

THIS INSTRUMENT FILED FOR RECORD BY
FIRST AMERICAN TITLE INSURANCE COMPANY AS AN
ACCOMMODATION ONLY. IT HAS NOT BEEN EXAMINED AS TO
ITS EXECUTION OR AS TO ITS EFFECT UPON THE TITLE.

RECORDING REQUESTED BY
FIRST AMERICAN TITLE INS. CO.

WHEN RECORDED RETURN TO:

RECORDED IN OFFICIAL RECORDS
OF ORANGE COUNTY, CALIFORNIA

MESERVE, MUMPER & HUGHES
5190 Campus Drive
Newport Beach, California 92660
Attn: Timothy L. Randall, Esq.

-2 35 PM AUG 24 '88

Lee A. Branch COUNTY
RECORDER

88-421710

FATCO-108062-KC

(SUPPLEMENTAL CC&R'S)
DECLARATION OF ANNEXATION
OF
SINGLE FAMILY ATTACHED PROJECT
INTO
MARINA HILLS PLANNED COMMUNITY
AND INTO
DELEGATE DISTRICT NO. 1

Tract 12677, Lots 1-14 and A
Monaco Phase 7

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I ANNEXATION	2
Section 1.1. Annexation	2
Section 1.2. Deannexation	2
ARTICLE II ELECTION OF DELEGATE	2
ARTICLE III MASTER ASSOCIATION MAINTENANCE AREAS	3
Section 3.1. Classification	3
Section 3.2. Conveyance to Master Association	3
ARTICLE IV EASEMENT FOR MASTER ASSOCIATION	3
ARTICLE V LANDSCAPING	3
ARTICLE VI PARTY WALLS AND FENCES	4
ARTICLE VII INCORPORATION OF DECLARATION	4
ARTICLE VIII GENERAL PROVISIONS	4
Section 8.1. Term	5
Section 8.2. Enforcement	5
Section 8.3. Severability	5
Section 8.4. Construction	5
Section 8.5. Singular Includes Plural	5
Section 8.6. Attorneys' Fees	5
Section 8.7. Nuisance	5
Section 8.8. Amendments	6
Section 8.9. County Approval	6

(SUPPLEMENTAL CC&R'S)
DECLARATION OF ANNEXATION
OF
SINGLE FAMILY ATTACHED PROJECT
INTO
MARINA HILLS PLANNED COMMUNITY
AND INTO
DELEGATE DISTRICT NO. 1

THIS DECLARATION OF ANNEXATION ("Declaration") is made this _____ day of _____, 1988, by TAYLOR WOODROW HOMES CALIFORNIA LIMITED, a California corporation (the "Declarant"), with reference to the following facts and circumstances:

P R E A M B L E

A. Declarant executed that certain Supplemental Declaration of Covenants, Conditions and Restrictions and Declaration of Annexation of Single Family Attached Project into Marina Hills Planned Community and Establishment of Delegate District No. 1, which was recorded on September 8, 1987, as Instrument No. 87-507867, of the Official Records of Orange County, California (the "Declaration of Annexation"), covering the real property in the unincorporated territory of the County of Orange, State of California, described as follows ("Annexed Land"):

Lots 1 through 34, inclusive, of Tract No. 12678, as per Map recorded in Book 572, Pages 26 through 28, of Miscellaneous Maps in the Office of the County Recorder of Orange County.

B. The Declaration of Annexation caused the Annexed Land to become part of the Marina Hills Planned Community and subject to that certain Master Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Marina Hills Planned Community recorded September 3, 1987, as Instrument No. 87-502874 of the Official Records of Orange County, California, as amended from time to time (the "Master Declaration");

C. The Declaration of Annexation and the Master Declaration provide that Declarant may annex additional real property to the Properties as described in the Declaration of Annexation and thereby make such additional real property subject to the Declaration of Annexation and the Master Declaration and subject to the jurisdiction of the Master Association as defined in the Master Declaration;

D. Declarant is the owner of the real property in the unincorporated territory of the County of Orange, State of California, described as follows (the "Annexable Area"):

Lots 1 through 14, inclusive, and Lot A of Tract No. 12677 as shown on Map recorded in Book 570, Pages 49 and 50, of Miscellaneous Maps in the Office of the Recorder of Orange County, California.

E. Declarant desires to cause the Annexable Area to be annexed and become a part of the Annexed Land.

NOW THEREFORE, Declarant hereby declares as follows:

ARTICLE I ANNEXATION

Section 1.1. Annexation: Pursuant to the terms of the Declaration of Annexation and the Master Declaration, Declarant, as the owner of the Annexable Area, declares that all of the Annexable Area shall be annexed into and made a part of the Annexed Land and the Marina Hills Planned Community; provided, however, such annexation shall only be effective on the close of the first escrow within the Annexable Area. Upon the effective date of the annexation, all the Annexable Area shall be held, sold and conveyed subject to the easements, restrictions, covenants and conditions of this Declaration, the Declaration of Annexation and the Master Declaration.

Section 1.2. Deannexation: Any deletion of all or a portion of the Annexable Area for which a Declaration of Annexation has been recorded from coverage of this Declaration, the Declaration of Annexation and the Master Declaration and the jurisdiction of the Master Association shall be effected in accordance with the provisions of California Business and Professions Code Section 11018.7.

ARTICLE II ELECTION OF DELEGATE

Upon the recordation of this Declaration, the Annexable Area shall be added to and shall thus comprise a part of Delegate District No. 1, as defined in the Declaration of Annexation. Therefore, the Owners of Lots in the Annexable Area shall participate in the election of a Delegate in accordance with the provisions set forth in the Declaration of Annexation.

ARTICLE III
MASTER ASSOCIATION MAINTENANCE AREAS

Section 3.1. Classification: Those portions of the Lots as shown on Exhibit "A" attached hereto are hereby classified as Master Association Maintenance Areas, as that term is defined in the Master Declaration. Such Master Association Maintenance Areas shall be subject to those provisions of the Master Declaration which govern the Master Association's rights and responsibilities concerning their care and maintenance of such Master Association Maintenance Areas.

Section 3.2. Conveyance to Master Association: Declarant hereby covenants for itself, its successors and assigns that fee simple title to the Lot A shall be conveyed to the Master Association prior to the close of escrow for the sale of the first Lot of any Subdivision in the Annexable Area to an Owner. In the event that fee simple title to such property is conveyed to the Master Association, such title shall be conveyed free and clear of all encumbrances and liens, except current real property taxes, which taxes shall be prorated to the date of transfer, and except dedications, easements, conditions and reservations then of record, including those set forth in this Master Declaration. For purposes of this section, easements for utilities and any easement in favor of the general public over sidewalks or bicycle pathways conveyed to the Master Association for ingress to and egress from any sales office or model home complex of Declarant, shall not constitute a lien or encumbrance, and shall not preclude the conveyance to the Master Association of such property.

ARTICLE IV
EASEMENT FOR MASTER ASSOCIATION

There is hereby reserved to the Master Association, Declarant and Owners those easements more particularly described in the Master Declaration and the Declaration of Annexation. Such easements shall include, but not be limited to, easements reserved for the Master Association over the Lots for purposes of performing the duties of the Master Association to maintain and repair the Master Association Maintenance Areas.

ARTICLE V
LANDSCAPING

Notwithstanding anything in the Declaration of Annexation or Master Declaration to the contrary, within ninety (90) days after the conveyance of a Lot to an Owner,

the Owner shall landscape the front yard of his Lot and, in addition, the side yard on the street side of any corner Lot. Within one hundred eighty (180) days after the conveyance of a Lot to an Owner, the Owner shall landscape the rear yard and any side yard not on the street side of any corner Lot. All such landscape improvements must be installed pursuant to the terms of Article IX of the Master Declaration. In the event of default by an Owner in the performance of this section, Declarant or Master Association shall have the right to enter upon said Lot and remove any weeds, plants, rubbish, debris, objects or materials and do all things necessary to place the Lot in a neat and orderly condition, including, but not limited to, the installation of lawns and landscaping on yards and slope areas. Any expenses shall constitute Special Assessments, and payment therefor shall become due and payable from the Owner of said Lot to the Master Association within ten (10) days after written demand therefor. Failure to pay the amount of such Special Assessment shall subject the Owner of such Lot to the procedure specified in the Master Declaration whereby the Master Association is empowered to record assessment liens against such Lot and enforce the payment of such Special Assessment.

ARTICLE VI PARTY WALLS AND FENCES

Each wall or fence which is built as a part of the original construction of the Dwelling Units upon the Annexable Area and placed between the Lots shall constitute a party wall, and shall therefore be governed by the terms set forth under Article VI of the Declaration of Annexation.

ARTICLE VII INCORPORATION OF DECLARATION

All the terms, covenants, conditions, restrictions, easements and other provisions of the Master Declaration and the Declaration of Annexation are hereby incorporated by reference and shall be as enforceable and effective against the Annexable Area as though the Master Declaration and the Declaration of Annexation had been recorded directly against the Annexable Area.

ARTICLE VIII GENERAL PROVISIONS

Section 8.1. Term: The covenants and restrictions of this Declaration shall run with and bind the Annexable Area and any Owner, their legal representatives, heirs, successors and assigns, and shall run concurrently with the Declaration of Annexation.

Section 8.2. Enforcement: The Master Association or any Owner, or the successor in interest of an Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration or any amendment thereto, including the right to prevent the violation of any such restrictions, conditions, covenants or reservations and the right to recover damages or other dues for such violation; provided, however, that with respect to assessment liens, the Master Association shall have the exclusive right to the enforcement thereof. Failure by the Master Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 8.3. Severability: Invalidation of any one of these covenants, conditions or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 8.4. Construction: The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community or tract and for the maintenance of any common recreational facilities. Section headings are inserted for convenience only and are not intended to be a part of this document or in any way to define, limit or describe the scope or intent of the particular section to which they refer.

Section 8.5. Singular Includes Plural: Whenever the context of this Declaration requires it, the singular shall include the plural and the masculine shall include the feminine.

Section 8.6. Attorneys' Fees: In the event action is instituted against an Owner to enforce any of the provisions contained in this Declaration, the party prevailing in such action shall be entitled to recover from the other party thereto as part of the judgment reasonable attorneys' fees and costs of such action, which attorneys' fees and costs shall also be added to such Owner's assessments.

Section 8.7. Nuisance: The result of every act or omission whereby any of the covenants contained in this Declaration, or if the Bylaws are violated in whole or in part, is hereby declared to be and constitutes both a public and private nuisance, and every remedy allowed by law or equity against every such result, and may be exercised by any Owner, by the Master Association, or its successors in interest, or by the County or other affected governmental entity. Such remedy shall be deemed cumulative and not exclusive.

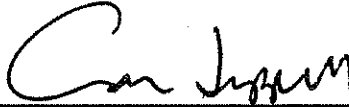
Section 8.8. Amendments: This Declaration may be amended only in accordance with the terms set forth in the Declaration of Annexation.

Section 8.9. County Approval: Notwithstanding anything contained herein to the contrary, so long as any property subject to this Declaration lies outside the boundaries of an incorporated city, the County of Orange shall have the power to veto any purported amendment or termination of this Declaration, based upon whether the Annexable Area, after such termination or amendment, will continue to enjoy adequate provisions for preservation and maintenance of any Common Area and Master Association Maintenance Areas. No amendment or written agreement purporting to terminate or modify the maintenance provisions of this Declaration shall be effective without the mailing of written notice thereof, return receipt requested, to the Assistant Director, Environmental Management Agency--Regulations and the County Counsel of Orange County. If no veto has been exercised by the Assistant Director or the County Counsel within fifteen (15) days of the receipt of such notice, such amendment or termination shall thereafter become effective.

IN WITNESS WHEREOF, the undersigned being the Declarant herein, has hereunder set its hand as of the day and year first above written.

TAYLOR WOODROW HOMES CALIFORNIA
LIMITED, a California corporation

By:



Gordon Tippell, President

By:



Carsten Schnepel, Secretary

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On August 17, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared GORDON TIPPELL, known to me (or proved on the basis of satisfactory evidence) to be the President, and CARSTEN SCHNEPEL, known to me (or proved on the basis of satisfactory evidence) to be the Secretary of the corporation that executed the within Instrument, known to me to be the persons who executed the within Instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its Bylaws or a resolution of its Board of Directors.

WITNESS my hand and official seal.

Barbara H. Longson
Notary Public in and for said
County and State

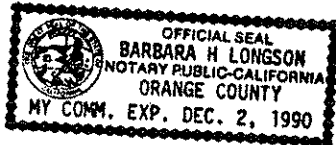


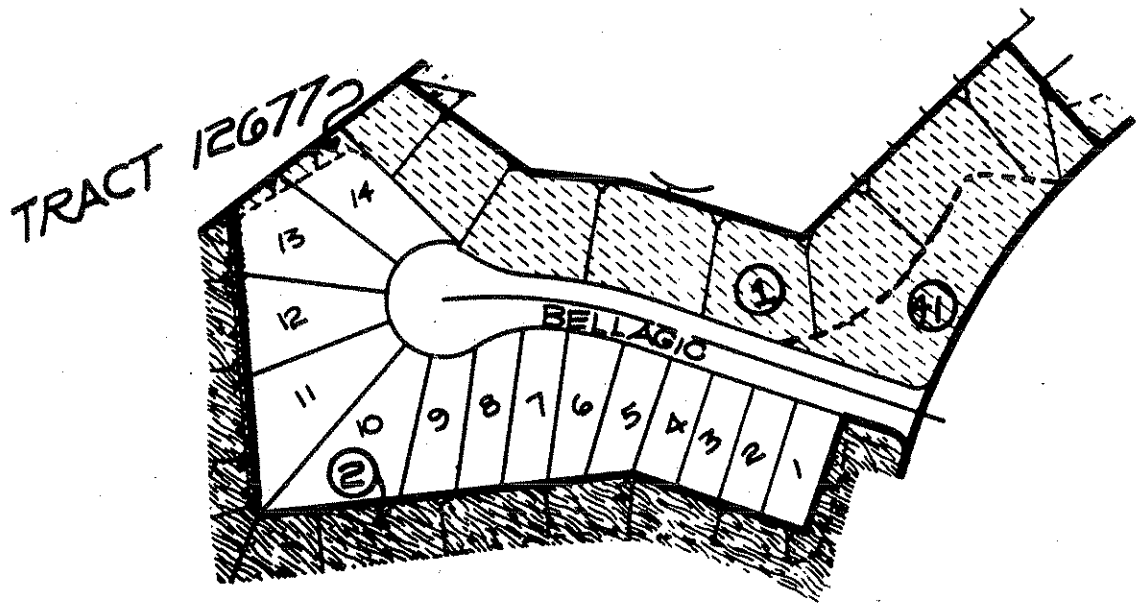
EXHIBIT "A"

Master Association Maintenance Areas

 SLOPE AREAS MAINTAINED BY MASTER ASSOCIATION.

 SLOPE AREAS MAINTAINED BY MASTER ASSOCIATION.

 FUEL MODIFICATION ZONE.



TRACT 12677
MASTER ASSOCIATION MAINTENANCE AREAS

