CONDITIONS

Section 13. The violation of any of the restrictions or conditions or breach of any

of the covenants hereby established shall also give to Bank of America, or its successors in interest, and/or to Palos Verdes Homes Association the right to enter upon the property upon or as to which such violation or breach exists, and to summarily abate and remove at the expense of the owner thereof, any erection, thing or condition that may be or exist thereon contrary to the intent and meaning of the provisions hereof; and Bank of America, or its successors in interest, or Palos Verdes Homes Association, shall not be deemed guilty of any manner of trespass for such entry, abatement or removal.

Section 14. Every act or omission whereby any restriction, condition or covenant in this Declaration set forth is violated in whole or in part is declared to be and shall constitute a nuisance, and may be abated by Bank of America, or its successors in interest, and/or Palos Verdes Homes Association and/or by any lot owner subject to the jurisdiction of Palos Verdes Homes Association; and such remedy shall be deemed cumulative and not exclusive.

VIOLATION CONSTITUTES NUISANCE

Section 15. All of said restrictions, conditions, covenants, reservations, liens and charges contained in this Declaration shall be construed together, but if it shall at any time, be held that any one of said restrictions, conditions, covenants, reservations, liens or charges or any part thereof is invalid, or for any reason becomes unenforceable, no other restriction, condition, covenant, reservation, lien or charge or any part thereof shall be thereby affected or impaired; and the grantor and grantee, their successors, heirs and/or assigns, shall be bound by each article, section, subsection, paragraph, sentence, clause and phrase of this Declaration irrespective of the fact that any article, section, subsection, paragraph, sentence, clause or phrase be declared invalid.

CONSTRUCTION AND VALIDITY OF RESTRICTIONS

Section 16. Any or all of the rights and/or powers of Bank of America herein contained as to any of the said property may be delegated, transferred, assigned or conveyed to any person, corporation or association or to Palos Verdes Homes Association and wherever Bank of America is herein referred to, such reference shall be deemed to include its successors in interest as owners of the reversionary rights herein provided for.

ASSIGNMENT OF POWERS

INTERPRETATION
AND ENFORCEMENT
BY PALOS
VERDES HOMES
ASSOCIATION

Section 17. In its own name, so far as it may lawfully do so, and/or in the name of Bank of America or of any lot or parcel owner subject to its jurisdiction, Palos Verdes Homes Association shall interpret and/or enforce any or all restrictions, conditions, covenants, reservations, liens, charges and agreements herein or at any time created for the benefit of the said property or any property which may hereafter be expressly made subject to its jurisdiction by the owners thereof, or to which said lots or any of them may at any time be subject. In case of uncertainty as to meaning of said provisions or of any provisions of this Declaration, Palos Verdes Homes Association shall, in all cases, interpret the same and such interpretation shall be final and conclusive upon all interested parties.

RIGHT TO
ENFORCE

Section 18. The provisions contained in this Declaration shall bind and inure to the benefit of and be enforceable by Bank of America, Palos Verdes Homes Association,

the owner or owners of any property in said tract, their, and each of their, legal representatives, heirs, successors and assigns, and failure by Bank of America, Palos Verdes Homes Association or any property owner, or their legal representatives, heirs, successors, and assigns, to enforce any of such restrictions, conditions, covenants, reservations, liens or charges shall in no event be deemed a waiver of the right to do so thereafter.

EXCEPTIONS

Section 19. Any portion of the said property or any interest therein, title to which is acquired by the State of California and/or the United States of America and/or by any public authority, may with the written approval of the Bank of America, or its successors in interest to the reversionary rights provided for herein, and the Art Jury, be specifically exempted from any and all of the provisions herein except the provisions of Sections 8 to 19 inclusive hereof.

In WITNESS WHEREOF, said Bank of America has this 27th day of August, 1925, hereunto caused its corporate name and seal to be affixed by its Vice-President and Assistant Secretary, thereunto duly authorized.

BANK OF AMERICA,

By JAY E. RANDALL,
Vice-President.

By F. H. TOMKINS,
Assistant Secretary.

(SEAL)

STATE OF CALIFORNIA, }
COUNTY OF LOS ANGELES, } ss.

On this 3rd day of September, in the year one thousand nine hundred and twenty-five, before me, L. R. Crabtree, a Notary Public in and for said County, personally appeared Jay E. Randall, known to me to be the Vice-President, and F. H. Tomkins, 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 same.

L. R. CRABTREE,
Notary Public in and for the County of Los Angeles,
State of California.

AMENDMENT NO. 10 TO DECLARATION NO. 20
OF ESTABLISHMENT

OF
LOCAL PROTECTIVE RESTRICTIONS, CONDITIONS, COVENANTS, RESERVATIONS, LIENS
AND CHARGES AFFECTING THE REAL PROPERTY KNOWN AS

TRACT NO. 7330, MONTEMALAGA,
PALOS VERDES ESTATES
AND

DECLARATION NO. 25 OF ESTABLISHMENT

OF
LOCAL PROTECTIVE RESTRICTIONS, CONDITIONS, COVENANTS, RESERVATIONS, LIENS
AND CHARGES AFFECTING THE REAL PROPERTY KNOWN AS

TRACT 8652, MONTEMALAGA,
PALOS VERDES ESTATES

WHICH ARE SITUATED IN THE COUNTY OF LOS ANGELES,
IN THE STATE OF CALIFORNIA

DATED: JULY 21ST, 1926

(FILED OF RECORD, JULY 26, 1926, IN BOOK 6052, PAGE 86 ET SEQ., OF OFFICIAL RECORDS OF
LOS ANGELES COUNTY.)

DECLARATION, made this 21st day of July, 1926, by the Bank of America, a corporation, organized and existing under and by virtue of the laws of the State of California.

WHEREAS, Bank of America is successor in interest to Commonwealth Trust Company, by virtue of a merger of said Commonwealth Trust Company into the said Bank of America, effective at close of business on the 6th day of October, 1923, by virtue of an agreement of merger made and entered into between said Commonwealth Trust Company and said Bank of America; and,

WHEREAS, said Bank of America as such successor to Commonwealth Trust Company is the owner of a certain tract of land in the County of Los Angeles, State of California, known as Tract 8652 of said County, as per map recorded May 27th, 1926, in Book 125, Pages 85 to 87, inclusive, of Maps in the office of the County Recorder of said Los Angeles County; and

WHEREAS, said Commonwealth Trust Company did on the 5th day of July, 1923, record in the office of said County Recorder, in Book 2360, Page 231, of Official Records, a certain Declaration of Establishment of Basic Protective Restrictions, et cetera, and said Bank of America as successor in interest to said Commonwealth Trust Company did on December 5th, 1923, record Amendment No. 1 thereto in Book 2940, Page 27, of Official Records, and on June 25th, 1924, Amendment No. 3 thereto in Book 4019, Page 274, of Official Records, in the office of said County Recorder, which said Declaration and Amendments are hereinafter together referred to as "Declaration No. 1," covering and applicable to certain property therein described; and

WHEREAS, said Bank of America did on the 24th day of March, 1924, record in Book 3160, Page 30, of Official Records of said County, Declaration No. 20 of Establishment of Local Protective Restrictions, et cetera, affecting Tract 7330 of said County, as per map recorded March 13th, 1924, in Book 90, Pages 37 to 39, inclusive, of Maps, in the office of said County Recorder, and on June 25th, 1924, did also record Amendment No. 3 thereto, in Book 4019, Page 274, of Official Records in the office of said County Recorder, which said Declaration and Amendment are hereinafter together referred to as "Declaration No. 20," for the purposes of this Amendment No. 10 and Declaration No. 25, and as relating to the property covered thereby, and

WHEREAS, said Bank of America did on the 27th day of May, 1926, record in Book 125, Pages 85 to 87, inclusive, of Maps in the office of said County Recorder, a resubdivision of Lots 13 and 14 in Block 1638, Lots 1 to 7 inclusive, in Block 1641, Lots 1 and 2 in Block 1650, Lots 1 and 2 in Block 1750, and Lot D, all in said Tract 7330 (together with portions of adjacent streets), said resubdivision being a part of that tract now known as said Tract 8652 of said County; and

WHEREAS, said Bank of America is the owner of record of two-thirds (2/3) in area of all said above described property; and,

WHEREAS, said Bank of America is the owner of record of not less than two-thirds (2/3) in area of all land held in private ownership within three hundred (300) feet in any direction of property concerning which amendment, change or modification is herein established and which is under jurisdiction of Palos Verdes Homes Association, and by executing this document does give as such owner its written consent to the modifications, changes and amendments herein provided for;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That pursuant to the provisions of Section 3 of Article VI of said Declaration No. 1, and pursuant to the provisions for modification of restrictions in said Declaration No. 20 hereinabove referred to, Bank of America hereby certifies and declares that it has established and does hereby establish, subject to the approval of Palos Verdes Homes Association, a California corporation, the following amendment to said Declaration No. 20 of Establishment hereinabove mentioned:

AMENDMENT TO
DECLARATION
No. 20

Section 1. Said Declaration No. 20 is hereby amended as follows:

(a) All of the local protective restrictions, conditions, covenants, reservations, liens and charges established by said Declaration No. 20, affecting Lots 13 and 14 in Block 1633, Lots 1 to 7 inclusive in Block

1641, Lots 1 and 2 in Block 1650, Lots 1 and 2 in Block 1750, and Lot D, of said Tract 7330, are hereby annulled, rescinded and removed, and wherever said lots, blocks or parcels are mentioned in said Declaration No. 20 they are hereby stricken out.

AND, WHEREAS, said Bank of America is about to sell, dispose of or convey certain portions of said property, which it desires to subject to certain additional local protective restrictions, conditions, covenants, reservations, liens and charges between it and the acquirers or users of said property, as hereinafter set forth; and,

WHEREAS, the power to interpret and enforce certain of the conditions, restrictions, and charges set forth in this Declaration is to reside in Palos Verdes Homes Association, a non-profit, co-operative association, organized and existing under and by virtue of the laws of the State of California, and in Palos Verdes Art Jury, created and established as provided in said Declaration No. 1;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That Bank of America hereby certifies and declares that in addition and supplemental to the basic plan set forth in said "Declaration No. 1," it has established and does hereby establish the local plan for the protection, maintenance, development and improvement of said Tract 8652, and has fixed and does hereby fix the local protective restrictions, conditions, covenants, reservations, liens and charges upon and subject to which all lots, parcels and portions of said tract shall be held, leased or sold and/or conveyed by it as such owner, each and all of which is and are for the benefit of all of said tract and of each owner of land therein and shall inure to and pass with said tract and each and every parcel of land therein and shall apply to and bind the respective successors in interest of the present owners thereof, and are and each thereof is imposed upon said realty as a servitude in favor of said property, and each and every parcel of land therein as the dominant tenement or tenements, as follows, to-wit:

Declaration of Establishment of Restrictions, et cetera, applicable to said Tract 8652:

Uses of
PROPERTY
CLASS A
DISTRICTS

Section 2. (a) The following lots and portions of said tract are hereby established as Residence Districts of Class A, as defined and limited in said Declaration No. 1:

All of the numbered lots and blocks of said tract not otherwise established or classified in this section.

(b) The following lots and portions of said tract are hereby established as Residence Districts of Class C-1, as defined and limited in said Declaration No. 1:

In Block 1641, Lot 9.
In Block 1650, Lots 1 and 2.
In Block 1750, Lots 1 and 2.

CLASS C-1
DISTRICTS

CLASS D DISTRICTS

(c) The following lots and portions of said tract are hereby established as Business and Public Use Districts of Class D, as defined and limited in said Declaration No. 1:

In Block 1641, Lots 1 to 6 inclusive.

CLASS F DISTRICTS

(d) The following lots and portions of said tract are hereby established as Business and Public Use Districts of Class F, as defined and limited in said Declaration No. 1, provided that the power and right is specifically reserved to Bank of America, its successors and assigns, to use Lots E and F as a right of way for an electric railroad, or for park purposes.

Lots A, B, C, D, E, F.

CLASS H DISTRICTS

(e) The following lots and portions of said tract are hereby established as Business and Public Use Districts of Class H, as defined and limited in said Declaration No. 1:

In Block 1641, Lots 7 and 8.

BUILDING HEIGHT LIMITS

Section 3. (a) All of said tract, except as provided in paragraph (b) hereof, is hereby established as a Two and One-Half (2½) Story Height District, as defined and limited in said Declaration No. 1, provided that structures on such parts of Lots A, B, C and D of said tract as are devoted to park or other public purposes may be built to such greater height as may be approved by the Park and Recreation Board of Palos Verdes Homes Association, subject to provisions of Section 22 of Article IV of said Declaration No. 1.

2½ STORY HEIGHT LIMITS

THREE STORY HEIGHT LIMITS

(b) All lots in said tract established in residence districts of Class C-I and Business and Public Use Districts of Classes D and H are hereby established as Three (3) Story Height Districts.

TYPE OF ARCHITECTURE TYPE II ARCHITECTURE DISTRICTS

Section 4. (a) All of said tract, except as otherwise provided in this section, is hereby established as a Type II Architecture District, as defined and limited in said Declaration No. 1, provided that the main roofs of all buildings or structures erected, constructed, altered or maintained in Type II Architecture Districts in said tract shall be of burned clay tile or slate approved by the Art Jury.

TYPE IV ARCHITECTURE DISTRICTS

(b) The following lots of said tract are hereby established as Type IV Architecture Districts, as defined and limited in said Declaration No. 1, provided that the main roofs of all buildings or structures erected, constructed, altered or maintained in Type IV Architecture Districts in said tract shall

be of burned clay tile or slate approved by the Art Jury:

- In Block 1641, Lots 1 to 9 inclusive.
- In Block 1650, Lots 1 and 2.
- In Block 1750, Lots 1 and 2.

MINIMUM COST OF BUILDING

Section 5. No building or structure, exclusive of accessory out-buildings, shall be erected, placed or maintained upon any building site embracing any of the following lots or any portion or portions of said lots, which, including a reasonable fee of architect, and a reasonable profit of builder, shall cost or be of the value of less than the sum set opposite said lot in the following list, to-wit:

- In Block 1641, Lots 1 to 5 inclusive, \$10,000.
- Lot 6, \$15,000.
- Lots 7 and 8, \$10,000.
- Lot 9, \$15,000.

In Block 1650, Lot 1, \$15,000.

- Lot 2, \$20,000.
- Lots 3 to 9 inclusive, \$15,000.

In Block 1732, Lots 1 to 6 inclusive, \$15,000.

In Block 1733, Lots 1 to 11 inclusive, \$15,000.

In Block 1734, Lots 1 to 7 inclusive, \$15,000.

In Block 1750, Lot 1, \$20,000.

- Lot 2, \$15,000.
- Lots 3 and 4, \$15,000.
- Lots 5 to 10 inclusive, \$10,000.
- Lots 11 to 15 inclusive, \$15,000.
- Lots 16 and 17, \$30,000.

In Block 1751, Lots 1 to 6 inclusive, \$15,000.

Section 6. (a) No building or part thereof, including porches, except steps, balconies or other architectural features approved by the Art Jury, shall be erected, placed, permitted or maintained nearer the street or lot line hereinafter specified than as follows:

BUILDING SET-BACK LINES

Lot 9 not less than ten (10) feet from Granvia Altamira or from Via del Monte;

IN BLOCK 1641

Lot 1 not less than ten (10) feet from Montemalaga Plaza or from Lot E;

IN BLOCK 1650

Lot 2 not less than ten (10) feet from Montemalaga Plaza or from Granvia Altamira;

Lots 3 to 9, inclusive, not less than forty (40) feet from Granvia Altamira;

Lot 1 not less than thirty (30) feet from Granvia Altamira;

IN BLOCK 1732

Lot 2 not less than thirty (30) feet from Granvia Altamira and not less than fifteen (15) feet from Via Panarama;

Lots 3 to 6, inclusive, not less than fifteen (15) feet from Via Panarama;

Lot 1 not less than forty (40) feet from Granvia Altamira and not less than ten (10) feet from Via Mirada;

IN BLOCK 1733

Lots 2 to 6, inclusive, not less than ten (10) feet from Via Mirada;

Lot 7 not less than ten (10) feet from Via Mirada and not less than fifteen (15) feet from Via Panarama;

Lots 8 to 11, inclusive, not less than fifteen (15) feet from Via Panarama;

IN BLOCK 1734

Lot 1 not less than forty (40) feet from Granvia Altamira and not less than ten (10) feet from Via Panorama;
Lots 2 and 3 not less than ten (10) feet from Via Panorama;
Lot 4 not less than ten (10) feet from Via Panorama or Via Mirada;
Lots 5 and 6 not less than ten (10) feet from Via Mirada;
Lot 7 not less than forty (40) feet from Granvia Altamira and not less than ten (10) feet from Via Mirada;

IN BLOCK 1750

Lot 1 not less than ten (10) feet from Menemalaga Plaza or Granvia Altamira;
Lot 2 not less than ten (10) feet from Granvia Altamira or from Lot F;
Lot 3 not less than forty (40) feet from Granvia Altamira;
Lot 4 not less than forty (40) feet from Granvia Altamira and not less than ten (10) feet from Novato Place;
Lots 5 to 10, inclusive, not less than ten (10) feet from Novato Place;
Lots 11 to 14, inclusive, not less than forty (40) feet from Granvia Altamira;
Lot 15 not less than forty (40) feet from Granvia Altamira and not less than ten (10) feet from Novato Place;
Lots 16 and 17 not less than ten (10) feet from Novato Place;

IN BLOCK 1751

Lots 1 and 2 not less than thirty (30) feet from Granvia Altamira;
Lots 3 and 4 not less than twenty (20) feet from Granvia Altamira;
Lots 5 and 6 not less than forty (40) feet from Granvia Altamira.

SET-BACKS FROM SIDE LINES OF LOTS

(b) On every lot in a residence district of Class A there shall be left a free space adjoining each of the side lot lines thereof, extending the full depth of the lot; and no building or part thereof, including porches, except a private garage, as provided in said Declaration No. 1, and steps, balconies or other architectural features approved by the Art Jury, shall be erected, permitted or maintained on or upon said free spaces of any numbered lot in said tract. The width of each of said free spaces, measured at any point in the depth of the lot, shall be not less than seven and one-half (7½) feet plus one-tenth (1/10) foot for each foot by which the width of the lot at that point exceeds fifty (50) feet up to a maximum required width of free space of twenty (20) feet; PROVIDED, however, that the width of the free space on one side of a lot may be reduced by not more than one-third (⅓) of the width above required if the width of the free space on the opposite side of the lot is at all points greater than the width above required by a proportionate amount. PROVIDED, that the provisions of this section shall not apply to the common lot line between lots used jointly as one building site, or as to which an approved party-wall agreement exists, as pro-

vided in paragraph (c) of Section 27 of Article IV of said Declaration No. 1.

If the width or set-back lines of any lot be difficult of determination by reason of its irregular shape, or otherwise, or, if the extent or location of the free spaces required herein be uncertain, the Building Commissioner of Palos Verdes Homes Association shall in all cases determine what are to be deemed the width and set-back lines of such lot and the extent and location of such free spaces, and such determination in respect thereto shall be final.

VARIATIONS IN SET-BACK LINES

(c) Anything to the contrary herein notwithstanding, the right and power is expressly reserved to Bank of America and its successors in interest, on account of the irregular topography in said tract, the difficulty of making garages accessible to the street, and other unforeseen conditions, which may work undue hardship in certain cases, to make by written agreement with the owner or owners of any lot in said tract reasonable variations in the set-back lines herein established as to said lot, including the location of private garages not less than five (5) feet from the street line on steeply sloping lots, provided said variations are not, in the opinion of the Art Jury, injurious or undesirable to the neighborhood in which they occur, and the approval of the Art Jury be given thereto in writing.

EASEMENTS AND RIGHTS OF WAY

Section 7. (a) Easements and rights of way are hereby specifically reserved to Bank of America, its successors and assigns, for the erection, construction, operation and maintenance of

(1) Poles, wires and conduits for the transmission of electricity for lighting, heating, power, telephone and other purposes, and for the necessary attachments in connection therewith; and,

(2) Public and private sewers, storm water drains, land drains and pipes, water systems, water, heating and gas mains or pipes; and,

(3) Any other method of conducting and performing any public or quasi-public utility service or function beneath the surface of the ground.

(b) Such easements and rights of way are hereby specifically reserved on

(1) The rear five (5) feet of each and every numbered lot in said tract except as follows:

All of Block 1641.
In Block 1650, Lot 2.
In Block 1750, Lot 1.

(2) A five (5) foot strip adjoining the following lot lines:

- In Block 1641 Along the rear lines of Lots 7 and 8;
In Block 1650 Along the Southeastery line of Lot 1;
In Block 1732 On each side of the line dividing Lot 1 from Lots 2, 3 and 4;
Along the Easterly side of the line dividing Lot 1 from Lot A;
On each side of the line dividing Lot 2 from Lot B;
In Block 1733 Along the Easterly line of Lots 1, 2, 3, 4, 5, 9, 10 and 11;
On each side of the line dividing Lot 4 from Lot 5;
On each side of the line dividing Lots 8 and 9 from Lots 5, 6 and 7;
In Block 1734 On each side of the line dividing Lots 1, 2 and 3 from Lots 7, 6 and 5;
On each side of the line dividing Lot 4 from Lots 3 and 5;
In Block 1750 Along the Southeastery line of Lot 2;
On each side of the line dividing Lot 5 from Lot 6, and Lot 8 from Lot 9;
On each side of the line dividing Lots 10 and 11 from Lots 12 and 17;
On each side of the line dividing Lots 16 and 17 from Lots 12, 13, 14 and 15;
Along the Southerly line of Lots 10 and 11;
In Block 1751 On each side of the line dividing Lot 6 from Lots 2, 3 and 5;
Along the Southwestery line of Lot 5;

In Lots A, B, C, E, and F, adjoining each lot line excepting the lot line adjoining a street, walk or alley.

(3) A three (3) foot strip adjoining each and every lot line in a residence district of Class A in said tract, provided that this subsection shall not apply to a lot line adjoining a street, walk or alley; and except as otherwise provided in this section.

(4) In and over all streets, walks and alleys, except the Easterly half of that walk lying to the East of Block 1750 and Lots B and F of said tract.

(5) A ten (10) foot strip along the Westerly line of Lot 10 in Block 1750 where it adjoins Lot 17 for use as a driveway and walk from Lot 11 of said Block 1750 into Novato Place.

(c) No building or structure shall be erected, constructed, altered or maintained upon locations affected by said easements or rights of way provided that Palos Verdes Homes Association may give temporary permits, revocable at any time, for structures covering such portions of any easement or right of way as in its opinion may

not be necessary for other use during the time of said permits.

(d) Said easements shall at all times be open to Bank of America, its successors and assigns, and to Palos Verdes Homes Association, who shall have the right of ingress and egress thereto and therefrom, and the right, privilege and easement of doing whatever may be necessary in, under and upon said locations for the carrying out of any of the purposes for which said easements and rights of way are reserved, and shall not thereby in any manner be deemed guilty of trespass; and Bank of America shall have the right at any time to convey or, with the written approval of Palos Verdes Homes Association, to extinguish such easements and rights of way as to any or all of said property.

(e) The right is expressly reserved to Bank of America, its successors and assigns, to suspend, use, maintain and replace over any portion of any lot in said tract within five and one-half (5½) feet from any lot line or of the line of any easement herein reserved to said Bank of America, wires, cross-arms, and appurtenances for conveying electric energy to be used for light, heat, power or other purposes, and use the same for such purposes, together with the right to alter the same in such manner as the requirements of Bank of America, its successors and assigns, may from time to time demand. No poles are to be placed within the space where such right to overhang is reserved. Bank of America, its successors and assigns, and its and their agents and employees, shall at all times have free access to said wires, cross-arms and appurtenances for the purpose of repairing, removing, maintaining and operating the same.

(Sections 8 to 19, inclusive, of this Declaration No. 25 are the same as Sections 7 to 18, inclusive, of Declaration No. 23, printed on pages 11 to 14 of this booklet.)

Section 20. Any portion of the said property or any interest therein, title to which is acquired by the State of California and/or the United States of America and/or by any public authority, may with the written approval of the Bank of America, or its successors in interest to the reversionary rights provided for herein, and the Art Jury, be specifically exempted from any or all of the provisions herein, except the provisions of Sections 9 to 20, inclusive, hereof.

EXCEPTIONS

IN WITNESS WHEREOF, said BANK OF AMERICA, as successor of said Commonwealth Trust Company by virtue of the merger hereinbefore referred to, and also as owner of record of more than two-thirds ($\frac{2}{3}$) in area of said property, and said BANK OF AMERICA, as owner of record of not less than two-thirds ($\frac{2}{3}$) in area of all land held in private ownership within three hundred (300) feet in any direction of property concerning which amendment, change or modification is herein established, and which is under jurisdiction of Palos Verdes Homes Association, and PALOS VERDES HOMES ASSOCIATION, a California Corporation, this 21st day of July, 1926, have hereunto caused their corporate names and seals to be affixed by their officers thereunto duly authorized.

BANK OF AMERICA,

By JAY E. RANDALL,
Vice-President.

By F. H. TOMKINS,
Asst. Secretary.

PALOS VERDES HOMES ASSOCIATION,

By J. C. Low,
President.

By C. H. CHENEY,
Secretary.

STATE OF CALIFORNIA, } ss.
COUNTY OF LOS ANGELES, }

On this 21st day of July, 1926, before me, L. H. Crabtree, a Notary Public in and for said County, personally appeared Jay E. Randall, known to me to be the Vice-President, and F. H. Tomkins, known to me to be the Secretary, of BANK OF AMERICA, the corporation that executed the within instrument, and 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 same.

WITNESS my hand and official seal the day and year in this certificate first above written.

L. H. CRABTREE,
Notary Public in and for the County of Los Angeles,
State of California.

STATE OF CALIFORNIA, } ss.
COUNTY OF LOS ANGELES, }

On this 22nd day of July, 1926, before me, Nellie Grace Frantz, a Notary Public in and for the said County, personally appeared J. C. Low, known to me to be the President, and C. H. Cheney, known to me to be the Secretary of PALOS VERDES HOMES ASSOCIATION, the corporation that executed the within instrument, and 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 same.

WITNESS my hand and official seal the day and year in this certificate first above written.

NELLIE GRACE FRANTZ,
Notary Public in and for the County of Los Angeles,
State of California.

THIS IS TO CERTIFY that said Amendment No. 10 as hereinabove set forth was approved by the Board of Directors of Palos Verdes Homes Association, a California corporation, at a meeting held on the 21st day of July, 1926, at the Lane Mortgage Building, Los Angeles, California, and that the said approval was preceded by a public hearing on said Amendment No. 10, duly advertised by publication in the Los Angeles Examiner.

PALOS VERDES HOMES ASSOCIATION,

By J. C. Low,
President.

By C. H. CHENEY,
Secretary.

STATE OF CALIFORNIA, }
COUNTY OF LOS ANGELES, } ss.

On this 22nd day of July, 1926, before me, Nellie Grace Frantz, a Notary Public in and for said County, residing therein, duly commissioned and sworn, personally appeared J. C. Low, known to me to be the President, and C. H. Cheney, known to me to be the Secretary of PALOS VERDES HOMES ASSOCIATION, the corporation that executed the foregoing certificate, known to me to be the persons who executed the foregoing certificate on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

NELLIE GRACE FRANTZ,
Notary Public in and for the County of Los Angeles,
State of California.

THIS IS TO CERTIFY that said Amendment No. 10 hereinabove set forth was approved by the Palos Verdes Art Jury at a meeting held on the 14th day of July, 1926, at the Lane Mortgage Building, Los Angeles, California.

PALOS VERDES ART JURY,

By MYRON HUNT,
President.

By C. H. CHENEY,
Secretary.

STATE OF CALIFORNIA, }
COUNTY OF LOS ANGELES, } ss.

On this 22nd day of July, 1926, before me, Nellie Grace Frantz, a Notary Public in and for the said County, personally appeared Myron Hunt, known to me to be the President, and C. H. Cheney, known to me to be the Secretary, of the PALOS VERDES ART JURY, that executed the foregoing certificate, known to me to be the persons who executed the foregoing certificate on behalf of the ART JURY named therein, and acknowledged to me that such Art Jury executed the same.

NELLIE GRACE FRANTZ,
Notary Public in and for the County of Los
Angeles, State of California.

DECLARATION NO. 1
DECLARATION OF ESTABLISHMENT
OF

BASIC PROTECTIVE RESTRICTIONS, CONDITIONS, COVENANTS, RESERVATIONS, LIENS AND
CHARGES AFFECTING THE REAL PROPERTY TO BE KNOWN AS

PALOS VERDES ESTATES—PARCELS A AND B

WHICH IS SITUATED IN THE COUNTY OF LOS ANGELES, IN THE STATE OF CALIFORNIA.

DATED JUNE 26, 1923

(Recorded July 5, 1923, in Book 2366, Page 231, Official Records of Los Angeles County; as amended by
Amendment No. 1 dated Nov. 26, 1923, recorded Dec. 5, 1923, in Book 2940, Page 27, Official
Records of Los Angeles County; and as amended by Amendment No. 3 dated
June 16, 1924, recorded June 25, 1924, in Book 4619, Page 274.
Official Records of Los Angeles County.)

DECLARATION, made and dated this 26th day of June, 1923, by Commonwealth Trust
Company, a corporation organized and existing under and by virtue of the laws of the
State of California.

WHEREAS, Commonwealth Trust Company is the owner of a certain tract of land in
the County of Los Angeles, State of California, described as follows:

These portions of Lot "H," as shown on map of Rancho Los Palms Verdes, in the County of Los Angeles, State of California, as partitioned in case No. 2370, in the District Court of the 17th Judicial District, in and for said County, and entered in Book 4, Page 57, of judgments in the Superior Court of said County and particularly described as follows:

Parcel "A." Beginning at an angle point in the Easterly line of said Lot "H," which angle point is North $26\frac{1}{2}^{\circ}$, East One Hundred Forty-nine and Nineteen Hundredths (149.19) chains from the most Southerly corner of Lot "H."

Thence along the Easterly line of said Lot "H," South Twenty-six degrees (26°), Forty-six Minutes (46'), Fifty-four and Five-tenths Seconds (54.5"), West Fifteen Hundred and Fifty-one and Six Hundredths (1551.06) feet.

Thence West Seven Hundred Seventeen and Eleven Hundredths (717.11) feet.

Thence North Thirty-six Degrees (36°), Twenty-three Minutes (23'), Three and Seven-tenths Seconds (36.7"), West Fourteen Hundred Sixteen and Five Hundredths (1416.05) feet.

Thence North Twenty-eight Hundred Sixty (2860) feet.

Thence East Twenty-two Hundred Seventy and Six Hundredths (2270.06) feet more or less to a point in the Easterly line of said Lot "H."

Thence South no Degrees (0°), Eighteen Minutes (18'), Twenty-eight and One-tenth Seconds (28.1"). West Twenty-six Hundred Fifteen and Thirty-six Hundredths (2615.36) feet more or less to the place of beginning.

Parcel "B." Beginning at a point at high tide on the Shore of the Pacific Ocean at the South West corner of Lot "A," shown on said partition map.

Thence along the North line of said lot "H," South Eighty-nine Degrees (89°), Forty-five Minutes (45'), Twenty-one and Three-tenths Seconds (21.3"), East Two Hundred Thirty and Six-tenths (230.6) feet more or less to a Two (2) inch capped iron pipe.

Thence along the North line of said Lot "H."

South Eighty-nine Degrees (89°), Forty-five Minutes (45'), Twenty-one and Three-tenths Seconds (21.3"), East Ninety-six Hundred Forty-three and Fifty-one Hundredths (9643.51) feet to a Two (2) inch capped iron pipe; thence along the Northerly line of said Lot "H," South Forty-four Degrees (44°), Forty-one Minutes (41'), Twelve and Two-tenths Seconds (12.2"), East Forty-five Hundred Eighty-seven and Nine Hundredths (4587.09) feet to a point on said Northerly line of Lot "H."

Thence West Ninety-nine Hundred Thirty-five and Twenty-two Hundredths (9935.22) feet.

Thence South Eleven Degrees (11°), Forty-eight Minutes (48'), Twenty and Eight-tenths Seconds (20.8"), West Forty-nine Hundred Eighty-five and Forty-five Hundredths (4985.45) feet.

Thence West Fifty Hundred Forty (5040) feet.

Thence South Sixty-three Hundred Seventy (6370) feet.

Thence South Eighty-one Degrees (81°), Seven Minutes (07'), Thirty Seconds (30"), West Forty-four Hundred Twenty-eight (4428) feet, more or less to a point in the high tide line of the Pacific Ocean.

Thence along said high tide line of the Pacific Ocean in a general North Westerly and North Easterly direction to the place of beginning;

Saving and excepting therefrom that portion thereof described as follows:

Beginning at a point in the North Easterly boundary line of Lot "H," which is South 44 Degrees, 41 Minutes, 12.2 Seconds East, and 2893.42 feet South Easterly from an original corner of Lots "H" and "B," said original corner being marked by a two-inch capped iron pipe; thence South 46 Degrees and 30 Minutes West, a distance of 770.34 feet to a point in the South line of parcel "B"; thence Easterly on the Southerly line of parcel "B," a distance of 1680.62 feet to a point in the North Easterly line of Lot "H," said point being the South Easterly corner of parcel "B"; thence on a course bearing North 64 Degrees, 41 Minutes, 12.2 Seconds West, a distance of 706.67 feet to the point of beginning, the whole including an area of 6.21 acres.

WHEREAS, the said Commonwealth Trust Company is about to sell, dispose of or convey in portions said hereinabove described property which it desires to subject to certain basic protective restrictions, conditions, covenants, reservations, liens and charges between it and the acquirers or users of said property as hereinafter set forth;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: that the Commonwealth Trust Company hereby certifies and declares that it has established and does hereby establish the general plan for the protection, maintenance, improvement and development of said property, and has fixed and does hereby fix the protective restrictions, conditions, covenants, reservations, liens and charges upon and subject to which all lots, parcels and portions of said property shall be held, leased or sold and/or conveyed by it as such owner, each and all of which is and are for the benefit of said property and of each owner of land therein and shall inure to and pass with said property and each and every parcel of land therein and shall apply to and bind the respective successors in interest of the present owner thereof, and are and each thereof is imposed upon said realty as a servitude in favor of said property, and each and every parcel of land therein as the dominant tenement or tenements, as follows, to-wit:

ARTICLE I

GENERAL BASIC RESTRICTIONS

USES OF PROPERTY PROHIBITED

Section 1. There shall never at any time be erected, permitted, maintained or carried on upon said property or any part thereof any saloon or place for the sale or manufacture for sale of malt, vinous or spirituous liquors; any foundry, brickyard, cemetery, columbarium, crematory; any establishment for the care or cure of persons afflicted with tuberculosis, or for the care, cure or restraint of the mentally impaired or of victims of drink or drugs or any detention home, detention or reform school, asylum or institution of like or kindred nature; any building for the manufacture of gun powder or explosives, any product or by-product of kelp, fish meal, stock food made of fish, fish oil or fertilizer or for carrying on any copper or other smelting or for conducting a slaughter house, stock yard, tannery, oil refinery or fish cannery; or a building for any other business or industrial use not specifically mentioned herein unless such use is approved by the Board of Directors of the Palos Verdes Homes Association hereinafter referred to and is located in a use district permitting the same as provided in Article IV hereof, or any noxious trade or business or use of the property whatsoever.

LIMITATION OF OCCUPANCY AND OWNERSHIP

Section 3. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, placed or permitted upon any part of said property, nor shall any oil, natural gas, petroleum, asphaltum, or hydro-carbon products or substances be produced or extracted therefrom.

DRILLING FOR OIL PROHIBITED

Section 4. There is hereby conferred upon Palos Verdes Homes Association, a non-profit, co-operative corporation, organized and existing under and by virtue of the laws of the State of California, hereinafter referred to as the "Homes Association," and upon Palos Verdes Art Jury, appointed by Commonwealth Trust Company April 12, 1923, hereinafter referred to as the "Art Jury," the right and power as in this declaration provided to interpret and enforce the restrictions, conditions, covenants, reservations, liens and charges im-

ENFORCEMENT BY PALOS VERDES HOMES ASSOCIATION AND PALOS VERDES ART JURY

posed by the provisions of this declaration and/or by any conveyance, lease, contract of sale which may be created or existing upon said property or to which any portion thereof may at any time be subject.

ARTICLE II

PALOS VERDES HOMES ASSOCIATION

APPROVAL OF PLANS

Section 1. No building, fence, wall, sidewalk, steps, awning, tent, pole or structure shall be erected, altered or maintained upon any part of said property, unless plans and specifications therefor, showing the construction, nature, kind, shape, height, material and color scheme therefor, and block plan indicating the location of such structure on the building site, and, when specifically requested, the grading plans of the building site to be built upon, shall have been submitted to, and approved in writing by the Homes Association, and a copy of such plans and specifications, block plan (and grading plan if requested) as finally approved, deposited for permanent record with the Homes Association. After the expiration of one year from the date of approval of plans by the Art Jury and of the issuance of a building permit by the Homes Association, as hereinbefore provided, the structure or alteration described in such permit shall, in favor of purchasers and encumbrancers in good faith and for value from the owner causing such structure to be erected or alteration to be made, be deemed to be in compliance with all the provisions of all restrictions affecting said property, unless notice to the contrary executed by the Homes Association or the Art Jury shall appear of record in the office of the County Recorder of Los Angeles County, California. No bill-boards or signs of any character shall be erected, posted, pasted or displayed upon or about any part of said property without the written permission of the Homes Association and the Art Jury; and the Homes Association shall have the right in its discretion to prohibit or to restrict and control the size, construction, material and location of all signs and may summarily remove and destroy all unauthorized signs.

APPROVAL OF SUBDIVISION PLANS

Section 2. No lot, block, subdivision or part of said property shall be subdivided or any map of the same nor shall any declaration of further or additional restrictions upon said property or any part there-

of be recorded with the County Recorder of Los Angeles County, California, unless and until the same shall have been submitted to and approved in writing by the Homes Association and the Art Jury; provided however, that the approval of the Homes Association and the Art Jury shall not be necessary for any original lay-out, subdivision and landscaping of the said property for Commonwealth Trust Company, prepared by Olmsted Brothers, Landscape Architects of Brookline, Massachusetts.

Section 3. (1) When any portion of said property shall be sold on contract, conveyed (except for the sole purpose of placing encumbrances thereon), or leased for more than two years by Commonwealth Trust Company and/or any portion of said property owned by the Commonwealth Trust Company is subdivided, and a legal filing map thereof put of record with the County Recorder of the County of Los Angeles, said portion of said property (except streets, whether dedicated or not or hereafter opened, laid out or established, open spaces maintained for the general use of owners of said property, land taken for public uses and property segregated, retained, conveyed or set aside by the Commonwealth Trust Company for public, semi-public, or common purposes) shall then and thereafter be subject to a continuous maintenance lien securing payment of an annual assessment or charge to be fixed, established and collected from time to time as herein provided. The Homes Association shall have sole authority:

MAINTENANCE AND IMPROVEMENT CHARGES

(a) To fix and establish annually the amount of such annual charge or assessment on each and every lot or parcel of said real property or any interest therein, subject to such continuous lien which shall be based on the assessed valuation of said real property as established by the County Assessor of Los Angeles County, California, for the then current fiscal year at a rate never in any one year in excess of the total annual tax rate established for all purposes for the then current fiscal year by the City Council for the Old City of Los Angeles, or in accordance with some other legal and equitable plan to be adopted by the Homes Association, provided that the total amount of said charge or assessment under such alternate plan shall

never exceed the largest total amount that could have been raised under said first named plan.

(b) To expend for the purposes hereinafter specified the money paid in on such charges or assessments, provided that not less than one-fourth ($\frac{1}{4}$) of the money so collected shall be placed at the disposal of and expended by the Park Department of the Homes Association for the maintenance and improvement work in its judgment necessary and advisable on the parks, playgrounds, planting in streets and other similar plantings and improvements under the control and care of said department.

The right to collect, and enforce the collection of such charges or assessments is retained by Commonwealth Trust Company until said right is transferred by it to Palos Verdes Homes Association, and Commonwealth Trust Company as to any property conveyed by it except as otherwise provided herein, has established and does hereby establish, reserve and impose a lien thereon securing such annual charges, or assessments.

(2) Such annual charge or assessment shall be fixed on or before the first Monday of October, 1923, for the fiscal year beginning July 1st, 1923, and annually thereafter for each current fiscal year, and said charge or assessment shall be paid annually in advance to Commonwealth Trust Company on the first Monday in November in each and every year, beginning in November, 1923, on which date such annual charge or assessment shall become enforceable against the said real property and so continue until full payment of said charge or assessment, together with all penalties and costs of collection (including reasonable attorney's fees) thereof. The purchasers of said property or of any portion thereof by the acceptance of deeds therefor, whether from Commonwealth Trust Company, or from subsequent owners of such property, or by the signing of contracts or agreements to purchase said property, shall become personally obligated to pay such annual charges and assessments as are fixed during the time of their ownership, and shall vest in Commonwealth Trust Company, its successors in interest, or assigns of the reversionary rights hereunder, the right and power to bring all actions for the collection of such charges

and assessments and the enforcement of such liens. Said charge or assessment shall be subordinate to the lien of any valid bonafide mortgage or trust deed which shall have been given in good faith and for value on the property subject thereto. Commonwealth Trust Company will promptly pay all the proceeds of such charges or assessments as may be paid to it, to the Homes Association, as they are collected.

(3) Said charge or assessment shall, and any other funds available therefor may, be applied by the Homes Association toward the payment of the expenses of carrying out any or all of the purposes set forth in the Articles of Incorporation, or Amendments thereto, of the Homes Association and/or for the following purposes or any of them.

Section 4. All conveyances, contracts of sale or leases for two or more years hereafter executed by Commonwealth Trust Company are hereby made subject to the condition that the grantee, vendee and/or lessee by the acceptance of deed, contract of sale or lease covenants for himself, his heirs, assigns, executors, administrators and successors in interest that the Homes Association shall have the right and power to do and/or perform any of the following things, for the benefit, maintenance and improvement of the property and owners thereof at any time within the jurisdiction of the Homes Association, to-wit:

(a) To maintain, purchase, construct, improve, repair, prorate, care for, own, and/or dispose of parks, parkways, playgrounds, open spaces and recreation areas, tennis courts, golf courses and/or club houses, swimming pools, bath houses, bathing beaches, boats, boat houses, boat landings, life rafts, life guards, life saving apparatus, skating rinks, hangars and fields for aircraft, band stands, dancing pavilions, casinos, places of amusement, hospitals, museums, aquariums, community facilities appropriate for the use and benefit of the owners of and/or for the improvement and development of the property herein referred to.

(b) To improve, light and/or maintain streets, roads, alleys, trails, bridle paths, courts, walks, gateways, fences and ornamental features now existing or hereafter to be erected or created, fountains, shelters, comfort stations, and/or buildings and im-

POWERS OF
THE HOMES
ASSOCIATION

provements ordinarily appurtenant to any of the foregoing, grass plots, and other areas, trees and plantings within the lines of the streets immediately adjoining or within the property herein referred to.

(c) To maintain, purchase, construct, and operate water works, pumping plants, and systems for the transportation and distribution of water and/or purchase and distribute water for irrigation, domestic and/or other purposes in connection with the maintenance and use of property under its jurisdiction and care.

(d) To construct, improve, purchase, and/or maintain sewer systems, storm-water sewers, drains, and other utilities installed or to be installed upon property under its jurisdiction and care.

(e) To care for any lots and plots in said property, clean up and/or burn grass and weeds, and to remove any unsightly or obnoxious thing therefrom, and to take any action with reference to such lots and plots as may be necessary or desirable in the opinion of the Board of Directors of the Homes Association, to keep the property neat and in good order; and to make and collect additional charges therefor. Any portion of said property, subject to the maintenance and improvement charges established by Section 3 hereof, shall also be subject to a continuous additional lien securing payment of such clean-up charges as are provided in this paragraph. The Homes Association shall have full authority to do said clean-up work and to fix and establish annually the amount of such charge, if any, necessary or advisable, to do said work on any lot or parcel, provided that said charge shall only be made when the amount of work done on any such lot or parcel is greater than the ordinary proportionate amount for which funds are available from the general annual maintenance charge; and provided further that the charges so collected from the owner of any such lot or parcel shall be expended solely for cleaning up and keeping in good order such lot or parcel. The Homes Association shall have the right to collect and enforce the collection of such charges or assessment; and Commonwealth Trust Company as to any property conveyed by it, except as otherwise provided herein, has established and does hereby establish, reserve and impose, a lien thereon securing such annual charge. The amount of such

charge, if any, shall be fixed on or before the first Monday of October, of each year, and entered upon and collected with the bill for the general annual maintenance charge provided for in Section 3 hereof, provided that said additional clean-up charge shall never in any one year exceed two mills per square foot.

(f) To provide for the sweeping, cleaning, and sprinkling of streets, collection and disposition of street sweepings, garbage, ashes, rubbish and the like; and to make and collect charges therefor.

(g) To provide, so far as it may be lawful so to do, for community fire and/or police protection for the protection of all or any portion of the said property and/or the owners of said property and/or residents thereon.

(h) So far as it can legally do so, to grant franchises, rights-of-way, and easements for public utility or other purposes upon, over and/or under any of said property.

(i) To acquire by gift, purchase, lease or otherwise acquire and to own, hold, enjoy, operate, maintain, and to convey, sell, lease, transfer, mortgage and otherwise encumber, dedicate for public use and/or otherwise dispose of, real and/or personal property either within or without the boundaries of said property.

(j) To acquire by purchase, gift or otherwise, and to own and/or dispose of such works of art as may be approved by the Art Jury as herein provided.

(k) To create, maintain, and operate a Department of Buildings, to issue building permits for any and all improvements or construction work of any kind within the jurisdiction of said corporation, and to inspect and supervise the construction of buildings and structures in or upon said property in accordance with the powers and rights conferred upon it by virtue of any and all restrictions or contractual agreements hereby established or which may at any time be placed upon or exist in connection with any of said property; to provide for the safety of building construction by establishing and enforcing regulations for the granting of building permits, and for making and collecting a charge therefor, including such provisions as are usually contained in City building codes; and to provide for light, air, sanitation, health, comfort, and convenience

for the occupants of existing and/or hereafter erected buildings by establishing such regulations as are usually included in city housing codes or zoning regulations; such regulations shall have full force and effect from and after the time of their adoption as provided in the By-laws of the Homes Association and shall thereafter be binding upon the owners of said property and all of them, as if set out in full herein.

(l) To employ a manager, secretaries, engineers, auditor, technical consultants or any other employees or assistants and to pay all expenses necessary and incidental to the conduct and carrying on of the business of the Homes Association; and to pay the expenses incident to examination and approval as to those matters prescribed in this Article, and for such supervision of construction as may, in the opinion of the Board of Directors of the Homes Association, or of the Art Jury, be necessary.

(m) To keep records of building permits and/or other approvals or disapprovals made or issued by the Homes Association and to keep books and records showing all charges, levies, and assessments made, and to furnish certified copies of any record which the Board of Directors may authorize to be furnished and from time to time, to issue certificates of completion and compliance covering respective parcels of property with respect to which buildings, structures, and/or other improvements or changes have been made as herein provided; and to make and collect charges therefor.

(n) To enforce liens and charges and to enforce the restrictions, conditions and covenants at any time created for the benefit of lots or parcels over which the Homes Association has jurisdiction and to which said lots at any time may be subject, and to pay all expenses incidental thereto; to enforce decisions and rulings of the Art Jury, and to pay the expenses in connection therewith, and such other expenses of the Art Jury as the Board of Directors may approve, provided that the decisions of the Art Jury shall be conclusive and binding on the Homes Association and shall not be set aside or changed by it.

(o) To pay the taxes and assessments which may be levied by any public authority upon property used or set apart for streets, parks or recreation areas, and improvements thereon, now or hereafter

opened, laid out or established in said property, or on such other open recreation spaces as shall be maintained for the general benefit and use of the owners of lots in said property, and their successors in interest, and also on ornamental features, tennis courts, pumping plants, water systems, community club house, sewers, and other utilities and storm drains established in or upon said property whether taxed or assessed as a part of said property or separately, and on any property of the Homes Association or which may be held in trust for the Art Jury.

(p) To establish or make provision for the establishing of a Planning Board, Park Board, Health Board, Library Board, Recreation Board, and/or any other board for the general welfare of the owners of said property or residents thereon provided for in the By-laws of the Homes Association, and for these purposes to have authority to delegate to such boards such powers as the Homes Association may lawfully delegate, and to make provision for the use by any such board and/or boards of such funds of the Homes Association as the Board of Directors of the Homes Association may, from time to time, deem advisable.

(q) To exercise such powers of control, interpretation, construction, consent, decision, determination, modification, amendment, cancellation, annulment, and/or enforcement of covenants, reservations, restrictions, liens, and charges imposed upon said property as are herein or may be vested in, delegated to, or assigned to the Homes Association and such duties with respect thereto as are herein or may be assigned to and assumed by the Homes Association, including the enforcement of State and County laws and ordinances, as far as legally may be done.

(r) To nominate to the proper person or corporation and/or to make appointments of members of the Art Jury.

(s) To receive, file, and preserve such reports as may, from time to time, be made to it; and to publish and distribute bulletins and reports.

(t) Generally, to do any and all lawful things which may be advisable, proper, authorized and/or permitted to be done by Palos Verdes Homes Association under or by virtue of this declaration or of any restrictions, conditions and/or covenants

or laws at any time affecting said property or any portion thereof (including areas now or hereafter dedicated to public use) and to do and perform any and all acts which may be either necessary for, or incidental to the exercise of any of the foregoing powers or for the peace, health, comfort, safety, and/or general welfare of owners of said property, or portions thereof, or residents thereon. In exercising any of said powers, the Board of Directors may, so far as may be legally done, follow the same procedure as followed by Boards of Trustees of cities of the 6th Class of the State of California, so far as same are not in conflict with any of the provisions contained in restrictions, conditions, and covenants affecting said property, and provided that such method of procedure may be discontinued at any time as to said property or any portion thereof or as to any portion of said property which is or shall be annexed to or become a part of an incorporated city.

(u) To borrow money and mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred and to do any and all things that a corporation organized under the said laws of the State of California may lawfully do when operating for the benefit of its members or the property of its members, and without profit to said corporation.

(v) To exercise such control over streets, alleys, walks, courts, or other easements or rights of way as may be within its powers, and as it may deem necessary or desirable; to issue permits for plumbers or other parties to make cuts or excavate in streets when necessary and to accept bonds or deposits for the repairing of the same. The Homes Association shall have full authority to prevent any excavation or cuts in streets, alleys, walks, courts or other easements or rights of way without first requiring a reasonable deposit to insure the repair and future maintenance of such repairs, it being further understood that the Homes Association may reserve the full right to make any and all excavations in streets; the right to refill any excavation; the right to repave any cuts; and/or the right to repair any damages, in its opinion, to any improvements in the streets and pay the cost of same out of the deposits made as above provided; subject at all times to such control of county or

other proper officials as may have jurisdiction over streets.

(w) To care for, trim, protect, plant and replant trees, shrubs, or other planting on streets, parks, playgrounds, school grounds, or upon any property over which it may have and/or assume control or jurisdiction and/or on any property adjoining the same.

(x) To care for, trim, protect, and plant or replant any vacant or private property it may assume charge of and to make a reasonable charge therefor.

(y) To erect, care for, and maintain adequate signs approved by the Art Jury for marking streets, parks or other property.

(z) To make such agreements with county, township, state, national or other public officials or with any corporation or individual for and in behalf of the owners of said property subject to this agreement for a division of the work upon the streets, parks or other portions of said property or for any other work to be done or utilities to be furnished, as will enable the Homes Association to co-operate with the said officials, corporations or individuals to secure the greatest benefits to the said property or portions thereof that can be derived from the pro rata share of any county, township, or other funds that may be available for use thereon, or otherwise benefit the said property.

Section 5. If for any reason the Homes Association or the Board of Directors thereof shall, for ninety (90) consecutive days, fail to meet and carry on or perform the duties hereby conferred upon and granted unto said corporation or if said corporation shall be dissolved by operation of law or otherwise, any committee of not less than fifteen (15) owners of record title of at least as many separate parcels of said property may at any time within six (6) months thereafter call a meeting of all owners of record title of any and all portions of said property, provided notice of said meeting is published at least three (3) times in a Los Angeles daily newspaper of general circulation and/or at least once in a newspaper, if there be one, published in Redondo Beach and in San Pedro. At said meeting each owner of record title to any portion of said property present shall have one vote for each building site as defined in Article V hereof and

**ACTION WHEN
HOMES
ASSOCIATION
FAILS TO ACT**

said owners may elect by majority vote a Board of three trustees, and provide for appointment of successors in the event of a vacancy arising for any cause, which board shall thereupon and thereafter serve and act in lieu and instead of, and with all the rights, powers and duties provided in this Declaration for the Homes Association. In the event said board is so elected, then whenever in this Declaration the Homes Association is referred to, said board of three trustees shall be substituted therefor, with the same force and effect as if named herein, whether or not specifically named in each case.

ARTICLE III

ART JURY

APPROVAL OF STREETS SUBDIVISIONS AND GENERAL PLANTING

Section 1. No part of the said property and/or of any property at any time within the jurisdiction of the Art Jury or of Palos Verdes Homes Association shall be subdivided, laid out or improved by street work, buildings, structures, landscaping or planting, or its physical contours cut into, altered or changed, or any premises maintained except with the approval of the Art Jury as to a uniform and reasonably high standard of artistic result and attractiveness, in exterior and physical appearance of said property and improvements; provided, that this shall not be deemed to apply to any original layout, subdivision and landscaping of the said property for Commonwealth Trust Company by Olmsted Brothers, Landscape Architects, of Brookline, Massachusetts, the Art Jury shall not have any jurisdiction or power of approval other than to make suggestions unless specifically requested to do so by Commonwealth Trust Company; and provided also that at the end of ninety days after submission by Commonwealth Trust Company to the Art Jury of a subdivision map of or any proposed declaration of additional restrictions covering any portion of the said property, legal title to which is held by Commonwealth Trust Company, the said map or declaration shall be deemed to have been given full and final approval by the Art Jury, regardless of any action by it in the interim.

APPROVAL OF PLANS AND IMPROVEMENTS

Section 2. No building, fence, wall, sidewalk, steps, awning, tent, pole or other structure, improvement, utility, parking, sculpture, or planting shall be erected, constructed, altered or maintained upon, under

or above any portion of said property or of any property at any time within the jurisdiction of the Art Jury or of Palos Verdes Homes Association (except as provided in Section 1 hereof) unless plans and specifications therefor, including the exterior color scheme, together with a block plan indicating location, shall have been submitted to, approved in writing by the Art Jury and a copy of such plans, specifications and block plans as finally approved deposited for permanent record with the Art Jury. No alteration shall be made in the exterior color or design of any structure unless written approval of such alteration shall have been obtained from the Art Jury. No sign of any kind or for any use shall be erected, posted, pasted, painted or displayed upon or about any property under the jurisdiction of the Art Jury without the written approval of the Art Jury.

APPROVAL OF WORKS OF ART

Section 3. No work of art located or to be located upon said property or any part thereof shall become the property of Commonwealth Trust Company, Palos Verdes Homes Association, or of any corporation, organization or public or semi-public board which may succeed or be substituted for any of them, whether acquired by purchase, gift, or otherwise, unless such work of art or a design of the same, together with a statement showing the proposed location of such work of art, shall first have been submitted to and approved in writing by the Art Jury; nor shall any work of art until so approved be contracted for, erected, placed in or upon, or allowed to extend over or under any street, avenue, square, park, recreation ground, school, public buildings, or other public or semi-public property over which the Art Jury has jurisdiction. The Art Jury may, when it deems proper, also require a model of any proposed work of art, or a map, drawing or profile of any proposed site therefor. The term "Work of Art," as used in this section, shall apply to and include all paintings, mural decorations, stained glass, statues, bas-reliefs, tablets, sculptures, monuments, fountains, arches, entrance gateways, or other structures of a permanent character intended for ornament or commemoration. No work of art over which the Art Jury has jurisdiction shall be removed, relocated or in any way altered without the approval in writing of the Art Jury.

**CUSTODIAN OF
MEMBERSHIP
ART WORKS**

Section 4. The Art Jury shall be custodian of such works of art as it may accept charge of.

Section 5. (1) The Art Jury shall be composed of one member ex-officio, named by Commonwealth Trust Company, and of six other members appointed by Commonwealth Trust Company, of whom three shall be persons engaged in the practice of the fine arts, in the instance of the first appointment selected from the membership of the Southern California Chapter of the American Institute of Architects, and in case a vacancy among these three members occurs, Commonwealth Trust Company shall appoint his successor from a list of three persons engaged in the practice of the fine arts, nominated by the Board of Directors of the Southern California Chapter of the American Institute of Architects. One member shall be a City Planner named by Commonwealth Trust Company and if a vacancy occurs as to this member, Commonwealth Trust Company shall name his successor from a list of three city planners nominated by the Board of Governors of the American City Planning Institute. One member shall be appointed by Commonwealth Trust Company from a list of three persons nominated by the Governing Board of the University of California, Southern Branch. And one member shall be appointed by Commonwealth Trust Company from a list of three persons nominated by the Board of Directors of the Homes Association.

(2) The six members of the Art Jury appointed by Commonwealth Trust Company shall in the first instance serve for two years and thereafter shall choose by lot terms of office as follows: two for one year, two for two years, and two for three years, and their successors shall be appointed by Commonwealth Trust Company for terms of three years each, except on appointment to fill a vacancy, which shall be for the unexpired portion of the term. In case any of the organizations entitled to make nominations, as hereinbefore provided, shall fail to make such nominations within sixty days after written notification by Commonwealth Trust Company of the expiration of a term or the occurrence of a vacancy, Commonwealth Trust Company shall appoint a member to fill the vacancy upon its own nomination. In the event that such appointees or any of them shall fail to ac-

cept said appointment, Commonwealth Trust Company shall have the right to revoke such appointment, and to appoint any other person or persons in its judgment qualified to act as members of said Art Jury. If the Art Jury for any reason shall fail to meet and perform its duties for a period of thirty consecutive days, Commonwealth Trust Company may remove one or all of the members and appoint any person or persons in its judgment qualified to act as members of said Art Jury in the place of the member or members so removed; provided appointees shall in all cases in number and qualifications fulfill as nearly as possible the provisions of paragraph (1) of this section as to membership.

(3) Any member of the Art Jury who shall be employed to execute a work of art or structure of any kind requiring the approval of the Art Jury, or who shall take part in competition for such work of art or structure, shall be disqualified from voting thereon; and, in such instance the Art Jury may, in its discretion, invite an expert advisor to give his opinion as to such work of art or structure.

(4) On July 1, 1932, or at any time prior thereto, Commonwealth Trust Company may terminate the term of office and its own power of appointment of the ex-officio member of the Art Jury, by written notification to the President of the Homes Association. On July 1, 1932, the right of Commonwealth Trust Company to appoint members of the Art Jury as provided in paragraph (1) of this section shall cease; or Commonwealth Trust Company prior to said date may resign and transfer said power of appointment to the President of the Homes Association, by notice thereof to him in writing. From an after said date or upon receipt of such notification or either of them, the President of the Homes Association shall, as the case may be, become a member ex-officio of the Art Jury, as successor to the ex-officio member named by Commonwealth Trust Company and/or shall have power, as successor to Commonwealth Trust Company to appoint members thereof, as provided in paragraph (1) of this section, except as provided herein.

(5) The members of the Art Jury shall elect from their own number a President and Vice-President and shall adopt rules of procedure and prescribe regulations for

submission of all matters within their jurisdiction. Four members shall constitute a quorum and shall have full power to act as the Art Jury during the period of any vacancy or vacancies in the membership thereof. The Art Jury shall designate and appoint a trust company to act as its Treasurer and to act as Trustee of all property of the Art Jury. The name of such Treasurer and of the Secretary shall be certified to the Homes Association.

(6) If for any reason Commonwealth Trust Company, or the President of the Homes Association after the right of appointment shall have been transferred to him, shall fail, for ninety (90) days after the occurrence of a vacancy on the Art Jury, to appoint a member as provided herein, the then President of the Art Jury shall then and thereafter have sole power to appoint the member to fill the said vacancy, provided such appointments shall, in all cases, fulfill in number and qualifications as nearly as possible the provisions of paragraph (1) of this section as to membership.

**ART JURY
PURPOSES
AND FUNDS**

Section 6. Any funds available therefor may be used by the Art Jury to pay its members for time in attendance at meetings, and other expenses which in its judgment are incidental to carrying out the purposes for which it is established, to enforce its decisions and rulings and/or to promote art education and community embellishment. The Art Jury may accept bequests and donations of, and through its trustee take and hold, title to real and/or personal property and shall have power to administer, disburse and/or dispose of the same and/or to use the income and/or proceeds therefrom for the purposes for which it is established.

**RECORDS AND
REPORTS**

Section 7. (1) The Secretary of the Art Jury shall keep minutes of each approval, recommendation or other official act of the Art Jury and furnish certified copies thereof or certificate of the result thereof, on request to any person, and the Art Jury may make a reasonable charge therefor. Said records shall be open to the public.

(2) The Art Jury may authorize the Secretary thereof to issue a certificate of completion and compliance as to any property so inspected and to make and collect a reasonable charge therefor.

ARTICLE IV

ZONING

DEFINITIONS

Section 1. The protective restrictions in this article shall be known as "Building Zone Restrictions"; and for the purposes hereof the following explanations and definitions of words, terms, and phrases shall govern unless the context thereof clearly indicates a different meaning:

(a) Words used in the present tense include the future; the singular includes the plural, and the plural includes the singular; the word "lot" includes the word "plot" and the word "building" includes the word "structure."

(b) An "Apartment House" is a building containing three or more separate single family dwellings using a common passage or stairway and a common entrance on the ground floor.

(c) An "Attic" is a story under a sloping roof at the top of a building, of which the top of the plate or wall carrying the main roof rafters is not more than two feet above the floor of such attic.

(d) The term "Back to back" applies to lots or portions of lots when the same are on opposite sides of the same part of a rear line common to both and the opposite street lines on which the lots front are parallel to each other or make an angle with each other of not over forty-five degrees.

(e) A "Building site" shall be taken to be a lot (exclusive of streets, open recreation areas, and lands excepted, reserved, segregated or retained in accordance with the restrictions, conditions and covenants affecting same, shown on any map of record):

(a) Of any original subdivision of said land subject to the jurisdiction of the Homes Association.

(b) Of any re-subdivision of any plots or parcels of said land which re-subdivision is approved by the Homes Association and is permitted by the restrictions, applicable thereto and thereby allowed to be used as a building site; or

(c) Of any subdivision or re-subdivision of any land which hereafter becomes subject to the jurisdiction of the Homes Association by virtue of restrictions, conditions, covenants, and/or con-

tracts relating thereto, and by acceptance of jurisdiction by the Board of Directors of said corporation.

(f) A "Court" is an open unoccupied space, other than a rear yard, on the same lot with a building. A court, one entire side or end of which is bounded by a front yard, a rear or side yard, or by the front of the lot, or by a street or a public alley, is an "outer court." Every court which is not an "outer court" is an "inner court." Every court shall be open and unobstructed to the sky, from a point not more than two feet above the floor line of the lowest story in the building in which there are windows in rooms or apartments abutting on such court, except that a cornice on the building may extend into an "outer court" two inches for each one foot in width of such court, and a cornice may extend into an "inner court" one inch for each one foot in width of such court.

(g) The "curb level" for the purpose of measuring the height of any portion of a building is the mean level of the curb in front of such portion of the building. But where a building is on a corner lot, the curb level is the mean level of the curb on the street of greatest width. If such greatest width occurs on more than one street, the curb level is the mean level of the curb on the street of greatest width which has the highest curb elevation. The curb level for the purpose of regulating and determining the area of yards, courts, and open spaces is the mean level of the curb on the front of the building where there is the highest curb elevation. Where no curb elevation has been established or the building does not adjoin the street, the average ground level of the lot shall be considered the curb level.

(h) The "depth of a rear yard" shall be measured at right angles from the rear lot line to the extreme rear part of the building.

(i) A "detached building" is one that is not less than five feet distant, measured horizontally, from any portion of any other building.

(j) A "flat" is a building having two or more separate single family habitations therein whether one above another or on the same floor and having a separate outside entrance on the ground floor for each such habitation.

(k) The "height" of a building is the vertical distance measured from the curb level to the top of the roof of the highest part of the building (excepting towers or spires).

(l) The "height of a yard or a court" at any given level shall be measured from the lowest level of such yard or court as actually constructed.

(m) A "House Court" is a group of two or more single family dwellings on the same lot, whether detached or in solid rows, having a separate outside entrance on the ground floor level for each single family dwelling.

(n) The "least dimensions" of a yard or court at any level is the least of the horizontal dimensions of such yard or court at such level. If two opposite sides of a yard or court are not parallel, the horizontal dimension between them shall be deemed to be the mean distance between them.

(o) The "length of an outer court" at any given point shall be the measured distance in the general direction of the side lines of such court from the end opposite the end opening on a street or a rear yard, to such point.

(p) A "lot" is any piece of land fronting on a street as provided herein, the description of which is filed with the Building Commissioner, regardless of plats recorded in the office of the County Recorder. The "depth of a lot" is the mean distance from the street line of the lot to its rear line, measured between the centers of the end lines of the lot. A "corner lot" is a lot bounded on two sides by public streets provided that, for this purpose, no street, alley, court or open space less than thirty feet in width shall be deemed a public street. The "front line" or "front" of a lot is the boundary line of the lot bordering on the street upon which it abuts. In case of a corner lot, either frontage may be the front provided that the front line shall be taken to include any cut-off corners. If a lot runs through from street to street, either street line may be taken as the front lot line. The "rear line" of a lot is the boundary line of said lot opposite the front line. All other boundary lines of a lot are "side lines." (As amended by Amendment No. 3.)

(q) A "multiple dwelling" is a building designed or used for flats, apartments, tenements, hotel, dormitory or any dwelling other than a single family dwelling.

(r) A "rear yard" is an open, unoccupied space on the same lot with and immediately behind a building; and wherever required shall extend the full width of the lot.

(s) A "single family dwelling" is a dwelling for one family alone, having but one kitchen and within which not more than five (5) persons may be lodged for hire at one time, provided that reasonable quarters may be built and maintained in connection therewith for the use and occupancy of servants or guests of said family, and that such quarters may be built and maintained as a part of the main building or with the written approval of Palos Verdes Homes Association and the Art Jury in a separate detached accessory building or buildings on the same lot, provided said accessory buildings be not at any time rented or let to persons outside the said family and that they be occupied and used only by persons who are employed by or are the guests of said family. (As amended by Amendment No. 3.)

(t) A "story" is that portion of a building included between the surface of any floor and the finished ceiling above it.

(u) A "street wall" of a building at any level is the wall of that part of the building nearest to the street line.

(v) The "width of the street" is the mean distance between the sides from property line to property line thereof within a block. Where a street borders a public place, or public park, the width of the street is the mean width of such street plus the width measured at right angles to the street line of such public place or public park.

(w) The word "use" means the purpose for which the building is designed, arranged or maintained or for which it is or may be occupied or maintained.

**CLASSES OF
USE DISTRICTS** Section 2. The following general plan of zoning or districting is hereby adopted for said property and there are hereby established and defined for said property certain classes of use districts which shall be known as:

Residence Districts of:

Class A—Single Family Dwellings.

Class B—House Courts, Flats and Dwellings.

Class C-1—Apartments and other kinds of dwellings.

Class C-2—Same as Class C-1 until 1930, afterward Class D.

Class C-3—Same as Class C-1 until 1930, afterward Class H.

Business and Public Use Districts of:

Class D—Retail business, offices and dwellings.

Class E—Business, theatres and dwellings.

Class F—Public and semi-public uses.

Class G—Religious edifices.

Class H—General business, garages and dwellings.

Class J—Wholesale and material business.

Class K—Hospitals and Institutions.

The districts of said classes and of each thereof are hereby established for said property with location, extent and boundaries thereof as may be defined and established in supplemental and additional restrictions hereafter filed of record by Commonwealth Trust Company with said County Recorder, provided that further and/or different classes of use districts may be established and defined by Commonwealth Trust Company in said supplemental and additional restrictions. Any reference to said property or any part thereof in any declaration of restrictions or in deeds, contracts of sale or leases which shall classify any portion of said property as being within any district or any class of use district of said property, unless referring specifically to some other declaration, shall be construed as referring to the district of the class defined in this declaration or amendment thereof.

No building or premises or any portion of said property shall be used or structure erected to be used for any purpose other than a use permitted in the use district of the class in which such building or premises or property is located.

Section 3. In Residence Districts of Class A no building, structure, or premises shall be erected, constructed, altered or maintained which shall be used or designed or intended to be used for any purpose other than that of one detached single family dwelling on any building site.

**RESIDENCE
DISTRICTS
OF CLASS A
SINGLE FAMILY
DWELLINGS**

RESIDENCE DISTRICTS OF CLASS B—
HOUSE COURTS, FLATS AND DWELLINGS

Section 4. In Residence Districts of Class B no building, structure or premises shall be erected, constructed, altered or maintained which shall be used or designed or intended to be used for any purpose other than that of a house court, two family dwelling, flat, boarding house, fraternity house and/or a single family dwelling.

RESIDENCE DISTRICTS OF CLASS C-1—
APARTMENTS AND OTHER KINDS OF DWELLINGS

Section 5. In Residence Districts of Class C-1 no building, structure or premises shall be erected, constructed, altered or maintained which shall be used or designed or intended to be used for any purpose other than an apartment house, hotel (not containing a store or stores), private school, fraternity dwelling, club, dormitory, boarding house or lodging house, flat, multiple dwelling, two family dwelling and/or single family dwelling.

RESIDENCE DISTRICTS OF CLASS C-2—
SAME AS C-1 UNTIL 1930; AFTERWARD CLASS D

Section 6. In Residence Districts of Class C-2 no building, structure or premises shall be erected, constructed, altered or maintained which shall be used or designed or intended to be used for any purpose other than those specified for Residence Districts of Class C-1; provided that from and after January 1, 1930, all then existing Districts of Class C-2 shall, without further notice, action or agreement, become Business and Public Use Districts of Class D, as defined and established in Section 8 hereof.

RESIDENCE DISTRICTS OF CLASS C-3—
SAME AS CLASS C-1 UNTIL 1930; AFTERWARD CLASS H

Section 7. In Residence Districts of Class C-3 no building, structure or premises shall be erected, constructed, altered or maintained which shall be used or designed or intended to be used for any purpose other than those specified for Residence Districts of Class C-1; provided that from and after January 1, 1930, all then existing Districts of Class C-3 shall, without further notice, action or agreement, become Business and Public Use Districts of Class H, as defined and established in Section 12 hereof.

BUSINESS AND PUBLIC USE DISTRICTS OF CLASS D—
RETAIL BUSINESS, OFFICES AND DWELLINGS

Section 8. (a) In Business and Public Use Districts of Class D no building, structure or premises shall be erected, constructed, altered or maintained which shall be used or designed or intended to be used for any purpose other than those specified for Residence Districts of Classes A, B and C-1 hereof, or a retail business office, professional office, retail trade, telephone exchange, fraternal society, printing office

or store, with the exception of those uses of property specifically prohibited by paragraphs (b) and (c) of this section.

(b) In any Business and Public Use District of Classes D, E, F, G, H or J, no building or premises shall be used or be erected to be used or maintained for any trade, industry, or use that is obnoxious or offensive by reason of the emission of odor, smoke, gas, dust or noise.

(c) *Businesses prohibited in Class D Districts:* In a Business and Public Use District of Class D, no building or premises shall be used, or be erected to be used, for any of the following specified trades, industries or uses, viz: acid works; ammonia manufacture; commercial recreation park; asphalt manufacture or refining; assaying by the furnace method with more than one furnace of a capacity of two (2) cubic feet; blacksmithing or horseshoeing; bleaching powder manufacture; boilermaking or repairing; bottle or glass factory; brick, tile or terra cotta manufacture or storage; building for treatment of insane or feeble minded; candle or chemical factory; carpet cleaning or carpet beating; celluloid manufacture; car barn; chlorine manufacture; coal yard; construction material yard; creameries employing over five persons; crematory; dog pound; distillation of coal, wood or bones; dyeing or dry cleaning; electric central station power plant; fat rendering; feed yard; fertilizer manufacture; fish cannery; foundry; garages for more than six motor vehicles, other than a salesroom where motor vehicles are kept for sale or for demonstration purposes only; gas (illuminating or heating) manufacture or storage plants or tanks with a capacity of over five hundred cubic feet of gas; glue, size or gelatine manufacture; gun powder, fire works or explosives manufacture or storage; hay or grain barn or warehouse; hides or skins (uncured); hospital or sanitarium; incineration or reduction of garbage, offal, dead animals or refuse; iron, steel, brass or copper works; junk, scrap paper or rag storage or baling shop or yard; lamp black manufacture; livery stable; cement or plaster of paris manufacture; laundry or washhouse; lumber yard; machine shop; mattress or bed spring factory; milk bottling station; moving picture theatre; nursery or greenhouse; oil cloth or linoleum manufacture; oil or gasoline supply station; packing house or plant; paint, oil, varnish or turpentine

manufacture or storage; petroleum refining or storage; planing mill, or sash and door factory; pickle, sauerkraut, sausage or vinegar manufacture; powder factory; printing ink manufacture; railroad freight yard, team track, freight depot or shed, shops or roundhouse; rawhide or skin storage, curing or tanning; repair shop for motor vehicles; riding academy; rolling mill; scrap iron works or storage; roller or ice skating rink; rubber manufacture from crude material; rock, sand or gravel loading, distributing or receiving station; saw mill; public school; fire house; sheet metal works; silk or cotton mill; shoddy manufacture or wool scouring; slaughtering of animals or fowls; smelting; soap manufacture; stable for more than one animal; starch, glucose or dextrine manufacture; stone or monument works, stone crusher or quarry; crushed stone yard or bunker; stoneware or earthenware factory; saddle factory; stock yard; storage warehouse; warehouse for storage of household goods; sugar refining; sulphurous, sulphuric, nitric or hydrochloric acid manufacture; tallow, grease or lard manufacturing or refining; tannery; tar distillation or manufacture; tar roofing or tar water-proofing manufacture; theatre; undertaking parlor; veterinary hospital; wholesale business; wool pullery; wood yard; or any plant, works or factory where power is used to operate any such plant, works or factory, except that this shall not prohibit any machine operated by two horsepower or less, and except as provided in paragraph (d) of this section.

(d) In any Business or Public Use District of Class D, no building or premises shall be used or be erected to be used for any kind of manufacturing except that any kind of manufacturing of garments or food products, not included within the prohibition of paragraph (b) of this section, may be carried on; provided not more than twenty-five per cent of any one store or of the ground floor space or of the total floor space of the building is so used. The printing of a newspaper or a printing shop shall not be deemed manufacturing.

Section 9. In Business and Public Use Districts of Class E no building, structure or premises shall be erected, constructed or maintained, which shall be used or designed or intended to be used for any purpose other than those specified for

**BUSINESS AND
PUBLIC USE
DISTRICTS OF
CLASS E—
BUSINESS,
THEATRES
AND DWELLINGS**

Business or Public Use Districts of Class D, or a theatre, moving picture theatre or dance hall.

Section 10. In Business and Public Use Districts of Class F, no building, structure or premises shall be erected, constructed, altered or maintained which shall be used or designed or intended to be used for any purpose other than that of a public or private school, playground, park, aeroplane or dirigible landing field or accessory aerodrome or repair shop, public art gallery, museum, library, firehouse, nursery, or greenhouse or other public or semi-public building, or a single family dwelling.

Section 11. In Business and Public Use Districts of Class G, no building, structure or premises shall be erected, constructed, altered, or maintained which shall be used or designed or intended to be used for any purpose other than that of a church, religious edifice, parish house, or a single family dwelling.

Section 12. In Business and Public Use Districts of Class H, no building, structure or premises shall be erected, constructed, altered, or maintained which shall be used or designed or intended to be used for any purpose other than that permitted in Residence Districts of Classes A, B, or C-1, or in Business and Public Use Districts of Classes D, E, F and G hereof, and that of an undertaking parlor, garage for more than six motor vehicles, automobile repair shop, gasoline or oil supply station, dyeing or dry cleaning establishment or plumbing shop.

Section 13. In Business and Public Use Districts of Class J no building, structure or premises shall be erected, constructed, altered or maintained which shall be used or designed or intended to be used for any purpose other than that of business permitted in Business and Public Use Districts of Class H hereof and that of a blacksmith shop; building material yard; carbarn; coal yard; creamery; feed or fuel business; household furniture warehouse; lumber yard; milk bottling or distributing station; railroad freight depot, yard, team track or freight shed; riding academy; roller or ice skating rink; stable for more than one horse; warehouse for any business permitted in Class J Districts; wholesale business or wood yard; provided that the approval of the Homes Association thereto and the issuance by it of a tempor-

**BUSINESS AND
PUBLIC USE
DISTRICTS OF
CLASS F—**

**PUBLIC AND
SEMI-PUBLIC
USES**

**BUSINESS AND
PUBLIC USE
DISTRICTS OF
CLASS G—**

**RELIGIOUS
EDIFICES**

**BUSINESS AND
PUBLIC USE
DISTRICTS OF
CLASS H—**

**GENERAL
BUSINESS,
GARAGES AND
DWELLINGS**

**BUSINESS AND
PUBLIC USE
DISTRICTS OF
CLASS J—**

**WHOLESALE AND
MATERIAL
BUSINESS**

ary, revocable permit therefor, may permit temporary planing mills; and provided further that in Business and Public Use Districts of Class J no building or structure or any part thereof shall be designed, erected, altered or maintained for any single or multiple dwelling, sleeping or human habitation purposes, except that in connection with any warehouse or business building one single family dwelling quarters for one watchman employed on said building may be used by him and his family only.

**BUSINESS AND
PUBLIC USE
DISTRICTS OF
CLASS K.—
HOSPITALS AND
INSTITUTIONS**

Section 14. In Business and Public Use Districts of Class K, no building, structure or premises shall be erected, constructed, altered, or maintained which shall be used or designed or intended to be used for any purpose other than that of a public or private hospital, sanitarium (except an establishment for the care or cure of persons afflicted with tuberculosis or for the care, cure or restraint of the mentally impaired or of victims of drink or drugs, which are prohibited by Article I hereof), clinic, day nursery, or charitable institution or a use permitted in a Residence District of Classes A, B, or C-1.

**ACCESSORY
BUILDINGS,
DOCTORS'
OFFICES IN
DWELLINGS, ETC.**

Section 15. Nothing contained herein shall prevent the usual accessories to uses which are permitted by the provisions hereof, such as the use by a physician, surgeon, dentist, or other person practicing the art of healing, artist or musician of his or her residence as an office or studio. Customary outbuildings or bridges may be located or maintained as accessory to any building lawfully within the boundaries of any district herein specified. The term accessory shall not include a business nor shall it include any building or use not on the same lot with the building or use to which it is accessory. A private garage for more than six motor vehicles shall not be deemed accessory in a Use District of Classes A, B, C-1, C-2, C-3, F, G, or K, except with the approval of the Homes Association.

**LOCATION OF
ACCESSORY
BUILDINGS**

Section 16. (a) Accessory buildings shall include and permit the building of a private garage for each existing single family dwelling, and for each apartment of any multiple dwelling on the same lot for the sole use of the occupants thereof, provided that the area, yard and court requirements thereof be not thereby diminished. (As amended by Amendment No. 3.)

(b) Except as otherwise provided in further restrictions applicable thereto filed

of record with said County Recorder by Commonwealth Trust Company, accessory buildings in Residence Districts of Classes A, B, C-1, C-2, C-3, F, G and K shall conform to the following regulations as to their location upon the lot, provided, however, that where the slope of the lot is greater than one foot rise in six feet of run, a private garage may, with the approval of the Homes Association, be built nearer to the street.

1. In the case of an interior lot fronting upon only one street, no accessory building shall be erected or altered so as to encroach upon that half of the lot depth nearest the street.

2. In the case of an interior lot fronting upon two or more streets, no accessory building shall be erected or altered so as to encroach upon either fourth of the lot depth nearest such streets.

3. In the case of a corner lot fronting upon two streets, no accessory building shall be erected or altered so as to encroach upon the area between such respective streets and lines drawn parallel to such streets respectively in a manner to divide the lot into two equal areas.

4. In the case of a corner lot fronting upon three or more streets, no accessory building shall be erected or altered so as to encroach upon any fourth of the lot depth nearest such streets.

5. No accessory building shall be located within ten feet of its rear or side lot line when such line forms part of the front half of the side line of an adjacent interior lot, or the front quarter of an adjacent lot whether the latter be an interior or corner lot.

6. Notwithstanding any requirement in this section, the foregoing rules shall not prohibit an accessory building where permitted by this declaration seventy-five (75) feet or more from the street bounding the block.

7. The limitations imposed by this section upon the location of an accessory building shall be waived when the accessory building is incorporated as an integral part of, and enclosed by the same enclosing walls as the building to which it is accessory.

(c) No garage for more than six motor vehicles or theatre or dance hall shall be established in any Use District so as to have a street entrance or exit for use by automobiles upon any street within 200

**RESTRICTIONS
AS TO PUBLIC
GARAGES AND
THEATRES NEAR
SCHOOLS,
HOSPITALS, ETC.**

feet of the entrance to or exit from a public or private school, or playground, church, hospital, or children's home for children under 16 years of age, except where said school, playground, church, hospital, or children's home is in a Business and Public Use District of Class H. This restriction, however, shall not apply to places which are attended by not more than twelve (12) children per day.

CLASSES OF HEIGHT DISTRICTS

Section 17. For the purpose of regulating and limiting the height and bulk of buildings erected, there are hereby established and defined for the said property certain classes of Height Districts as follows:

- 1 Story Height Districts
- 2 Story Height Districts
- 2½ Story Height Districts
- 3 Story Height Districts

as herein further defined and limited, with location, extent and boundaries thereof as may be defined and established in supplemental and additional restrictions hereafter filed of record with said County Recorder, provided that further and/or different classes of height districts may be established and defined in said restrictions. No building or premises or any part thereof shall be erected, constructed, altered or maintained except in conformity with the regulations herein provided for the Height District in which said premises, building or part thereof is located. Any further restrictions hereafter established and placed of record with said County Recorder which shall classify any of said property as being within any district or any class of height district unless referring specifically to some other recorded restrictions, shall be construed as referring to the district of the class defined in this declaration, or amendment thereof.

1 STORY HEIGHT DISTRICTS

Section 18. In a 1 Story Height District no building or structure shall be erected, constructed, altered or maintained with a height in excess of one story and basement, nor more than twenty-five (25) feet, except as provided in Section 22 hereof.

2 STORY HEIGHT DISTRICTS

Section 19. In a 2 Story Height District no building or structure shall be erected, constructed, altered or maintained with a height in excess of two stories, nor more than thirty-five (35) feet, except as provided in Section 22 hereof.

2½ STORY HEIGHT DISTRICTS

Section 20. In a 2½ Story Height District no building or structure shall be

erected, constructed, altered or maintained with a height in excess of two stories and a finished attic, nor more than forty (40) feet, except as provided in Section 22 hereof.

Section 21. In a 3 Story Height District no building or structure shall be erected, constructed, altered or maintained with a height in excess of three stories, nor more than forty-five (45) feet, except as provided in Section 22 hereof.

3 STORY HEIGHT DISTRICTS

Section 22. (a) The height limitations hereof shall not apply to gables, spires, flag-poles, chimneys and wireless aerials and supports, provided same are approved by the Homes Association and the Art Jury, and provided further that where the slope of the lot is greater than one foot rise in six (6) feet of run an additional story may be permitted by the Homes Association on the downhill side of the building in any Height District.

SPECIAL HEIGHT DISTRICT PROVISIONS

(b) Except in Residence Use Districts of Classes A and B, towers, pent-houses or water tanks closed in with walls down to the ground or to main part of the building, may with the approval of Palos Verdes Homes Association and the Art Jury be built and used to a greater height than permitted in the height District in which the structure is located; provided that no tower of any apartment house shall be erected, constructed, altered or maintained with rooms used or designed or intended to be used for sleeping rooms on more than three stories of said apartment house; and provided that no tower of any hotel or lodging house shall be erected, constructed, altered or maintained with rooms used or designed or intended to be used for sleeping purposes on more than five floors of said hotel or lodging house; and provided that no such tower, pent-house, or water tank shall cover at any level more than fifteen (15) percent in area of the lot, nor have a base area greater than sixteen hundred (1600) square feet; and provided further that no part of any building or structure on any part of said property shall ever exceed a maximum height of one hundred and fifty (150) feet. (As amended by Amendment No. 1.)

TOWERS, TANKS AND PENT-HOUSES ABOVE HEIGHT LIMIT

Section 23. (a) For the purpose of regulating and determining the area of yards, courts and other open spaces for buildings erected on said property the fol-

GENERAL AREA REQUIREMENTS

lowing area requirements are hereby established:

No building or part of a building shall be erected except in conformity with the area regulations herein prescribed for the Use District in which said building is located. Unless otherwise expressly provided the terms "rear yard," "side yard," "outer court" or "inner court" when used herein shall be deemed to refer only to a rear yard, side yard, outer court or inner court required herein.

(b) If a lot extends through from one street to another street, public alley, walk, court or public park one-half of the narrowest street, alley, walk, court or public park on which such lot abuts may be considered as a part of the lot in computing the size of the rear yard required except that if such one-half of the narrowest street, walk, court, alley or park is greater than the rear yard required, then only as much of said street as is required for the rear yard shall be considered as a part of said yard and provided that in no event shall the open and unoccupied space on the rear of the lot be less than five feet in depth.

**PERCENTAGE OF
LOT OCCUPIED**

Section 24. No building or structure shall be erected, constructed, altered or maintained which shall occupy either alone or with other buildings, a greater percentage of the area of the lot than as follows:

(a) In Residence Districts of Class A not more than thirty (30) per centum.

(b) In Residence Districts of Classes B, C-1, C-2, C-3, and in Business and Public Use Districts of Classes F, G and K, and for multiple dwellings in any use district, in the case of corner lots not more than seventy (70) per centum and in the case of interior lots not more than sixty (60) per centum.

The measurements shall be taken at the ground level; except that in the case of hotels the measurement may be taken at the floor level of the lowest bedroom story and in the case of other multiple dwellings where there are stores or shops on the entrance story, the measurements may be taken at the story above the top of such entrance story. No measurements of lot area shall include any portion of any street or alley. Any portion of a corner lot distant more than sixty (60) feet, from the corner line measured along the front line of the lot, shall be treated as an interior lot.

Section 25. (a) Immediately behind every dwelling erected in any Use District there shall be a rear yard extending across the entire width of the lot. Such yard shall be at every point open and unobstructed from the ground to the sky and shall be of the depth described in Section 27 hereof. Every part of such yard shall be directly accessible from every other part thereof. The depth of said yard shall be measured at right angles from the extreme rear part of the dwelling:

(1) To the middle line of the alley where an alley immediately abuts a lot and extends across its entire width;

(2) To the rear lot line, where there is no such alley;

(3) To the nearest wall of the building, where there is another building at the rear as permitted herein.

The provisions of this Section shall not apply to hotels nor to Business and Public Use Districts of Class J.

(b) In Business and Public Use Districts of Classes D, E and H the lowest level of the rear yard shall not be above the sill level of the second story windows nor in any case more than 18 feet above the curb level.

In Residence Districts of Classes A, B, C-1, C-2, C-3, and in Business and Public Use Districts of Classes F, G and K the lowest level of a rear yard shall not be above the curb level, except that a private garage or other out-building not more than one story in height may be built in the open space required for the rear yard if the required rear yard area be not thereby diminished, and egress from said rear yard to rear lot line be provided and maintained open and unobstructed to the sky of a width equal to the minimum width of required rear yard, and provided further that not more than one private garage may be built on any one lot in a Residence District of Class A.

Section 26. If a room in which persons live, sleep, work or congregate receives its light and air in whole or in part directly from an open space on the same lot with the building, there shall be at least one inner court, outer court, side yard or rear yard upon which a window or ventilating skylight opens from such room. Such inner court, outer court or side yard shall be at least of the area and dimensions herein prescribed for an inner court in the

REAR YARDS

COURTS

Use District in which it is located. In Business and Public Use Districts of Class J such inner court, side yard or rear yard shall be at least of the area and dimension herein prescribed for a court in such district. The unoccupied space within the lot in front of every part of such window shall be not less than five (5) feet measured at right angles thereto and not less than thirty-five (35) square feet in area. Courts, yards, and other open spaces if provided in addition to those required need not be of the area and dimensions herein prescribed.

AREA REQUIREMENTS IN BUSINESS AND PUBLIC USE DISTRICTS OF CLASSES D, E, H, AND J

Section 27. (a) In Business and Public Use Districts of Classes D, E, H, and J yards and courts shall not be required except where windows are required, in which case the provisions of Sections 24 and 25 hereof shall apply and the dimensions of said yards and courts shall be the same as required in a Class C-1 District by paragraph (b) hereof, provided that said provisions shall not apply to windows opening on an open porch or arcade.

AREA REQUIREMENTS IN CLASS A, B, C-1, C-2, C-3, F, G, AND K USE DISTRICTS

(b) In Residence Districts of Classes A, B, C-1, C-2, C-3, and in all Business and Public Use Districts of Classes F, G and K, and for each multiple or single dwelling erected in any Use District, the minimum width of outer courts, inner courts and rear yards shall be as follows: (Height of building based on full number of stories in the building measured upward from and including the lowest story in which there is an apartment or bedroom.) (As amended by Amendment No. 1.)

Stories	Height of Building (ft.)	Outer Court		Rear Yard	
		Minimum Width of Court (ft.)	Minimum Area (sq. ft.)	Minimum Width (ft.)	Minimum Depth (ft.)
1	25	5	80	7	12
2	35	7	106	8	15
2½	40	8	120	10	18
3	45	10	160	12	20

Rear Yard on Corner Lot
The minimum depth of a rear yard on a corner lot shall be as follows:

Depth of Corner Lot	Depth of Rear Yard
Not exceeding 100 feet.	Not less than 100% of the depth of the lot nor less than five feet, nor less than the minimum width required for an outer court, based on the number of stories in such building.
Exceeding 100 feet.	Not less than twelve (12) feet.

SIDE YARDS

(c) In Residence Districts of Classes A, B, F, G and K, along each side lot line there shall be a side yard of a minimum

width of five (5) feet; provided, however, that upon the presentation of a duly executed party wall agreement between owners of two adjoining lots and with the written approval of the Art Jury, this requirement shall not apply as to said lot line. In Residence Districts of Classes C-1, C-2 and C-3, and in Business and Public Use Districts of Classes D, E and H, side yards shall not be required except where windows are required, in which case said side yards shall be of the width required for outer courts or side courts in paragraph (b) above. (As amended by Amendment No. 3.)

ADDITIONAL BUILDINGS ON THE SAME LOT

Section 28. No building for Residence use shall be built nearer in any part than ten (10) feet from any other building for single or multiple residence use on the same lot. If a building is erected on the same lot with another building, the several buildings shall for the purpose of this declaration be considered as a single building. Any structure, whether independent of or attached to a building, shall for the purposes hereof be deemed a building or a part of a building.

No building or structure of any kind shall be placed upon the same lot with an existing building or structure so as to decrease the minimum size of courts or yards as herein prescribed, excepting a one-story accessory private garage or out-building, as provided in Section 25 hereof.

AREA REQUIREMENT EXCEPTIONS

Section 29. (a) The area required in a court or yard at any given level shall be open from such level to the sky unobstructed, except for the ordinary projections of sky-lights and parapets above the bottom of such court or yard, and except for the ordinary projections of window sills, belt courses, cornices, and other ornamental features to the extent of not more than four inches. However, where a side yard or an outer court opens on a street, a cornice may project not over five feet into such side yard or outer court within five feet of the street wall of the building. And provided also that in a Residence District of Class A a single family dwelling having a side yard of a clear and unobstructed width of not less than five feet may have a cornice or eave projecting not more than two feet into the side yard on the opposite side.

(b) An open or latticed enclosed iron fire escape or stairway may project not more than four feet into a rear yard or an inner court.

(c) A corner of a court or yard may be cut off between walls of the same building provided that the length of the wall of such cut-offs does not exceed four feet.

(d) An offset to a court or yard may be considered as a part of such court or yard provided that it is no deeper in any part than it is wide on the open side and that such open side be in no case less than six feet wide.

INTERPRETATION

Section 30. In interpreting and applying the provisions of this declaration they shall be held to be the minimum requirements adopted for the promotion of the health, safety, comfort, convenience and general welfare of the owners and occupants of said property. It is not intended by this declaration to interfere with any provisions of law or ordinances or any rules, regulations, or permits previously adopted or issued or which may be adopted or issued pursuant to law relating to the use of buildings or premises; nor is it intended by this declaration to interfere with or abrogate or annul easements, covenants or other agreements between parties; provided, however, that where this declaration imposes a greater restriction upon the use of buildings or premises or upon the height of buildings or requires larger yards, courts or other open spaces than are imposed or required by such provisions of law or ordinances or by such rules, regulations or permits, or by such easements, covenants or agreements, then and in that case the provisions of this declaration shall control.

**ALTERATIONS
AND CHANGE
IN OCCUPANCY**

Section 31. No building or structure erected, constructed, or premises used on any part of said property shall at any time be altered so as to be in violation of this declaration.

**BUILDING
PERMITS**

Section 32. No building permit shall be issued by the Building Commissioner of the Homes Association for the erection or alteration of any building or structure contrary to the provisions of this declaration.

**No Use Prior
to Issuance of
Certificate of
Completion
and Compliance**

Section 33. No owner or lessor of any portion of said property shall use or permit the use of any building or premises or part thereof created, erected, changed, or converted wholly or partly in its use or structure until a certificate of completion and compliance, to the effect that the building or premises or the part thereof so created, erected, changed or converted and the proposed use thereof conform to the provisions of this declaration, shall have been issued by the Homes Association.

Section 34. (a) To preserve the attractiveness of the said property and to prevent the erection, alteration or maintenance of buildings of undesirable and inharmonious design that would depreciate their neighbors, there are hereby established and defined for said property certain districts combining the usual architectural forms as follows:

Type I Architecture District, Type II Architecture District and Type III Architecture District, as herein further defined and limited, with location, extent and boundaries thereof as may be defined and established in supplemental declarations of restrictions hereafter filed by Commonwealth Trust Company of record with said County Recorder, provided that further classes of architecture districts may be established and defined in such declarations. No building or structure shall be erected, constructed, altered or maintained on said property or any part thereof, except in conformity with the regulations herein provided for the Type of Architecture District in which said building or structure is located, and except as provided in Article III of this declaration.

(b) A design must be reasonably good of its kind in order to be approved by the Art Jury. A poorly designed example of any sort of architecture, regardless of its nominal "style," or of its cost, shall be disapproved.

(c) Materials, color and forms must be used honestly, actually expressing what they are, and not imitating other materials (such as tin, tile, wood and sheet metal, shaming stone, etc.), as for instance, wood being treated frankly as wood and not in imitation of stone, wherever it is used. In this hilly country, roofs will be much seen from above, and their form and color are important to the success and attractiveness of the property. The design of the building must be of such a kind or type as will, in the opinion of the Art Jury, be reasonably appropriate to its site and harmonize with its surroundings, including the architectural character of neighboring improvements for which designs have previously been approved. The word "type" is used rather than "style" because attempts to reproduce "archaeological" or "period" styles shall be discouraged.

Section 35. In Type I Architecture Districts buildings or structures shall conform to the following general requirements and

**Type I
Architecture
Districts**

definitions, subject to the discretion of the Art Jury:

Type I shall be that distinctive type of architecture which for two decades or more has been successfully developing in California, deriving its chief inspiration directly or indirectly from Latin types, which developed under similar climatic conditions along the Mediterranean.

COLOR: Generally light in tone (of shades to be approved for each individual case).

MATERIALS: Plaster or stucco exterior wall surfaces of a durable construction, or where they can be afforded, concrete stone or an approved artificial stone, are to be preferred. In rare cases an exterior finish of wood or clay products may be approved in Type I districts, but only when treated in harmony with the dominant note of neighboring building.

ROOFS: Low roofs are desired in Type I districts, preferably not steeper than thirty (30) degrees and never to exceed thirty-five (35) degrees maximum. They should be of tile of an approved color, or if of shingles the natural weather tone shall be preferred. Roof if flat, enclosed by parapet walls. Paper or other approved prepared roofings of these flat roofs to be sprinkled with gravel or other natural material, generally light in tone.

**TYPE II
ARCHITECTURE
DISTRICTS**

Section 36. In Type II Architecture Districts buildings and structures shall conform to the following general requirements and definitions, subject to the discretion of the Art Jury:

Type II varies from Type I in greater latitude of architectural character. Type I designs may be approved in Type II districts. However, where some special local start of a variant type is made, with the approval of the Art Jury, other nearby buildings may be required to harmonize.

COLOR, MATERIALS and ROOFS: Requirements the same in general as for Type I, with local variations subject to the approval of the Art Jury. A greater use of wood exterior finish may be approved than in Type I districts, with an accompanying latitude in steepness of roof pitch. The maximum allowable pitch for story and a half houses in Type II districts shall be forty (40) degrees, and for two-story houses forty-five (45) degrees maximum, preferably less.

Section 37. In Type III Architecture Districts buildings and structures shall conform to the following general requirements and definitions, subject to the discretion of the Art Jury:

**TYPE III
ARCHITECTURE
DISTRICTS**

Type III varies from Type II as follows and Type II buildings will not be discouraged in Type III districts where they are made to harmonize with the adjacent improvements, but Type I buildings may not be approved:

COLOR AND MATERIALS: To be varied as occasion warrants with the approval of the Art Jury. Greater use of clay products exterior finish may be approved in Type III districts.

ROOFS: A slope or pitch of as much as sixty (60) degrees may be allowed in some cases, when not considered inharmonious with the neighboring buildings or contour of the surrounding ground.

Section 38. In Type IV Architecture Districts all buildings or structures shall conform to the requirements of Type II Architecture Districts as defined and limited in said Declaration No. 1, provided that the Bank of America reserves to itself, its successors and assigns the sole right to establish a general group design and color scheme, with the approval of the Art Jury, for any and all buildings and structures to be erected in said Type IV Districts, which said design shall indicate the general spacing of bays or openings, exterior facades, roof lines, gables and towers. No building or structure shall be erected, constructed, altered or maintained on any lots in said District except in conformity with said design and color scheme, as interpreted by the Art Jury; provided that if within ninety (90) days after the receipt in writing by Bank of America, its successors or assigns, of a request for the completion of said design for any lot in said Type IV Architecture District from the owner thereof, reasonably adapted to the uses and purposes of said lot and permitted and authorized by the restrictions applicable thereto under the terms of the deed or contract of sale of said lot, said Bank of America, its successors or assigns, shall fail to complete said design and color scheme as to said lot to the satisfaction of the Art Jury, the Art Jury shall without further notice be empowered to establish a design and color scheme as to said property and no building or structure shall thereafter be erected,

**TYPE IV
ARCHITECTURE
DISTRICTS**

constructed, altered or maintained on said property except in conformity with said last named design and color scheme or such changes therein as may be approved by the Art Jury. (Added by Amendment No. 3.)

ARTICLE V

OTHER RESTRICTIONS

KEEPING OF STOCK OR POULTRY *Section 1.* No cattle, hogs, or other animals, rabbits or poultry, may be kept in any part of said property unless written permission be obtained from the Homes Association, which permission shall be granted and shall be revocable at the pleasure of said Association, under uniform regulations.

CONSTRUCTION TO BE DILIGENTLY PROSECUTED AND NEW MATERIAL USED *Section 2.* No building, any part of which is for dwelling purposes, shall be in any manner occupied while in the course of original construction or until made to comply with all requirements as to cost and with all other conditions set forth or referred to herein or in any further restrictions established and applicable thereto. The work of construction of any building or structure shall be prosecuted diligently and continuously from the time of commencement until the same shall be fully completed. Every building, fence, wall or other structure placed on any part of said property shall be constructed from new material only and not from old or second hand material, and no building constructed elsewhere shall be moved to or constructed on said property, except with the approval of the Homes Association and the Art Jury.

STATUS OF SPLIT LOT OWNERSHIP *Section 3.* An ownership or single lot holding comprising parts or portions of two or more adjoining lots, or all of one lot and parts of one or more lots adjacent thereto or other re-subdivision approved as herein provided, the total average width of which is not less than fifty (50) feet shall be deemed to be a single lot or building site for the purposes hereof.

COST OF IMPROVEMENTS *Section 4.* The cost or value of the first building to be erected on any lot, including a reasonable fee of architect and reasonable profit for builder, shall be not less than the amount specified for that lot in any subsequent restrictions affecting the same and said minimum cost at any future date is to be taken as that sum which will build the

same amount of building as in the judgment of the Board of Directors of the Homes Association was possible to be built for the sum named on July 1, 1923. Nothing in this clause is intended to prevent the building of private garages or other approved accessory buildings, after or at the same time with the construction of the main building.

Section 5. Commonwealth Trust Company reserves the right to make such cuts and fills as are necessary to grade the streets or private ways, whether dedicated or not dedicated, within the boundaries thereof, in accordance with such grades as it may establish, including the right so far as is reasonable and proper for the necessary support and protection of streets so graded, to slope upon abutting lots, and may assign said rights or any of them to Palos Verdes Homes Association. (As amended by Amendment No. 3.)

Section 6. If in the opinion of the Homes Association any public improvement, planting, tree or utility of any character shall be damaged by the negligence or carelessness of any property owner or of any person working by or through any property owner, then the Homes Association shall have the right to repair such damage, and/or to replace such planting and/or tree, to pay for same out of the general fund and to assess the cost thereof against the property of such owner; and it is hereby expressly stipulated that such expense shall constitute a lien against such property, and such lien is hereby reserved and established and shall be enforceable by the Homes Association in its own name or in the name of any property owner in said property in any court having competent jurisdiction. When paid by the property owner against whom the same has been assessed, the amount of said expense shall be returned to the general fund of the Homes Association.

Section 7. No tree over twenty feet in height above the ground shall be trimmed, cut back, removed or killed except with the approval of the Homes Association, and representatives of the Homes Association and/or of the Art Jury shall have the right at any time to enter on or upon any property for the purpose of cutting back trees or other plantings which may grow up to a greater height than in the opinion

STREET GRADES, CUTS AND FILLS

OWNER LIABLE FOR DAMAGE TO STREETS CAUSED BY NEGLIGENCE

TRIMMING AND REMOVAL OF TREES AND SHRUBS

of the Homes Association is warranted to maintain the view and protect adjoining property. The Homes Association shall have sole authority and right to trim, remove, replace, plant or re-plant or otherwise care for the trees, shrubs and plantings in the sidewalk or other spaces in front of lots or adjoining them, subject to any county or other officials having superior jurisdiction.

**RIGHT TO PLANT
AND MAINTAIN
VACANT AND
UNIMPROVED
LOTS**

Section 8. The Homes Association shall have the right at all times to enter on or upon any lot or parcel of said property that is vacant or unimproved by the owner thereof, and to plant or re-plant, trim, cut back, remove, replace and/or maintain hedges, trees, shrubs or flowers on the front half and/or on the area within fifteen (15) feet of any rear or within ten (10) feet of any side line and/or keep cultivated and/or grow, reap and remove crops on the whole area of any parcel, lot or building site of said property, and the said Homes Association or any officer or agent thereof, shall not thereby be deemed guilty of any manner of trespass. When the owner of a parcel or lot so planted or maintained by the Homes Association shall give bona fide evidence and written notice to said corporation of his intention to improve the same within thirty days, the Homes Association may within said thirty days and until work on said improvements is commenced, transplant, remove or dispose of any or all of the plantings which may have been made by it.

**PRIVIES AND
CESSPOOLS**

Section 9. No privy shall be erected, maintained or used upon any part of said real property, but a temporary privy may with the approval of Palos Verdes Homes Association be permitted during the course of construction of a building. Any lavatory, toilet or water-closet that shall be erected, maintained or used thereon shall be enclosed and located within a building herein permitted to be erected on said premises; and, until an adequate public sewerage system shall be provided therefor, the same shall be properly connected with an underground cesspool, so constructed, covered and operated that no offensive odors shall arise or otherwise escape therefrom; and provided further, that no such cesspool shall be constructed, altered or maintained unless a proper building and plumbing permit therefor

shall first have been obtained from Palos Verdes Homes Association, and that before any use thereof a Certificate of Completion and Compliance shall also have been issued therefor by said Association. (Added by Amendment No. 1.)

Section 10. To maintain the health, safety and general welfare of people residing on said property, and to prevent danger from fires, street traffic or other hazards to life and limb or property, Palos Verdes Homes Association shall adopt such rules and regulations as it may from time to time deem advisable and necessary and all parts of said property shall at all times be maintained subject to said rules and regulations; provided, however, that all such rules and regulations shall be in addition to and not interfere with any regulations of County, State or other duly constituted public authority. No fires shall be built or maintained except in chimneys, fireplaces or other fire arrangements for which a written permit has been issued by said Association. (Added by Amendment No. 1.)

**MAINTENANCE
OF HEALTH,
SAFETY
AND WELFARE**

Section 11. No obstruction, diversion, bridging or confining of the existing channels, through which surface water in time of storms naturally flows upon and across any lot, shall be made by any lot owner in such a manner as to cause damage to other properties or, except with the approval of Palos Verdes Homes Association as to the adequacy of such constructed, diverted, bridged or confined channel in such a manner as to carry the amount of storm water liable to flow into it, and the right is expressly reserved to Bank of America, its successors and assigns, as an incident of the development of the entire properties including the construction of streets, gutters, ditches and otherwise, to cause reasonable increases or decreases in the amount of water which would in a state of nature flow into and through any such natural storm water channels. (Added by Amendment No. 1.)

**MAINTAINING
NATURAL
DRAINAGE**

Section 12. No plants or seeds infected with noxious insects or plant diseases shall be brought upon, grown or maintained upon any part of said property and no plants or seeds shall be brought upon any part of said property except in accordance with regulations established by and subject to inspection by the Park Department of Palos Verdes Homes Association.

**INSECT PESTS
AND
PLANT DISEASES**

cliation as to their freedom from insect pests and plant diseases. The right is specifically reserved to said Park Department to enter upon any part of said property and inspect all plants and seeds thereon at any time, and if after due notice from said Park Department of the existence on any part of said property of infectious plant diseases or insect pests the owner thereof fails or neglects to take such measures for the eradication or control of the same as said Park Department deems necessary for the protection of the community, to enter thereon and at the expense of the owner thereof to destroy or remove infested or diseased plants and/or spray the same and/or take such other measures as may be necessary in the opinion of said Park Department to protect the same and/or take such other measures as may be necessary in the opinion of said Park Department to protect the community from the spread of such infection. (Added by Amendment No. 1.)

ARTICLE VI

DURATION, ENFORCEMENT, AMENDMENT

DURATION OF RESTRICTIONS

Section 1. All of the restrictions, conditions, covenants, liens and charges set forth in this declaration of restrictions shall continue and remain in full force and effect at all times against said property and the owners thereof, subject to the right of change or modification provided for in Sections 2 and 3 of Article VI hereof, until January 1, 1960, and shall as then in force be continued automatically and without further notice from that time for a period of twenty years, and thereafter for successive periods of twenty years each without limitation unless within the six months prior to January 1, 1960, or within the six months prior to the expiration of any successive twenty year period thereafter a written agreement executed by the then record owners of more than one-half in area of said property, exclusive of streets, parks, and open spaces be placed on record in the office of the County Recorder of Los Angeles County by the terms of which agreement any of said conditions, restrictions, covenants, liens or charges are changed, modified or extinguished in whole or in part, as to all or any part of the property originally subject thereto, in the manner and to the extent therein provided. In the event that any such written agreement of change or modification be

duly executed and recorded, the original conditions, restrictions, covenants, liens and charges as therein modified shall continue in force for successive periods of twenty years each unless and until further changed, modified or extinguished in the manner herein provided.

MODIFICATION OF BASIC RESTRICTIONS

Section 2. Amendment, change, modification or termination of any of the conditions, restrictions, reservations, covenants, liens or charges set forth and established in Articles I, II, III and VI hereof (except the maintenance and improvement charges as provided in Section 3 of Article II hereof) may be made by Commonwealth Trust Company or its successors in interest, as the owner of the reversionary rights herein provided for, by mutual written agreement with the then owners of record (including the mortgagees under a recorded mortgage and the trustee under a recorded deed of trust) of not less than ninety (90) per cent in area of said property and with not less than eighty (80) per cent of all of the then owners of record title of said property and with the Homes Association, duly executed and placed of record in the office of the County Recorder of Los Angeles County, California.

MODIFICATION OF OTHER RESTRICTIONS

Section 3. Any of the conditions, restrictions, covenants, reservations, liens or charges set forth in Articles IV and V hereof or hereafter established in any declaration of additional restrictions or deed, contract of sale or lease legally filed of record unless otherwise provided therein, may be changed or modified by written instrument duly executed and placed of record: (1) As to any property then owned by Commonwealth Trust Company, by Palos Verdes Homes Association and Commonwealth Trust Company; (2) as to any other property, by Palos Verdes Homes Association, the owner or owners of record of two-thirds in area of such property and Commonwealth Trust Company or its successors in interest as owner of the reversionary rights herein; provided, however, that in either case no change or modification shall be made without the written consent duly executed and recorded of the owners of record of not less than two-thirds in area of all lands held in private ownership within three hundred feet in any direction of the property concerning which a change or modification is sought to be made, and provided further that this shall

not be construed as requiring the consent of the owners of any property not under jurisdiction of the Homes Association; and also provided that any approval given thereto by the Homes Association shall not be valid unless and until it shall first have had a public hearing thereon.

**RECORDS AND
REPORTS**

Section 4. (1) Any agent or officer of the Homes Association and/or of the Art Jury may at any reasonable time enter, inspect and report upon any property subject to the jurisdiction of the Homes Association and/or the Art Jury as to its maintenance or improvement in compliance with the provisions hereof; and the Homes Association, the Art Jury and/or any agent or officer thereof shall not thereby be deemed guilty of any manner of trespass for such entry or inspection. The Homes Association and/or the Art Jury may issue a certificate of completion and compliance as to any property so inspected and make and collect a charge therefor.

(2) For the purpose of making a search upon or guaranteeing or insuring title to, or any lien on and/or interest in any lot or parcel of said property, and for the purpose of protecting purchasers and encumbrancers for value and in good faith as against the performance or non-performance of any of the acts in this declaration of restrictions authorized, permitted or to be approved by the Homes Association and/or the Art Jury, the records of the Secretary of the Homes Association and/or of the Art Jury shall be conclusive as to all matters shown by such records and the issuance of a certificate of completion and compliance by the Homes Association and by the Art Jury showing that the plans and specifications for the improvements or other matters herein provided for, or authorized, have been approved and that the said improvements have been made in accordance therewith, or of a certificate as to any matters relating to the Homes Association or to the Art Jury by the respective secretaries thereof shall be conclusive upon all persons and shall fully justify and protect any title company or person certifying, guaranteeing, or insuring the said title, or any lien thereon, and/or any interest therein, and shall also fully protect any purchaser or encumbrancer in good faith and for value in acting thereon, as to all matters within the jurisdiction of the Homes Association and/or the Art Jury. In any

event after the expiration of one year from the date of the issuance of a building permit by the Homes Association for any structure, work, improvement or alteration, the said structure, work, improvement or alteration shall, in favor of purchasers and encumbrancers in good faith and for value be deemed to be in compliance with all the provisions hereof, unless actual notice executed by the Homes Association and/or the Art Jury of such non-completion and/or non-compliance, shall appear of record in the office of the County Recorder of Los Angeles County, California, or legal proceedings shall have been instituted to enforce completion and/or compliance.

Section 5. If at any time the owner or owners of lands adjoining or outside of said property shall agree with Commonwealth Trust Company or its successors in interest and/or Palms Verdes Homes Association to hold, sell and convey said land subject to restrictions, conditions, covenants, reservations, liens or charges set forth in a Declaration of Restrictions by such owner or owners approved by the Homes Association and the Art Jury, and such agreement and/or Declaration of Restrictions shall thereafter be recorded in the office of the County Recorder of Los Angeles County, California, the Homes Association and the Art Jury shall then and thereafter have power to do and perform any and all of the acts, to fix, impose and collect charges, assessments and dues from the owners of said property as therein provided and to grant said owners membership in the Homes Association as therein agreed to and provided; provided, however, that the Art Jury shall have full jurisdiction over all lands and property over which the Homes Association may at any time have jurisdiction.

**ANNEXATION OF
ADDITIONAL
PROPERTY**

Section 6. Each and all of said restrictions, conditions and covenants, reservations, liens and charges is and are for the benefit of each owner of land (or any interest therein), in said property and they and each thereof shall inure to and pass with each and every parcel of said property, shall apply to and bind the respective successors in interest of Commonwealth Trust Company. Each grantee of Commonwealth Trust Company of any part or portion of the said property by acceptance of a deed incorporating the substance of this declaration either by setting it

**REVERSION
OF TITLE**

forth or by reference therein, accepts the same subject to all of such restrictions, conditions, covenants, reservations, liens and charges, and the jurisdiction, rights and powers of the Art Jury and of the Homes Association. A breach of any of the restrictions, conditions and covenants hereby established shall cause the real property upon which such breach occurs to revert to Commonwealth Trust Company or its successor in interest as owner of the reversionary rights therein provided for, and the owner of such reversionary rights shall have the right of immediate re-entry upon such real property, in the event of any such breach; and, as to each lot owner in the said property, the said restrictions, conditions, and covenants shall be covenants running with the land, and the breach of any thereof, and the continuance of any such breach may be enjoined, abated or remedied by appropriate proceedings by the owner of the reversionary rights or by any such owner of other lots or parcels in said property or by the Homes Association, but such reversion shall not affect or impair the lien of any bona fide mortgage or deed of trust which shall have been given in good faith, and for value; provided, however, that any subsequent owner of said property shall be bound by the said restrictions, conditions, and covenants, whether obtained by foreclosure or at trustee's sale or otherwise.

**VIOLATION OF
CONDITIONS**

Section 7. The violation of any of the restrictions or conditions or breach of any of the covenants hereby established shall also give to Commonwealth Trust Company or its successors in interest and/or to Palos Verdes Homes Association the right to enter upon the property upon or as to which such violation or breach exists, and to summarily abate and remove at the expense of the owner thereof, any erection, thing or condition that may be or exist thereon contrary to the intent and meaning of the provisions hereof; and Commonwealth Trust Company or its successors in interest or Palos Verdes Homes Association shall not thereby be deemed guilty of any manner of trespass for such entry, abatement or removal.

**VIOLATION
CONSTITUTES
NUISANCE**

Section 8. Every act or omission, whereby any restriction, condition or covenant in this declaration set forth, is violated in whole or in part, is declared to be and shall constitute a nuisance, and may be abated by Commonwealth Trust Company

or its successors in interest and/or by Palos Verdes Homes Association and/or by any lot owner subject to the jurisdiction of the Homes Association; and such remedy shall be deemed cumulative and not exclusive.

Section 9. All of said restrictions, conditions, covenants, reservations, liens and charges contained in this declaration shall be construed together, but if it shall at any time be held that any one of said restrictions, conditions, covenants, reservations, liens or charges or any part thereof, is invalid, or for any reason becomes unenforceable no other restriction, condition, covenant, reservation, lien or charge or any part thereof, shall be thereby affected or impaired; and that the grantor and grantee, their successors, heirs and/or assigns shall be bound by each article, section, subsection, paragraph, sentence, clause and phrase of this declaration irrespective of the fact that any article, section, subsection, paragraph, sentence, clause or phrase be declared invalid.

**CONSTRUCTION
AND VALIDITY
OF RESTRICTIONS**

Section 10. Any or all of the rights and/or powers of Commonwealth Trust Company herein contained as to any of the said property may be delegated, transferred, assigned or conveyed to any person, corporation or association or to Palos Verdes Homes Association, and wherever the Commonwealth Trust Company is herein referred to, such reference shall be deemed to include its successors in interest as owner of the reversionary rights herein provided for.

**ASSIGNMENT
OF POWERS**

Section 11. In its own name, so far as it may lawfully do so, and/or in the name of Commonwealth Trust Company or of any lot or parcel owner subject to its jurisdiction, Palos Verdes Homes Association shall interpret and/or enforce any or all restrictions, conditions, covenants, reservations, liens, charges and agreements herein or at any time created for the benefit of the said property or in any property which may thereby be expressly made subject to its jurisdiction by the owners thereof, or to which said lots or any of them, may at any time be subject. In case of uncertainty as to meaning of said provisions or of any provisions of this declaration, the Homes Association shall (except as to the provisions of Article III hereof, which shall be interpreted by the Art Jury) in all cases interpret the same

**INTERPRETATION
AND ENFORCE-
MENT BY HOMES
ASSOCIATION**

and such interpretation shall be final and conclusive upon all interested parties.

RIGHT TO ENFORCE

Section 12. The provisions contained in this declaration shall bind and inure to the benefit of and be enforceable by Commonwealth Trust Company, Palos Verdes Homes Association, by the owner or owners of any property in said tract, their, and each of their, legal representatives, heirs, successors and assigns and failure by the Commonwealth Trust Company, Palos Verdes Homes Association or any property owner, or their legal representatives, heirs, successors or assigns, to enforce any of such restrictions, conditions, covenants,

reservations, liens or charges shall in no event be deemed a waiver of the right to do so thereafter.

EXCEPTIONS

Section 13. Any portion of the said property or any interest therein, title to which is acquired by the State of California and/or the United States of America and/or by any public authority, may with the written approval of the Commonwealth Trust Company or its successors in interest to the reversionary rights provided for herein, and the Art Jury, be specifically exempted from any or all of the provisions herein except the provisions of Article I hereof.

IN WITNESS WHEREOF, said COMMONWEALTH TRUST COMPANY has this 26th day of June, 1923, hereunto caused its corporate name and seal to be affixed by its President and Assistant Secretary, thereunto duly authorized.

COMMONWEALTH TRUST COMPANY,

By JONATHAN S. DODGE, *President.*

By W. E. PINNEY, *Assistant Secretary.*

(Seal)

STATE OF CALIFORNIA, }
COUNTY OF LOS ANGELES. } ss

On this 26th day of June, in the year one thousand nine hundred and twenty-three, before me, GRACE A. WAGNER, a Notary Public in and for the said County, personally appeared Jonathan S. Dodge, known to me to be the President, and W. E. Pinney, known to me to be the Asst. Secretary of the corporation that executed the within instrument, on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same.

GRACE A. WAGNER,

*Notary Public in and for the County of Los Angeles,
State of California.*

(Seal)

ARTICLES OF INCORPORATION OF PALOS VERDES HOMES ASSOCIATION

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned, a majority of whom are citizens and residents of the State of California, have this day voluntarily associated ourselves together for the purpose of forming a non-profit co-operative corporation, under the provisions of Title XXII of Part IV of Division First of the Civil Code, State of California, approved March 21, 1872, as thereafter amended, and we hereby certify:

I.

The name of the corporation shall be "PALOS VERDES HOMES ASSOCIATION."

II.

The purposes for which it is formed are:

(1) To purchase, construct, improve, repair, maintain, operate, care for, own, and/or dispose of parks, parkways, playgrounds, open spaces and recreation areas, tennis courts, golf courses and/or club houses, swimming pools, bath houses, bathing beaches, boats, boat houses, boat landings, life rafts, life guards, life saving apparatus, skating rinks, hangars and fields for aircraft, band stands, dancing pavilions, casinos, places of amusement, hospitals, museums, aquariums, community buildings, community club houses, and, in general, community facilities appropriate for the use and benefit of its members and/or for the improvement and development of the property hereinafter described.

(2) To improve, light and/or maintain streets, roads, alleys, trails, bridle paths, courts, walks, gateways, fences, and ornamental features now existing or hereafter to be erected or created, fountains, shelters, comfort stations, and/or buildings and improvements ordinarily appurtenant to any of the foregoing, grass plots and other areas, trees and plantings within the lines of the streets immediately adjoining or within the property hereinafter referred to.

(3) To purchase, construct, maintain, and operate water works, pumping plants, and systems for the transportation and distribution of water and/or to purchase and distribute water for irrigation, domestic and/or other purposes in connection with the maintenance and use of property under its jurisdiction and care.

(4) To purchase, construct, improve, and/or maintain sewer systems, storm-water sewers, drains, and other utilities in-

stalled or to be installed upon said lands in connection therewith.

(5) To care for any lots and plots in said property, remove grass, weeds, and any unsightly or obnoxious thing therefrom, and to take any action with reference to such lots and plots as may be necessary or desirable in the opinion of the Board of Directors of this corporation, to keep the property neat and in good order; and to make and collect charges therefor.

(6) To provide for the sweeping, cleaning, and sprinkling of streets, collection and disposition of street sweepings, garbage, ashes, rubbish, and the like; and to make and collect charges therefor.

(7) To provide, so far as it may be lawful so to do, for community fire and/or police protection for the protection of all or any portion of the said property and/or the owners of said property and/or residents thereon.

(8) So far as it can legally do so, to grant franchises, rights-of-way, and easements for public utility or other purposes upon, over and/or under any of said property.

(9) To acquire by gift, purchase, lease or otherwise acquire and to own, hold, enjoy, operate, maintain, and to convey, sell, lease, transfer, mortgage and otherwise encumber, dedicate for public use and/or otherwise dispose of, real and/or personal property either within or without the boundaries of said property.

(10) To acquire by purchase, gift or otherwise, and to own and/or dispose of such works of art as may be approved by the Palos Verdes Art Jury established by restrictions effective upon said property or portions thereof.

(11) To create, maintain, and operate a Department of Buildings which shall be in charge of a Building Commissioner named by the Board of Directors of said corpora-

tion to serve at their pleasure, which Building Commissioner shall have full and sole authority to approve or disapprove in the name of said corporation and to issue building permits for any and all plans, specifications or construction work of any kind within the jurisdiction of said corporation, and shall inspect and supervise the construction of buildings and structures in or upon said property in accordance with the powers and rights conferred upon it by virtue of any restrictions or contractual agreements which may be placed upon or exist in connection with any of said property; to provide for the safety of building construction by establishing regulations for the granting of building permits, and for making and collecting a charge therefor, including such provisions as are usually contained in building codes; and to provide for light, air, sanitation, health, comfort, and convenience for the occupants of existing and/or hereafter erected buildings by establishing such regulations as are usually included in housing codes or zoning regulations.

(12) To keep records of building permits and/or other approvals or disapprovals made or issued by this corporation and to keep books and records showing all charges, levies, and assessments made, and to furnish certified copies of any record which the Board of Directors may authorize to be furnished and, from time to time, to issue certificates of completion and compliance covering respective parcels of property with respect to which buildings, structures, and/or other improvements or changes have been made, all as provided in the restrictions, conditions, and covenants affecting said property or portions thereof; and to make and collect charges therefor.

(13) To enforce liens, charges, restrictions, conditions, and covenants existing upon and/or granted for the benefit of parcels of real property over which said corporation has jurisdiction and to which said parcels may be subject to the extent that this corporation has the legal right to enforce the same; and to pay all expenses incidental thereto; and to enforce the decisions and rulings of the Palos Verdes Art Jury having jurisdiction over any of said property to the extent that said corporation is authorized in said restrictions, conditions, and covenants to enforce same and to pay the expenses in connection there-

with and such other expenses of the Art Jury as this corporation may assume.

(14) To pay the taxes and assessments which may be levied by any public authority upon property used or set apart for streets, parks or recreation areas, and improvements thereon, now or hereafter opened, laid out or established in said property or on such other open recreation spaces as shall be maintained for the general benefit and use of the owners of lots in said property, and their successors in interest, and also on ornamental features, tennis courts, pumping plants, water systems, community club houses, sewers, and other utilities and storm drains established in or upon said property whether taxed or assessed as a part of said property or separately, and on any property of the Palos Verdes Homes Association or which may be held in trust for the Palos Verdes Art Jury, as provided in any restrictions, conditions or covenants to which said property may be subject.

(15) To establish or make provisions for the establishing of such Planning Board, Park Board, Health Board, Library Board, Recreation Board, and/or any other board specified in or permitted by the By-laws of this corporation for the general welfare of the owners of said property or residents thereon, and for these purposes to have authority to delegate to such boards such powers as the Palos Verdes Homes Association may lawfully delegate, and to make provision for the use by any such board and/or boards of such funds as the Board of Directors of the Palos Verdes Homes Association may, from time to time, deem advisable.

(16) To exercise such powers of control, interpretation, construction, consent, decision, determination, modification, amendment, cancellation, annulment, and/or enforcement of covenants, reservations, restrictions, liens, and charges imposed upon said property, as may be vested in, delegated to, or assigned to this corporation and such duties with respect thereto as may be assigned to and assumed by this corporation.

(17) To nominate to the proper person or corporation and/or to make appointments of members of the Palos Verdes Art Jury having jurisdiction over said property in accordance with the provisions of such restrictions, conditions, and covenants

as may be in effect upon any of said property.

(18) To receive, file, and preserve such reports as may, from time to time, be made to it; and to publish and distribute bulletins and reports.

(19) To approve and/or disapprove, as provided by restrictions, conditions, and covenants affecting said property, plans and specifications for and/or location of fences, walls, poles and structures to be erected or maintained upon said property or any portion thereof, and to approve or disapprove the kind, shape, height, and material for same and/or the block plan indicating the location of such structures on their respective building sites and such grading plans as may be required, and to issue or refuse to issue permits for the same; to pay any and all expenses and charges in connection with the performance of any of said powers or the carrying out of any of said purposes; to supervise construction of any buildings or structures to the extent deemed necessary by the Board of Directors, and to establish rules therefor.

(20) To approve or disapprove of subdivisions or re-subdivisions of any of said property from time to time to the extent and in the manner that it may exercise such approval or disapproval as provided in restrictions, conditions, and covenants affecting said property.

(21) To regulate and/or prohibit the erection, posting, pasting or displaying upon any of said property of bill-boards and/or signs of all kinds and character, and to remove and/or destroy all signs placed, erected or maintained upon said property without the authority of this corporation and/or the Palos Verdes Art Jury as provided in such restrictions, conditions, and covenants, as may affect the said property or any portion thereof.

(22) To fix, establish, levy, and collect annually such charges and/or assessments upon each and every lot or parcel of said property which may be subject to and in accordance with the restrictions, conditions, and covenants affecting said property; provided, that the amount of such annual charges or assessments shall be determined as provided in said restrictions, conditions, and covenants by the Board of Directors of this corporation.

(23) To expend the moneys collected by this corporation from assessments and charges and other sums received for the payment and discharge of costs, expenses, and obligations incurred by said corporation in carrying out any or all of the purposes for which this corporation is formed.

(24) Generally, to do any and all lawful things which may be advisable, proper, authorized, and/or permitted to be done by Palos Verdes Homes Association under or by virtue of any restrictions, conditions, and/or covenants or laws affecting said property or any portion thereof (including areas now or hereafter dedicated to public use) and to do and perform any and all acts which may be either necessary for, or incidental to the exercise of any of the foregoing powers or for the peace, health, comfort, safety, and/or general welfare of owners of said property, or portions thereof, or residents thereon. In exercising any of said powers, the Board of Directors may, so far as may legally be done, follow the same procedure as followed by Boards of Trustees of cities of the 6th Class of the State of California, so far as same are not in conflict with any of the provisions contained in restrictions, conditions, and covenants affecting said property, and provided that such method of procedure may be discontinued at any time as to said property or any portion thereof or as to any portion of said property which is or shall be annexed to or become a part of an incorporated city.

(25) To borrow money and mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred and to do any and all things that a corporation organized under the said laws of the State of California may lawfully do when operating for the benefit of its members or the property of its members, and without profit to said corporation.

All of the foregoing purposes and powers are to be carried into effect and exercised for the purpose of doing, serving, and applying the things above set forth for the benefit of that certain district or area and/or the people residing therein, situate in the County of Los Angeles, State of California, being a portion of Lot "H" of the Rancho Los Palos Verdes as set forth and described in that certain deed dated March 1, 1923, executed by Jay Lawyer, et ux,

to Commonwealth Trust Company, a corporation, and recorded in Book 1849, page 389 of Official Records, Records of Los Angeles County, California, together with any and all other property which may hereafter, through the operation of restrictions, conditions, covenants, and/or contracts pertaining to same be placed under or submitted to the jurisdiction of this corporation and be accepted as within the jurisdiction of this corporation by resolution of the Board of Directors of this corporation.

III.

The principal place of business of said corporation shall be in the City of Los Angeles, State of California.

IV.

The term for which said corporation is to exist is fifty (50) years from the date of its incorporation.

V.

The number of directors of said corporation shall be five (5), and the names and residence of the directors who are appointed for the first year and to serve until the election or qualification of their successors are as follows:

NAMES	RESIDING AT
James F. Dawson	Redondo Beach, Cal.
John C. Low	Hermosa Beach, Cal.
Jay Lawyer	Los Angeles, Cal.
J. H. Coverley	Los Angeles, Cal.
M. V. Boaz	Los Angeles, Cal.

VI.

The voting power and property rights and interests of the members shall be unequal and shall be determined and fixed as follows:

For the purpose of determining the voting power and the property rights and interests of each member of the corporation, a building site shall be taken to be a lot (exclusive of streets, open recreation areas, and lands excepted, reserved, segregated or retained in accordance with the restrictions, conditions, and covenants affecting same, shown on any map of record);

(a) Of any ordinary subdivision of said land subject to the jurisdiction of this corporation, or

(b) Of any re-subdivision of any plots or parcels of said land which re-subdivision is permitted by this corporation

and is approved by the restrictions applicable thereto and thereby allowed to be used as a building site, or

(c) Of any subdivision or re-subdivision of any land which hereafter becomes subject to the jurisdiction of the Palos Verdes Homes Association by virtue of restrictions, conditions, covenants, and/or contracts relating thereto, and by acceptance of jurisdiction by the Board of Directors of this corporation.

That each member of this corporation shall have the right to cast as many votes at any meeting of the members of this corporation as the number of building sites to which, as shown by the records of this corporation, he holds the legal or equitable title, and/or contract of purchase; provided, however, that no person or corporation holding title as security for the payment of money or performance of other obligations shall have the right to a vote by reason thereof; and provided, further, that when the legal or equitable title to, or contract for purchase of, a building site is vested in or is in the name of two or more persons in joint tenancy or otherwise, the several owners or contract holders or purchasers of said building site shall collectively be entitled to only one vote, which vote may be cast in the manner provided by the By-laws of this corporation.

Each member of this corporation shall have such an interest in all the property owned by this corporation as is represented by the ratio of the number of votes to which said member is entitled to the total number of votes to which all members of this corporation are entitled; provided, however, that during the continuance and life of this corporation and renewals thereof, no member of this corporation shall have the right of distribution of any real or personal property held by or in the possession or control of this corporation; provided, however, that those persons who are members of this corporation at the time of its dissolution may, upon said dissolution, be and become entitled to such property as may be owned by this corporation and as may be subject to distribution among its members in proportion to their interests and property rights as above determined and according to the law then in force and effect.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 16th day of May, 1923.

JAMES F. DAWSON (SEAL)
JOHN C. LOW (SEAL)
JAY LAWYER (SEAL)
J. H. COVERLEY (SEAL)
M. V. BOAZ (SEAL)

STATE OF CALIFORNIA,
COUNTY OF LOS ANGELES. } ss.

On this 16th day of May, A. D., 1923, before me, NELLIE GRACE FRANTZ, a Notary Public in and for the County of Los Angeles, State of California, personally appeared James F. Dawson, John C. Low, Jay Lawyer, J. H. Coverley and M. V. Boaz, known to me to be the persons whose names are subscribed to the within instrument, and who acknowledged to me that they executed the same.

NELLIE GRACE FRANTZ,
*Notary Public in and for the
County of Los Angeles,
State of California.*

(Notarial Seal)

104057
ENDORSED
FILED
IN THE OFFICE OF THE
SECRETARY OF STATE OF THE
STATE OF CALIFORNIA
May 24, 1923

FRANK C. JORDAN, *Secretary of State,*
By FRANK H. CORY, *Deputy.*

STATE OF CALIFORNIA
DEPARTMENT OF STATE

I, FRANK C. JORDAN, Secretary of State of the State of California, do hereby certify that I have carefully compared the annexed copy of Articles of Incorporation of

"PALOS VERDES HOMES ASSOCIATION"

with the original now on file in my office, and that the same is a correct transcript therefrom, and of the whole thereof. I further certify that this authentication is in due form and by the proper officer.

IN WITNESS WHEREOF, I have hereunto set my hand and have caused the Great Seal of the State of California to be affixed hereto this 25th day of May, A. D., 1923.

FRANK C. JORDAN,
Secretary of State.

(GREAT SEAL OF THE
STATE OF CALIFORNIA)

By _____
Deputy.

BY-LAWS
OF
PALOS VERDES HOMES ASSOCIATION

Adopted June 25, 1923, Amended Dec. 5, 1923

CONTENTS

ARTICLE	I.	MEMBERSHIP
ARTICLE	II.	VOTING POWER
ARTICLE	III.	CORPORATE POWERS
ARTICLE	IV.	THE DIRECTORS
ARTICLE	V.	MEETINGS
ARTICLE	VI.	REGULATIONS AND RESOLUTIONS
ARTICLE	VII.	RECALL
ARTICLE	VIII.	OFFICERS
ARTICLE	IX.	PRESIDENT AND VICE-PRESIDENT
ARTICLE	X.	SECRETARY
ARTICLE	XI.	THE BUILDING COMMISSIONER
ARTICLE	XII.	THE MANAGER
ARTICLE	XIII.	ADMINISTRATIVE DEPARTMENTS
ARTICLE	XIV.	PARK AND RECREATION BOARD
ARTICLE	XV.	PLANNING BOARD
ARTICLE	XVI.	HEALTH BOARD
ARTICLE	XVII.	ART JURY
ARTICLE	XVIII.	FINANCIAL PROVISIONS
ARTICLE	XIX.	BOOKS AND PAPERS
ARTICLE	XX.	CERTIFICATES OF MEMBERSHIP
ARTICLE	XXI.	TRANSFER OF MEMBERSHIP
ARTICLE	XXII.	AMENDMENTS
ARTICLE	XXIII.	SEAL

ARTICLE I

MEMBERSHIP AND DUES

**BUILDING SITE
DEFINED**

Section 1. A "building site" shall be taken to be a lot (exclusive of streets, open recreation areas, and lands excepted, reserved, segregated or retained in accordance with the restrictions, conditions, and covenants affecting same, shown on any map of record):

(a) Of any original subdivision which is now on file or which shall hereafter be filed in the office of the County Recorder of the County of Los Angeles, California, of that certain tract of land situated in the County of Los Angeles, State of California, being a portion of Lot "H" of the Rancho Palos Verdes as set forth and described in that certain deed dated March 1, 1923, executed by Jay Lawyer et ux, to Commonwealth Trust Company, a corporation, and recorded in Book 1849, page 389 of

Official Records of Los Angeles County, California, or

(b) Of any re-subdivision of any plots or parcels of said land which re-subdivision is approved by this corporation and is permitted by the restrictions applicable thereto and thereby allowed to be used as a building site, or

(c) Of any subdivision or re-subdivision of any land which hereafter becomes subject to the jurisdiction of Palos Verdes Homes Association by virtue of restrictions, conditions, covenants, and/or contracts relating thereto, and by acceptance of jurisdiction by the Board of Directors of this corporation.

The members of this corporation shall be all who hold legal title of record to any such building site or who, while holding a contract for the purchase of any such building site from Commonwealth Trust

Company, shall reside upon the building site described in such contract. Such holding of legal title or such residence shall be the sole qualification for membership in the corporation. Contract holders shall establish their right to membership to the satisfaction of the Secretary of this corporation.

QUALIFICATIONS OF MEMBERS

Section 2. The following persons shall be qualified to be, and shall become members of this corporation:

(a) Persons holding legal title to or an interest in any such building site, except as provided in (b) of this paragraph and provided, further, that no person or corporation taking title hereafter as security for the payment of money or performance of other obligations shall thereby become entitled to membership.

(b) Persons holding a contract for the purchase of any building site, who shall reside upon the property described in such contract, in which case the holder of the legal title shall not be qualified for membership by virtue of holding the title to such building site.

(c) The owner or owners of land adjoining or adjacent to said property when such land shall have been placed under the jurisdiction of the Art Jury and Palms Verdez Homes Association in accordance with the provisions of Section 6 of this Article.

CREATION OF MEMBERSHIP

Section 3. (a) The acceptance by a grantee of a deed conveying to him such real property as to qualify him for membership in said Association shall ipso facto constitute such grantee a member of said Association.

(b) The acceptance by a purchaser of a contract of sale covering such real property as shall qualify him for membership, together with the act of residing thereon by such purchaser, shall ipso facto constitute such purchaser a member of said Association.

(c) The certificate of the Secretary certifying that a person is a member of this corporation shall be conclusive evidence in favor of all third persons as to the facts recited therein.

TERMINATION OF MEMBERSHIP

Section 4. Whenever a member of said Association becomes disqualified for membership, as hereinabove provided, such person shall ipso facto cease to be a mem-

ber of said Association; if the member holds the legal title to more than one such building site, then upon the transfer of record of the legal title to all his building sites, or, if the member does not hold the legal title to any building site, then upon such member ceasing to be the holder of a contract for the purchase of any such building site or upon his ceasing to reside upon the building site described in such contract. A member holding the legal title of record to more than one building site may transfer membership with each building site transferred and retain membership for each building site not transferred. When a building site is owned of record in joint tenancy or tenancy-in-common, the membership as to such building site shall be joint and the rights of such membership shall be exercised only by the joint action of all owners of such building site.

FEES AND DUES OF MEMBERS

Section 5. No membership fee shall be charged, nor shall members be required to pay at any time any amount to carry on the business of the corporation, except to pay annually the maintenance charge or assessment, which is or may be made a lien on the respective properties of the members, and such other liens, fees and charges as are set forth, authorized or permitted in the Declaration of Establishment of restrictions and conditions of Commonwealth Trust Company, dated June 26th, 1923, and recorded on July 5th, 1923, in the office of the County Recorder of the County of Los Angeles, State of California, in Volume 2360 of Official Records of Los Angeles County as page 231 and following pages, or any amendments thereof, or as set forth in any other Declaration of Commonwealth Trust Company, its assigns or successors in interest, applicable to said property on file or hereafter filed in the office of said County Recorder.

ANNEXATION OF ADDITIONAL PROPERTY

Section 6. If at any time the owner or owners of land adjoining, adjacent or within a distance deemed reasonable by the directors hereof of any portion of said property shall agree with the directors hereof to hold, sell and convey said land subject to conditions, restrictions, covenants, reservations, liens or charges set forth in a declaration of restrictions by such owner or owners approved by the Board of Directors of this corporation and the Art Jury, and such agreement and declaration are

hereafter recorded in the office of the Recorder of the County of Los Angeles, the Board of Directors of this corporation and the Art Jury shall have power to do and perform any and all of the acts and to fix, impose and collect charges, assessments and dues from the owners of lots in such property, on such basis, authority and power as they may have for the said property. Owners and contract holders of such additional property shall be entitled to membership in Palos Verdes Homes Association with property rights and voting power upon the same basis and conditions as herein provided for owners and contract holders already under the jurisdiction of the Palos Verdes Homes Association and the Board of Directors of this corporation and the Art Jury shall thenceforth have and assume the enforcement of the restrictions, conditions, covenants, reservations, liens or charges created for the benefit of the owners of building sites in said last named property, or to which said building sites may at any time be subject.

PROPERTY RIGHTS AND INTEREST

Section 7. No member of this corporation shall have any right of property in any of the real or personal property held by, or in the possession and control of this corporation, except those persons who are members of this corporation at the time of its dissolution, and their rights shall be determined by the law then in force and effect. Each member of this corporation shall have such an interest in all the property owned by this corporation as is represented by the ratio of the number of votes to which said member is entitled to the total number of votes to which all members of this corporation are entitled; provided, however, that during the continuance and life of this corporation and renewals thereof, that no member of this corporation shall have the right of distribution of any real or personal property held by or in the possession or control of this corporation, provided, however, that those persons who are members of this corporation at the time of its dissolution may, upon said dissolution, be and become entitled to such property, as may be owned by this corporation and as may be subject to distribution among its members in proportion to their interests and property rights as above determined and according to the law then in force and effect.

ARTICLE II

VOTING POWER

At all corporate meetings the voting power of the members of this corporation shall be unequal according to the following rules, to-wit:—

(a) Except as provided in (d) of this paragraph, each member of this corporation shall have at least one vote at any meeting of the members of the corporation.

(b) Except as provided in (d) of this paragraph, each member of this corporation holding legal title to more than one building site shall have the right as such member, at any meeting of the members of this corporation, to cast a number of votes equal to the total number of building sites, the title to which is held by him.

(c) Except as provided in (d) of this paragraph, each person who is a member of this corporation by reason of being a purchaser of more than one building site located in any subdivision of the said property under a contract or contracts of purchase shall have the right to cast as many votes, at any meeting of the members of this corporation, as shall equal the total number of building sites covered by his contract or contracts.

(d) When legal title to a building site is vested in, or subject to contract or agreement to convey to two or more persons in joint tenancy or otherwise, the several owners or purchasers of said building site shall collectively be entitled to one vote only therefor.

ARTICLE III

CORPORATE POWERS

The corporate powers of this corporation shall, except as otherwise provided herein, be vested in a Board of Directors who shall be members of this corporation, and three shall constitute a quorum for the transaction of business but a smaller number may adjourn from time to time.

ARTICLE IV

THE BOARD OF DIRECTORS

Section 1. The Directors shall be elected by secret ballot at the Annual Meeting of the members to serve in the first instance as follows: one for a period of one year, two for a period of two years and two for a period of three years, and to serve until their successors are elected. Their successors shall be elected for a term

ELECTION OF DIRECTORS.

of three years. The Board of Directors shall be the judge of the election and qualifications of its own members subject to review by the courts. Any member of the Board of Directors who shall have been convicted of a crime while in office shall thereby forfeit his office.

**VACANCIES
IN THE BOARD
OF DIRECTORS**

Section 2. Vacancies in the Board of Directors shall be filled by the remaining Directors when assembled as a Board and such appointees shall hold office until the next Annual or Special Meeting of the members thereafter at which time an election for the unexpired portion of the term shall be held.

**POWERS OF
DIRECTORS**

Section 3. The Directors shall have power:

(a) To call special meetings of the members whenever they deem it necessary, and they shall call a meeting at any time upon the written request of members holding the legal title of record of 20% in number of all said building sites.

(b) To select from their own number a president and vice-president and to appoint and remove a secretary, building commissioner, manager, and as herein further provided one or more members of the Art Jury, but no director shall serve as any of such officers; and subject to the further provisions hereof, to adopt appropriate resolutions prescribing their duties, fixing their compensation and requiring from them security for faithful service.

(c) Except as otherwise herein provided, to conduct, manage, and control the affairs and business of this corporation and to make regulations and rulings not inconsistent with the laws of the State of California, or of the By-Laws of this corporation for the guidance of the officers and management thereof, provided that not less than one-fourth of the receipts of the total annual maintenance charge or assessment, mentioned in Article I hereof, shall be appropriated and set aside for the sole use and support of the Park and Recreation Board as hereinafter provided.

(d) To determine its own rules of procedure, punish directors for misconduct and compel attendance of directors.

(e) To determine, levy and assess annually the maintenance charge or assessment mentioned in Article I hereof, and such other charges or fees as it may have power or jurisdiction over and to fix the

rate per annum of such maintenance charge or assessment, but never to exceed in any one year the total annual tax rate established for all purposes for the then current fiscal year by the City Council of the said City of Los Angeles.

(f) To make all needful rules and regulations for the conduct of election, for the prevention of fraud in elections and for the recount of the ballots in case of doubt or fraud.

Section 4. It shall be the duty of the Directors:

**DUTIES OF
DIRECTORS**

(a) To cause to be kept a complete record of all their minutes and acts, and of the proceedings of the members, and present a full statement at the regular annual meeting of the members, showing in detail the assets and liabilities of the corporation, and generally the condition of its affairs. A similar statement shall be presented at any other meeting of the members when required by persons holding of record the legal title to at least one-half of the said building sites.

(b) Except as otherwise provided herein, to supervise all officers and see that their duties are properly performed, and cause certificates of membership to be issued to the members of the corporation.

(c) To hold, after due notice, such public hearings as may be necessary or advisable for the modification, amendment, or approval of any restrictions, conditions, covenants, reservations, liens or charges applicable to any property subject to the jurisdiction of this corporation, or applying for acceptance thereof.

ARTICLE V

MEETINGS

Section 1. The annual meeting of the members shall be held in the City of Los Angeles, County of Los Angeles, on the second Tuesday in January of each year, and shall be called by a notice in writing mailed to each member at his last known place of residence or business, or directed to each member at Los Angeles; such notice to be deposited in the United States post-office at Los Angeles at least ten days preceding the date of meeting, and postage thereon must be prepaid.

**MEETINGS OF
MEMBERS**

Special meetings of the members shall be called in like manner after five days' notice.

No meeting of members shall be competent to transact business unless the record holders of legal title to a majority of the said building sites be represented, except to adjourn from day to day or until such time as may be deemed proper.

At such annual meeting of the members, Directors for the ensuing year shall be elected by secret ballot, to serve as herein provided and until their successors are elected. If, however, for want of a quorum or other cause, a member's meeting shall not be held on the day above named, or should the members fail to complete their elections, or such other business as may be presented for their consideration, those present may adjourn from day to day until the same shall be accomplished.

MEETINGS OF DIRECTORS

Section 2. Regular meetings of the Directors shall be held on the second and fourth Wednesday of each month, at the office of this corporation at two o'clock, p.m. provided that the Board of Directors may change, by regulation, the day of holding the regular meeting. No notice of the regular meeting of the Board of Directors need be given. The President or any two of the Directors, may call special meetings of the Directors at any time, and notice shall be given of such called meeting by depositing in the United States Post Office at Los Angeles, California, a written or printed notice thereof, with the postage thereon prepaid, addressed to each Director at the last address left with the Secretary, at least four days before the time of meeting, or by serving personally such notice on each Director one day before such meeting. Such service of notice shall be entered on the minutes of the corporation, and the said minutes, upon being read and approved at a subsequent meeting of the Board shall be conclusive upon the question of service.

Notice specified in this Article for the members need be given only to members appearing as such on the books of the corporation.

All meetings of Directors and sessions of their committees shall be open to members.

ARTICLE VI

REGULATIONS AND RESOLUTIONS

The Board of Directors shall act only by the adoption of a regulation or a resolution; and all regulations and resolutions,

except regulations making appropriations, shall be confined to one subject which shall be clearly expressed in the title. The regulations making appropriations shall be confined to the subject of appropriations. No regulation shall be passed until it has been read on two separate days or the requirement of readings on two separate days has been dispensed with by an affirmative vote of four Directors. The final reading shall be in full, unless the regulation shall have been typed or printed and a copy thereof furnished to each member prior to such reading. The ayes and noes shall be taken upon the passage of all regulations on resolutions and entered upon the journal of the proceedings of the Board of Directors, and every regulation or resolution shall require on final passage the affirmative vote of three Directors. No Director shall be excused from voting except on matters involving the consideration of his own official conduct, or where his financial interests are involved. Provisions shall be made for the printing and publication in full of every regulation within thirty (30) days after its final passage.

ARTICLE VII

THE RECALL

Section 1. The Board of Directors or any director may be removed from office by the members as herein provided.

Any member may make and file with the secretary an affidavit containing the name or names of the director or directors whose removal is sought and a statement of the grounds for removal. The secretary shall thereupon deliver to the member making such affidavit copies of petition blanks for such removal, printed forms of which he shall keep on hand. Such blanks shall be issued by the secretary with his signature and official seal thereto attached; they shall be dated and addressed to the directors, shall contain the name of the person to whom issued, the number of blanks so issued, the name of the director or directors whose removal is sought. A copy of the petition shall be entered in a record book to be kept in the office of the secretary. The petition before being returned and filed shall be signed by members who are holders of record title of at least fifty (50) per cent of all of said building sites owned by members and to every signature shall be added the place of residence of the signer, giving the street and number

PROCEDURE
FOR FILING
RECALL
PETITION

or other description sufficient to identify the place. Such signatures need not all be on one paper, but the circulator of every such paper shall make an affidavit that each signature appended to the paper is the genuine signature of the person whose name it purports to be. All such papers shall be filed as one instrument, with the endorsements thereon of the names and addresses of three persons designated as filing the same.

**EXAMINATION
AND AMEND-
MENT OF
RECALL
PETITIONS**

Section 2. Within ten days after the filing of the petition the secretary shall ascertain whether or not the petition is signed by the requisite number of members and shall attach thereto his certificate showing the result of such examination. If his certificate shows the petition to be insufficient, he shall forthwith so notify in writing one or more of the persons designated on the petition as filing the same, and the petition may be amended at any time within ten days after the giving of said notice, by the filing of a supplementary petition upon additional petition papers, issued, signed and filed as provided herein for the original petition. The secretary shall, within ten days after such amendment, make like examination of the amended petition, and attach thereto his certificate of the result. If then found to be insufficient, or if no amendment was made he shall file the petition in his office and shall notify each of the persons designated thereon as filing it of that fact. The final finding of the insufficiency of a petition shall not prejudice the filing of a new petition for the same purpose.

**CALLING OF
RECALL
ELECTION**

Section 3. If the petition or amended petition shall be certified by the secretary to be sufficient he shall submit the same with his certificate to the Board of Directors at its next meeting and shall notify the director or directors whose removal is sought of such action. The Board of Directors shall thereupon, within ten days of the receipt of the secretary's certificate, call a special members' meeting for the purpose of a recall election to be held not less than thirty nor more than forty-five days thereafter. Provided, that if an annual members' meeting is to occur within sixty days after the receipt of said certificate, the Board of Directors may in its discretion provide for the holding of the recall election on the date of such annual meeting.

Section 4. Unless the director or directors whose removal is sought shall have resigned within ten days after the receipt by the Board of Directors of the secretary's certificate the form of ballot at such election shall be as nearly as may be: "Shall A be recalled? Shall B be recalled?" etc., the name of the director or directors whose recall is sought being inserted in place of A, B, etc., and the ballot shall also contain the names of the candidates to be elected in place of the men recalled, as follows: "Candidate for the place of A, if recalled; candidate for the place of B, if recalled," etc., but the director or directors whose recall is sought shall not themselves be candidates upon such ballot.

**FORM OF
BALLOT
TO RECALL
DIRECTOR**

In case of those voting for or against the recall of any director the members who are holders of record title of two-thirds (%) of all said building sites owned by members, shall vote in favor of recalling each director he shall be thereby removed, and in that event the candidate who receives the highest number of votes for his place shall be elected thereto for the balance of the unexpired term.

If the director or directors sought to be removed shall have resigned within ten days after the receipt by the Board of Directors of the secretary's certificate referred to in this section above hereof, the form of ballot at the election shall be the same, as nearly as may be, as the form in use at an annual members' meeting.

ARTICLE VIII

OFFICERS

The officers shall be a President, Vice-President, Secretary, Building Commissioner and Manager, which officers shall be elected by and hold office at the pleasure of the Board of Directors, except as provided herein; and a Park and Recreation Board, Planning Board, Health Board, and Art Jury as provided in these By-laws.

ARTICLE IX

PRESIDENT AND VICE-PRESIDENT

The Board of Directors shall, at their first regular meeting, elect one of their number to act as President and another to act as Vice-President, to serve for one year and until their successors are elected; and, if at any time the President shall be unable to act, the Vice-President, shall take his place and perform his duties; and, if

the Vice-President, from any cause, shall be unable to act, they shall appoint some other member of the Board to act, in whom shall be vested for the time being all the duties and functions of the office of President, or in his absence, or inability to act, the Vice-President, or, in the absence or inability to act of both the President and the Vice-President, the Director appointed as above provided, who:

1st. Shall preside over all meetings of the members and Directors and shall have the casting vote.

2nd. Shall sign as President all certificates of membership and all instruments of writing which have been first approved by the Board of Directors.

3rd. Shall have such other powers consistent with the office as may be conferred upon him by the Board of Directors.

4th. Shall be recognized as the official head of Palos Verdes Homes Association for all ceremonial purposes and by the courts for serving civil processes.

ARTICLE X

SECRETARY

The Board of Directors shall elect a Secretary to serve at the pleasure of the Board, with the following duties:

1. To keep a record of all the proceedings of the Board of Directors and of the members.

2. To keep the corporate seal of the corporation and the book of blank certificates of membership; to fill up and countersign all certificates issued, and make the corresponding entries in the margin of such book of issuance; and he shall affix said corporate seal to all papers requiring a seal.

3. To serve all notices required either by law or the By-laws of the corporation, and in case of his absence, inability, refusal or neglect so to do, then such notices may be served by any person thereunto directed by the President or Vice-President of the corporation.

4. To keep proper books showing the date of issuance of each certificate of membership and the name of the person to whom issued, and showing the date of and parties to each transfer of membership.

ARTICLE XI

THE BUILDING COMMISSIONER

Section 1. The Department of Buildings shall be in charge of a Building Commissioner named by the Board of Directors to serve at their pleasure, who shall have full, sole and final authority to approve or disapprove in the name of said corporation and to issue Building Permits and Certificates of Completion and Compliance for any and all plans, specifications or construction work of any kind within the jurisdiction of said corporation, and shall inspect and superintend the construction of buildings and structures in or upon said property in accordance with the powers and rights conferred upon it by virtue of any and all restrictions or contract agreements which may at any time be placed upon or exist in connection with any of said property or any property over which this corporation shall have or accept jurisdiction.

Section 2. The Board of Directors shall provide for the safety of building construction by establishing and enforcing regulations for the granting of said Building Permits and Certificates of Completion and Compliance by the Building Commissioner and for making and collecting a charge therefor, including such provisions as are usually contained in city building codes; and to provide for light, air, sanitation, health, comfort, and convenience for the occupants of existing and/or hereafter erected buildings by establishing such regulations as are usually included in city housing, sanitation, plumbing, electric wiring and other codes or zoning regulations.

Section 3. The Building Commissioner shall keep records of all building permits and/or other approvals or disapprovals made or issued by and in the name of this corporation and furnish certified copies of any record which the Board of Directors may authorize to be furnished and, from time to time, to issue Certificates of Completion and Compliance covering respective parcels of property with respect to which buildings, structures, and/or other improvements or changes have been made, as herein provided.

Section 4. The Homes Association and every officer, board, or employee thereof, performing any act or erecting, constructing, altering or maintaining any building,

BUILDING CODE

RECORDS

PERMIT FOR ASSOCIATION WORK

structure, improvement, work of art, etc., shall secure a Building Permit and a Certificate of Completion and compliance and approval of the Building Commissioner and/or the Art Jury, in the same manner as required of any private owner subject to the jurisdiction of the Homes Association and the Art Jury.

Section 5. No building permit shall be issued by the Building Commissioner for any building or structure or any part thereof unless and until it conforms to all the then requirements of ordinances of the County of Los Angeles, California, applicable thereto, and to the California State Housing Act, State Tenement House Act, State Hotel and Lodging House Act, State Dwelling House Act, and all other State Acts and requirements as to housing and sanitation applicable to incorporated cities, and said laws and amendments thereto shall have the same force and effect as if property were all within an incorporated city of the State of California, except such modifications and variations thereto as may be adopted by regulation by the Board of Directors. (As amended Dec. 5, 1923.)

ARTICLE XII

THE MANAGER

THE MANAGER Section 1. The Manager shall be the chief executive officer of the corporation. He shall be chosen by the Board of Directors solely on the basis of his executive and administrative qualifications. The choice shall not be limited to inhabitants of the said property. The Manager shall be appointed for an indefinite period. He shall be removable by the Board of Directors. If removed at any time after six months he may demand written charges and a public hearing on the same before the Board of Directors prior to the date on which his final removal shall take effect, but during such hearing the Board of Directors may suspend him from office. During the absence or disability of the Manager the Board of Directors shall designate some properly qualified person to perform the duties of the office.

POWERS AND DUTIES OF THE MANAGER

Section 2. The Manager shall be responsible to the Board of Directors for the proper administration of all affairs of the corporation, and to that end shall make all appointments, except as otherwise provided in these By-laws. Except when the Board

of Directors is considering his removal, he shall be entitled to be present at all meetings of the Board of Directors and of its committees and to take part in their discussions.

Section 3. The Manager shall prepare and submit to the Board of Directors the annual budget after receiving estimates made by the heads of the departments. **ANNUAL BUDGET**

ARTICLE XIII

ADMINISTRATIVE DEPARTMENTS

Section 1. There shall be administrative departments as follows:

Law, works and utilities, safety and welfare, library, and finance, and a Park and Recreation Board, Planning Board, Health Board, and Art Jury, the functions of which shall be prescribed by the Board of Directors except as otherwise provided herein. The Board of Directors shall fix all salaries, which in the classified service shall be uniform for each grade, as established by the Service Commission, and the Board of Directors may, by a four-fifths vote, create new departments, combine or abolish existing departments or establish temporary departments for special work, except the Art Jury and the Park and Recreation Board and except as otherwise provided herein. **ADMINISTRATIVE DEPARTMENTS CREATED**

Section 2. At the head of the departments of law, works and utilities, safety and welfare, library, and finance, there shall be a director. Each director shall be chosen on the basis of his general executive and administrative experience and ability and of his education, training and experience in the class of work which he is to administer. The director of the department of law shall be a lawyer; of the library, a trained librarian; of works and utilities, an experienced and qualified engineer; of safety and welfare, a man who has had administrative experience; of finance, a man who has had experience in banking, or other financial matters; or in each case the person must have rendered active service in the same department in this or some other community. The manager may appoint an advisory Library Board, to serve at his pleasure and to advise and aid him and the librarian in library matters, and for other advisory boards. **DUTIES OF DIRECTORS OF DEPARTMENTS**

**DEPARTMENT
DIRECTORS**

Section 3. Each department director shall be appointed by the manager and may be removed by him at any time.

**RESPONSIBILITY
OF DEPARTMENT
DIRECTORS**

Section 4. The department directors and the various boards and officers thereof, except as otherwise provided herein, shall be immediately responsible to the manager for the administration of their departments, and their advice in writing may be required by him on all matters affecting their departments. They shall prepare departmental estimates, which shall be open to public inspection, and they shall make all other reports and recommendations, concerning their departments at stated intervals or when requested by the manager. The Board of Directors, the manager, and any officer or board authorized by them, or either of them, shall have power to make investigations as to corporation affairs, and compel the production of books and papers.

ARTICLE XIV

PARK AND RECREATION BOARD

Section 1. The Department of Parks, Boulevards, Forestry, Music and Recreation shall be under the control and management of a Board to be known as the Park and Recreation Board composed of the manager and three persons named by the manager, well known for their intelligence and integrity, and whose term of office shall be for a period of three (3) years; provided, that the first members of said Board shall so classify themselves by lot that the term of one member shall expire at the end of one year, one at the end of two years, and one at the end of three years from the date of their first appointment, and at the expiration of the term of each member his successors shall be appointed by the manager for a term of three years from the date of expiration of the official term of his predecessor. Vacancies shall be filled by the manager for the unexpired portion of the term. Said commissioners shall serve without compensation. They shall elect their own officers, adopt their own rules and regulations and shall meet at least once a month. Two members of the Board shall constitute a quorum for the transaction of business and an affirmative vote of at least two appointed members shall be necessary to authorize any action of the Board.

Section 2. Said Board shall keep record of its proceedings and shall appoint a Secretary who shall not be a member of the Board and who shall hold office at the pleasure of the Board.

SECRETARY

Section 3. The Park and Recreation Board shall also appoint a Landscape Architect, to advise the Board, and a Chief Executive Officer as superintendent under the Board who shall hold office at the pleasure of the Board and who shall in behalf of said Board and of this corporation have charge, supervision and direction of all work and of all officers and employees under said Board and may dismiss any officer or employee under him except the Secretary and Landscape Architect of the Board or other consulting expert who may be called in to render special services.

**OTHER
OFFICERS
AND
EMPLOYEES**

Section 4. The Park and Recreation Board shall have power and it shall be its duty:

**POWERS AND
DUTIES OF THE
PARK AND
RECREATION
BOARD**

(a) To devise and adopt a system of parks, parkways, boulevards, playgrounds, recreation areas and open spaces for the use of the members of this corporation and the inhabitants of said land, and by and with the approval and authority by regulations of the Board of Directors, to lease, purchase, and/or otherwise acquire in the name of this corporation lands for parks, parkways, playgrounds, recreation areas and/or common lands for general welfare and by and with the approval and authority by regulation of the Board of Directors to establish, change and/or re-establish the grade of any boulevard, parkway or other property under its supervision or control, and no change shall be made in the grade of any street subject to the jurisdiction of the Park and Recreation Board unless the Park and Recreation Board shall approve such change of grade.

(b) To superintend, control and manage any and all parks, parkways, boulevards, playgrounds, open spaces and recreation areas, tennis courts, golf courses and/or club houses, swimming pools, bath houses, bathing beaches, boats, boat houses, boat landings, life rafts, life guards, life saving apparatus, skating rinks, hangars and fields for air craft, band stands, dancing pavilions, casinos, places of amusement, community buildings, aquariums, and in general community facilities appropriate

for the use and benefit of members and/or for the improvement and development of said property, grass plots and other areas, and all trees or plantings, within the lines of streets, parkways, walks, or other easements or rights-of-way, or on school or other public grounds by arrangement with public authorities having jurisdiction therein, and except as otherwise provided herein all improvements in, on, or upon the same belonging to or under control of this corporation, and of such other grounds and thoroughfares as may upon the recommendation of the Park and Recreation Board be placed under the control and management of said Board and by and with the approval of the Board of Directors to construct, improve, adorn, regulate and maintain the same in such manner as it may deem best, and to establish a width of sidewalk on all boulevards and parkways. And the Board of Directors shall, upon the recommendation of the Park and Recreation Board, pass regulations for the control and orderly government of the same, and other lands subject to its control, and prescribe penalties for the violation thereof. No building, structure, planting or improvement of any kind shall be erected, constructed, altered or maintained in, on, or upon any land or portion of said property under the jurisdiction of the Park and Recreation Board except with the approval and authority of the Park and Recreation Board; nor shall any land or any portion of said property be acquired or leased by the Homes Association, nor any property once subject to the jurisdiction of the Park and Recreation Commission be at any time sold, conveyed, mortgaged, leased, encumbered, or in any way disposed of except with the approval of the Park and Recreation Board. No building or structure for any purpose other than a park purpose shall be erected, constructed, altered or maintained upon any land subject to the jurisdiction of the Homes Association, when such land has been accepted for park purposes only.

(c) To plant or replant, trim, cut back, remove or replace, care for and/or maintain hedges, trees, shrubs, or flowers on vacant or unimproved lots or on other private property as far as may be permitted by the restrictions applicable thereto and thereby allowed, and to remove and/or burn grass, weeds, or any unsightly or obnoxious thing therefrom.

(d) To make such agreements with county, township, state, national or other public officials, or with any corporation or individual, for and in behalf of the owners of said property and of this corporation, for a division of the work upon any property subject to the jurisdiction of the Park and Recreation Board or for the care, maintenance and improvement of the same, as will enable the Homes Association to co-operate with the said officials, corporations or individuals to secure the greatest benefit to the said property or portions thereof.

(e) By and with the approval of the Board of Directors, to accept bequests and donations, and to take and hold title to real and/or personal property, and to administer and disburse and/or dispose of the same and/or to use the income and/or proceeds therefrom for the purposes for which it is established.

ARTICLE XV

PLANNING BOARD

Section 1. There shall be a Planning Board of five members consisting of the Manager, the Director of Works and Utilities, and three members of the Homes Association, one of whom may also be a member of the Park and Recreation Board, named by the Manager whose term of office shall be for a period of three years; provided that the first appointed members of said Board shall so classify themselves by lot that the term of one member shall expire at the end of one year, one at the end of two years and one at the end of three years from the date of their first appointment, and at the expiration of said term his successor shall be appointed by the Manager for a term of three years. Vacancies shall be filled by the Manager for the unexpired portion of the term. Said board members shall serve without compensation. They shall elect their own officers, adopt their own rules and regulations and shall meet at least once a month. Three board members, at least two of whom shall be appointed members, shall constitute a quorum for the transaction of business.

Section 2. The Planning Board shall appoint a Consultant in City Planning to advise the Board and a Secretary who shall have some knowledge of city planning. The Engineer of the Department of Works

SECRETARY
AND OTHER
EMPLOYEES

and Utilities shall also serve as Chief Engineer of the Planning Board, and it shall be his particular duty to make recommendations designed to bring all the engineering work of this corporation into harmony as parts of one comprehensive plan. The Planning Board shall have power to call upon any officer or department or board of this corporation at any time for information and advice, which in its opinion, will insure the efficiency of its work.

POWERS AND DUTIES OF THE PLANNING BOARD

Section 3. (a) The Planning Board shall have full and sole authority on behalf of this corporation to give approval in the name of the Homes Association for each subdivision or re-subdivision plat or map of any property subject to the jurisdiction of the Homes Association. Each such approval shall be certified to the Secretary of the Homes Association who shall thereupon affix the official seal of the corporation.

(b) It shall be the duty of the Planning Board to keep itself informed of the progress of city planning in this and other countries, to make studies and recommendations for the improvement of the general plan of the Palms Verdes region and vicinity with a view to the present and future movement of traffic, the convenience, amenity, health, recreation, general welfare, and other needs of this area dependent on such plan; to consider and report upon the designs and their relation to the general plan, of all new public ways, lands, buildings, bridges, and all other public places and structures, of additions to and alterations in those already existing, and of the layout or plotting of new subdivisions of this area or of territory adjacent thereto.

(c) All acts of the Board of Directors, officers or boards of this corporation affecting the general regional plan for Palms Verdes Rancho or any part thereof, shall be submitted to the Planning Board for report and recommendations. The Board of Directors may at any time call upon the Planning Board to report with recommendations, and the Planning Board of its own volition may also report to the Board of Directors with recommendations on any matter which in the opinion of either body, affects the general regional plan. Any matter referred by the Board of Directors to the Planning Board shall be acted upon by the Planning Board within thirty days of the date of reference, unless a longer or

shorter period is specified. No action by the Board of Directors involving any points hereinbefore set forth shall be legal or binding until it has been referred to the Planning Board and until the recommendations of the Planning Board thereon have been accepted or rejected by the Board of Directors.

ANNUAL REPORT

(d) The Planning Board shall submit to the Board of Directors an annual report summarizing the activities of the Planning Board for the fiscal year, the recommendations made by it to the Board of Directors during the year and the action of the Board of Directors during the year on any and all recommendations made by the Planning Board in that or former years. The annual report of the Planning Board shall also contain a program for improvements to the regional plan year by year during the three years next ensuing, with estimates of the cost thereof and recommendations as to how the cost shall be met.

**ARTICLE XVI
HEALTH BOARD**

Section 1. The Department of Health shall be under the control and management of the Health Board composed of the Manager and three persons named by the Manager because of their special knowledge of public health and welfare matters, provided that at least one of said members shall be selected from a list of three persons nominated by the County Medical Society of Los Angeles County. The term of office of said members shall be for a period of three years, provided that the first members of said Board shall so classify themselves by lot that the term of one member shall expire at the end of one year, one at the end of two years and one at the end of three years from the date of their first appointment. And at the expiration of the term of each member his successor shall be appointed by the Manager for a term of three years from the date of expiration of the official term of his predecessor. Vacancies shall be filled by the Manager for the unexpired portion of the term. They shall elect their own officers, adopt their own regulations, and meet at least once a month.

Section 2. The Board shall appoint a Health Officer who shall be a person well trained in matters of public health, not necessarily an inhabitant of said property,

HEALTH OFFICER

who shall act as Chief Executive Officer under the Board, hold office at the pleasure of the Board, and who shall in behalf of said Board and of this corporation have charge, supervision and direction of all work and of all officers and employees under said Board and may dismiss any officer or employee under him. The Health Board shall have charge and control of the administration of all health and sanitation measures within the jurisdiction of said corporation.

ARTICLE XVII

THE ART JURY

Section 1. The Palos Verdes Art Jury appointed by Commonwealth Trust Company of Los Angeles, April 12, 1923, is hereby adopted, confirmed and established as the Art Jury of this corporation. The Art Jury shall have full jurisdiction over all lands and property over which Palos Verdes Homes Association has jurisdiction.

APPROVAL OF STREETS, SUBDIVISIONS AND GENERAL PLANTING

Section 2. No part of the said property and/or of any property at any time within the jurisdiction of the Art Jury or of Palos Verdes Homes Association shall be subdivided, laid out or improved by street work, buildings, structures, landscaping or planting, or its physical contours cut into, altered or changed, or any premises maintained except with the approval of the Art Jury as to a uniform and reasonably high standard of artistic result and attractiveness, in exterior and physical appearance of said property and improvements; provided, that as to any original layout, subdivision and landscaping of the said property for Commonwealth Trust Company by Olmsted Brothers, Landscape Architects of Brookline, Massachusetts, the Art Jury shall not have any jurisdiction or power of approval other than to make suggestions unless specifically requested to do so by Commonwealth Trust Company; and provided also that at the end of ninety days after submission by Commonwealth Trust Company to the Art Jury of a subdivision map or of any proposed declaration of additional restrictions covering any portion of the said property, legal title to which is held by Commonwealth Trust Company, the said map or declaration shall be deemed to have been given full and final approval by the Art Jury, regardless of any action by it in the interim.

Section 3. No building, fence, wall, sidewalk, steps, awning, tent, pole, or other structure, improvement, utility, parking or planting shall be erected, constructed, altered or maintained upon, under or above any portion of said property or of any property at any time within the jurisdiction of the Art Jury or of Palos Verdes Homes Association (except as provided in Section 2 hereof) unless plans and specifications therefor, including the exterior color schemes together with a block plan indicating location, shall have been submitted to, approved in writing by the Art Jury and a copy of such plans, specifications and block plans as finally approved deposited for permanent record with the Art Jury. No alteration shall be made in the exterior color or design of any structure unless written approval of such alteration shall have first been obtained from the Art Jury. No sign of any kind or for any use shall be erected, posted or displayed upon or about any property under the jurisdiction of the Art Jury without the written approval of the Art Jury.

APPROVAL OF PLANS

Section 4. No work of art shall become the property of Palos Verdes Homes Association, or of any corporation, organization or public or semi-public body which may succeed or be substituted for any of them, whether acquired by purchase, gift or otherwise, unless such work of art or a design of the same, together with a statement showing the proposed location of such work of art, shall first have been submitted to and approved in writing by the Art Jury; nor shall any work of art until so approved be contracted for, erected, placed in or upon, or allowed to extend over or under any street, avenue, square, park, recreation grounds, school or public buildings, or other public or semi-public property over which the Art Jury has jurisdiction. The Art Jury may, when it deems proper, also require a model of the proposed work of art, or a map, drawing or profile of any proposed site therefor. The term "Work of art" as used in this section shall apply to and include all paintings, mural decorations stained glass, statuary, bas-reliefs, tablets, sculptures, monuments, fountains, arches, entrance gateways, or other structures of a permanent character intended for ornament or commemoration. No work of art over which the Art Jury has jurisdiction shall be removed, relocated or in any way altered

APPROVAL OF WORKS OF ART

without the approval in writing of the Art Jury.

**CONTROL OF
ART WORKS**

Section 5. The Art Jury shall be custodian of all works of art owned or accepted by Palos Verdes Homes Association; and shall have sole charge of the care and preservation thereof, and of such other works of art as it may accept charge of.

MEMBERSHIP

Section 6. (1) The Art Jury shall be composed of one member ex-officio named by Commonwealth Trust Company and of six other members appointed by Commonwealth Trust Company, of whom three shall be persons engaged in the practice of the fine arts in the instance of the first appointment selected from the membership of the Southern California Chapter of the American Institute of Architects and in case a vacancy among these three members occurs, Commonwealth Trust Company shall appoint his successor from a list of three persons engaged in the practice of the fine arts nominated by the Board of Directors of the Southern California Chapter of the American Institute of Architects. One member shall be a City Planner named by Commonwealth Trust Company and if a vacancy occurs as to this member Commonwealth Trust Company shall name his successor from a list of three City Planners, nominated by the Board of Directors of the American City Planning Institute. One member shall be appointed by Commonwealth Trust Company from a list of three persons nominated by the governing board of the University of California, Southern Branch, and one member shall be appointed by Commonwealth Trust Company from a list of three persons nominated by the Board of Directors of Palos Verdes Homes Association.

(2) The six members of the Art Jury appointed by Commonwealth Trust Company shall in the first instance serve for two years and thereafter shall choose by lot terms of office as follows: Two for one year, two for two years, and two for three years, and their successors shall be appointed by Commonwealth Trust Company for terms of three years each, except on appointment to fill a vacancy, which shall be for the unexpired portion of the term. In case any of the organizations entitled to make nominations, as hereinbefore provided, shall fail to make

such nominations within sixty days after written notification by Commonwealth Trust Company of the expiration of a term or the occurrence of a vacancy, Commonwealth Trust Company shall appoint a member to fill the vacancy upon its own nomination. Said appointees shall meet, organize and notify Commonwealth Trust Company and the Board of Directors of this corporation that the organization of the Art Jury has been effected and the duties thereof assumed, and furnish Commonwealth Trust Company and the Board of Directors with a certified copy of its rules of procedure. In the event that such appointees or any of them shall fail to accept said appointment Commonwealth Trust Company shall have the right to revoke such appointment, and to appoint any other person or persons in its judgment qualified to act as members of said Art Jury. If the Art Jury for any reason shall fail to meet and perform its duties for a period of thirty consecutive days, Commonwealth Trust Company may during the thirty days next thereafter remove one or all of the members and appoint any person or persons in its judgment qualified to act as members of said Art Jury in the place of the member or members so removed; provided appointees shall in all cases in number and qualifications fulfill as nearly as possible the provisions of paragraph (1) of this section as to membership.

(3) Any member of the Art Jury who shall be employed to execute a work of art or structure of any kind requiring the approval of the Art Jury, or who shall take part in competition for such work of art or structure, shall be disqualified from voting thereon; and, in such instance the Art Jury may, in its discretion, invite an expert advisor to give his opinion as to such work of art or structure.

(4) On July 1, 1932, or at any time prior thereto, Commonwealth Trust Company may terminate the term of office and its own power of appointment of the ex-officio member of the Art Jury, by written notification to the President of Palos Verdes Homes Association. On July 1, 1932, the right of Commonwealth Trust Company to appoint members of the Art Jury as provided in paragraph (1) of this section shall cease; or Commonwealth Trust Company prior to said date may resign and transfer said power of appointment to the President

of Palms Verdes Homes Association, by notice thereof to him in writing. From and after said date or upon receipt of such notification or either of them, the President of Palms Verdes Homes Association shall, as the case may be, become a member ex-officio of the Art Jury, as successor to the ex-officio member named by Commonwealth Trust Company and/or shall have power, as successor to Commonwealth Trust Company to appoint members thereof, as provided in paragraph (1) of this section, except as provided herein.

(5) The members of the Art Jury shall elect from their own number a President and Vice-President and shall adopt rules of procedure and prescribe regulations for submission of all matters within their jurisdiction. Four members shall constitute a quorum and shall have full power to act as the Art Jury during the period of any vacancy or vacancies in the membership thereof. The Art Jury shall designate and appoint a trust company to act as its Treasurer and to act as Trustee of all property of the Art Jury. The name of such Treasurer and of the Secretary shall be certified to Commonwealth Trust Company and to Palms Verdes Homes Association.

Section 7. Any funds available therefor may be used by the Art Jury to pay its members for time in attendance at meetings, and for other expenses which in its judgment are incidental to carrying out the purpose for which it is established, to enforce its decisions and rulings and/or to promote art education and community embellishment. The Art Jury may accept bequests and donations of, and through its Trustee take and hold, title to real and/or personal property and shall have power to administer, disburse, and/or dispose of the same and/or to use the income and/or proceeds therefrom for the purposes for which it is established. The Art Jury may file estimates of its annual budget needs with the manager and the Board of Directors and the Board of Directors shall carefully consider the same and may appropriate such sums for the Art Jury as to them may seem advisable.

RECORDS AND REPORTS

Section 8. The Art Jury shall, on or before the first of May of each year, make a written report to Commonwealth Trust Company and to Palms Verdes Homes Association of its general proceedings, receipts and disbursements, during the preceding

calendar year and shall also furnish on written request by Commonwealth Trust Company or the Board of Directors a similar report covering any designated period.

(2) The Secretary of the Art Jury shall keep minutes of each approval, recommendations or other official act of the Art Jury and furnish certified copies of the result thereof, on request to any person, and the Art Jury may make a reasonable charge therefor. Said records shall be open to the public. The Secretary of the Art Jury or his duly authorized agent or deputy may at any time enter, inspect, and report upon any portion of said property as to its compliance with the provisions hereof, or as to the decisions of the Art Jury, or any officer or agent thereof shall not thereby be deemed guilty of any manner of trespass for such entry, and the Art Jury may authorize the Secretary thereof to issue a certificate of completion and compliance as to any property so inspected and to make and collect a reasonable charge therefor. In the absence of such certificate and after the expiration of one year from the date of approval by the Art Jury of plans of any structure or alteration, or of any matter requiring approval, the said structure or alteration or matter requiring approval shall, in favor of purchasers and encumbrancers in good faith and for value from the owner causing such structure to be erected or alteration to be made or matter approved, be deemed to be in compliance with all the provisions hereof, unless notice to the contrary shall appear of record in the office of the County Recorder of Los Angeles County.

ARTICLE XVIII

FINANCIAL PROVISIONS

Section 1. The Director of Finance shall have direct supervision over the Department of Finance and the administration of the financial affairs of the corporation, including the keeping of accounts and financial records; the levy, assessment and collection of charges or assessments, and other fees and revenues (except as otherwise provided herein); the custody and disbursement of corporation funds and moneys and the deposit of the same in such bank or banks as the Board of Directors shall designate; the control over expenditures; and such other duties as the Board of Directors may, by regulation, provide.

THE DIRECTOR
OF FINANCE

ACCOUNTS AND REVENUES

Section 2. Accounts shall be kept by the Department of Finance showing the financial transaction for all departments of the corporation. Forms for all such accounts shall be prescribed by the Director of Finance with the approval of the manager; and shall be adequate to record all cash receipts and disbursements, all revenues accrued and liabilities incurred, and all transactions affecting the acquisition, custody, and disposition of values, and to make such reports of the financial transactions and conditions of the city as may be required by law or regulations of the Board of Directors. Financial reports shall be prepared for each quarter and each fiscal year, and for such other periods as may be required by the manager, or the Board of Directors.

ANNUAL BUDGET

Section 3. Not later than one month before the end of each fiscal year the manager shall prepare and submit to the Board of Directors an annual budget for the ensuing year, based upon detailed estimates furnished by the several departments and other divisions of the corporation, according to a classification as nearly uniform as possible. The budget shall present the following information:

(a) An itemized statement of the appropriation recommended by the manager for current expenses and for permanent improvements for each department and board and each division thereof for the ensuing fiscal year, with comparative statements in parallel columns of the appropriations and expenditures for the current and next preceding fiscal year, and the increases or decreases in the appropriations recommended;

(b) An itemized statement of the charges or assessments required and of the estimated revenues of the corporation from all other sources for the ensuing fiscal year, with comparative statements in parallel columns of the revenues for the current and next preceding fiscal year, and of the increases or decreases estimated or proposed;

(c) A statement of the financial condition of the corporation and

(d) Such other information as may be required by the Board of Directors. Copies of the budget shall be available for distribution not later than two weeks after its submission to the Board of Directors; and a public hearing shall be given thereon by

the Board of Directors or a committee thereof before action by the Board of Directors.

Section 4. Not later than one week after the beginning of the fiscal year the Board of Directors shall pass an annual appropriation regulation, which shall be based on the budget submitted by the manager, except as provided in Article III hereof. The total amount of appropriations shall not exceed the estimated revenues of the corporation. Before the annual appropriation regulation has been passed, the Board of Directors, with the approval in writing of the manager, may make such appropriations for current department expenses, chargeable to the appropriations of the year when passed, to an amount sufficient to cover the necessary expenses of the various departments until the annual appropriation is in force. No other liabilities shall be incurred by any officer or employee of the corporation, except in accordance with the provisions of the annual appropriation regulation or under continuing contracts and loans authorized under the provisions hereof or as otherwise provided herein. At any meeting after the passage of the appropriation regulation and after at least one week's public notice, the Board of Directors, by affirmative vote of four members thereof, may amend such regulation, so as to authorize the transfer of unused balances appropriated for one purpose to another purpose, or to appropriate available revenues not included in the annual budget.

APPROPRIATION REGULATIONS; TEMPORARY APPROPRIATIONS; TRANSFERS

Section 5. On or before the 15th day of October, in each year the Board of Directors shall, by regulation, fix and establish the amount of the annual maintenance charge or assessment mentioned in Article I hereof, necessary to meet the appropriations made (less the estimated amount of revenue from other sources).

FIXING THE ANNUAL MAINTENANCE CHARGES

Section 6. Money may be borrowed, in anticipation of the receipts from maintenance charges or assessments during any fiscal year, by the issue of notes or certificates of indebtedness; but the aggregate amount of such loans at any time outstanding shall not exceed twenty (20%) per cent of the receipts from maintenance charges or assessments during the preceding fiscal year.

TEMPORARY LOANS

**COLLECTION
OF MONIES
AND CUSTODY**

Section 7. All charges and assessments, and fees accruing to the corporation shall be collected by officers of the department of finance. All moneys received by any officer or employee of the corporation for or in connection with the business of the corporation shall be paid promptly into the corporation treasury, and shall be deposited with such responsible banking institutions as furnish such security as the Board of Directors may determine and shall agree to pay the highest rate of interest; and all such interest shall accrue to the benefit of the corporation. The Board of Directors shall provide by regulation for the prompt and regular payment and deposit of all moneys as required by this section; provided, however, that all funds received on account of the Art Jury or Park and Recreation Board shall be kept in separate accounts subject to the respective order of said boards.

**CONTRACTS
AND
PURCHASES**

Section 8. No continuing contract (which involves the payment of money out of the appropriations of more than two years) except public utility franchises shall be made for a period of more than ten years; and no such contract shall be valid without public hearing thereon.

Any work or improvement costing more than one thousand (\$1000.00) dollars shall be executed by contract, except where a specific work or improvement is authorized by the Board of Directors based on detailed estimates submitted by the department authorized to execute such work or improvement. All contracts for more than one thousand dollars shall be awarded to the lowest responsible bidder, after public advertisement and competition as may be prescribed by regulation. But the manager shall have the power to reject all the bids and to advertise again; and all advertisement shall contain a reservation of this right.

**PAYMENT
OF CLAIMS**

Section 9. Payments by the corporation shall be made only upon vouchers certified by the head of the appropriate department or other division of the corporation, and by means of warrants on the corporation treasury issued by the Director of Finance and countersigned by the manager. The Director of Finance shall examine all payrolls, bills and other claims and demands against the corporation and shall issue no warrants for payment unless he finds that the claim is in proper form, correctly com-

puted, and duly certified; that it is justly and legally due and payable; that an appropriation has been made therefor which has not been exhausted or that the payment has been otherwise legally authorized; and that there is money in the corporation treasury to make payment. He may require any claimant to make oath as to the validity of a claim. He may investigate any claim, and for such purpose may examine witnesses under oath; and if he finds it is fraudulent, erroneous, or otherwise invalid, shall not issue a warrant therefor.

Section 10. Upon the death, resignation, removal or expiration of the term of any officer of the corporation, other than the Director of Finance, the Director of Finance shall make an audit and investigation of the accounts of such officer, and shall report to the manager and Board of Directors.

As soon as practicable after the close of each fiscal year an annual audit shall be made of all the accounts of all the corporation's officers; and upon the death, resignation, removal or expiration of the term of the Director of Finance, an audit shall be made of his accounts. Such audit shall be made under the provisions of any law for the inspection and audit of corporation accounts; and by qualified public accountants, selected by the Board of Directors, who have no personal interest, direct or indirect, in the financial affairs of the corporation or of any of its officers or employees. The Board of Directors may at any time provide for an examination or audit of the accounts of any officer or department of the corporation.

Section 11. All accounts and the records of every office and department of the corporation shall be open to the members at all reasonable times under reasonable regulations, except records and documents from which might be secured information which might defeat the lawful purpose of the officer or department withholding them from access to the members.

Section 12. No member of the Board of Directors nor any officer or employee of the corporation shall have a financial interest, direct or indirect, in any contract with the corporation, or be financially interested, directly or indirectly, in the sale to the corporation of any land, materials,

**AUDIT OF
ACCOUNTS**

**PUBLICITY OF
ACCOUNTS**

**NO PERSONAL
INTEREST**

supplies or services, except on behalf of the corporation as a member of the Board of Directors, officer or employee; no officer or employee of a public utility operating on the Palos Verdes Rancho shall be a member of the Board of Directors. Any willful violation of this section shall constitute malfeasance in office, and any member of the Board of Directors, officer, or employee found guilty thereof, shall thereby forfeit his office or position. Any violation of this section, with the knowledge, expressed or implied, of the person or corporation contracting with this corporation, shall render the contract involved voidable by the manager or the Board of Directors.

ARTICLE XIX

BOOKS AND PAPERS

The books and such papers as may be placed on file by vote of the members or Directors shall, at all times in business hours, be subject to the inspection of the Board of Directors or of any member.

ARTICLE XX

CERTIFICATE OF MEMBERSHIP

Certificates of membership shall be of such form and device as the Board of Directors may direct, and each certificate shall be signed by the President and by the Secretary, and express on its face its number, date of issuance, the description of the building sites for which, and the person to whom it is issued, and shall contain a statement that the property rights and interest in the corporation, evidenced by said certificates, shall be appurtenant to the building site therein described, and that the membership, represented by the certificate, shall be transferred only with a building site described in the certificate.

If a certificate shall be lost or destroyed,

the Board of Directors may order a new certificate issued upon such guaranty by the parties claiming the same as the Directors may deem satisfactory.

ARTICLE XXI

TRANSFER OF MEMBERSHIP

Upon satisfactory evidence of such transfer of a building site the membership of the transferor shall be marked "cancelled" on the books of the corporation as to the building site transferred, without requiring a surrender or cancellation of the transferor's certificate of membership and a new certificate of membership may thereupon be issued to such transferee.

If a certificate shall be lost or destroyed, the Board of Directors may order a new certificate issued upon such guaranty by the parties claiming the same as the Directors may deem satisfactory.

ARTICLE XXII

AMENDMENTS

The By-Laws may be repealed or amended or new By-Laws may be adopted at any meeting of the members by a vote representing two-thirds of all the said building sites owned by members, or by the Board of Directors when thereunto authorized at any meeting of the members, by a vote representing two-thirds of all the said building sites, or by the written assent of the record holders of the legal titles to two-thirds of all the said building sites.

ARTICLE XXIII

SEAL

The corporation shall have a common seal, consisting of a circle, having conveniently arranged on said seal the words, "PALOS VERDES HOMES ASSOCIATION, California, Incorporated May, 1923."

WRITTEN ASSENT TO BY-LAWS

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned, being the holders of more than two-thirds of the memberships of PALOS VERDES HOMES ASSOCIATION, a corporation under the laws of the State of California, and having its principal place of business in the City of Los Angeles, County of Los Angeles, in said State, hereby assent to the foregoing By-Laws contained on page 1 to page 27, both inclusive, of this "Book of By-Laws," and we hereby adopt the same as and for the By-Laws of said corporation.

IN WITNESS WHEREOF, we have hereunto subscribed our names this 25th day of June, 1923.

(Signed) JAY LAWYER,
JOHN C. LOW,
JAMES FREDERICK DAWSON,
J. H. COVERLEY,
M. V. BOAZ.

CERTIFICATE TO BY-LAWS

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned, being and constituting a majority of the Directors, and the Secretary of PALOS VERDES HOMES ASSOCIATION, a corporation under the laws of the State of California, and having its principal place of business in the City of Los Angeles, County of Los Angeles, in said State, do hereby certify and declare that the above and foregoing By-Laws set forth and contained on pages 1 to 27, both inclusive, of this "Book of By-Laws," were duly made and adopted as and for the By-Laws of said corporation, and do now constitute and are the By-Laws thereof.

IN WITNESS WHEREOF, we have hereunto subscribed our names this 25th day of June, 1923.

(Signed) JAY LAWYER,
JOHN C. LOW,
JAMES FREDERICK DAWSON,
J. H. COVERLEY,
M. V. BOAZ.

Attest:
M. V. BOAZ, Secretary.

INDEX

ACCESSORY BUILDINGS	27-30
ALTERATIONS AND CHANGE IN OCCUPANCY.....	34
AMENDMENT—METHOD FOR BASIC RESTRICTIONS.....	38
METHOD FOR LOCAL RESTRICTIONS.....	11-15d-38
NO. 10	15
AMENDMENTS TO BY-LAWS OF HOMES ASSOCIATION.....	63
ANIMALS, RESTRICTIONS AS TO KEEPING.....	36
ANNEXATION OF ADDITIONAL PROPERTY.....	12-15d-39-48
APARTMENT HOUSE, DEFINED.....	25
APPROVAL OF PLANS BY HOMES ASSOCIATION.....	18
BY ART JURY.....	23-58
ARCHITECTURE—GENERAL REQUIREMENTS	34
TYPE I ARCHITECTURE DISTRICTS—DEFINED.....	34
IN TRACT 7333.....	9
IN TRACT 8652.....	25
TYPE II ARCHITECTURE DISTRICTS—DEFINED.....	15b
IN TRACT 8652.....	35
TYPE III ARCHITECTURE DISTRICTS—DEFINED.....	35
TYPE IV ARCHITECTURE DISTRICTS—DEFINED.....	15b
IN TRACT 8652.....	31
AREA REQUIREMENTS	33
EXCEPTIONS	33
IN BUSINESS AND PUBLIC USE DISTRICTS.....	33
IN CLASSES A, B, C-1, C-2, C-3, F, G AND K USE DISTRICTS.....	33
PERCENTAGE OF LOT OCCUPIED.....	32
ART JURY	17-23-58
ACCOUNTS AND RECORDS.....	39
APPROVAL OF PLANS.....	23-58
APPROVAL OF STREETS AND SUBDIVISIONS.....	23-58
APPROVAL OF WORKS OF ART.....	23-58
CUSTODIAN OF ART WORKS.....	24-59
ENFORCEMENT OF RESTRICTIONS.....	14-15d-17-40
INTERPRETATION BY ART JURY.....	40
JURISDICTION OVER ADDITIONAL PROPERTY.....	12
MEMBERSHIP	24-59
PURPOSES AND FUNDS.....	25
RECORDS AND REPORTS.....	12-15d-25-39-60
ASSIGNMENT OF POWERS.....	13-15d-40
ATTIC, DEFINED	25
BUILDING CODE	53
BUILDING COST, MINIMUM.....	36
IN TRACT 7333.....	9
IN TRACT 8652.....	15b
BUILDING PERMITS	34-53-54
BUILDING SITE DEFINED.....	25-45-47
BUILDINGS—ACCESSORY	27-30
ADDITIONAL ON SAME LOT.....	33
NO USE PRIOR TO ISSUANCE OF CERTIFICATE OF COMPLETION AND COMPLIANCE.....	34
CERTIFICATE OF COMPLETION AND COMPLIANCE.....	34-53
CERTIFICATE OF MEMBERSHIP IN PALOS VERDES HOMES ASSOCIATION.....	63
CLASSES OF USE DISTRICTS.....	9-27
CLASS A DISTRICTS—DEFINED.....	27
IN TRACT 7333.....	9
IN TRACT 8652.....	15a

CLASS B DISTRICTS—DEFINED.....	27-28
CLASS C-1 DISTRICTS—DEFINED.....	27-28
IN TRACT 8652.....	15a
CLASS C-2 DISTRICTS—DEFINED.....	27-28
CLASS C-3 DISTRICTS—DEFINED.....	27-28
CLASS D DISTRICTS—DEFINED.....	27-28-29
IN TRACT 8652.....	15b
CLASS E DISTRICTS—DEFINED.....	27-29
CLASS F DISTRICTS—DEFINED.....	27-29
IN TRACT 7333.....	9
IN TRACT 8652.....	15b
CLASS G DISTRICTS—DEFINED.....	27-29
CLASS H DISTRICTS—DEFINED.....	27-29
IN TRACT 8652.....	15b
CLASS J DISTRICTS—DEFINED.....	27-29
CLASS K DISTRICTS—DEFINED.....	27-30
COST, MINIMUM, OF BUILDING.....	36
IN TRACT 7333.....	9
IN TRACT 8652.....	15b
COURT AND HOUSE COURT, DEFINED.....	26
COURTS, AREA AND DIMENSIONS.....	32-33
CUBE LEVEL, DEFINED.....	26
DAMAGE TO STREETS—OWNER LIABLE.....	36
DECLARATION NO. 1 OF RESTRICTIONS.....	16
DECLARATION NO. 23 OF RESTRICTIONS.....	8
DECLARATION NO. 25 OF RESTRICTIONS.....	15
DEFINITIONS.....	25-26-27
DOCTORS' OFFICES, ETC.....	30
DRAINAGE—NATURAL, TO BE MAINTAINED.....	37
DWELLING—MULTIPLE, DEFINED.....	27
SINGLE FAMILY, DEFINED.....	27
EASEMENTS AND RIGHTS OF WAY.....	10-11
IN TRACT 7333.....	15c-15d
IN TRACT 8652.....	15c-15d
ENFORCE, RIGHT TO.....	14-15d
ENFORCEMENT BY HOMES ASSOCIATION AND ARY JURY.....	14-15d-17-40
ENFORCEMENT BY HOMES ASSOCIATION AND TRUSTEE.....	14-15d-40
EXCEPTIONS.....	14-15d-40
FLAT, DEFINED.....	26
GARAGES.....	30
GRADES, CUTS AND FILLS—STREET.....	36
HEIGHT OF BUILDINGS—DEFINED.....	26-31
1-STORY HEIGHT DISTRICTS.....	31
2-STORY HEIGHT DISTRICTS.....	31
2½-STORY HEIGHT DISTRICTS.....	31
IN TRACT 7333.....	9
IN TRACT 8652.....	15b
3-STORY HEIGHT DISTRICTS.....	31
IN TRACT 8652.....	15b
SPECIAL HEIGHT DISTRICT PROVISIONS.....	31
TOWERS, TANKS AND PENTHOUSES.....	31
HORSES, KEEPING OF.....	36
INSECT PESTS AND PLANT DISEASES.....	37

INTERPRETATION OF RESTRICTIONS.....	14-15d-17-34-40
LIMITATION OF OCCUPANCY AND OWNERSHIP.....	17
LOT—DEFINED	26
PERCENTAGE OF LOT OCCUPIED.....	32
STATUS OF SPLIT LOT OWNERSHIP.....	36
MAINTENANCE AND IMPROVEMENT CHARGES.....	18-61
OIL DRILLING PROHIBITED.....	17
PALOS VERDES HOMES ASSOCIATION.....	17-18
ACCOUNTS AND RECORDS.....	61-62
ACTION WHEN HOMES ASSOCIATION FAILS TO ACT.....	22
APPROPRIATIONS	61
APPROVAL OF PLANS.....	18
ARTICLES OF INCORPORATION.....	42
ASSIGNMENT OF POWERS OF BANK OF AMERICA.....	13-15d-40
BOOKS AND PAPERS, SUBJECT TO INSPECTION.....	63
BUDGET	54-61
BUILDING COMMISSIONER	53
BY-LAWS	47
AMENDMENTS TO BY LAWS.....	63
CERTIFICATE OF COMPLETION AND COMPLIANCE.....	34-53
CLAIMS	62
COLLECTIONS	62
CONTRACTS AND PURCHASES.....	49
CORPORATE POWERS	54
DEPARTMENTS	54
DUTIES OF DIRECTORS OF.....	55
RESPONSIBILITIES OF DIRECTORS OF.....	50
DIRECTORS, DUTIES OF.....	49
ELECTION OF	51
MEETINGS OF	50
POWERS OF	50
VACANCY IN BOARD OF.....	14-15d-17-40
ENFORCEMENT AND RIGHT TO ENFORCE.....	60
FINANCE, DIRECTOR OF.....	57
HEALTH BOARD	14-15d-17-34-40
INTERPRETATION AND ENFORCEMENT OF RESTRICTIONS.....	61
LOANS	18-61
MAINTENANCE AND IMPROVEMENT CHARGES.....	37
MAINTENANCE OF HEALTH, SAFETY AND WELFARE.....	54
MANAGER	54
POWERS AND DUTIES OF.....	48
MEMBERS, FEES AND DUES OF.....	50
MEETINGS OF	49
PROPERTY RIGHTS OF.....	45-48
QUALIFICATIONS OF	49
VOTING POWER OF.....	63
MEMBERSHIP, CERTIFICATE OF.....	48
CREATION OF	48
TERMINATION OF	63
TRANSFER OF	52
OFFICERS	55
PARK AND RECREATION BOARD.....	53
PERMIT FOR WORK.....	56-57
PLANNING BOARD	19-42
POWERS	52
PRESIDENT	51-52
RECALL ELECTION	

RECORDS AND REPORTS.....	12-15d-25-39-60
RECORDS OF DEPARTMENT OF FINANCE.....	61
REGULATIONS AND RESOLUTIONS.....	51
SEAL.....	69
SECRETARY.....	53
VICE-PRESIDENT.....	52
PERMITS, BUILDING.....	84
PLANT DISEASES.....	37
POULTRY, RESTRICTIONS AS TO KEEPING.....	36
PRIVIES AND CESSPOOLS.....	37
PROHIBITED USES OF PROPERTY.....	17-27-28-29
RECORDS AND REPORTS.....	12-15d-25-39-60
RECORDS KEPT BY BUILDING COMMISSIONER.....	53
RESTRICTIONS—SUMMARY.....	1
CONSTRUCTION AND VALIDITY.....	13-15d-40
DEBATION.....	11-15d-38
ENFORCEMENT BY HOMES ASSOCIATION AND ART JURY.....	14-15d-17
EXCEPTIONS.....	14-15d-41
HORSES, KEEPING OF.....	36
INTERPRETATION AND ENFORCEMENT.....	14-15d-17-34-40
MODIFICATION OF BASIC.....	38
MODIFICATION OF LOCAL.....	11-15d-38
NEW MATERIAL TO BE USED.....	36
POULTRY—RESTRICTIONS AS TO KEEPING.....	36
PRIVIES AND CESSPOOLS.....	37
PUBLIC GARAGES AND THEATRES NEAR SCHOOLS.....	30
RIGHT TO ENFORCE.....	14-15d-41
SPLIT LOT OWNERSHIP.....	36
STOCK, (CATTLE, HORSE, ETC.), KEEPING.....	36
TRACT 7333, LOCAL.....	8
TRACT 8652, LOCAL.....	15
REVERSION OF TITLE.....	13-15d-39
SET BACK LINES—IN TRACT 7333.....	9-10
IN TRACT 8652.....	15b-15c
SIDE-LINE SET-BACKS.....	10-15c
VARIATIONS IN SET-BACKS.....	10-15c
SHRUBS—RIGHT TO PLANT.....	37
TRIMMING AND REMOVAL OF.....	36
STORY—DEFINED.....	27-79
STREETS—DAMAGE TO.....	36
GRADES, CUTS AND FILLS.....	36
TITLE RESERVED.....	11-15d
TILE OR SLATE ROOFS—IN TRACT 7333.....	9
IN TRACT 8652.....	15b
TITLE, REVERSION OF.....	13-15d-39
TO STREETS RESERVED.....	11-15d
TOWERS, TANKS AND PENTHOUSES.....	31
TRACT 7333—LOCAL RESTRICTIONS.....	8
CLASS A DISTRICTS.....	9
CLASS F DISTRICTS.....	9
EASEMENTS AND RIGHTS OF WAY RESERVED.....	10-11
MINIMUM COST OF BUILDING.....	9
SET-BACK LINES.....	9-10
2½-STORY HEIGHT LIMITS.....	9
TYPE II ARCHITECTURE.....	9

TRACT 8652—LOCAL RESTRICTIONS.....	15
CLASS A DISTRICTS.....	15a
CLASS C-1 DISTRICTS.....	15a
CLASS D DISTRICTS.....	15b
CLASS F DISTRICTS.....	15b
CLASS H DISTRICTS.....	15c-15d
EASEMENTS AND RIGHTS OF WAY RESERVED.....	15b
MINIMUM COST OF BUILDING.....	15b-15c
SET-BACK LINES.....	15b
2½-STORY HEIGHT LIMITS.....	15b
TYPE II ARCHITECTURE.....	15b
TYPE IV ARCHITECTURE.....	37
TREES AND SHRUBS—RIGHT TO PLANT.....	36
TRIMMING AND REMOVAL OF.....	37
UNIMPROVED LOTS—RIGHT TO PLANT AND MAINTAIN.....	17-27-28-29
USES OF PROPERTY PROHIBITED.....	37
VACANT LOTS.....	13-15d-40
VIOLATION CONSTITUTES NUISANCE.....	13-15d-40
VIOLATION OF CONDITIONS.....	27-32-33
YARDS—REAR.....	10-15c-33
SIDE.....	25
ZONING.....	25

EXHIBIT B

Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(Notarial Seal)

in and for said County and State. My Com. Exp. Jan. 18, 1933. Margaret J. Hammond, Notary Public

1272 Copy of original recorded at request of Grantee Jan. 21, 1931, 2:01 P.M.
Copyist F. S. Compadre C. L. Logan, County Recorder, By

\$1.00-4.

H. Schuly

Deputy

-----c0o-----

GRANT DEED

10494/360

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, a banking association, organized and existing under and by virtue of the laws of the United States of America, having its principal place of business in the City and County of San Francisco, State of California, in consideration of TEN AND NO/100 (\$10.00) Dollars, the receipt of which is hereby acknowledged, does hereby grant to PALOS VERDES HOMES ASSOCIATION, a corporation, that certain real property in the County of Los Angeles, State of California, hereinafter referred to as "said realty" described as follows, to-wit: (a) All of Lot A of Tract 8652 as per map recorded in Book 125, Pages 85 to 87 inclusive of Maps, in the office of the County Recorder of Los Angeles County, California, except that portion described as follows: Beginning at the most Westerly corner of Lot 11 of Block 1733 of said Tract 8652; thence North 17°00'00" East along the Westerly line thereof, 75 feet; thence North 51°00'00" East along the Northwesterly line thereof, 175 feet, to the most Northerly corner thereof; thence due West 120 feet; thence South 59°00'00" West, 50.6 feet; thence South 2°01'45" West, 153.12 feet more or less to a point in the Southerly line of said Lot A, being a point in a curve concave to the West and having a radius of 65 feet; thence Easterly along said curve a distance of 21 feet to the point of beginning, enclosing an area of 0.306 acres, more or less.

(b) That portion of Lot 1 of Block 2307 of Tract 7537 as per Map recorded in Book 104, Pages 12 to 15, inclusive of Maps in the Office of the County Recorder of Los Angeles County, California, described as follows: Beginning at a point in the Westerly line of said Lot 1, said point being at the Southerly extremity of a certain curve, concave to the West, having a radius of 696.32 feet and a length of 163.46 feet, thence Northerly along said curve 163.46 feet to the most Northerly corner of said Lot 1; thence following the boundary of said Lot 1, South 59°26'46" East 161.65 feet, South 4°45'55" West 105 feet South 50°57'10" East 185 feet, South 5°36'20" East 26.61 feet to the beginning of a curve concave to the Northwest and having a radius of 45 feet, Southwesterly along said curve 66.64 feet to the end thereof, and South 79°14'30" West 46.09 feet to the most Southerly corner of the parcel of land herein described; thence leaving the boundary of said Lot 1 North 44°26'33" West 316.77 feet, more or less, to the point of beginning, enclosing an area of 1.12 acres, more or less. This conveyance is made and accepted and said realty is hereby granted, subject to taxes now a lien, and upon and subject to each of the following provisions, conditions, restrictions and covenants, to-wit:

1. The express condition that the Grantor herein is not responsible or liable in any way for any inducement, representation, agreement, condition or stipulation not set forth herein, or in the Declarations of Establishment of Restrictions and Conditions hereinafter mentioned.

2. Each and every provision, condition, restriction, reservation, lien, charge, easement and covenant contained in the Declaration of Establishment of Basic Protective Restrictions executed by Commonwealth Trust Company, as owner, dated June 26th, 1923, and recorded in Book 2360, Page 231 and Amendments Nos. 1 and 3 thereto, dated November 26th, 1923 and June 16th, 1924 respectively, and recorded in Book 2940 Page 27 and in Book 4019 Page 274 respectively, of Official Records of said County, and Declarations Nos. 17 and 25

of Establishment of Local Protective Restrictions, recorded in Book 4234, Page 340 and in Book 6082 Page 26 respectively, of Official Records of said County, and Amendment No. 4 to said Declaration No. 17, recorded in Book 2583, page 28 of Official Records of said County, all except the first mentioned having been executed by Bank of America, successor in interest to said Commonwealth Trust Company, whereby there was established a general plan for the improvement and development of said realty and other property described and/or referred to in said Declarations of Restrictions, and provisions, conditions, restrictions, reservations, liens, charges, easements and covenants were fixed, including the establishment, maintenance and operation of Palos Verdes Homes Association, a California corporation, and of the Art Jury as therein provided, subject to which said property and/or all parcels thereof should be sold and conveyed and all of said provisions, conditions, restrictions, reservations, liens, charges, easements and covenants are hereby made a part of this conveyance, and expressly imposed upon said realty as fully and completely as if herein set forth in full.

3. That the said realty is to be used and administered forever for park and/or recreation purposes, for the benefit of the persons residing or living within the boundaries of the property known as Tracts 4400, 6681, 9303 and 9822 in the County of Los Angeles, State of California, said property being commonly known and referred to as "Palos Verdes Estates", under such regulations consistent with the other conditions set forth in this deed as may from time to time hereafter be established by the Park and Recreation Board of Palos Verdes Homes Association for the purpose of safeguarding said realty, and any vegetation and/or improvements, thereon, from damage or deterioration, and for the further purpose of protecting the residents of said Palos Verdes Estates from any uses of or conditions in or upon the said realty which are, or may be, detrimental to the amenities of the neighborhood; provided (a) That the power, right and easement is reserved to Bank of America National Trust and Savings Association to enter upon, develop, plant, improve or maintain any part or all of said realty for the benefit of all of Palos Verdes Estates in a manner not inconsistent with the purposes for which said realty is hereby conveyed and after due notice to and consultation with the Park and Recreation Board of Palos Verdes Homes Association. (b) That the easement is specifically reserved to Bank of America National Trust and Savings Association to establish and maintain such reasonable number of water mains and other utilities as to it may seem advisable in and over said realty for the service of abutting lots in a manner not inconsistent with the purposes for which said realty is hereby conveyed and in accordance with a written approval which shall be issued by the Park and Recreation Board of Palos Verdes Homes Association for the location of said utility lines.

4. That except as provided above, no buildings, structures or concessions shall be erected, maintained or permitted upon said realty, except such as (in the opinion of the Park and Recreation Board of Palos Verdes Homes Association) are properly incidental to the convenient and/or proper use of said realty for park and/or recreation purposes.

5. That except as provided in paragraph 3 hereof, no part of said realty shall be sold or conveyed by Palos Verdes Homes Association except subject to the terms and conditions hereof; provided, however, that said realty, or any portion thereof, may be conveyed by said Palos Verdes Homes Association subject to the same conditions as herein contained with respect to the purposes for which said realty may be used, to a PARK COMMISSION, or other body suitably constituted by law, to take, hold, maintain and regulate public parks; provided, further, that Palos Verdes Homes Association may dedicate to the public portions of said realty for parkway or street purposes and/or for the purpose of rectification of boundaries, re-convey title to portions of said realty to Bank of America National Trust and Savings Association, or its successors in interest, in exchange for other lands.

6. The Park and Recreation Board of Palos Verdes Homes Association in its sole discretion, may by and with the written approval of Palos Verdes Art Jury first obtained permit the owner of a lot abutting on said realty, to construct and/or maintain paths steps and/or other landscape improvements, as a means of egress from and ingress to said lot or for the improvement of views therefrom, in such a manner and for such length of time and under such rules and regulations as will not, in the opinion of the Park and Recreation Board of Palos Verdes Homes Association and Palos Verdes Art Jury, impair or interfere with the use and maintenance of said realty for park and/or recreation purposes.

as hereinbefore set forth. Provided, that a breach of any of the provisions, conditions, restrictions, reservations, liens, charges and covenants hereinbefore referred to and/or contained herein, including those contained in said declarations hereinbefore referred to, shall cause said realty to revert to the Grantor herein, or its successors in interest as owner of the reversionary rights herein provided for, and the owner of such reversionary rights shall have the right of immediate re-entry upon said realty in the event of any such breach, and; as to each lot and/or parcel owner of said property or other property described and/or referred to in said declarations hereinbefore referred to, the said provisions, conditions, restrictions, reservations, liens, charges and covenants shall be covenants running with the land, and the breach of any thereof or the continuance of any such breach may be enjoined, abated or remedied by appropriate proceedings by the Grantor herein, or its successors in interest, or by such other lot or parcel owner and/or by any other person or corporation designated in said declarations hereinbefore referred to.

Provided, further, that a breach of any of the said provisions, conditions, restrictions, reservations, liens, charges and covenants, or any re-entry by reason of such breach, shall not impair, defeat or render invalid the lien of any Mortgage or Deed of Trust made in good faith and for value as to said realty, or any part thereof; but said provisions, conditions, restrictions, reservations, liens, charges and covenants shall be binding upon and effective against any owner of said realty whose title thereto is acquired by foreclosure, Trustee's sale or otherwise. Provided, also, that by the acceptance of this conveyance the Grantee agrees with the Grantor that the reservations, provisions, conditions, restrictions, liens, charges and covenants set forth or mentioned, are a part of the general plan for the improvement and development of the property described and/or referred to in said declarations hereinbefore referred to, and are for the benefit of all of said property as described and/or referred to and each owner of any land therein, and shall inure to and pass with said property and each and every parcel of land therein, and shall apply to and bind the respective successors in interest of the parties hereto, and are, and each thereof is, imposed upon said realty as a servitude in favor of said property and each and every parcel of land therein as the dominant tenement or tenements.

IN WITNESS WHEREOF, BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, has this 30th day of December, 1930, caused this deed to be executed in its name, by its Vice-President and its Assistant Trust officer, thereto duly authorized.
(Corporate Seal)

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION.
BY Marc Ryan, Vice-President
BY C.K. Peterson, Assistant Trust Officer.

State of California, County of Los Angeles:SS. On this 20th day of January, 1931 before me, Edward M. Browder, a Notary Public in and for the County of Los Angeles, State of California, residing therein, duly commissioned and sworn, personally appeared Marc Ryan, known to me to be the Vice-President, and C.K. Peterson, known to me to be the Assistant Trust Officer, of BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, the association that executed the within instrument known to me to be the persons who executed the within instrument on behalf of the association therein named, and acknowledged to me that such association executed the same. Witness my hand and official seal.

(Notarial Seal) Edward M. Browder, Notary Public
in and for the County of Los Angeles, State of California.

601 Copy of original recorded at request of Grantee Jan. 22, 1931, 9:14 A.M.
Copied #2, Compared, C.L. Logan, County Recorder. By B. M. Bayne Deputy
13.00-28.

GRANT DEED.

In consideration of the receipt, by the undersigned of Ten (\$10.00) Dollars, and other good and valuable consideration, Carrie E. Alguire, a married woman, and John Henry Alguire, her husband, of Los Angeles County, State of California, do GRANT to J.C. Craig as Trustee, the real property in the County of Los Angeles, State of California, described as follows: The East Fifty (50) feet of Lots Twenty-five (25) and Twenty-six (26) in Block Twenty-one (21) of Tract No. 4983, in the County of Los Angeles, State of California, as per map recorded in Book 57, pages 6, 7, 8 and 9 of Maps, Records of said County. SUBJECT: To all encumbrances, conditions, restrictions, reservations, easements and rights of way now of record. To have and to hold unto the said grantee, his heirs and assigns. Witness my hand this 16th day of January, 1931.

Carrie E. Alguire

Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(Notarial Seal)

Margaret J. Hammond, Notary Public
My Com. Exp. Jan. 18, 1933.

#1272 Copy of original recorded at request of Grantee Jan. 21, 1931, 2:01 P.M.
Copied & Compared C.L. Logan, County Recorder, By
\$1.00-4.

Deputy
A. Schuly

10494/360

GRANT DEED

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, a banking association, organized and existing under and by virtue of the laws of the United States of America, having its principal place of business in the City and County of San Francisco, State of California, in consideration of TEN AND NO/100 (\$10.00) Dollars, the receipt of which is hereby acknowledged, does hereby grant to PALOS VERDES HOMES ASSOCIATION, a corporation, that certain real property in the County of Los Angeles, State of California, hereinafter referred to as "said realty" described as follows, to-wit: (a) All of Lot A of Tract 8652 as per map recorded in Book 125, Pages 85 to 87 inclusive of Maps, in the office of the County Recorder of Los Angeles County, California, except that portion described as follows: Beginning at the most Westerly corner of Lot 11 of Block 1733 of said Tract 8652; thence North 17°00'00" East along the Westerly line thereof, 75 feet; thence North 51°00'00" East along the Northwesterly line thereof, 175 feet, to the most Northerly corner thereof; thence due West 130 feet; thence South 59°00'00" West, 50.5 feet; thence South 2°01'45" West, 153.12 feet more or less to a point in the Southerly line of said Lot A, being a point in a curve concave to the West and having a radius of 65 feet; thence Easterly along said curve a distance of 21 feet to the point of beginning, enclosing an area of 0.306 acres, more or less.

(b) That portion of Lot 1 of Block 2307 of Tract 7537 as per Map recorded in Book 104, Pages 12 to 15, inclusive of Maps in the Office of the County Recorder of Los Angeles County, California, described as follows: Beginning at a point in the Westerly line of said Lot 1, said point being at the Southerly extremity of a certain curve, concave to the West, having a radius of 696.32 feet and a length of 163.46 feet, thence Northerly along said curve 163.46 feet to the most Northerly corner of said Lot 1; thence following the boundary of said Lot 1, South 59°26'46" East 161.65 feet, South 4°45'55" West 105 feet South 50°57'10" East 185 feet, South 5°36'20" East 26.61 feet to the beginning of a curve concave to the Northwest and having a radius of 45 feet, Southwesterly along said curve 66.64 feet to the end thereof, and South 79°14'30" West 46.09 feet to the most Southerly corner of the parcel of land herein described; thence leaving the boundary of said Lot 1 North 44°26'33" West 316.77 feet, more or less, to the point of beginning, enclosing an area of 1.12 acres, more or less. This conveyance is made and accepted and said realty is hereby granted, subject to taxes now a lien, and upon and subject to each of the following provisions, conditions, restrictions and covenants, to-wit:

1. The express condition that the Grantor herein is not responsible or liable in any way for any inducement, representation, agreement, condition or stipulation not set forth herein, or in the Declarations of Establishment of Restrictions and Conditions hereinafter mentioned.
2. Each and every provision, condition, restriction, reservation, lien, charge, easement and covenant contained in the Declaration of Establishment of Basic Protective Restrictions executed by Commonwealth Trust Company, as owner, dated June 26th, 1923, and recorded in Book 2260, Page 251 and Amendments Nos. 1 and 3 thereto, dated November 26th, 1923 and June 15th, 1924 respectively, and recorded in Book 2940 Page 27 and in Book 4019 Page 274 respectively, of Official Records of said County, and Declarations Nos. 17 and 25

of Establishment of Local Protective Restrictions, recorded in Book 4234, Page 240 and in Book 6052 Page 26 respectively, of Official Records of said County, and Amendment No. 6 to said Declaration No. 17, recorded in Book 5583, page 28 of Official Records of said County, all except the first mentioned having been executed by Bank of America, successor in interest to said Commonwealth Trust Company, whereby there was established a general plan for the improvement and development of said realty and other property described and/or referred to in said Declarations of Restrictions, and provisions, conditions, restrictions, reservations, liens, charges, easements and covenants were fixed, including the establishment, maintenance and operation of Palos Verdes Homes Association, a California corporation, and of the Art Jury as therein provided, subject to which said property and/or all parcels thereof should be sold and conveyed and all of said provisions, conditions, restrictions, reservations, liens, charges, easements and covenants are hereby made a part of this conveyance, and expressly imposed upon said realty as fully and completely as if herein set forth in full.

3. That the said realty is to be used and administered forever for park and/or recreation purposes, for the benefit of the persons residing or living within the boundaries of the property known as Tracts 4400, 6681, 9202 and 9822 in the County of Los Angeles, State of California, said property being commonly known and referred to as "Palos Verdes Estates", under such regulations consistent with the other conditions set forth in this deed as may from time to time hereafter be established by the Park and Recreation Board of Palos Verdes Homes Association for the purpose of safeguarding said realty, and any vegetation and/or improvements, thereon, from damage or deterioration, and for the further purpose of protecting the residents of said Palos Verdes Estates from any uses of or conditions in or upon the said realty which are, or may be, detrimental to the amenities of the neighborhood; provided (a) That the power, right and easement is reserved to Bank of America National Trust and Savings Association to enter upon, develop, plant, improve or maintain any part or all of said realty for the benefit of all of Palos Verdes Estates in a manner not inconsistent with the purposes for which said realty is hereby conveyed and after due notice to/and consultation with the Park and Recreation Board of Palos Verdes Homes Association. (b) That the easement is specifically reserved to Bank of America National Trust and Savings Association to establish and maintain such reasonable number of water mains and other utilities as to it may seem advisable in and over said realty for the service of abutting lots in a manner not inconsistent with the purposes for which said realty is hereby conveyed and in accordance with a written approval which shall be issued by the Park and Recreation Board of Palos Verdes Homes Association for the location of said utility lines.

4. That except as provided above, no buildings, structures or concessions shall be erected, maintained or permitted upon said realty, except such as (in the opinion of the Park and Recreation Board of Palos Verdes Homes Association) are properly incidental to the convenient and/or proper use of said realty for park and/or recreation purposes.

5. That except as provided in paragraph 3 hereof, no part of said realty shall be sold or conveyed by Palos Verdes Homes Association except subject to the terms and conditions hereof; provided, however, that said realty, or any portion thereof, may be conveyed by said Palos Verdes Homes Association subject to the same conditions as herein contained with respect to the purposes for which said realty may be used, to a PARK COMMISSION, or other body suitably constituted by law, to take, hold, maintain and regulate public parks; provided, further, that Palos Verdes Homes Association may dedicate to the public portions of said realty for parkway or street purposes and/or for the purpose of rectification of boundaries, re-convey title to portions of said realty to Bank of America National Trust and Savings Association, or its successors in interest, in exchange for other lands.

6. The Park and Recreation Board of Palos Verdes Homes Association in its sole discretion, may by and with the written approval of Palos Verdes Art Jury first obtained permit the owner of a lot abutting on said realty, to construct and/or maintain paths steps and/or other landscape improvements, as a means of egress from and ingress to said lot or for the improvement of views therefrom, in such a manner and for such length of time and under such rules and regulations as will not, in the opinion of the Park and Recreation Board of Palos Verdes Homes Association and Palos Verdes Art Jury, impair or interfere with the use and maintenance of said realty for park and/or recreation purposes.

as hereinbefore set forth. Provided, that a breach of any of the provisions, conditions, restrictions, reservations, liens, charges and covenants hereinbefore referred to and/or contained herein, including those contained in said declarations hereinbefore referred to, shall cause said realty to revert to the Grantor herein, or its successors in interest as owner of the reversionary rights herein provided for, and the owner of such reversionary rights shall have the right of immediate re-entry upon said realty in the event of any such breach, and, as to each lot and/or parcel owner of said property or other property described and/or referred to in said declarations hereinbefore referred to, the said provisions, conditions, restrictions, reservations, liens, charges and covenants shall be covenants running with the land, and the breach of any thereof or the continuance of any such breach may be enjoined, abated or remedied by appropriate proceedings by the Grantor herein, or its successors in interest, or by such other lot or parcel owner and/or by any other person or corporation designated in said declarations hereinbefore referred to.

Provided, further, that a breach of any of the said provisions, conditions, restrictions, reservations, liens, charges and covenants, or any re-entry by reason of such breach, shall not impair, defeat or render invalid the lien of any Mortgage or Deed of Trust made in good faith and for value as to said realty, or any part thereof; but said provisions, conditions, restrictions, reservations, liens, charges and covenants shall be binding upon and effective against any owner of said realty whose title thereto is acquired by foreclosure, Trustee's sale or otherwise.

Provided, also, that by the acceptance of this conveyance the Grantee agrees with the Grantor that the reservations, provisions, conditions, restrictions, liens, charges and covenants set forth or mentioned, are a part of the general plan for the improvement and development of the property described and/or referred to in said declarations hereinbefore referred to, and are for the benefit of all of said property as described and/or referred to and each owner of any land therein, and shall inure to and pass with said property and each and every parcel of land therein, and shall apply to and bind the respective successors in interest of the parties hereto, and are, and each thereof is, imposed upon said realty as a servitude in favor of said property and each and every parcel of land therein as the dominant tenement or tenements.

IN WITNESS WHEREOF, BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, has this 20th day of December, 1930, caused this deed to be executed in its name, by its Vice-President and its Assistant Trust officer, thereunto duly authorized.
(Corporate Seal)

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION.
BY Marc Ryan, Vice-President
BY G.K. Peterson, Assistant Trust Officer.

State of California, County of Los Angeles) SS. On this 20th day of January, 1931 before me, Edward M. Browder, a Notary Public in and for the County of Los Angeles, State of California, residing therein, duly commissioned and sworn, personally appeared Marc Ryan, known to me to be the Vice-President, and G.K. Peterson, known to me to be the Assistant Trust Officer, of BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, the association that executed the within instrument known to me to be the persons who executed the within instrument on behalf of the association therein named, and acknowledged to me that such association executed the same.

Witness my hand and official seal.

(Notarial Seal) Edward M. Browder, Notary Public in and for the County of Los Angeles, State of California.

#601 Copy of original recorded at request of Grantee Jan. 22, 1931, 9:14 A.M. Copyist #2. Compared. G.L. Logan, County Recorder, By *B.M. Baughman* Deputy \$3.00-26.

GRANT DEED.

In consideration of the receipt, by the undersigned of Ten (\$10.00) Dollars, and other good and valuable consideration, Carrie E. Alguire, a married woman, and John Henry Alguire, her husband, of Los Angeles County, State of California, do GRANT to J.C. Craig as Trustee, the real property in the County of Los Angeles, State of California, described as follows: The East Fifty (50) feet of Lots Twenty-five (25) and Twenty-six (26) in Block Twenty-one (21) of Tract No. 4983, in the County of Los Angeles, State of California, as per map recorded in Book 37, pages 6, 7, 8 and 9 of Maps, Records of said County.

SUBJECT: To all encumbrances, conditions, restrictions, reservations, easements and rights of way now of record. To have and to hold unto the said grantee, his heirs and assigns.

Witness my hand this 15th day of January, 1931.

Carrie E. Alguire

EXHIBIT C



41

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, a national banking association organized and existing under and by virtue of the laws of the United States of America, hereinafter for brevity called "bank", in consideration of the sum of \$10,000 to it in hand paid, receipt of which is hereby acknowledged, does hereby quit claim without warranty to PALM VERDE GOLF ASSOCIATION, a California corporation, hereinafter for brevity called "grantee", all of its right, title and interest, including accretions, rights of way, reversionary interests and interests of every nature in and to all that certain real property in the County of Los Angeles, State of California, described as follows:

Item 1. That portion of Lot 3 of Tract 4400, as per map recorded in Book 10, Pages 21 and 22 of Maps, records of said Los Angeles County, described as follows:

Commencing at the Northerly terminus of that certain course in the Southerly boundary of Tract 6852 as per map recorded in Book 78, Pages 20 and 21, of Maps, records of said Los Angeles County, having a length of 311.08 feet and a bearing of North 89° 41' 20" East, as shown on said map of Tract 6852, thence along said course North 89° 41' 20" East 106.24 feet to a point which is the true point of beginning of this description and also the Northeasterly corner of Lot 2 to Tract 681, as per map recorded in Book 78, Pages 19 to 22 inclusive, of Maps, records of said Los Angeles County; thence along the said Southerly boundary of Tract 6852, South 89° 43' 20" East 106.20 feet to the beginning of a curve concave to the North and having a radius of 7796.37 feet; thence along said curve 1411.80 feet to the beginning of a curve concave to the West and having a radius of 6017.00 feet; thence along said curve 241.74 feet to the beginning of a curve concave to the South and having a radius of 1774.50 feet; thence along said curve 235.70 feet to the beginning of a curve concave to the South and having a radius of 4942.5 feet; thence along said curve 31.56 feet to the end thereof; thence due South 32.28 feet thence South 48° 18' 32" East 64.55 feet to an angle point in the Westerly boundary of Tract 6883, as per map recorded in Book 78, Pages 23 and 24, of Maps, records of said Los Angeles County; thence along the Westerly boundary of said Tract 6883, and of

Tract 19121, as set out hereon, is well known, having been so designated in maps, records of said Los Angeles County, and books 111, 98, 100, 101 and 102, 117 5/8" less 100 feet to the most westerly corner of Lot 3 of said tract 19121; thence along the southerly line of said lot 3 and along the southwesterly and westerly line of lot 3 of said tract 19120 to the east-southwesterly corner thereof, which is a point on the southerly boundary of said Lot 3 of tract 4409; thence in a generally westerly and northwesterly direction, along the said southerly boundary of Lot 3 of Tract 4409, the northwesterly and northern boundary of Tract 2540 as per the records in Book 104, Pages 56 to 57 inclusive, of Maps, records of said Los Angeles County, and the westerly boundary of said tract 4409, to the point of beginning, enclosing an area of 11.44 acres more or less.

Lot 1, lots 11, and 12 of tract 19121, as set out hereon in Book 101, pages 87 to 92 inclusive, of Maps, records of said Los Angeles County; and the triangular portion of lot 1 in Block 1112, of said tract, lying Northeast of a line drawn from the northwesterly corner thereof to a point on the westerly line thereof and divided into feet. Similarly of the northwesterly corner thereof, enclosing an area of 0.17 acres, more or less.

Lot 1, lots 6 and 7 of tract 19120, as set out hereon recorded in Book 111, pages 10 to 11 inclusive, of Maps, records of said Los Angeles County.

Block 1, lot 1 of tract 19121, as set out hereon recorded in Book 101, Pages 10 to 11 inclusive of Maps, records of said Los Angeles County, except that portion thereof described as follows:

Beginning at the most westerly corner of lot 2, in Block 1 of said tract, thence along the southerly line of said lot 2 North 89° 41' 27" East 111.00 feet to the most westerly corner of Lot 1, in said block; thence along the westerly line of said lot 1, East 72° 27' 40" East 65.04 feet; thence North 78° 08' 54" West 248.44 feet; thence South 67° 10' 06" West 29.87 feet; thence North 57° 16' 17" East 18.06 feet, more or less, to a point in the westerly line of said lot 2, distant therein North 08° 43' East 9 feet from the most westerly corner thereof; thence South 08° 43' West 9 feet to the point of beginning, enclosing an area of 0.189 acre, more or less.

It being the intent of said parties to give to said instrument the same effect as if it were a deed, and to be construed as such, and the same to be recorded to bank by reason of that certain trust indenture recorded hereon, I do hereby certify that this instrument is duly recorded in book 1586, Page 41 of Official Records, in the office of the County Recorder of the County of Los Angeles, and any and all amendments thereto.

It is expressly understood and agreed that this certificate is made and executed by said bank solely as trustee under that certain trust indenture hereinafter referred to and that said bank shall not in any manner act as an agent whatsoever become personally responsible or liable for any claims, losses or expenses, actual or sustained in connection with this certificate and further this transfer and certificate is made and accepted subject to all state and county laws now in force and now and hereafter hereon and without warranty on the part of said bank of any kind of character, either express or implied.

In Witness Whereof, BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, a corporation organized under the laws of the State of California, caused this instrument to be executed and its name and seal to be hereunto affixed by its Trust Officer and Assistant Trust Officer respectively duly authorized.

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION

W. H. W. W. W., Trust Officer
W. H. W. W. W., Assistant Trust Officer

Witness my hand and the seal of said Association, this 1st day of June, 1940.

W. H. W. W. W., Trust Officer, Bank of America National Trust and Savings Association

State of California, County of Los Angeles.

On this 1st day of June, 1940, before me, H. W. W., a Notary Public in and for said County and State, personally appeared W. H. W. W. known to me to be the Trust Officer, and W. H. W. W. known to me to be the Assistant Trust Officer, of Bank of America National Trust and Savings Association, the association that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of the association therein named, and acknowledged to me that such association executed the same.

Witness my hand and the seal of said

(SEAL)

City Clerk, Palms Verdes

In and for said County and State

1545, Copy of original recorded at request of Grantee, Jan 21, 1940, 11:10 A.M.

Copylet #14. Compared, Wm. H. Beatty, County Recorder, by (Signature)

E. M. Miller (193) Deputy

12.1-16-9.

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMS VERDES, CALIFORNIA AUTHORIZING THE CITY TO ACQUIRE TITLE TO THE PUBLIC UTILITIES AND TO MAKE THE TITLE TO THESE UTILITIES PUBLIC UTILITIES. WHICH IS ATTACHED HERETO WITH INCORPORATED AS A CITY AND WHICH ALTHOUGH CITY ATTORNEY HAS OPINED THE SAME WOULD BE SUBJECT TO COUNTY BOARD OF SUPERVISORS TO BE PAID BY BELONGING TO TAX AND TAX PAYS.

The City Council of the City of Palms Verdes Estate, do ordain as follows:

Section 1. That the City Council of the City of Palms Verdes Estate

shall make the same subject to the same as described in the attached attached.

Section 2. That the City Attorney is hereby authorized to record the

of the mentioned deeds with the County Recorder.

Section 3. That the City Attorney is hereby authorized to petition the Board of Supervisors to direct the cancellation of the Tax Deeds heretofore in the name of the State of California.

Section 4. That the City Clerk shall certify to the passage and adoption of this Resolution; shall enter the same in the Book of original Resolutions of said City; shall make a minute of the passage and adoption thereof in the records of the proceedings of said City Council and in the minutes of the meeting at which the same is passed and adopted.

Passed and adopted this 12th day of June, 1940.

(SEAL)

H. F. B. Bressler
Mayor of the City of Palms Verdes
Estates, California

Witness:

Seymour E. Bergstrom,
City Clerk of the City of
Palms Verde Estates, California.

State of California, County of Los Angeles, City of Palms Verde Estates, Ca.

I, Seymour E. Bergstrom, City Clerk of the City of Palms Verde Estates, California, do hereby certify that the whole number of City Council is five; that the foregoing resolution, being Resolution No. 12 was duly passed and adopted by said City Council, approved and signed by the Mayor of said City, and attested by the City Clerk, all at a Special Meeting of said City Council held on the 17th day of June, 1946, and that the same was so passed and adopted by the following votes: Ayes: Councilman Leaden, Smith, Sudler and Carter. Absent: None. Absent: Councilman Gray.

Witness my hand and seal of said City this 17th day of June, 1946.

(S.E.B.)

Seymour E. Bergstrom
City Clerk of the City of
Palms Verde Estates, California.

(1)

Palms Verde Home Association, a California corporation, in consideration of Ten Dollars (\$10.00) to it in hand paid, receipt of which is herein acknowledged, does hereby grant to the City of Palms Verde Estates, a municipal corporation of the sixth class of the State of California, its successors and assigns, that certain real property in the County of Los Angeles, State of California, hereinafter referred to as "said realty", described as follows: Item 1. Lots 1, 5 and 7 of Tract 6682, as per map recorded in Book 16, pages 20 to 22 inclusive, of Maps, records of said Los Angeles County, and that portion of Lot 7 of Tract 4402, as per map recorded in Book 12, pages 91 and 96 of Maps, records of said Los Angeles County, described as follows (with the exceptions hereinafter described in paragraphs (a) and (b) hereof): Commencing at the Eastern terminus of their eastern course in the Southern boundary of Tract 6682, as per map recorded in Book 16, pages 20 and 21 of Maps, records of said Los Angeles County, being a length of 311.40 feet and a bearing of North 54° 43' 20" West, as shown on said map of Tract 6682; thence along said course North 89° 43' 20" West 105.20 feet to a point which is the true point

of beginning; thence North 71° 10' 00" East 100.00 feet to the beginning of a curve concave to the North and having a radius of 7796.53 feet; thence along said curve 1521.81 feet to the beginning of a curve concave to the North and having a radius of 3033.50 feet; thence along said curve 243.34 feet to the beginning of a curve concave to the North and having a radius of 1274.30 feet; thence along said curve 215.10 feet to the beginning of a curve concave to the South and having a radius of 4942.3 feet; thence along said curve 31.56 feet to the end thereof, thence the South 31.33 feet; thence South 13° 00' 00" East 64.00 feet to an angle point in the Westerly boundary of Tract 6883, as per map recorded in Book 77, pages 73 and 74, of Maps, records of said Los Angeles County; thence along the Westerly boundary of said Tract 6883 and of Tract 10110, as per map recorded in Book 101, pages 43 to 49 inclusive, of Maps, records of said Los Angeles County, the South 122.36 feet and South 13° 00' 00" East 100 feet to the most westerly corner of Lot A of said Tract 10110; thence along the Southernly line of said Lot A and along the Southwesterly and Westerly line of Lot B of said Tract 10110 to the most Southwesterly corner thereof, which is a point on the Southernly boundary of said Lot B of Tract 4400; thence in a generally Westealy and Northwesterly direction, along the said Southernly boundary of Lot B of Tract 4400, the Northwesterly and Northernly boundary of Tract 7540, as per map recorded in Book 104, pages 56 to 59 inclusive, of Maps, records of said Los Angeles County, and the Easterly boundary of said Tract 6883, to the point of beginning, enclosing an area of 211.44 acres, more or less.

(B) Except these portions of said Lots I, V and Y of Tract 6883 and of said Lot B of Tract 4400, described as follows: Beginning at a point in the Southwesterly boundary of said Lot J which is South 38° 25' 00" East thereon 16.51 feet from the Northernly boundary of said Lot J; thence South 58° 25' 00" East 72.89 feet to the beginning of a curve concave to the Northeast,

tangent to said last-mentioned curve and having a radius of 150 feet; thence
Northwesterly along said curve 210.12 feet to the beginning of a curve concave
to the North, tangent to said last-mentioned curve and having a radius of 110
feet; thence Easterly along said last-mentioned curve 107.15 feet to the be-
ginning of a curve concave to the South, tangent to said last-mentioned curve
and having a radius of 1140 feet; thence Easterly along said last-mentioned
curve 375.24 feet; thence North $31^{\circ} 32' 34''$ East 126.17 feet to the Southerly
boundary of Tract 6882, as set out recorded in Book 76, pages 29 and 31 of Maps,
records of said Los Angeles County; thence Easterly along the boundary of said
Tract 6882 and following the same in all its various courses to the Northerly
terminus of that certain course in the most Westerly square of Tract 6881,
as set out recorded in Book 77, pages 71 and 74 of Maps, records of said Los
Angeles County, having a bearing due North and a length of 212.46 feet, as
shown on said map; thence South along said most Westerly boundary 61.16 feet
to the beginning of a curve concave to the South and having a radius of 4700.50
feet, a radial line of said curve to said beginning thereof bearing West
 $67^{\circ} 39' 41''$ East; thence Easterly along said last-mentioned curve 51.17 feet
to the beginning of a curve concave to the South, tangent to said last-mentioned
curve and having a radius of 1675.50 feet; thence Easterly along said last-
mentioned curve 210.94 feet to the beginning of a curve concave to the North,
tangent to said last-mentioned curve and having a radius of 1120.50 feet;
thence Westerly along said last-mentioned curve 190.29 feet to the beginning
of a curve concave to the South and having a radius of 2500 feet, a radial line
of said curve to said beginning thereof bearing North $61^{\circ} 32' 53''$ East; thence
Easterly along said last-mentioned curve 271.71 feet; thence South $76^{\circ} 06' 00''$
East 42.47 feet to the Southerly terminus of the above described course having
a bearing due South and a length of 222.16 feet; thence South $13^{\circ} 55' 00''$ West
along the Westerly boundary of said Tract 6883, 80 feet; thence North $76^{\circ} 06' 00''$
West 42.47 feet to the beginning of a curve concave to the South, tangent to
said last-mentioned course and having a radius of 2470 feet; thence Westerly
along said last-mentioned curve 558.86 feet; thence South $88^{\circ} 37' 00''$ West

11,88 feet to the center of said circle; and said circle having a radius of 10,00 feet, a radial line of said circle, commencing at said angle point marked "A" and bearing South 82° 51' 30" West, shall intersect said circle 111,24 feet; thence South 83° 42' 34" West 225,16 feet to the center of a curve concave to the east, tangent to said last-mentioned course and having a radius of 348 feet; thence westerly along said last-mentioned curve 10,111 feet; thence South 21° 07' 18" West 219,18 feet to a line that is parallel with and 17 feet Southeastly, measured at right angles, from the line bearing South 62° 51' 30" West in the Northwestly boundary of said lot 1, as shown on said map of said tract; thence South 62° 51' 30" West along said parallel line, 221,00 feet to the Southeastly line of said lot 1; thence Northwesterly, Northwesterly and Northwesterly along the boundary of said lot 1, to the point of beginning; enclosing an area of 1,441 acres, more or less, within the boundaries of said lot 1, and 2,19 acres, more or less, within the boundaries of said lot 2, and 1,28 acres, more or less, within the boundaries of said lot 3, and 1,16 acres, more or less, within the boundaries of said lot 4 of tract 4400. (b) Also, except those portions of said lots of tract 4400, described as follows: (1) A line extending to "East", being the bearing of the Southern line of said lot 4, extending from the angle point marked "B" to the angle point marked "C", as shown on said map of Tract 4400; (2) Commencing at said angle point marked "B"; thence North 81° 38' 11" East 1808,47 feet to the true point of beginning of this description; thence North 26° 20' 30" East 40 feet; thence North 42° 39' 20" East 111,00 feet; thence North 42° 39' 20" East 10 feet; thence South 26° 20' 30" East 26,00 feet; thence South 61° 38' 10" East 40 feet, more or less, to the point of beginning, enclosing an area of 0,007 acre, more or less.

(2) Commencing at said angle point marked "B"; thence North 26° 31' 38" East 1912,46 feet to the true point of beginning of this description; thence North 26° 20' 30" East 40 feet; thence North 42° 39' 10" East 63 feet; thence South 26° 20' 30" East 50 feet; thence South 72° 33' 16" West 63,76 feet, more or less, to the point of beginning, enclosing an area of 0,007 acre, more or less.

(3) That portion of said lot 3 of Tract 4400 which is included within a circle having a radius of 83,69 feet, the center point of said circle bearing North 26° 48' 14" East 1941,79 feet from said angle point marked "B"; enclosing an

area of 4,078 acres, more or less, being the entire part of
Tract 10111, as per map recorded in Book 101, pages 28 to 30 inclusive, of
said Los Angeles County, being the same as a
line drawn from the Northwest corner thereof to a point on the latitude line
thereof one hundred (100) feet Southern of the Northeast corner,
comprising an area of 4,078 acres, more or less. Item 3, 4 and 5
of Tract 10111, as per map recorded in Book 101, pages 28 to 30 inclusive, of
said records of said Los Angeles County. Excepting and reserving herefor
any and all streets, alleys, walks, roads and/or highways existing or to
be shown said records and all land within or under same, and the easements and
rights-of-way hereinafter referred to. It is the express intention of the parties
hereto that title to all land under or within all streets, alleys, walks, roads
and/or highways existing or to exist, said rights is reserved unto the Grantor
hereto, its successors and assigns, and the Grantee hereto acquiesces no interest
therein by virtue of this deed.

This deed is to serve as an instrument of conveyance to be recorded,
subject to State and County taxes now or hereafter levied and assessed and
to pay and all debts and encumbrances of record, but without warranty on the part
of the Grantor herein of any title or character, either express or implied, or
any matter not contained or referred to herein, and under and subject to each of
the following provisions, conditions, restrictions and covenants, to-wit:

1. The express condition that the Grantor herein is and remains, as it is,
in any way, for any inducement, representation, agreement, condition or stipu-
lation not set forth herein, or in records heretofore conveying said
realty and rights and easements applicable thereto, or in the Restrictions of
Restrictions hereinafter mentioned. 2. Each and every provision, condition,
restriction, reservation, lien, charge, easement and covenant contained in the
Declaration of Establishment of Basis Promissive Restrictions executed by
Commonwealth Trust Company, as owner, recorded in Book 2360, page 231 of Official
Records of said Los Angeles County, and Amendments Nos. 1 and 3 thereto (executed
by Bank of America, successor in interest to said Commonwealth Trust Company),

... the right of the public to use the same for the purpose of maintaining and regulating public parks, for the purpose of maintaining said public and other recreation areas, for the purpose of protecting the residents of said Palms Verdes estate from any use of or conditions in or upon said realty which are, or may be, detrimental to the amenities of the neighborhood; except that said realty may be used for the operation of a golf course and club house, with the usual appurtenances thereto; provided, (a) That any portion of said realty, title to which is acquired by the United States of America, the State of California, or by any public authority, and which is used for governmental purposes, may with the written approval of the owner of the several above stated parcels for herein, and the Art. form, be specifically exempted from this provision requiring exclusive use thereof for park and/or recreation purposes. (b) That the easement is specifically reserved to Palms Verdes Water Association and its successors in interest to establish and maintain such reasonable amount of water mains and other public utilities as to it may seem advisable in and over said realty in a manner not inconsistent with the purposes for which said realty is hereto conveyed. (c) That rights-of-way for road purposes are reserved upon and across that portion of lot 6 of Tract 4404 hereinafter described in Item 4 of said realty to provide access to lot 4 of Tract 9122, as per map recorded in book 13, pages 45 to 47 inclusive, of Maps, records of said Los Angeles County (over which lot further rights-of-way continue to Via Campesina), from properties of the Palms Verdes Water Co., as follows: (1) from two parcels of land whose location is described in paragraphs (1) and (2) of exception (b) under said Item 1 and upon which are located "Golf Course No. 4" and Pump House No. 2", respectively; and (2) from a parcel of land, whose location is described in paragraph (3) of exception (b) under said Item 1 and upon which is located the "No. 1 Main Reservoir". (d) (i) That non-exclusive easements are reserved to Southern California Edison Co., Ltd. for the use, maintenance and replacement of one line of poles with the usual appurtenances, to be used for conveying electric energy, in and over said lot 6

... of said tract, to the Northerly line of said Lot 1 in Block 1719 of said tract, as per deed of conveyance dated June 10, 1937 and September 7, 1937 from Grantor herein to said Edison Co. to said Edison Co. and also in and over that portion of Lot 3 of Block 1719 of said tract, and in and over that portion of Lot 5 of Tract 4400 hereinabove described in Item 1 of said Realty, as per deed dated March 18, 1937 from Grantor herein to said Edison Co.

(2) That non-exclusive easements are reserved to Southern California Edison Co., Ltd. for the use, maintenance and replacement of an underground conduit system, to be used for conveying electric energy, in and over that portion of Lot 8 of Tract 4400 hereinabove described in Item 1 of said Realty, as per deeds dated June 10, 1937 and September 7, 1937 from Grantor herein to said Edison Co.

(3) That non-exclusive easements are reserved to Associated Telephone Co., Ltd. for the use, maintenance and replacement of an underground telephone conduit system, in and over that portion of Lot 7 of Tract 4400 hereinabove described in Item 1 of said Realty, as per deed dated December 3, 1937 from Grantor herein to said Telephone Co.

(4) That a non-exclusive right-of-way and easement is reserved to Associated Telephone Co., Ltd. for the construction, maintenance and operation of telephone conduits, cables and wires, together with the necessary appurtenances thereof and the right of entry to said easement, in and over a six (6) foot strip of land being three (3) feet on either side of the following center line: Beginning at a point on the Northerly line of Via Torrey, as shown on said map of Tract 6565, which point is the intersection of said Northerly line with a line bearing North 14° 44' 25" East from the Northeasterly corner of Lot 1 in Block 1719 of said tract, thence along said line bearing North 14° 44' 25" East, across lots 2, 3 and 4 of said tract to a point in the Southeasterly line of Palms Verdes Drive, said Southeasterly line being that course bearing South 71° 07' 30" West and having a length of 310.28 feet, in the latter part of the description of exception (a) under Item 1 of said Realty.

... the club and the other amenities of the club shall be available to the members of the club and shall not be leased to a private operator or operators, and the privileges thereof shall always be available to the property owners, both resident and non-resident, of said Palms Verde Estates, as above defined, on at least as favorable terms as are granted to the most favored members and/or patrons of said Country Club.

4. That, except as provided above, no buildings, structures or concessions shall be erected, maintained or permitted upon said realty, except such as are proper, incidental to the convenient and/or proper use of said realty for said outdoor recreation purposes.

5. That, except as provided in paragraph 1 herein, said realty shall not be sold or conveyed, in whole or in part, by the grantor hereof except subject to the restrictions, reservations and reservations set forth and/or referred to herein and except to a body suitably constituted by law to take, hold, maintain and operate public parks; provided, that portions of said realty shall be set aside to the public for parkway and/or street purposes.

6. That said restrictions or other body and/or jurisdiction may, by and with the written approval of Palms Verde Art Jury (hereinafter obtained), permit the owner of a lot abutting on said realty to construct and/or maintain paths, stairs and/or other landscape improvements, as a means of access, drive and ingress to said lot or lot for the improvement of same to connect, in such a manner and for such length of time and under such rules and regulations as will not, in the opinion of said municipality or other body and of Palms Verde Art Jury, invade or interfere with the use and maintenance of said realty for park and/or recreation purposes as hereinafter provided.

7. That none of the restrictions, reservations, covenants and reservations set forth in paragraphs 1 to 6, inclusive, herein may be changed or modified by the procedure established in Section 1 of Article 11 of said Declaration of Establishment of Local Protective Restrictions and in Section 9 of said Declaration No. 1 of Establishment of Local Protective Restrictions. Provided, that a breach of any of the provisions, conditions, restrictions, reservations, liens, charges and covenants set forth in paragraphs 2 to 7, inclusive, hereof shall cause said realty to revert to the grantor.

hereby, and the same shall in all respects be subject to the provisions hereof in all respects
of law, and the strict operation of the provisions hereof, and the effect
of the dissolution of said trust referred to in paragraph 5 hereof in the event
of the transfer of any of said realty situated shall in all manner cause said
rights to revert to the Grantor herein or its successors in interest, and the
owner of such reversionary rights shall have the right at immediate recovery upon
said realty in the event of any such breach and in the event of such breach
and/or dissolution, as to each of and/or parcels owned or held in
part or other parcels described and/or referred to in said Declarations of
Restrictions, the said provisions, conditions, restrictions, liens, charges,
covenants and covenants shall nevertheless remain with the land, and the breach
of any thereof at the occurrence of any such breach may be enjoined, stayed or
prevented by appropriate proceedings by the Grantor herein or its successors in
interest, or by such other lot or parcel owner, and/or by any other person or
organization designated in said Declarations of Restrictions. Provided, Also,
that by the acceptance of this conveyance the Grantor agrees with the Grantee
that the restrictions, provisions, conditions, restrictions, liens, charges and
covenants herein set forth or mentioned are a part of the general plan for the
improvement and development of the property described and/or referred to in said
Declarations of Restrictions, and are for the benefit of all of said property as
described and/or referred to and each parcel of any land therein, and shall run
to and with said property and each and every parcel of land therein, and shall
apply to and bind the respective successors in interest of the parties hereto, and
are, and each thereof is, imposed upon said realty as a servitude in favor of said
property and each and every parcel of land therein as the dominant tenement or
tenements.

In Witness Whereof, Palms Verdes Homes Association has caused
this deed to be duly executed, by its officers thereunto duly authorized, this
14th day of June, 1949.

Witness my hand and seal of the Palms Verdes Homes Association, this 14th day of June, 1949.

Palms Verdes Homes Association
Earl E. Giltnerberger Vice-President
Everett M. York Secretary

The Park and Recreation Board of Palms Verdes
Homes Association hereby expressly approves and
consents to the execution of the foregoing deed.
Harwood Sadler Chairman

14410
C-7331

7

PALOS VERDES HOMES ASSOCIATION, a California corporation, in consideration of Ten Dollars (\$10.00) to it in hand paid, receipt of which is hereby acknowledged, does hereby GRANT TO

PALOS VERDES SCHOOL DISTRICT OF LOS ANGELES COUNTY

all that real property in the County of Los Angeles, State of California, described as follows:

9.15.1938
9.15.1938

Lot T of Tract 5886, as per map recorded in Book 85, pages 77 to 80 inclusive, of Maps, records of said Los Angeles County, except that portion thereof already conveyed by grantor herein to Grantee herein by deed dated June 24, 1928 and recorded in Book 4451, page 224, of Official Records of said Los Angeles County;

11.22.1938

That portion of Lot T of Tract 5887, as per map recorded in Book 98, pages 29 to 32 inclusive, of Maps, records of said Los Angeles County, lying north of a line drawn parallel to the North line of Via Picaposte at a distance of one hundred forty (145) feet Northwardly therefrom;

10.28.1938

Lot A of Tract 7144, as per map recorded in Book 103, pages 13 to 18 inclusive, of Maps, records of said Los Angeles County;

Lots A, B, C and D of Tract 7331, as per map recorded in Book 102, pages 46 to 50 inclusive, of Maps, records of said Los Angeles County;

7.6.1938

Lot B of Tract 7333, as per map recorded in Book 113, pages 72 to 75 inclusive, of Maps, records of said Los Angeles County;

10.15

Lot C of Tract 7334, as per map recorded in Book 150, pages 12 to 16 inclusive, of Maps, records of said Los Angeles County;

Lots A, B, C and D of Tract 7537, as per map recorded in Book 104, pages 12 to 15 inclusive, of Maps, records of said Los Angeles County.

SUBJECT TO State and County taxes now due and/or delinquent;

AND SUBJECT TO conditions, restrictions and reservations of record; and to the express condition that said realty shall not be used for any other purpose than for the establishment and maintenance of public schools, parks, playgrounds and/or recreation areas; and shall not be sold or conveyed except subject to conditions, restrictions and reservations of record and except to a park commission or other body suitably constituted by law to take, hold, maintain and regulate public parks and/or playgrounds; provided that easements may be granted over portions of said realty to the public for parkway and/or street purposes.

IN WITNESS WHEREOF, PALOS VERDES HOMES ASSOCIATION has caused this deed to be duly executed, by its officers thereunto authorized, this 7th day of December, 1938.

PALOS VERDES HOMES ASSOCIATION

President

Secretary

EXHIBIT
Williams
for [signature]

SD000531

PALMS VERDES HOMES ASSOCIATION, a California Corporation, in consideration of Ten Dollars (\$10.00) to it to have said receipt of which is hereby acknowledged, does hereby GRANT TO PALMS VERDES SCHOOL DISTRICT OF LOS ANGELES COUNTY, all that real property in the County of Los Angeles, State of California, described as follows:

Lot T of Tract 6886, as per map recorded in Book 83, Pages 77 to 80 inclusive of Maps, records of said Los Angeles County, except that portion thereof already conveyed by Grantor herein to Grantee herein by deed dated June 24, 1925 and recorded in Book 4951, Page 224, of Official Records of said Los Angeles County;

That portion of Lot T of Tract 6887 as per map recorded in Book 96, Pages 28 to 31 inclusive, of Maps, records of said Los Angeles County, lying north of a line drawn parallel to the North line of Via Picayune at a distance of one hundred forty (145) feet Northwardly therefrom;

Lot A of Tract 7124, as per map recorded in Book 103, Pages 13 to 18 inclusive, of Maps, records of said Los Angeles County;

Lots A, B, C and D of Tract 7331, as per map recorded in Book 103, Pages 46 to 50 inclusive, of Maps, records of said Los Angeles County;

Lot B of Tract 7334, as per map recorded in Book 113, Pages 72 to 75 inclusive, of Maps, records of said Los Angeles County;

Lot C of Tract 7334 as per map recorded in Book 150, Pages 12 to 16 inclusive, of Maps, records of said Los Angeles County;

Lots A, B, C and D of Tract 9537, as per map recorded in Book 104, Pages 12 to 15 inclusive, of Maps, records of said Los Angeles County;

SUBJECT TO State and County Taxes now due and/or delinquent;

AND SUBJECT TO conditions, restrictions and reservations of record; and to the express condition that said realty shall not be used for any other purpose than for the establishment and maintenance of public schools, parks, playgrounds and/or recreation areas and shall not be sold or conveyed except subject to conditions, restrictions and reservations of record and except to a park commission or other body suitably constituted to lay to take, hold, maintain and regulate public parks and/or playgrounds; provided that easements may be granted over portions of said realty to the public for parkway and/or street purposes.

IT WITNESSETH WHEREOF, PALMS VERDES HOMES ASSOCIATION has caused this deed to be executed, by its officers, hereunto authorized, this 7th day of December, 1939.

PALMS VERDES HOMES ASSOCIATION
Donald Armstrong, President.
Everett M. York, Secretary.

State of California, County of Los Angeles)
I, Lillian Throness, Notary Public in and for said County, personally appeared Donald Armstrong, known to me to be the President, and Everett M. York, known to me to be the Secretary, of Palms Verdes Homes Association, 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 same. Witness my hand and official seal.

(Notarial Seal)
Lillian Throness, Notary Public
in and for the County of Los Angeles, State of California. My Commission Expires Dec. 1, 1940.

APPROVAL of the foregoing conveyance is hereby given.
PAVING AND MECHANICAL BOARD
of Palms Verdes Homes Association
W. HAROLD RUSSELL, Chairman.

PALMS VERDES SCHOOL DISTRICT, PALMS VERDES, CALIFORNIA.
To whom it may concern:
The following resolution was adopted by the Board of Trustees, Palms Verdes School District, in regular session on Thursday, January 12, 1939:

Be it resolved that the Board of Trustees, Palms Verdes School District, approve and hereby accept the transfer of the seven school sites described in the deed duly executed by the Palms Verdes Homes Association to the above named school district on the 7th day of December, 1939.

Certified by:
J. G. HUNN, (J. G. Hunn)
Sec'y. to the Board.

1251. Copy of original returned at request of Grantee, Jan. 31, 1939. 1253 P.M.
Copied 100. Compared. Maps 8. Beatty, County Recorder, by
Frank B. J.

I HEREBY CERTIFY THAT I DEPOSED WITHIN THE SEAL OF LOS ANGELES COUNTY RECORDER
 THIS IS A TRUE COPY OF THE FOREGOING RECORD FILED AS DEPOSED IN THIS OFFICE.
 DATE MAR 12 1982 BY 100
 LOS ANGELES COUNTY, STATE OF CALIFORNIA
 COUNTY RECORDER

Exhibit (P) 2
 Deft. For Identification
 Page(s) 3
 Witness FRANKS
 Date 3-2-11
 Evelyn Mah, CSR 4231

EXHIBIT 2

COPY

COPY

PALOS VERDES HOMES ASSOCIATION, a California corporation (in consideration of Ten Dollars (\$10.00) to it in hand paid, receipt of which is hereby acknowledged, does hereby GRANT TO

PALOS VERDES SCHOOL DISTRICT OF LOS ANGELES COUNTY

all that real property in the County of Los Angeles, State of California described as follows:

Alfred...

Lot T of Tract 6886, as per map recorded in Book 83, pages 77 to 80 inclusive, of Maps, records of said Los Angeles County, except that portion thereof already conveyed by Grantor herein to Grantee herein by deed dated June 24, 1925, and recorded in Book 4451, page 224, of Official Records of said Los Angeles County;

Alfred...

That portion of Lot T of Tract 6887, as per map recorded in Book 96, pages 28 to 32 inclusive, of Maps, records of said Los Angeles County, lying north of a line drawn parallel to the North line of Via Picaposte at a distance of one hundred forty five (145) feet Northwardly therefrom;

Alfred...

Lot A of Tract 7144, as per map recorded in Book 103, pages 13 to 18 inclusive, of Maps, records of said Los Angeles County;

Alfred...

Lots A, B, C, and D of Tract 7331, as per map recorded in Book 102, pages 46 to 50 inclusive, of Maps, records of said Los Angeles County;

Alfred...

Lot B of Tract 7333, as per map recorded in Book 113, pages 72 to 75 inclusive of Maps, records of said Los Angeles County;

Alfred...

Lot C of Tract 7334, as per map recorded in Book 150, pages 12 to 16 inclusive, of Maps, records of said Los Angeles County;

Alfred...

Lots A, B, C, and D of Tract 7537, as per map recorded in Book 104, pages 12 to 15 inclusive, of Maps, records of said Los Angeles County.

SUBJECT TO State and County taxes now due and/or delinquent;

AND SUBJECT TO conditions, restrictions and reservations of record; and to the express condition that said realty shall not be used for any other purpose than for the establishment and maintenance of public schools, parks, playgrounds and/or recreation areas, and shall not be sold or conveyed except subject to conditions, restrictions and reservations of record and except to a park commission or other body suitably constituted by law to take, hold, maintain and regulate public parks and/or playgrounds; provided that easements may be granted over portions of said realty to the public for parkway and/or street purposes.

IN WITNESS WHEREOF, PALOS VERDES HOMES ASSOCIATION has caused this deed to be duly executed, by its officers thereunto authorized, this 7th day of December, 1938.

PALOS VERDES HOMES ASSOCIATION

President

Secretary



STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss:

On this day of December, 1938, before me, Lillian Throne, a Notary Public in and for said County, personally appeared Donald Armstrong, known to me to be the President, and Everett M. York, known to me to be the Secretary, of Palos Verdes Homes Association, 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 same.

Witness my hand and official seal.

Notary Public in and for the
County of Los Angeles,
State of California

APPROVAL OF THE FOREGOING CONVEYANCE IS HEREBY GIVEN.

DEED AND INFORMATION BOARD
of Palos Verdes Homes Association

Notary



14374 - 140 (AP)

PALMS VERDES HOMES ASSOCIATION, a California Corporation, in consideration of Ten Dollars (\$10.00) to it is here by paid, receipt of which is hereby acknowledged, does hereby GRANT TO PALMS VERDES SCHOOL DISTRICT OF LOS ANGELES COUNTY, all that real property in the County of Los Angeles, State of California, described as follows:

Lot T of Tract 6826, as per map recorded in Book 83, Pages 77 to 80 inclusive of Maps, records of said Los Angeles County, except that portion thereof already conveyed by Grantor herein to Grantee herein by deed dated June 24, 1928 and recorded in Book 4451, Page 124, of Official Records of said Los Angeles County;

That portion of Lot T of Tract 6837 as per map recorded in Book 96, Pages 28 to 32 inclusive, of Maps, records of said Los Angeles County, lying north of a line drawn parallel to the North line of Via Picoquite at a distance of one hundred forty (140) feet northwardly therefrom;

Lot A of Tract 7144, as per map recorded in Book 103, Pages 13 to 18 inclusive, of Maps, records of said Los Angeles County;

Lots A, B, C and D of Tract 7351, as per map recorded in Book 102, Pages 46 to 50 inclusive, of Maps, Records of said Los Angeles County.

Lot B of Tract 7353, as per map recorded in Book 113, Pages 72 to 75 inclusive, of Maps, Records of said Los Angeles County;

Lot C of Tract 7334 as per map recorded in Book 150, Pages 12 to 16 inclusive, of Maps, records of said Los Angeles County;

Lots A, B, C and D of Tract 7537 as per map recorded in Book 104, Pages 12 to 15 inclusive, of Maps, Records of said Los Angeles County.

SUBJECT TO State and County Taxes now due and/or delinquent;

AND SUBJECT TO conditions, restrictions and reservations of record; and to the express condition that said realty shall not be used for any other purpose than for the establishment and maintenance of public schools, parks, playgrounds and/or recreation areas, and shall not be sold or conveyed except subject to conditions, restrictions and reservations of record and except to a park commission or other body suitably constituted by law to take, hold, maintain and regulate public parks and/or playgrounds; provided that easements may be granted over portions of said realty to the public for parkway and/or street purposes.

IN WITNESS WHEREOF, PALMS VERDES HOMES ASSOCIATION has caused this deed to be duly executed, by its officers thereunto authorized, this 7th day of December, 1938.

(Corporate Seal)

PALMS VERDES HOMES ASSOCIATION
Donald Armstrong, President.
Everett M. York, Secretary.

State of California, County of Los Angeles On this 17 day of December, 1938, before me, Lillian Throck, a Notary Public in and for said County, personally appeared Donald Armstrong, known to me to be the President, and Everett M. York, known to me to be the Secretary, of Palms Verdes Homes Association, 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 same. Witness my hand and official seal.

(Notarial Seal) Lillian Throck, Notary Public
in and for the County of Los Angeles, State of California. My Commission Expires Dec. 1 1940.

APPROVAL of the foregoing conveyance is hereby given.
PARK AND RECREATION BOARD
of Palms Verdes Homes Association
W. HAROLD KINGMAN, Chairman.

PALMS VERDES SCHOOL DISTRICT, PALMS VERDES ESTADOS, CALIFORNIA.

To whom it may concern January 27, 1939.

The following resolution was adopted by the Board of Trustees, Palms Verdes School District, in regular session on Thursday, January 18, 1939:

"Be it resolved that the Board of Trustees, Palms Verdes School District, approve and hereby accept the transfer of the seven school sites described in the deed duly executed by the Palms Verdes Homes Association to the above named school district on the 7th day of December, 1938".

Certified by: L. G. BOWMEL (L.G. Bowmel)
Sec'y. of the Board.

(1) Copy of original recorded at request of Grantee, Jan. 31, 1939. 11:53 P.M. Deputy
Copies PROC. COMPLETE. Name B. Beatty, County Recorder, by [Signature] (AA)

SD001450

This page is part of your document - DO NOT DISCARD



20121327411



Pages: 0004

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

09/05/12 AT 08:00AM

FEE:	45.00
TAXES:	550.00
OTHER:	0.00
PAID:	595.00

PCOR SURCHARGE \$20.00



LEADSHEET



201209050240010

00008385275



004255022

Certified to be a true
correct & complete copy
of the original

FIRST AMERICAN TITLE

SEQ:
06

BY

DAR - Title Company (Hard Copy)



THIS FORM IS NOT TO BE DUPLICATED

T44

RECORDER MEMO: This COPY is NOT an OFFICIAL RECORD.

RECORDER MEMO: This COPY is NOT an OFFICIAL RECORD.

RECORDING REQUESTED BY:
FIRST AMERICAN TITLE COMPANY
NATIONAL HOMES ELDER SERVICES
SUBMISSION DEPARTMENT

RECORDING REQUESTED BY:
Palos Verdes Homes Association

MAIL TAX STATEMENTS AND
WHEN RECORDED MAIL TO:
Palos Verdes Homes Association
320 Palos Verdes Drive West
Palos Verdes Estates, CA 90274



Order No.: 413226750
Escrow No.:

7540-002-900
7542-002-901

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

QUITCLAIM DEED

59

THE UNDERSIGNED GRANTOR(S) DECLARE(S)

DOCUMENTARY TRANSFER TAX IS \$ 50.

- Computed on full value of property conveyed, or
- Computed on full value less liens and encumbrances remaining at time of sale.
- Unincorporated area _____ City of _____

For valuable consideration, receipt of which is hereby acknowledged, the PALOS VERDES PENINSULA UNIFIED SCHOOL DISTRICT, a California public school district duly organized and existing under Chapter 1 of Division 3 of Title 2 of the Education Code of the State of California ("Grantor") hereby remise(s), release(s) and forever quitclaim(s) to the PALOS VERDES HOMES ASSOCIATION, a California corporation ("Grantee"), all right, title, interest or claim that Grantor has or may have in the following described real property in the County of Los Angeles, State of California: Lot C and Lot D of Tract 7331, together with all tenements and appurtenances thereunto belonging or in anywise appertaining.

** successor by unification to Palos Verdes School District of Los Angeles County

SEE LEGAL DESCRIPTION

IN WITNESS WHEREOF, Grantor has executed this instrument this 23RD of July 2012.

GRANTOR:

Dated: July 23, 2012

PALOS VERDES PENINSULA UNIFIED SCHOOL DISTRICT

By Walker G. Williams
Name WALKER G. Williams
Title Superintendent of Schools

MAIL TAX STATEMENTS TO: Palos Verdes Homes Association, 320 Palos Verdes Drive West, Palos Verdes Estates, CA 90274

RL-ORDER MEMO: This COPY is NOT an OFFICIAL RECORD.

2

3

1

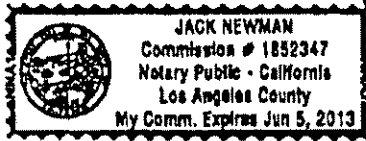
6B

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS.)

On July 23, 2012 before me, JACK NEWMAN, a Notary Public, personally appeared WALKER G. WILLIAMS who proved to me on the basis of satisfactory evidence) to be the person(~~s~~) whose name(~~s~~) is/~~is~~ subscribed to the within instrument and acknowledged to me that he/~~she~~/~~it~~ executed the same in his/~~her~~/~~their~~ authorized capacity(~~ies~~), and that by his/~~her~~/~~their~~ signature(~~s~~) on the instrument the person(~~s~~), or the entity upon behalf of which the person(~~s~~) acted, executed the instrument.

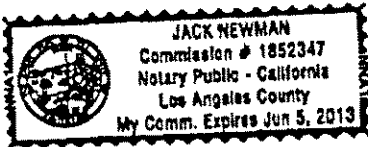
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Jack Newman

(Seal)



RECORDER MEMO: This COPY is NOT an OFFICIAL RECORD.

RECORDER MEMO: This COPY is NOT an OFFICIAL RECORD.

Order Number: OSA-4132267 (50)
Page Number: 6

4

LEGAL DESCRIPTION

Real property in the City of Palos Verdes Estates, County of Los Angeles, State of California, described as follows:

LOTS C AND D OF TRACT 7331, IN THE CITY OF PALOS VERDES ESTATES, AS PER MAP RECORDED IN BOOK 102 PAGE(S) 46 TO 50 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 7542-002-900 and 7542-002-901

RECORDER MEMO: This COPY is NOT an OFFICIAL RECORD.

EXHIBIT F

RECORDER MEMO: This COPY is NOT an OFFICIAL RECORD.

This page is part of your document - DO NOT DISCARD



20121327412



Pages:
0008

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

09/05/12 AT 08:00AM

FEES:	0.00
TAXES:	0.00
OTHER:	0.00
PAID:	0.00



LEADSHEET



201209050240010

00006385276



004253022

Certified to be a true
correct & complete copy
of the original

FIRST AMERICAN TITLE

SEQ:
07

BY

DAR - Title Company (Hard Copy)



THIS FORM IS NOT TO BE DUPLICATED

T44

RECORDER MEMO: This COPY is NOT an OFFICIAL RECORD.

RECORDER MEMO: This COPY is NOT an OFFICIAL RECORD.

RECORDING REQUESTED BY
FIRST AMERICAN TITLE COMPANY
NATIONAL HOMEBUILDER SERVICES
SUBDIVISION DEPARTMENT

RECORDING REQUESTED BY AND WHEN
RECORDED MAIL TO:

City Clerk
City of Palos Verdes Estates City Hall
320 Palos Verdes Drive West
Palos Verdes Estates, CA 90274

Order No.: 4132267-50

Escrow No.:

7542-002-900

7542-002-901



20121327412

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

QUITCLAIM DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S):

DOCUMENTARY TRANSFER TAX IS \$ -0-

___ Computed on full value of property conveyed, or

___ Computed on full value less liens and encumbrances remaining at time of sale.

___ Unincorporated area

City of _____

Document is entitled to free recording pursuant to Govt.

Code 6103 and transfer is exempt from documentary transfer

tax pursuant to R&T code section 11922

For valuable consideration, receipt of which is hereby acknowledged, the PALOS VERDES HOMES ASSOCIATION, a California corporation ("Grantor") hereby remise(s), release(s) and forever quitclaim(s) to the CITY OF PALOS VERDES ESTATES, a municipal corporation, organized and existing under the general laws of the State of California ("Grantee"), the real property ("Property") in the County of Los Angeles, State of California, described as Lot C and Lot D of Tract 7331, together with all tenements and appurtenances thereunto belonging or in anywise appertaining. *SEE LEGAL ATTACHED.*

This conveyance is made and accepted and said realty is hereby conveyed subject to conditions, restrictions and reservations of record, including but not limited to, that certain Declaration No. 1 - Declaration of Establishment of Basic Protective Restrictions, Conditions, Covenants, Reservations, Liens and Charges for Palos Verdes Estates, recorded July 5, 1923 in Book 2360, page 231 of the Official Records of Los Angeles County (including all amendments thereto of record) ("Declaration No. 1) and that certain Declaration No. 21 of Establishment of Local Protective Restrictions, Conditions, Covenants, Reservations, Liens and Charges for Tract 7331 - Lunada Bay - Palos Verdes Estates, recorded September 29, 1924 in Book 3434 of the Official Records of Los Angeles County (including all amendments thereto of record) ("Declaration No. 21).

RECORDER MEMO: This COPY is NOT an OFFICIAL RECORD.

7-B

IN WITNESS WHEREOF, Grantor has executed this instrument this 19 day of July 2012.

GRANTOR:

Palos Verdes Homes Association

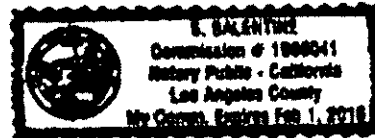
By: Dale P. Hoffman
Dale P. Hoffman, President

State of California)
County of Los Angeles)

On July 19 2012, before me, S. Balentine a Notary Public in and for said State, personally appeared Dale P. Hoffman who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

S. Balentine
Signature of Notary Public



Agreed and accepted this 19 day of July 2012

GRANTEE:

City of Palos Verdes Estates

By: George F. Bird, Jr.

ATTEST:

By: Judy Smith
Judy Smith, City Clerk

RECORDER MEMO: This COPY is NOT an OFFICIAL RECORD.

RECORDER MEMO: This COPY is NOT an OFFICIAL RECORD.

4

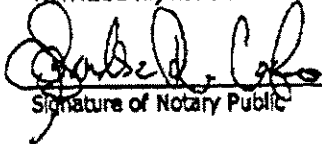
State of California)

County of Los Angeles)

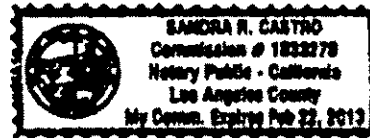
On AUGUST 14, 2012, before me, SANDRA E. CASTRO a Notary Public in and for said State, personally appeared GEORGE E. RIED, JR. who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within Instrument and acknowledged to me that he/she/they executed the same in he/she/their authorized capacity(ies), and that by his/hers/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature of Notary Public



RECORDER MEMO: This COPY is NOT an OFFICIAL RECORD.

RECORDER MEMO: This COPY is NOT an OFFICIAL RECORD.

Order Number: OSA-4132267 (50) ⁵

Page Number: 6

LEGAL DESCRIPTION

Real property in the City of Palos Verdes Estates, County of Los Angeles, State of California, described as follows:

LOTS C AND D OF TRACT 7331, IN THE CITY OF PALOS VERDES ESTATES, AS PER MAP RECORDED IN BOOK 102 PAGE(S) 46 TO 50 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 7542-002-900 and 7542-002-901

RECORDER MEMO: This COPY is NOT an OFFICIAL RECORD.

First American Title

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the quitclaim deed from the Palos Verdes Homes Association to the City of Palos Verdes Estates, a municipal corporation, is hereby accepted by the undersigned officer or agent on behalf of the City Council of the City of Palos Verdes Estates pursuant to authority conferred by Resolution R12-21 of City Council of the City of Palos Verdes Estates, adopted on July 24, 2012, and the grantee consents to recordation thereof by its duly authorized officer.

Dated SEPT 4 2012 By Judy Smith
Judy Smith, City Manager

ATTEST:

By: Holly Agrusa
Holly Agrusa, Assistant City Attorney