

WHEN RECORDED MAIL TO:

ROBERT M. DENICHILO, ESQ., CCAL
RICHARD, OBER, DENICHILO LLP
234 E. Colorado Boulevard, Suite 800
Pasadena, CA 91101

(Space above for Recorder's use)

**AGREEMENT AND COVENANT
(Running With The Land)**

THIS AGREEMENT AND COVENANT (Running With The Land) (hereinafter "AGREEMENT") is made and entered into between _____ (collectively "OWNERS" herein), and SEA RIDGE CONDOMINIUM ASSOCIATION NO. 1, a California nonprofit mutual benefit corporation ("ASSOCIATION"), and is effective as of the date provided for herein.

R E C I T A L S:

A. OWNERS own the real property and residential structure thereon located at _____ (Unit ____, Lot ____ of Tract No. _____), in the County of Orange, State of California (the "Subject Property"), more particularly described on the attached Exhibit "A," which is incorporated herein by this reference.

B. ASSOCIATION was established to provide for the management, protection, maintenance, preservation, operation, development, and control of the real property, including certain Common Areas ("Common Area") described in the attached Exhibit "B," which is incorporated herein by reference, and a portion of the SUBJECT PROPERTY (among other residential Condominium Units) all as described in that certain Supplemental Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Project No. 1 of Sea Ridge recorded on November 10, 1978, in Book 129148, pages 1154, et seq., in the official records of Orange County, and all amendments and supplements thereto, as further set forth in Exhibit "A" (collectively the "Declaration").

C. ASSOCIATION is vested with certain duties and obligations with respect to the management, maintenance, and architectural control of the SUBJECT PROPERTY and the Common Area.

D. ASSOCIATION is vested with the duty and authority to manage and maintain the structural integrity of the Common Areas, all as further set forth at Article I, Section 1.11 and Article II, Section 2.07 of the Declaration.

E. OWNERS wish to install _____ to the SUBJECT PROPERTY and within the Common Area (the "Modifications").

F. Before OWNERS may lawfully install and maintain the MODIFICATIONS, the Declaration requires that OWNERS first obtain the prior written consent of the ASSOCIATION'S Board of Directors and/or Architectural Committee to the installation and maintenance of the MODIFICATIONS, and in consideration thereof, have entered into this AGREEMENT.

G. OWNERS and ASSOCIATION intend to fix and determine their respective rights and obligations of the parties and their successors-in-interest, including all present and future members of ASSOCIATION, with respect to the installation, maintenance, use, repair, and improvements of the Modifications, and in consideration thereof, have entered into this AGREEMENT.

NOW, THEREFORE, in consideration of the terms and conditions herein, OWNER and ASSOCIATION hereby agree as follows:

AGREEMENT

1. The land of OWNER (SUBJECT PROPERTY) which is affected and benefited by this AGREEMENT is located in the County of Orange, State of California, and is legally described in the attached Exhibit "A," which is incorporated herein by reference.

2. The land of the ASSOCIATION (COMMON AREA) which is affected and benefited by this AGREEMENT is located in the County of Orange, State of California, and is legally described in the attached Exhibit "B," which is incorporated herein by reference.

3. ASSOCIATION agrees to approve OWNER'S installation and construction of the MODIFICATIONS to the SUBJECT PROPERTY and the COMMON AREA, subject to the terms and conditions of this AGREEMENT. THE MODIFICATIONS are further described in the attached Exhibit "C:", which is incorporated herein by reference. In entering into this AGREEMENT, OWNERS are relying on such AGREEMENT by the ASSOCIATION, and in the consideration thereof, OWNERS are relying on such AGREEMENT by the ASSOCIATION, and in consideration thereof, OWNERS agree and covenant with the ASSOCIATION, expressly for the benefit of the COMMON AREA, to do or refrain from doing the following acts on the COMMON AREA, which acts relate to the installation, use, repair, maintenance, or improvement of the COMMON AREA, notwithstanding any contrary or conflicting provisions of the DECLARATION.

a. OWNERS agree to construct, maintain, repair, and replace the MODIFICATIONS in good condition and in a neat, orderly, safe and sanitary condition, and in compliance with all of the provisions of the DECLARATION.

b. OWNERS accept all liability and responsibility for any damages or costs resulting to OWNERS, the SUBJECT PROPERTY, the ASSOCIATION, the COMMONAREA and all property and structures adjacent to the SUBJECT PROPERTY, and all persons and other real or personal property arising out of or related to the design, installation, construction, repair modification, or maintenance of the MODIFICATIONS, excluding all liability and responsibility arising from the acts or omissions of the ASSOCIATION.

c. OWNERS agree to reimburse the ASSOCIATION upon five (5) days written notice for any damages, costs, or judgments that the ASSOCIATION may suffer arising out of or related to the design, installation, construction, repair, modification, or maintenance of the MODIFICATIONS.

d. OWNERS agree to continuously maintain, during the term of this AGREEMENT, comprehensive general liability insurance to the extent of not less than three hundred thousand dollars (\$300,000.00) in coverage for bodily injury and property damage. OWNERS agree to name the ASSOCIATION as an additional insured under such insurance policy. OWNERS' policy of insurance hereunder shall provide for thirty (30) days written notice of cancellation or termination to ASSOCIATION.

e. OWNERS further agrees to indemnify ASSOCIATION, its members, officers, directors, agents, representatives and employees, and to save and hold them harmless, and to defend them at OWNERS' sole expense, from any liability or claims, demands, damages, costs or judgments that out of or related to the ASSOCIATION'S approval of the MODIFICIATIONS, the ASSOCITION'S consent of OWNERS use of THE AFFECTED AREAS, or the design, construction, installation, use, maintenance, repair, or improvement of the MODIFICATIONS..

f. OWNERS shall comply with the DECLARATION, and acknowledge the right of ASSOCIATION to enforce the DECLARATION in accordance with law and its terms, and further agree that by entering into this AGREEMENT, ASSOCIATION has not waived any rights of enforcement, regulation, or control as provided in the Declaration.

4. OWNERS acknowledge and agree that this AGREEMENT shall not serve to transfer to OWNERS any ownership interest, including but not limited to a license or an easement, in any portion of the Common Area.

5. OWNERS agree and represent that OWNERS will not look to ASSOCIATION, or hold ASSOCIATION responsible to disclose to potential buyers of the SUBJECT PROPERTY any information concerning the MODIFICATIONS or this AGREEMENT, and ASSOCIATION shall have no obligation to disclose such information.

6. OWNERS and ASSOCIATION agree and covenant that pursuant to California Civil Code Section 1468, the covenants provided herein shall run with the land of the OWNERS (the SUBJECT PROPERTY) and the land of the ASSOCIATION and its members (the Common Area) and that it shall benefit or be binding upon each successive owner of the SUBJECT PROPERTY and the Common Area during their ownership of any portion of the land affected hereby, and upon each person having interest in the land derived through any owner thereof; and further, that the successive OWNERS of the land of OWNERS (the SUBJECT PROPERTY) and the land of the ASSOCIATION are to be bound by the covenants provided herein for the benefit of the land of the ASSOCIATION and its members (the Common Area).

7. The term of this AGREEMENT shall coincide with the term of the DECLARATION and any extensions thereof, and shall terminate upon the sooner to occur of (i) the termination of the DECLARATION, or (ii) OWNERS' removal of the MODIFICATIONS and restoration of the Common Area to its original condition.

8. If any provision or part of this AGREEMENT is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

9. If any legal action or arbitration is instituted to enforce any of the terms and conditions of this AGREEMENT, the prevailing party in such action or arbitration shall be entitled to recover its reasonable attorneys' fees and costs incurred in such action or arbitration.

10. Any notices, requests, demands, instructions, or other communications in conjunction with this AGREEMENT shall be personally delivered or mailed by first-class mail, certified and return receipt requested, to the parties as follows:

TO OWNER: _____

TO ASSOCIATION: Sea Ridge Condominium Association No. 1
c/o _____
_____.

With a copy to: Robert M. DeNichilo, Esq. CCAL
Richard, Ober, DeNichilo LLP
234 E. Colorado Boulevard, Suite 800
Pasadena, CA 91101

The address to which such notice or communication is to be sent may be changed by a party from time to time by a notice delivered or mailed as provided herein. Any notice or other communications required to be given by this AGREEMENT shall not be required to be given to a successor-in-interest to a party unless such successor-in-interest has given notice, as provided herein, to the other party of its ownership interest in the land subject of this AGREEMENT and of the address to which any such notice or communication is to be directed.

11. This AGREEMENT is made in, and shall be construed in accordance with, the laws of the State of California. This AGREEMENT shall be effective upon its execution by

OWNERS and ASSOCIATION and its recordation in the Office of the County Recorder, County of Orange, State of California.

Dated: _____, 20__

OWNERS

Dated: _____, 20__

ASSOCIATION

SEA RIDGE CONDOMINIUM
ASSOCIATION NO. 1
A California Nonprofit Mutual Benefit Corporation

By: _____
_____, President

By: _____
_____, Secretary

EXHIBIT “A”

DESCRIPTION OF SUBJECT PROPERTY

EXHIBIT “A”

EXHIBIT "B"

DESCRIPTION OF ASSOCIATION COMMON AREA

EXHIBIT "B"

EXHIBIT “C”

PLANS, DESCRIPTION OF THE MODIFICATIONS

Owner wishes to install _____

_____.