

**RECORDING REQUESTED BY:**

STEWART TITLE COMPANY  
336643681

**WHEN RECORDED, MAIL TO:**

JACKSON, DeMARCO &  
PECKENPAUGH (FSJ)  
4 Park Plaza, 16th Floor  
Post Office Box 19704  
Irvine, California 92613-9704

*(Space Above For Recorder's Use)*

**FIRST AMENDMENT TO DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS AND NOTICE OF  
DEANNEXATION OF PROPERTY**

This First Amendment to Declaration of Covenants, Conditions and Restrictions and Notice of Deannexation of Property ("First Amendment") is executed by REDONDO VILLAGE, LLC, a California limited liability company ("RVLLC") and SOUTH BAY CREST, a California nonprofit mutual benefit corporation ("Association").

**P R E A M B L E:**

A. RVLLC is successor "Declarant" and Association is the homeowner's association established under the Declaration of Covenants, Conditions and Restrictions for Tract No. 46189 ("Declaration"), which was recorded on September 6, 1990 as Instrument No. 90-1537244 in the Official Records of Los Angeles County ("Official Records"). The Declaration originally encumbered all of Lot 1 of Tract No. 46189, shown on a Subdivision Map filed in Book 1161, Pages 32 to 34, inclusive, of Maps, in the Office of the Los Angeles County Recorder (the "Project").

B. The Project was originally intended for development with two hundred thirty-one (231) attached Condominium Units to be built in three (3) phases, as described and depicted in the Condominium Plan for Tract 46189 which was Recorded on September 6, 1990 as Instrument No. 90-1537243 of Official Records ("Original Plan"). The City of Gardena re-zoned the Project after the first phase of seventy-five (75) attached units was completed. Under the new zoning, the remaining attached Units may not be constructed. However, up to sixty-five (65) detached Units may be constructed on the portion of the Project designated for construction of Phases 2 and 3 under the Original Plan (the "Remainder Property").

C. RVLLC has purchased the Remainder Property and has amended the Original Plan to apply only to the existing seventy-five (75) Units and Common Area in the Project. RVLLC and the Association are amending the Declaration to sever the Remainder Property from the Project. On recordation of this First Amendment, the Project will consist of the existing Units and Common Area, described as follows:

Units and Common Area, as shown on the First Amendment to Condominium Plan for Tract No. 46189, Recorded on 3-13-2000, as Instrument No. 00-374200, of Official Records of Los Angeles County, California ("Amended Plan"), consisting of a portion of Lot 1 of said Tract No. 46189.

D. The Remainder Property will be subject to a separate Condominium Plan and Declaration of CC&R's.

E. The Owners of Units in the Project are quitclaiming to RVLLC any and all ownership interest they have in the Remainder Property, and RVLLC has agreed to quitclaim to the Owners any and all ownership interest that it may have in the Common Area in the Project as a result of its purchase of the Remainder Property. On the recordation of RVLLC's quitclaim, each Owner will own a one seventy-fifth (1/75) undivided interest in the Common Area in the Project as shown in the Amended Plan. The Owners will continue to have the right to use and enjoy the Common Area and improvements located thereon.

F. The changes contemplated by this First Amendment and the Amended Plan have the consent of at least the number of Owners required under the Declaration. In accordance the Declaration, the Association is entitled to amend the Declaration, having received the written consents or powers of attorney of at least two-thirds (2/3) of the Owners of separate interests.

G. In connection with the Development of the Remainder Property, RVLLC has agreed to construct certain improvements in the Common Area for the benefit of the Association and the Owners. The Association has agreed that RVLLC shall have easements over the Project for the purpose of completing the improvements as set forth in this First Amendment.

THEREFORE, RVLLC and the Association hereby declare that the Declaration is amended as follows:

1. **Page 1, Fifth Paragraph.** The fifth Paragraph on Page 1 of the Declaration is hereby deleted in its entirety, and replaced with the following:

"The Project consists of seventy-five (75) Condominium Units and Common Area as depicted in the Amended Condominium Plan. Each Owner shall have (i) a separate fee interest in such Owner's Condominium Unit and (ii) an undivided

one seventy-fifth (1/75) ownership interest in the Common Area as a tenant in common with the other Owners."

2. **Page 1, Eighth Paragraph.** The eighth Paragraph on Page 1 of the Declaration is hereby deleted in its entirety, and replaced with the following:

"Annual assessments shall be levied uniformly and equally against the Owners and their Condominiums based on the number of Condominiums owned by each Owner."

3. **Section 1.01. Parking.** Section 1.01 of the Declaration is hereby deleted in its entirety and replaced with the following:

"Each separate interest shall have a two-car garage to be used solely for vehicle parking exclusively for the use of the respective separate interest Owners, members of their families, guests or lessees of the Owners. The garage shall be an element of each separate interest and shall not be separated from the separate interest by later sale. There are no fewer than forty-five guest parking spaces in the Project, and these shall be used for guest parking only."

4. **Section 1.02. Common Area.** Section 1.02 of the Declaration is hereby amended to provide that each Owner shall have a one seventy-fifth (1/75) undivided interest as a tenant in common in the Common Area in the Project. The Common Area in the Project is "common area" as defined in California Civil Code Section 1351(f). Except as otherwise defined in this First Amendment, references throughout the Declaration to "common area," "common facilities," "Common area improvements" and "facilities" shall be interpreted to mean and refer to Common Area.

5. **Section 1.02(b) Exclusive Use Common Area.** Section 1.02(b) of the Declaration is hereby amended to provide that Exclusive Use Common Area will refer to portions of the Common Area over which exclusive easements are reserved for the benefit of specified Owners including for deck and balcony purposes, as shown in the Amended Condominium Plan, and internal and external telephone wiring designed to serve a single Unit but located outside the boundaries of that Unit, in accordance with California Civil Code Section 1351(i). References in the Declaration to "restricted Common Area" shall mean and refer to Exclusive Use Common Area.

6. **Article X.** The following new definitions are to be inserted into the Declaration as a new Article X:

10.01 **Definitions.** Unless otherwise expressly provided, the following words and phrases when used in this Declaration shall have the following meanings:

(a) Amended Condominium Plan. Amended Condominium Plan means the First Amendment to the Condominium Plan for Tract No. 46189, as currently Recorded and in effect, consisting of (a) a description or survey map of the Project or portion thereof, which shall refer to or show monumentation on the ground, (b) a three-dimensional description of the Project or portion thereof, one or more dimensions of which may extend for an indefinite distance upwards or downwards in sufficient detail to identify the Common Area and each Unit, and (c) a certificate consenting to the Recordation thereof signed and acknowledged by the record owner of fee title to the Project or portion thereof, or its attorney-in-fact.

(b) Condominium. Condominium means an estate in real property as defined in California Civil Code Section 1351(f). A Condominium consists of an undivided one-seventy-fifth (1/75) fee simple ownership interest in the Common Area in the Project, held by the Owners of Condominiums in the Project as tenants-in-common, together with a separate ownership interest in fee in a Unit and all easements appurtenant thereto. References in the Declaration to any "separate interest," or "subdivision interest" shall be deemed to mean and refer to a Condominium.

(d) Project. Project means the Units and Common Area described and depicted in the Amended Condominium Plan. The Project is a "condominium project" as defined in Section 1351(f) of the California Civil Code. The Project is a "common interest development" as defined in Section 1351(c) of the California Civil Code. Any references in this Declaration to the Project are references to the Project as a whole and to portions thereof. Any references in this Declaration to a "project development," "real property," "property," "subdivision," or "project" shall be deemed to mean and refer to the Project.

(e) Unit. Unit means a separate interest in space as defined in Section 1351(f) of the California Civil Code. Each Unit is a separate freehold estate, as separately shown, numbered and designated in the Amended Condominium Plan. In interpreting deeds, declarations and plans, the existing physical boundaries of the Improvements encompassing the Unit or such Improvements constructed or reconstructed in substantial accordance with the Amended Condominium Plan and the original plans thereof, if such plans are available, shall be conclusively presumed to be its boundaries, rather than the description expressed in the deed, Amended Condominium Plan or Declaration, regardless of settling or lateral movement of the building and regardless of minor variances between boundaries, as shown on the Amended Condominium Plan or defined in the deed and Declaration, and the boundaries of the building Improvements as constructed or reconstructed. The interior surfaces of the windows and sliding glass doors are portions of the Unit. The lower vertical boundary of the Unit is the surface of the unfinished floor. The upper vertical boundary of the Unit is a horizontal plane which coincides with the interior unfinished surface of the ceiling at the elevation shown in the Amended Condominium Plan. The lateral boundaries of the Unit are the interior unfinished surfaces of the perimeter walls, windows and doors. Where the Unit lines

separate two or more adjoining Units, such Unit lines shall be deemed to bisect the party or division wall Improvements.

7. Resales. No later than ten (10) days before the close of escrow for the resale of a Unit, the Owner of the Unit must give the Association written notice of the pending resale. Each Owner who has not yet released all interest in the Remainder Property shall be required, as a condition to the close of escrow, to execute and deliver to RVLLC a Quitclaim in the form attached hereto as *Exhibit "A."* The right of each Owner in the Project to use and enjoy Common Area facilities and amenities in the Project shall not be affected in any way by the quitclaim of the Owners' interests in the Remainder Property.

8. Deannexation of Remainder Property. The Remainder Property is hereby deleted from the coverage of this Declaration and from the jurisdiction of the Association. Neither RVLLC nor the Association have exercised any vote with respect to any portion of the Remainder Property, Assessments have not commenced with respect to any portion of the Remainder Property, no Units have been constructed or sold in the Remainder Property, and the Association has not made any expenditures nor incurred any obligations with respect to any portion thereof.

9. Easements for Construction of Improvements. RVLLC and the Association have entered into an Agreement for Completion of Development Project, Amendment to Condominium Plan and Amendment to Declaration ("Improvement Agreement") in the form attached as *Exhibit "B"* to complete the development of Redondo Village Estates ("Redondo Village") on the Remainder Property. The Improvement Agreement provides for the creation of easements on the Project for the construction of Common Area improvements, the relocation and augmentation of drainage systems, fire flow lines, telephone, sewer and water utilities to serve both the Project and Redondo Village. RVLLC, its contractors, subcontractors, agents and employees shall have the following easements:

(a) Storm Drain Infrastructure. Nonexclusive easements over the portion of the Project as reasonably necessary to remove, relocate, augment, install, construct, repair and replace the existing storm drain and related improvements, as further described in the Improvement Agreement, in order to provide common drainage of water from the Project and from Redondo Village.

(b) Sump Power System. Nonexclusive easements over the portion of the Project as reasonably necessary to remove, relocate, augment, install, construct, repair and replace, at RVLLC's sole expense, the existing sump power system with a new three-phase power system and related improvements as further described in the Improvement Agreement.

(c) Wet and Dry Utility Infrastructure. Nonexclusive easements over the Project as reasonably necessary to remove, relocate, augment, install, construct, repair and replace the existing telephone, sewer and water infrastructure, at

RVLIC's sole expense, in order to provide separately metered utility service to the Project and to Redondo Village.

(d) Main Fire Flow Lines. Nonexclusive easements over the Project as reasonably necessary to remove, relocate, augment, install, construct, repair and replace the existing main fire flow lines to accommodate the construction of improvements in and extend fire protection service to Redondo Village.

(e) Masonry Wall. Nonexclusive easements over the Project as reasonably necessary for ingress, egress, access to construct, at RVLIC's sole expense, a masonry wall ("Wall") and fire department access gates, along the property line separating the Project from Redondo Village, a perpetual easement over the Project located within three (3) feet of said property line for the purpose of accommodating the footings and other structural components of the Wall located on or immediately adjacent to such common property line, including any encroachments thereof onto the Project, and a perpetual nonexclusive easement for access over the Project reasonably necessary for maintaining the wall and related improvements. Such Wall shall be constructed in accordance with the requirements of the Improvement Agreement.

(f) Construction of Clubhouse. Temporary nonexclusive easements over the Project as reasonably necessary to construct a clubhouse on the Project for the benefit of the Association and its members, in accordance with the terms of the Improvement Agreement.

10. Drainage Easement. Redondo Village, Inc. ("RVI"), the homeowners association established to govern Redondo Village, is hereby granted a perpetual nonexclusive easement for its benefit and for the benefit of its members to use the sump and storm drain facilities on the Project, including catch basins, for the collection and drainage of surface waters from the Remainder Property.

11. Shared Expenses. Wet and dry utilities serving both the Project and Redondo Village will be separately metered to the Association and RVI, and each shall pay its own utility bills directly to the billing utility. However, water service to the fire flow lines will be commonly metered and billed in a single statement by the water provider. The Association and RVI will each be responsible for their respective shares of the monthly bill, but one of the entities will collect the other's share and remit all amounts owing to the utility, as the Association and RVI shall agree from time to time. The Association and RVI shall each be responsible for fifty percent (50%) of the monthly operation, maintenance, repair and replacement expenses for the sump system.

12. Ratification. Except as expressly modified herein, the capitalized terms in this First Amendment shall have the same meanings as are given such terms in the Declaration. Except as amended by this First Amendment, the Declaration is hereby ratified and confirmed.

This First Amendment has been executed on January 18, 2000.

REDONDO VILLAGE, LLC, a California limited liability company

By: JCC Capital Company, a California corporation  
Member

By: [Signature]  
Gregory L. Delgado  
Its President

By: [Signature]  
Gerald Marcil  
Member

"RVLLC"

SOUTH BAY CREST,  
a California nonprofit mutual benefit corporation

By: [Signature]  
Name: John F. Butler  
Title: President

By: [Signature]  
Name: TAMARA WELDON  
Title: VICE PRESIDENT

"Association"



STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF Los Angeles )

On February 15, 2000, before me, Corine L. Hodges,  
personally appeared Tamara R. Weldon and \_\_\_\_\_,  
personally known to me (or proved to me on the basis of satisfactory evidence) to be the  
person(s) whose name(s) (is) (~~are~~) subscribed to the within instrument and acknowledged to me  
that ~~(he)~~ (she) (~~they~~) executed the same in ~~(his)~~ (her) (~~their~~) authorized capacity(~~ies~~), and that by  
~~(his)~~ (her) (~~their~~) signature(~~s~~) on the instrument the person(s), or the entity upon behalf of which  
the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Corine L. Hodges  
Notary Public in and for said State

(SEAL)

(11)-039353(1)

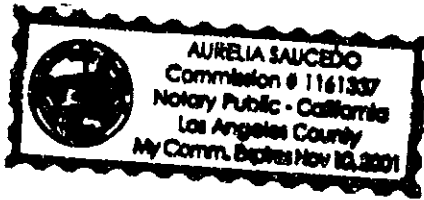
STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF Los Angeles )

On January 18 <sup>2000</sup> ~~1999~~, before me, Aurelia Saucedo,  
personally appeared John F. Bittler and \_\_\_\_\_,  
personally known to me (~~or proved to me on the basis of satisfactory evidence~~) to be the  
person(s) whose name(s) (is) (~~are~~) subscribed to the within instrument and acknowledged to me  
that (he) (~~she~~) (~~they~~) executed the same in (his) (~~her~~) (~~their~~) authorized capacity(~~ies~~), and that by  
(his) (~~her~~) (~~their~~) signature(s) on the instrument the person(s), or the entity upon behalf of which  
the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

*Aurelia Saucedo*  
Notary Public in and for said State

(SEAL.)



(1)-039353(1)

EXHIBIT A

Order No.  
Escrow No.  
Loan No.

WHEN RECORDED MAIL TO:

REDONDO VILLAGE, INC.  
c/o JCC Homes  
3480 Torrance Boulevard, Suite 300  
Torrance, California 90503

DOCUMENTARY TRANSFER TAX \$

SPACE ABOVE THIS LINE FOR RECORDER'S USE

... Computed on the consideration or value of property conveyed; OR  
... Computed on the consideration or value less liens or encumbrances  
remaining at time of sale.

Signature of Declarant or Agent determining tax - Firm Name

QUITCLAIM DEED

(South Bay Crest)

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, SOUTH BAY CREST, a California nonprofit mutual benefit corporation, in its own behalf and in its capacity as attorney-in-fact for the owners of record or their successors-in-interest, and pursuant to the terms of the Declaration of Covenants, Conditions and Restrictions for Tract Number 46189, recorded September 6, 1990 as Instrument No. 90-1537244 of Official Records of Los Angeles County, California ("Official Records"), as amended, does hereby REMISE, RELEASE AND FOREVER QUITCLAIM to REDONDO VILLAGE, L.L.C., a California limited liability company, the real property in the City of Gardena, County of Los Angeles, State of California, described in Exhibit "1" attached hereto and incorporated herein by this reference

Dated: FEBRUARY 14, 2002

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF LOS ANGELES )

On February 15, 2002 before me,  
Celine L. Hodges, Notary Public,  
personally appeared Tamara Weldon

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) ~~is~~ are subscribed to the within instrument and acknowledged to me that he ~~is~~ they executed the same in his ~~her~~ their authorized capacity(ies), and that by ~~his~~ her ~~her~~ their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument

WITNESS my hand and official seal.

Signature Celine L. Hodges

SOUTH BAY CREST, a California nonprofit mutual benefit corporation, as Attorney-in-Fact for the owners of record

By: [Signature]  
Name: John F. Butler, President

Title:

By: [Signature]  
Name: Tamara Weldon, Vice President

Title:

SOUTH BAY CREST, a California nonprofit mutual benefit corporation

By: [Signature]  
Name: John F. Butler, President

Title:

By: [Signature]  
Name: Tamara Weldon,

Title: Vice President

MAIL TAX STATEMENTS AS DIRECTED TO:



(11)-0393530

## EXHIBIT "B"

### Agreement for Completion of Development Project, Amendment to Condominium Plan and Amendment to Declaration

This Agreement is made and entered into as of the 14 day of September 1999 by and between Redondo Village, LLC a California Limited Partnership ("Redondo Village") and South Bay Crest, a California non-profit corporation ("South Bay Crest") in order to effect certain amendments to existing Declaration of Covenants, Conditions & Restrictions, Amendment to Condominium Plan, and provision of mutual and reciprocal easements for utilities, access and drainage, all in order complete a plan of condominium development in the City of Gardena, over property known as Lot 1 of Tract No. 46189, per Map recorded in Book 1162, pages 32 and 33 of Maps, in the office of the Los Angeles County Recorder.

#### RECITALS

A. Redondo Village is the Declarant (through succession) under that certain Declaration of Covenants, Conditions and Restrictions ("Declaration"), recorded September 6, 1990, as Instrument No. 90-1537243, official records of Los Angeles County, in connection with a condominium development originally intended to consist of two hundred and thirty one (231) attached units and appurtenant common areas ("the Properties").

B. South Bay Crest is a non-profit corporate association of homeowners, the members of which are the 75 owners of condominiums within Phase I of the Properties contemplated under the original Declaration.

C. The City of Gardena has amended the zoning classification of the real property upon which phases II and III of the Properties were to be constructed. Under the new zoning, Declarant is not allowed to construct 156 attached units as depicted upon the original Condominium Plan, but may construct up to sixty-five (65) detached Units, in accordance with an approved Specific Plan of development.

D. In order to effect the completion of development within Tract 46189 in accordance with the approved Specific Plan, Declarant and South Bay Crest have agreed to effect the severance from the Properties and from the encumbrance of the Declaration, all of that certain real property originally designated as being contained within Phases II and III thereof (said severed property hereinafter referred to as the "Redondo Village Project"). Such severance shall be accomplished through amendments to the original Condominium Plan and the original Declaration, so that the remaining 65 detached units to be constructed upon the Severed Property will be defined by a separate and new condominium plan, and subject to a separate and new declaration of Covenants, Conditions and Restrictions.

E. Such severance of real property and amendment to the original Declaration and Condominium Plan are subject to terms and conditions regarding realignment and

expansion of utilities and drainage improvements, retention by South Bay Crest of certain property originally designated for Phases II and III, construction of additional common area facilities for the benefit of South Bay Crest, the granting of easements, and other consideration previously agreed upon by and between Redondo Village and South Bay Crest, all of which the parties wish to restate and document in this Agreement.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Amended Condominium Plan(s) - Declarant shall effect an amendment to the original Condominium Plan for the Properties, whereby any common areas owned in undivided interests by the Phase I, South Bay Crest owners shall be reconfigured or quitclaimed so as to be completely separate from and outside the boundaries of the Redondo Village Project. The Redondo Village Project unit boundaries shall be established by a separate condominium plan, and Declarant shall relinquish any and all right, title and interest in and to the Phase I units and common areas (including parking areas and recreational facilities) other than easements as provided for herein. The Amended Condominium Plans shall also effect the transfer to or retention by South Bay Crest of certain real property originally designated as part of Phases II and/or III of the original plan of development. The South Bay Crest Board shall, if required, execute the Amended Condominium Plan under authority of the powers of attorney that it has obtained from at least two thirds of the owners within Phase I. A copy of the Amended Condominium Plan is attached hereto as Exhibit "A" and made a part hereof.
2. Amended Declaration - Redondo Village, as Declarant, shall prepare a First Amendment to the Declaration, whereby the Redondo Village Project shall be removed from the encumbrance of the Declaration, so that only the 75 units owned by South Bay Crest members shall remain encumbered thereunder. South Bay Crest and the Redondo Village Project shall have separate Association assessment budgets, and only the 75 unit owners within South Bay Crest shall have the right to use of the Phase I recreational facilities and parking areas. The First Amendment shall also amend the definitions and other relevant clauses so as to be consistent with the severance of the Redondo Village Project and its declaration, the Amended Condominium Plan, and the revised plan of overall development within Tract 46189 according to the City approved, Specific Plan. The South Bay Crest Board shall execute the Amended Declaration on behalf of no less than two-thirds of its members who have executed powers of attorney authorizing such action. A copy of the Amended Declaration is attached hereto as Exhibit "B" and made a part hereof.
3. Common or Reciprocal Drainage - The existing South Bay Crest storm drain infrastructure shall be relocated and augmented so as to provide service to both the existing 75 units and to the Redondo Village Project. The Redondo Village Project shall drain into the existing South Bay Crest sump system, which has sufficient capacity, having been designed to accommodate the drainage of the entire 231 unit project as originally configured. Redondo Village shall, at its sole expense, install permanent 3-phased power to replace the existing single-phased power to the sump pumps, and the Redondo Village Project shall bear fifty percent of the future maintenance expense of the sump system, as a component of its Association budget. Reservations of the necessary drainage easements shall be executed by the parties and/or reserved in the

(11)-039353(1)

Redondo Village Declaration and the Amended Declaration of South Bay Crest. Sample grants of such drainage easement(s) to be recorded are attached hereto as Exhibit "C" and made a part hereof.

4. Utility Reconfiguration / Augmentation - The existing South Bay Crest telephone system, sewer system and water infrastructure shall be relocated and augmented so as to provide service to both the existing 75 units and to the Redondo Village Project, without interruption of service, and the construction thereof shall be at the expense of Redondo Village. Main fire flow lines shall be relocated so that no Redondo Village Project units shall be constructed over said lines, and Redondo Village shall grant to South Bay Crest a perpetual easement for reasonable access over the Redondo Village Project for purposes of maintenance, repair and replacement of said fire main lines. Upon completion of the utility work described above, South Bay Crest and the Redondo Village Project Associations shall each bear their own, separately metered utility expense, except that one Association shall collect the other's share of the common meter expense of the fire protection water lines, to comply with the water purveyor's requirement that a single entity make such payment. Reservations of the necessary utility easements shall be executed by the parties and/or reserved in the Redondo Village Declaration and the Amended Declaration of South Bay Crest.

5. Additional Construction by Redondo Village - As additional consideration to South Bay Crest for its approval and cooperation in the revised plan of development, Redondo Village shall construct the following improvements:

a) a masonry wall, six feet in height above finished grade, along the dividing line between the South Bay Crest (Phase I) development and the Redondo Village Project, at Redondo Village's sole expense;

b) fire department access gates between the South Bay Crest and Redondo Village projects, at Redondo Village's sole expense;

c) a 2 story, Association clubhouse upon the Phase I common area property, having exterior dimensions of approximately 22 feet by 32 feet. Amenities shall include a gas fireplace, heating & air conditioning, storage room, wet bar with counter, cabinets, refrigerator and hot & cold water sink, commercial grade carpeting, composition shingle roof, and exterior fire exit stairway, in accordance with the mutually approved plans & specifications and finish schedule. South Bay Crest shall pay to Redondo Village the sum of \$75,000.00 for the construction of said clubhouse/recreation center. A copy of the Construction Contract and finish schedule is attached hereto as Exhibit "D" and made a part hereof.

6. Redondo Village shall pay to South Bay Crest the sum of Twenty-Five Thousand Dollars (\$25,000.00) as additional consideration, or South Bay Crest may elect to take an equivalent sum credit against the \$75,000.00 to be paid to Redondo Village for construction of the Association clubhouse described in Section 5 c) above.

7. Redondo Village shall extend to all owners of the 75 units within South Bay Crest a first right of refusal to purchase the detached condominiums to be constructed within the Redondo Village Project, before said units are offered to sale to the general public.

(11)-0393530

Any such South Bay Crest homeowner who exercises that right and purchases a Redondo Village residence shall receive a \$5,000.00 credit toward such purchase, provided that he or she purchases directly from Redondo Village, without the use of a real estate agent.


REDONDO VILLAGE, LLC, A California Limited Liability Company

By: J.C.C. Capital Company, a California Corporation, Member

by:   
Gregory Delgado, President

By: Gerald Marcil, Member 

SOUTH BAY CREST, a California non-profit corporation

by:   
John F. Butler, President  
