

1001

Code Enforcement Status Report

Planning and Community Development Director presented a status report listing code enforcement violations and complaints by departments for the period January 1, 1990, through March 29, 1990.

Minor Subdivision No. 167 - Doug Snyder - Final Approval

On motion of Councilmember Larson, seconded by Councilmember Cunningham, final approval was granted by AYE votes of all present for Minor Subdivision No. 167, a subdivision of one acre into two lots in the R-E Zone located at 1340 Center Street, as all requirements have been met.

Minor Subdivision No. 189 - Clared Properties - Final Approval

✓ In accordance with the Government Code, Councilmember Cunningham moved to take action on an application for property on Indiana Court which arose subsequent to the agenda being posted as specified in the Government Code. Motion seconded by Councilmember Milson and carried by AYE votes of all present. All requirements having been met, the Planning and Community Development Department recommended that final approval be granted Minor Subdivision No. 189. Councilmember Cunningham moved to approve this recommendation; motion seconded by Councilmember Larson and carried by AYE votes of all present.

COMMUNICATIONS

Appointments Councilmember Cunningham moved to appoint Barbara C. Wormser to fill the vacancy on the Parks Commission which will expire June 16, 1992, and reappoint Robert H. Schuler to a four-year term on the Parks Commission commencing June 16, 1990. Motion seconded by Councilmember Larson and carried by AYE votes of all present.

Wildlife Corridor Community Services Director Rodriguez introduced two representatives from Riverside County who explained their proposal to create a wildlife corridor in the canyon areas south of Redlands to provide a buffer area to allow wildlife movement and protection. Councilmember Larson moved to support this concept and directed staff to meet with the Riverside County representatives. Motion seconded by Councilmember Milson and carried by AYE votes of all present.

Agenda Item 6(c) regarding the disposition of City property located at 126 Garden Hill was continued to the evening session.

Please conform

ORANGE COAST TITLE CO.

RECORDING REQUESTED BY, AND
WHEN RECORDED, MAIL TO:

ROBERT K. SALL
SALL & VALK
25909 PALA, SUITE 300
MISSION VIEJO, CA 92691

COPY

of Document Recorded
on APR 18 1990 as No. 152025

Has not been compared with original.

SAN BERNARDINO COUNTY RECORDER

RECIPROCAL GRANT OF EASEMENTS AND DECLARATIONS
OF ESTABLISHMENT OF RESTRICTIONS AND
COVENANTS FOR
INDIANA COURT BUSINESS PARK

Larry A. Wallender
Senior Vice President

 **Lee &
Associates**
COMMERCIAL REAL ESTATE SERVICES™

1743 Orange Tree Lane, Suite A
Redlands, California 92374
714/798-2625 Fax 714/335-0037

LESSOR'S COPY

RECORDING REQUESTED BY, AND
WHEN RECORDED, MAIL TO:

ROBERT K. SALL
SALL & VALK
25909 PALA, SUITE 300
MISSION VIEJO, CA 92691

RECIPROCAL GRANT OF EASEMENTS AND DECLARATIONS
OF ESTABLISHMENT OF RESTRICTIONS AND
COVENANTS FOR
INDIANA COURT BUSINESS PARK

PARTIES TO THIS AGREEMENT

This declaration is made on March __, 1990, by and among CLARED PROPERTIES a California General Partnership and the CITY OF REDLANDS.

RECITALS

The parties desire to establish a general plan for the protection, development, maintenance and improvement of certain real property, sometimes called "Indiana Court Business Park" or "the Park", located in the City of Redlands, County of San Bernardino, State of California, such property being shown on Exhibit A attached hereto and incorporated herein by reference, and being more formally and legally described at Exhibit B, attached hereto and incorporated herein by reference, as an integrated, business park designed for the mutual benefit of the parties and of all of such property; and such parties have fixed protective provisions, covenants, restrictions, collectively referred to as "restrictions," on and subject to which all of such property or any part of it is to be improved, held, used, occupied, leased, sold, or conveyed, and each and all of which restrictions are for the mutual benefit of all of such property and of every portion, and of each of the parties, and which will run with the land and inure to and pass with each and all of such property, and will apply to and bind the respective successors in interest; and all and each

of such restrictions are imposed on each portion of such property as a mutual, equitable servitude in favor of all other portions of such property and any portion; each benefited portion is to be the dominant estate and each burdened portion of such property is to be the servient estate.

ARTICLE 1. DEFINITIONS

Section 1.01. The Park. These restrictions relate to Parcels 1, 2, 3, 4 and 5 of Parcel Map 12940 in the County of San Bernardino, State of California (the "Park"). The term "Park" shall refer collectively to such Parcels.

Section 1.02. Parcel. The term "Parcel shall refer to any of Parcels 1, 2, 3, 4 and 5 of Parcel Map 12940 in the County of San Bernardino, State of California.

Section 1.03. Occupant. The term "occupant" means each of the parties (as such term is later defined) and any person or persons from time to time entitled to the use and occupancy of commercial area in the Park under any lease, license, or concession agreement, or other instrument or arrangement under which each occupant acquires his (or its) status as such.

Section 1.04. Party. The term "party" means each of the persons (as such term is later defined) executing this instrument, or their respective successors in interest as later provided, of

their respective interests in the Park, as shown by the Official Records of the County of San Bernardino, State of California, as of the time in question (i.e., the date of the exercise of powers or rights or the performance of or failure of performance by such parties of obligations created by this instrument), who fit within the following classifications:

- (1) The person or persons holding record fee title to all or any portion of the parcels comprising the Park, except as provided in (2); or
- (2) The lessee or lessees under a ground lease of all or a portion of the parcels composing the Park for a fixed term of thirty-five (35) years, or longer (in which event the fee owner of the real property covered by such lease will not be deemed to be a party as to such property for purposes of this R.E.A. during the duration of such ground lease).

Section 1.05. R.E.A. The term "R.E.A." means Reciprocal Easement Agreement, and shall refer to this Agreement.

Section 1.06. Persons. The word "person," or "persons," means and includes individuals, partnerships, firms, associations and corporations or any other form of business entity.

Section 1.07. Permittees. The term "permittees" refers to all occupants and all customers, employees, and other business invitees of occupants.

Section 1.08. Motor Vehicle Parking Area. All common areas used for the parking of motor vehicles, including incidental and interior roadways, perimeters, sidewalks, walkways, curbs, and landscaping within or adjacent to areas used for parking of motor vehicles, together with all improvements which at any time are erected on such, subject to the provisions of Article 4, will be referred to as "motor vehicle parking area."

Section 1.09. Common Areas. All areas within the Park, subject to nonexclusive use as provided for in Section 4.01, and not exclusively appropriated for the use of any single occupant as provided herein, will be referred to as "common areas." Such areas include motor vehicle parking areas, roadways, driveways, walkways, landscaped areas, which are directly accessible from pedestrian passageways; whether or not within space leased to any tenant, and all other similar facilities provided for the convenience of such permittees. Such areas do not include buildings, areas, or facilities which are constructed and used for commercial use as defined herein.

Section 1.10. Commercial Area. All areas used or constructed for use for commercial purposes will be referred to as

"commercial area." Commercial area includes all buildings existing within the "Park"; Commercial area does not include Common Areas or Motor vehicle parking areas.

Section 1.11. Allowable Gross Square Feet. The term "allowable gross square feet" means the maximum number of square feet of permitted commercial area of each of the parties on its parcel or combined parcels of land, whether the entire amount is initially used, or whether part is initially used and the balance held for expansion. With reference to each of the parties, the term allowable square feet means the following:

Parcel 1	One building 10,825 sq. ft. allowable
Parcel 2	One building 10,825 sq. ft. allowable
Parcel 3	One building 7,815 sq. ft. allowable plus additional commercial area shown on Exhibit A presently used as play yard by Redlands Day Care, which contains 5,621 square feet of allowable potential building area
Parcel 4	Two buildings 5,621 sq. ft. and 13,255 sq. ft. allowable
Parcel 5	One building 13,255 sq. ft. allowable.

ARTICLE 2. REGULATION OF IMPROVEMENTS

Section 2.01. Setback Areas. No building, structure, or improvement of any kind, other than common area improvements, will be constructed, installed, and maintained above the surface of the ground area except in those areas specifically designated on Exhibit A for building sites. The parties each have the right to place footings, signs, canopies, cornices, and other building

features attached to a commercial building which project over the building setback lines, sidewalks, or walkways, provided the same comply with all applicable local ordinances, regulations zoning laws and codes.

Section 2.02. Signs. No sign, symbol, advertisement, or billboard will be constructed, used, maintained, erected, posted, pasted, displayed, or permitted on or about any portion of the Park except one or more signs for each facility which identifies the name, business or symbol of such facility, which does not advertise any particular item of merchandise, (other than as may be contained in the customary trade name of an occupant).

Section 2.03. Sound Projections. Exterior sound systems, loud speakers or devices for the production or projection of sound or noise into the common areas must not be constructed, operated, or maintained in the commercial areas unless approved in writing by all of the parties.

Section 2.04. Barriers. No hedge, fence, wall or other like barrier will be constructed on the line separating one parcel from another parcel, other than the improvements expressly permitted herein.

Section 2.05. Building Size Limits. No building will at any time be constructed or maintained on, under, or above the

surface of any parcels of the Park which exceeds the allowable gross square feet for such parcel or parcels.

ARTICLE 3. OPERATIONS AND USE

Section 3.01. Permitted Uses of Commercial Areas.

Neither the Park nor any part of it will be used and no building or other improvement will be constructed, maintained, or used for any purpose other than the following: commercial and industrial uses permitted by the applicable zoning laws and regulations of the City of Redlands. New uses shall be limited to those listed in the EV/IC Commercial Industrial District of the East Valley Corridor Specific Plan.

Section 3.02. Prohibited Operations and Nuisances. No use or operation will be made, conducted, or permitted on or with respect to all or any part of the Park which use or operation is obnoxious to or out of harmony with the development or operation of a first-class commercial or light industrial business park including (but not limited to) the following:

- (a) Any public or private nuisance;
- (b) Any noise or sound that is objectionable due to intermittence, beat, frequency, shrillness or loudness;
- (c) Any obnoxious odor;
- (d) Any noxious, toxic, caustic or corrosive fuel or gas;
- (e) Any dust, dirt or fly ash in excessive quantities;

- (f) Any unusual fire, explosion or other damaging or dangerous hazard;
- (g) Any distillation, refining, smelting, agriculture or mining operations;
- (h) Any "second Hand" store, Army, Navy or government "surplus" store [or a commonly referred to as a "discount house"];
- (i) Any trailer court, labor camp, junk yard, stock yard or animal raising (other than pet shop);
- (j) Any drilling for or removal of subsurface substances;
- (k) Any dumping, disposal, incineration or reduction of garbage or refuse; and
- (l) Any fire or bankruptcy sale or auction house operation, except periodic public sales which may be conducted by the Colton-Redlands-Yucaipa Regional Occupation Program, in accordance with its Lease of Parcel 4.

ARTICLE 4. EASEMENTS

Section 4.01. Easements. The parties grant each to the other the following reciprocal easements:

- (a) Parking Area Easements. Nonexclusive easements appurtenant to the party's property for the purpose of parking vehicles of the party; the tenants, concessionaires or owners of any portion of the party's property; and the customers, licensees

and invitees of the party and the tenants, concessionaires or sublessees; limited, however, for purposes connected with or incidental to any use being made of any portion of the party's property. The parking area easements are easements of each and all of the one or more portions of the Park property as is or are improved for the parking or accommodation of vehicles shown on Exhibit A, except the Gated Parking Easement described in Section 4.02 hereof.

(b) Common Area Easements. Nonexclusive easements appurtenant to the party's property for the purpose of pedestrian traffic of customers, invitees and licensees of the party; the tenants, concessionaires, or owners of any portion of such party's property, and the customers, officers, employees, licensees, and invitees of the party and the tenants, concessionaires, or owners; limited, however, for purposes connected with or incidental to any use then being made of such party's property. The common area easements are easements on each and all of the one or more portions of the Park property as is or are provided or available as walkaways for general use and the convenience of tenants of the Park and concessionaires, employees, and customers of the Park.

(c) Driveway and Access Easements. Nonexclusive easements appurtenant to the party's property for the purpose of furnishing driveway access and the right of access between (1) the public streets and (2) any parking areas situated on the Park property and between (3) the public streets and parking areas and (4) the party's property, all as shown on Exhibit A.

(d) Trash Enclosure Easements. Nonexclusive easements for access to and usage of the trash enclosures, as shown and depicted on Exhibit A, by each party, and their tenants, concessionaires or sublessees; limited, however, for purposes connected with or incidental to any use being made of any portion of the party's property. The trash enclosures shall be kept clean of spilled trash and debris and maintained by the owner or occupant of each Parcel upon which such trash enclosure is located.

(e) Drainage. Nonexclusive easements for the benefit of and appurtenant to each portion of the Park for drainage lines and systems in, on, and under the Park and the maintenance, removal and replacement of drainage lines and systems.

(f) Utility Lines. Each party shall have a nonexclusive easement for access to and maintenance of all utility lines which service any Parcel owned or occupied by the party. Each party shall separately maintain those utility lines which service and/or exist upon the Parcel owned or occupied by the party, at such party's sole expense.

Section 4.02. Gated Parking Easement. The Colton-Redlands-Yucaipa Regional Occupation Program (hereinafter "ROP") is a tenant of the owner of Parcel 4 of the Property. So long as ROP is an occupant of Parcel 4, ROP shall have an exclusive easement for gated parking of automobiles, in the location shown on Exhibit A. ROP shall install, at its sole cost and expense, a chain link fence with gates at both ends, no higher than six (6') feet,

between the exterior walls of the buildings located on Parcel 5 and Parcel 4 as shown on Exhibit A. The gates shall remain open during business hours and shall be secured only at night and during weekends and holidays. When secured, ROP shall have exclusive parking rights. At other times the gates shall remain open for common area access and drive through. The fence and gates shall be maintained by the owner of Parcel 4, and/or the ROP. ROP and the Owner of Parcel 4 are hereby granted an easement on Parcel 5 to install the gates and maintain and use the Gated Parking Easement. Upon termination of the ROP Lease or occupancy of Parcel 4 by ROP, the easement shall terminate and ROP and/or the owner of Parcel 4 shall cause the gates and fencing to be removed.

Section 4.03. Unimpeded Access Between Parcels. The parties covenant that at all times free access between the parcel(s) owned by each party and the remainder of the Park will not be impeded and free access will be maintained.

Section 4.04. Use by Permittees. With the exception of the Gated Parking Easement described in Section 4.02 hereof, the use of all easements provided for in this article and all other improved common areas in the entire Park will, in each instance, be nonexclusive, and for the use and benefit of the parties respectively, or their respective successors or assigns to all or any part of their parcels, and to the extent any party may see fit

to grant the same, for the use and benefit of other persons who are permittees as defined in Article 1.

Section 4.05. Joint Possession. The parties, or their respective successors or assigns to all or any part of their parcels, will jointly have the general possession of all common areas of the Park and such parties jointly or individually may, at any time and from time to time, remove, exclude, and restrain any person from the use or occupancy of such, excepting bona fide permittees who make use of such areas in accordance with this instrument. If unauthorized use is being made of any such common areas, any of the parties may also restrain or terminate such unauthorized use by appropriate proceedings after written notice to the owner of such parcel and failure to abate such use.

Section 4.06. Noncommercial Use. None of the common areas will be used for commercial purposes by any individual party, tenant or lessee or other permittee, except in accordance with the provisions of this R.E.A.

Section 4.07. Relocation of Utilities. Each party may relocate such utility facilities within its own parcel from time to time, at the expense of the party; provided, however, that such relocation will be performed only on sixty (60) days' written notice to all other parties using the utility facilities, and provided, further, that the relocation will not reduce or impair

the usefulness or function of the utility facilities and will be performed at the sole cost and expense of the party so relocating.

Section 4.08. No Right to Relocate Parking. No party shall have the right to designate, withdraw or redesignate as motor vehicle parking or commercial areas different from those existing at the time of execution of this R.E.A., as shown on Exhibit A.

ARTICLE 5. MAINTENANCE OF COMMON AREAS

Section 5.01. Each Party's Duty to Maintain. Each party at its sole cost and expense shall maintain the commercial area and all of that portion of the common area which is located on the Parcel owned or leased by that party, and keep them in good condition, repair, clean, and free of rubbish and other hazards to persons using such areas. Each party will have the right to select from time to time a person or persons other than itself to operate and maintain the common areas, provided that such selection will not diminish its obligations to maintain and operate the common areas. Such maintenance will include, without limitation:

(a) Maintenance of the surface of the motor vehicle parking area and sidewalks level, smooth and evenly covered with the type of surfacing material originally installed on such or such substitute as will in all respects be equal to it in quality, appearance and durability.

(b) Removal of all papers, debris, filth and refuse from the area, including trash enclosure, and washing or thoroughly sweeping paved areas as required.

(c) Cleaning of lighting fixtures and relamping as needed.

(d) Repainting of striping, markers, directional signs, etc., as necessary to maintain in first-class condition.

(e) Performance of maintenance of landscaping as necessary to keep in first-class condition and to provide the general effect contemplated by the improvements. Trees and shrubbery will be properly pruned or otherwise controlled to prevent any condition of overgrowth, and fertilized as necessary.

(f) Maintenance of all of the common areas free from any obstructions not required for their intended use.

(g) Maintenance of utility lines or any system which is to be used in whole or in part to provide service for common or commercial facilities erected, constructed, or installed on the parcel of one or more of the other parties.

Section 5.02. Taxes and Charges. Each party will pay all real estate taxes, assessments, and other charges which may be levied, assessed, or charged against its parcel in the Park or any part of such.

Section 5.03. Enforcement of Maintenance. In the event that any party, at any time, or from time to time, is dissatisfied

with another party's performance of its obligations under this Article, such party acting in conjunction with at least seventy-five (75%) percent of the owners of Parcels within the Park, or the City of Redlands acting alone will have the right to give written notice of such dissatisfaction, specifying the particulars in respect to which its performance is deemed by such parties to be unsatisfactory. If during the thirty (30) day period from the date of such notice such performance continues to be unsatisfactory, the notifying parties will have the right to give a second notice of such dissatisfaction in the same manner, specifying the particulars in respect of which the performance is deemed by such parties to be unsatisfactory, and if during the fifteen (15) day period from the date of such second notice the performance continues to be unsatisfactory, the notifying parties will have the right to cause to be taken over from the non-performing party either by means of an entity created for such purpose by the notifying parties or by means of an entity hired for such purpose by such parties, effective on the first day of the next succeeding calendar month, the maintenance, management, and operation of the common area located upon the parcel of the non-performing party; provided, however, that anything herein to the contrary notwithstanding, such takeover of the maintenance, management, and operation of such common area will not relieve the non-performing party of its obligation to pay all costs and expenses of maintenance, management, and operation of any such areas to the extent obligated under this R.E.A.; and provided

further that the takeover by such entity will not relieve the non-performing party of the obligation to keep, perform, and observe any of the other terms, provisions and conditions contained in this R.E.A. to be kept, performed, and observed by such party. Each party covenants and agrees promptly to pay to the entity, on demand, any sum which it will be obligated to pay with respect to the maintenance, management, and operation of the common area pursuant to this paragraph. In the event that the maintenance, management, and operation of the common area are taken from a non-performing party as provided in this paragraph, then any and all sums payable for the costs of such maintenance, management and enforcement hereof may be collected by such entity either through appropriate legal action for enforcement of lien as hereinafter provided. The entity will thereafter perform such maintenance, management and operation of the common area of the non-performing party throughout the remainder of the term of this R.E.A., unless the non-performing party at any time thereafter resumes maintenance, management and operation of its portion of the common area with the consent of the remaining parties.

Section 5.04. Lien. Whatever party or entity is charged with the responsibility of performing the maintenance, management, and operation of such common area on behalf of a non-performing party will during the time it is performing the maintenance, management and operation of such common area, and so long thereafter as any charge for such remains unpaid, have a lien on

the parcel of the party in performing its maintenance, management and operation, to secure the payment by the party of all sums payable to the managing entity. Any such lien will be perfected only after adhering to the provisions of Section 7.03. The lien will be junior to and will in no way impair the lien or charge of any first mortgage or first deed of trust, recorded prior to or subsequent to the recording of the notice.

ARTICLE 6. INSURANCE

Section 6.01. Indemnity and Liability Insurance. Each party shall hold harmless all other parties, and all tenants, lessees and occupants of the parcels of the other parties from all claims or judgments arising from the use of common areas located within its respective parcel or portion of such, unless the claim, demand or judgment is caused by the negligence of any other party, tenant, lessee, or occupant. Each party (except the City of Redlands) will provide public liability insurance with limits of not less than one million dollars (\$1,000,000) for each individual, two million dollars (\$2,000,000) for each accident, and two hundred fifty thousand dollars (\$250,000) for property damage in the performance of its obligations under this section. The other parties will be named as an additional insured on each such policy. Each party shall be entitled to receive a Certificate of Insurance evidencing such coverage. If any party fails or refuses to provide such Certificate and to maintain such coverage, the failure to do so may be enforced in the same manner provided in Section 5.03 or

in any other manner provided by law. In such event, the notifying parties may procure such insurance and collect the costs in the manner provided in Section 5.03 and 5.04.

Section 6.02. Waiver re: Fire Losses. Each party releases each of the other parties from any liability for any loss or damage of the type provided by fire insurance with extended coverage, and grants to the other parties, respectively, on behalf of any insurer providing such insurance, a waiver of any right of subrogation which any such insurer of any one party may acquire against any other party or parties by virtue of payment of any loss covered by such insurance.

Section 6.03. Damage or Destruction. Each party who is an owner of a parcel covenants to and with the other parties, each severally, that in the event of any damage or destruction to all or any portion of the common area improvements and motor vehicle parking area located within its owned parcel it will at its expense, restore, repair or rebuild such improvements with all due diligence. The provisions of this paragraph will apply regardless of the cause of damage or destruction and regardless of whether it was insured or uninsured. All restoration, repair or rebuilding under this paragraph and all conditions of the requirements of such restoration, repair or rebuilding, will be subject to the applicable provisions of this R.E.A.

ARTICLE 7. ENFORCEMENT

Section 7.01. Injunctive Relief. In the event of any violation or threatened violation by any party, lessee or occupant of any party of the Park of any of the terms, restrictions, covenants and conditions provided herein, either of the parties, or their respective successors or assigns to all or any part of their parcels, will have in addition to the right to collect damages, the right to enjoin such violation or threatened violation in a court of competent jurisdiction. Prior to the commencement of any such action, written notice of the violation will be given to the other party or other person responsible for such.

Section 7.02. Excuse for Nonperformance. If performance of any act or obligation of any party is prevented or delayed by act of God, war, labor, disputes or other cause or causes beyond the reasonable control of such party, the time for the performance of the act or obligation will be extended for the period that such act or performance is delayed or prevented by any such cause.

Section 7.03. Notice as Prerequisite to Default. A party will not be in default under this agreement except under such provisions as require the performance of an act within a specified period of time, unless the party has been given a written notice specifying the default and (a) fails to cure it within the period of thirty (30) days, or (b) commences to cure the default within such period of time, and if the default cannot be cured within the

specified time above in (a), if he thereafter does not diligently proceed to complete the curing of the default.

Section 7.04. Breach Will Not Permit Termination. It is expressly agreed that no breach of this R.E.A. will entitle any party to cancel, rescind or otherwise terminate this R.E.A., but this limitation will not affect, in any manner, any other rights or remedies which the parties may have by reason of any breach of this R.E.A.

Section 7.05. Breach Will Not Defeat Mortgage. A breach of any of the terms, conditions, covenants or restrictions of this R.E.A. will not defeat or render invalid the lien of any institutional first mortgage or institutional first deed of trust, made in good faith and for value, but such term, condition, covenant or restriction will be binding on and effective against any of the parties whose title to the property or any portion of such is acquired by foreclosure, Trustee's sale or otherwise.

ARTICLE 8. DURATION, EXTINGUISHMENT, CONTINUATION AND MODIFICATION

Section 8.01. Duration. This R.E.A. and each easement, setback line, covenant, restriction and undertaking of this R.E.A. will be for a term of fifty (50) years from its date, and will continue in full force and effect thereafter so long as fifty (50) percent of the allowable gross square feet of the commercial area

of Parcels 1, 2, 3, 4 and 5 of the Park (in the aggregate) are used for the uses permitted under this R.E.A., except that each easement granted pursuant to Article 4 will continue so long as such easement is used by any party and will terminate on nonuse for a consecutive six (6) month period, unless notice has been given by any party to the other parties during such period of its intention, to resume use within eighteen (18) months following the date on which nonuse commenced.

Section 8.02. Right to Modify, Terminate, Amend or Extend. This R.E.A. and any provision, covenant, condition or restriction contained within it may be terminated, extended, modified or amended as to the whole of the Park or any portion of it, with the consent of the City of Redlands and the parties in interest of seventy-five (75) percent of the total number of square feet of the land then subject to this R.E.A., based on the number of square feet of land owned, as compared to the total number of square feet of land then subject to this R.E.A., provided that whenever any parcel of land is owned or ground leased by more than one person or entity, then the consent of such parties to any termination, extension, modification, or amendment will be determined as follows: Each party sharing multiple ownership of a parcel will be entitled to one vote for each square foot of land in such parcel of land owned or leased by him multiplied by his fractional interest in any undivided interest. No termination, extension, modification or amendment will be effective until a

written instrument setting forth its terms has been executed, acknowledged and recorded in the Office of the Recorder of San Bernardino County, California.

Section 8.03. Exceptions. No such amendment, Modification, extension or termination will affect the rights of (1) any mortgagee under a mortgage or (2) the trustee or beneficiary under any deed of trust constituting a lien on any Parcel or Parcels in the Park at the time unless the mortgagee or beneficiary and trustee consent to such, nor will any amendment, modification, extension or termination be effective against such mortgagee, trustee or beneficiary subsequent to its securing title to its encumbered parcel by foreclosure, trustee's deed or deed in lieu of foreclosure, unless the mortgagee or trustee and beneficiary have consented in writing. No lessee, licensee or other person having a possessory interest, other than a party, will be required to join in the execution of or consent to any act of the parties taken subject to this section.

ARTICLE 9. NOT A PUBLIC DEDICATION

Section 9.01. Nothing contained in this R.E.A. will be deemed to be a gift or dedication of any portion of the Park to the general public or for the general public or for any public purpose whatsoever, it being the intention of the parties that this R.E.A. will be strictly limited to and for the purposes expressed herein.

ARTICLE 10. SEVERABILITY

Section 10.01. If any clause, sentence or other portion of the terms, conditions, covenants and restrictions of this R.E.A. become illegal, null or void for any reason or be held by any court of competent jurisdiction to be so, the remaining portions will remain in full force and effect.

ARTICLE 11. NOTICES

Section 11.01. All notices, statements, demands, approvals or other communications (referred to as "notices") to be given under or pursuant to this R.E.A. will be in writing, addressed to the parties at their respective addresses as provided below, and will be delivered in person, or by certified or registered mail, postage prepaid or by telegraph or cable, charges prepaid.

If mailed or telegraphed, the notice will be deemed to have been given twenty-four (24) hours after the date of mailing, or date of delivery to the telegraph or cable company.

The addresses of the parties to which such notices are to be sent will be those of which the other party or parties actually receive notice, and until further notice are as follows:

Clared Properties
Attention: Michael R. Wimbush
890 W. Baker Street
Costa Mesa, CA 92626

The City of Redlands
Attention: Planning Director
P. O. Box 3005
Redlands, CA 92373

ARTICLE 12. APPROVALS

Section 12.01. Whenever approval is required, unless otherwise provided herein, it will not be unreasonably withheld. Unless provision is made for a specific period of time, it will be deemed to be thirty (30) days, and if any party neither approves nor disapproves within that period, the party will be deemed to have given its approval. If a party disapproves, the reasons must be stated.

ARTICLE 13. LIENS

Section 13.01. Wherever under the terms of this R.E.A. any party is permitted to perform any work upon the parcel of another party, it is expressly understood and agreed that such party will not permit any mechanics', materialmen's or other similar liens to stand against the parcel on which such labor or material has been furnished in connection with any work performed by any such party. The party may bond and contest the validity and the amount of such, and the party will immediately pay any judgment rendered, with all proper costs and charges, and will have the lien released at such party's expense.

ARTICLE 14. MUTUALITY, RECIPROCITY: RUNS WITH LAND

Section 14.01. Dominant and Servient Estates. Each and all of the easements and rights granted or created herein are appurtenances to the applicable portions of the Park and none of

the easements and rights may be transferred, assigned or encumbered except as an appurtenance to such portions. For the purposes of the easements and rights, the property benefited will constitute the dominant estate, and the particular area in the Park which respectively is burdened by such easements and rights will constitute the servient estate.

Section 14.02. Covenants Run With Land. Each and all of the covenants, restrictions, conditions and provisions contained in this R.E.A. (whether affirmative or negative in nature) (a) are made for the direct, mutual and reciprocal benefit of each parcel of land in the Park; (b) will create mutual equitable servitudes upon each parcel of land in the Park in favor of every other parcel; (c) will constitute covenants running with the land; (d) will bind every person having any fee, leasehold or other interest in any portion of the Park at any time or from time to time to the extent that such portion is affected or bound by the covenant, restriction, condition or provision in question, or that the covenant, restriction, condition or provision is to be performed on such portion; and (e) will inure to the benefit of the parties and their respective successors and assigns as to their respective parcels of land in the Park.

Section 14.03. Transferee Parties. In the event of an assignment, transfer or conveyance by any Party, the following shall apply:

(a) Transfer of Interest. In the event of the assignment, transfer, or conveyance of the whole of the interest of any of the parties in and to the parcel in which such party presently has an interest, without retaining any beneficial interest other than under the terms of a deed of trust or mortgage, or without simultaneously acquiring a new interest by way of leasehold, life estate, or other possessory interest, then the powers, rights, and interest conferred on such party will be deemed assigned, transferred, or conveyed to such transferee, assignee or grantee, and the obligations will be deemed assumed by such transferee, assignee, or grantee with the interest so acquired.

(b) Retention of Interest. In the event the whole of the interest of such party in and to the parcel in which it has a present interest be assigned, transferred, or conveyed, but a new interest is created in such party simultaneously with the assignment, transfer, or conveyance of such interest by way of leasehold or similar possessory arrangement, or in the event such party conveys its interest in the parcel or any part by deed of trust or other security instrument as security for indebtedness, then none of the powers or obligations conferred on such party pursuant to this instrument will be deemed assigned, transferred, or conveyed with the interest assigned, transferred, or conveyed by such party, but all of the powers, rights, interests and obligations provided for here will remain in such party so long as it retains any possessory interest in and to the parcel other than as a beneficiary under the terms of a deed of trust or mortgage.

In the event the interest of such party referred to in this Paragraph (b) ceases and terminates, then on such termination, the powers, rights, interests, and obligations of such party will immediately vest in accordance with Paragraph (a) above, subject, however, to the provisions of Paragraph (c) of this section.

(c) Release of Duties on Transfer. Whenever the rights, powers, and obligations conferred on any of the parties are vested in another or successor party or parties pursuant to the provisions of Paragraphs (a) or (b) above, the transferor will be released or discharged from the obligations thereafter accruing under the terms of this R.E.A. (but will not be released as to any then existing obligation); provided that the transferees of such interest to a person other than a signatory party, by express agreement in writing, assume and agree to be bound by the covenants and restrictions contained herein, and that an executed copy of such assignment and assumption is delivered to each of the other parties and an executed copy is recorded in the Office of the Recorder of San Bernardino County.

Section 14.04. Assumption by Grantees or Lessees and Releases of Grantors or Lessors. The parties covenant that in each instance in which either of them ever conveys all or any part of their interest as parties to all or any portion of the Park to a grantee or lessee who will become thereby a new party, the grantor in such instance will (a) require the prospective new party to agree not to use, occupy or allow any lessee of such to use or

occupy the premises in any manner which would constitute a violation or breach of any of the affirmative or negative covenants in this R.E.A. and (b) require the new party to assume and agree to perform each and all of the obligations of the conveying party under this R.E.A. with respect to the portion of the Park conveyed in fee to such new party, in each case by a written instrument executed, acknowledged and recorded in the Office of the Recorder of San Bernardino County, notice of each such conveyance and agreement to be given to each person owning fee title to any part of the Park by the conveying party involved within ten (10) days after its making, which notice is to be accompanied by a copy of the conveyance and agreement. On such assumption by a new party and notice of such, the conveying party will thereafter be released from any further obligation under this document arising thereafter with respect to the part of the Park so conveyed to the new party in compliance with this document.

ARTICLE 15. ATTORNEY'S FEES

Section 15.01. In the event of legal action to enforce or interpret this R.E.A., the prevailing party shall be entitled to an award of actual attorney's fees and costs.

Executed at Redlands, California on March __, 1990 by:

CLARED PROPERTIES

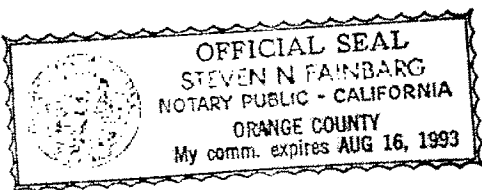
By Clara Clem
Clara Clem, General Partner

By Michael R. Wimbush, Trustee
Michael R. Wimbush, Trustee
General Partner

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.

On March 30, 1990, before me, the undersigned, a Notary Public in and for said State, personally appeared CLARA CLEM, General Partner and MICHAEL R. WIMBUSH, Trustee, General Partner for CLARED PROPERTIES personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons that executed the within instrument as General Partners on behalf of CLARED PROPERTIES, the partnership therein named and acknowledge to me that the partnership executed it.

WITNESS my hand and official seal.



Steven N. Fainburg
Notary Public

CITY OF REDLANDS

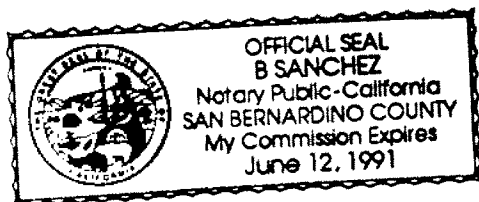
By *Charles G. DeMirjyn*
Name: Charles G. DeMirjyn
Title: Mayor

By *Lorrie Poyzer*
Name: Lorrie Poyzer
Title: City Clerk

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) ss.

On April 19, 1990, before me, the undersigned, a Notary Public in and for said State, personally appeared Charles G. DeMirjyn and Lorrie Poyzer for the CITY OF REDLANDS personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons that executed the within instrument as Mayor and City Clerk on behalf of the CITY OF REDLANDS.

WITNESS my hand and official seal.



B. Sanchez
Notary Public

CONSENT

The undersigned, being the respective beneficiaries of deeds of trust covering portions of real property described in the foregoing R.E.A., consent to the execution of the R.E.A. by the trustees under the deed of trust indicated opposite their respective signatures, and that their, and each of their interests in and to the property described in Exhibit B are now, and will continue to be, subject and subordinate to this R.E.A.

Dated: March 30, 1990

Beneficiary of Deed of Trust
dated January 24, 1989,
Recorded July 7, 1989,
Instrument No. 89-246780

SUMITOMO BANK, a California
Banking Corporation

By

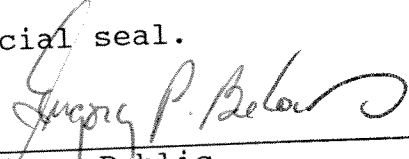

Richard Y. Hirota, Vice
President

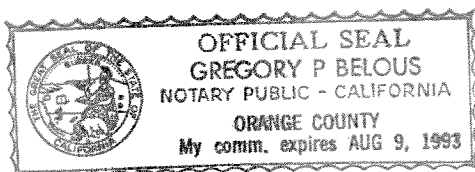
Official Records of San Bernardino
County, executed by Trustors Clared
Properties to Stewart Title Escrow,
Trustee.

STATE OF CALIFORNIA)
) ss.
COUNTY OF ORANGE)

On March 30, 1990, before me, the undersigned, a Notary Public in and for said State, personally appeared RICHARD Y. HIROTA, Vice President for SUMITOMO BANK personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as Vice President, on behalf of SUMITOMO BANK, a California Banking Corporation, the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.


Notary Public



ORANGE COAST TITLE COMPANY
A California Corporation
(as Trustee under said Deed
of Trust)

By

Rich Macaluso
Name: Rich Macaluso
Title: Assistant to the
President

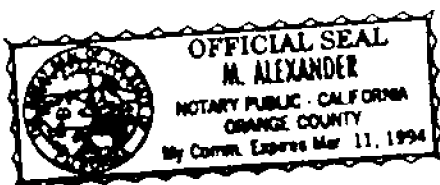
Beneficiary of Deed of Trust
dated January 24, 1989,
Recorded July 7, 1989,
Instrument No. 89-246780

Official Records of San Bernardino
County, executed by Trustors Clared
Properties to Orange Coast Title Company,
Trustee.

STATE OF CALIFORNIA)
COUNTY OF Orange) ss.

On ~~March~~ ^{April} 18, 1990, before me, the undersigned, a Notary
Public in and for said State, personally appeared Rich Macaluso
to me on the basis of satisfactory evidence) to be the person whose
name is subscribed to the within instrument as Assistant to the President
on behalf of the corporation therein named, and acknowledged to me
that such corporation executed the within instrument pursuant to
its by-laws or a resolution of its board of directors.

WITNESS my hand and official seal.



M. Alexander
Notary Public

CONSENT OF TENANTS

The undersigned tenants of the parcels indicated next to their respective names hereby consent to the foregoing R.E.A., to the extent it affects their leasehold interest in the respective Parcels.

Parcel 3:

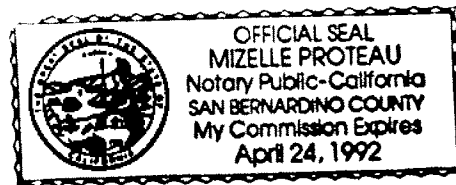
REDLANDS DAY NURSERY

By

Nancy Hensel
~~Janice H. Nicks~~, President
Nancy H. Hensel

STATE OF CALIFORNIA)

COUNTY OF San Bernardino) ss.



On ~~March~~ April 11, 1990, before me, the undersigned, a Notary Public in and for said State, personally appeared JANICE H. NICKS, President for REDLANDS DAY NURSERY personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged that they executed the same.

WITNESS my hand and official seal.

Mizelle Proteau
Notary Public

Parcel 4:

COLTON-REDLANDS-YUCAIPA REGIONAL
OCCUPATION PROGRAM

By

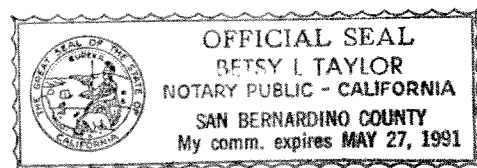
Larry M. Munz
Larry M. Munz, Superintendent

STATE OF CALIFORNIA)
) ss.
COUNTY OF San Bernardino)

On ~~March~~ ^{April} 12, 1990, before me, the undersigned, a Notary Public in and for said State, personally appeared LARRY M. MUNZ, Superintendent for COLTON-REDLANDS-YUCAIPA REGIONAL OCCUPATION PROGRAM personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged that they executed the same.

WITNESS my hand and official seal.

Betsy L. Taylor
Notary Public



Parcel 5:

DON WAGNER dba CARPET CLUB, INC.

By Don Wagner
Don Wagner

STATE OF CALIFORNIA)
COUNTY OF San Bernardino) ss.

On ~~March~~ ^{April} 18, 1990, before me, the undersigned, a Notary Public in and for said State, personally appeared DON WAGNER personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged that they executed the same.

WITNESS my hand and official seal.



Mizelle Proteau
Notary Public

Parcel 5:

HYDRO TEK, a California
Corporation

By

John S. Koen
John S. Koen, President



STATE OF CALIFORNIA)
) ss.
COUNTY OF San Bernardino)

On ~~March~~ ^{April} 11, 1990, before me, the undersigned, a Notary Public in and for said State, personally appeared JOHN S. KOEN, President for HYRDO TEK, a California Corporation personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged that they executed the same.

WITNESS my hand and official seal.

Mizelle Proteau
Notary Public

EXHIBIT A

SITE PLAN - TO BE ATTACHED

SITE PLAN EXHIBIT "A" P.M. 12940

LEGEND

-  PARCEL NUMBER
-  COMMERCIAL AREA
-  GATED PARKING AREA
- ① COMMON AREA
- ② COMMON TRASH ENCLOSURE

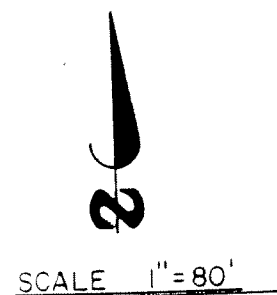
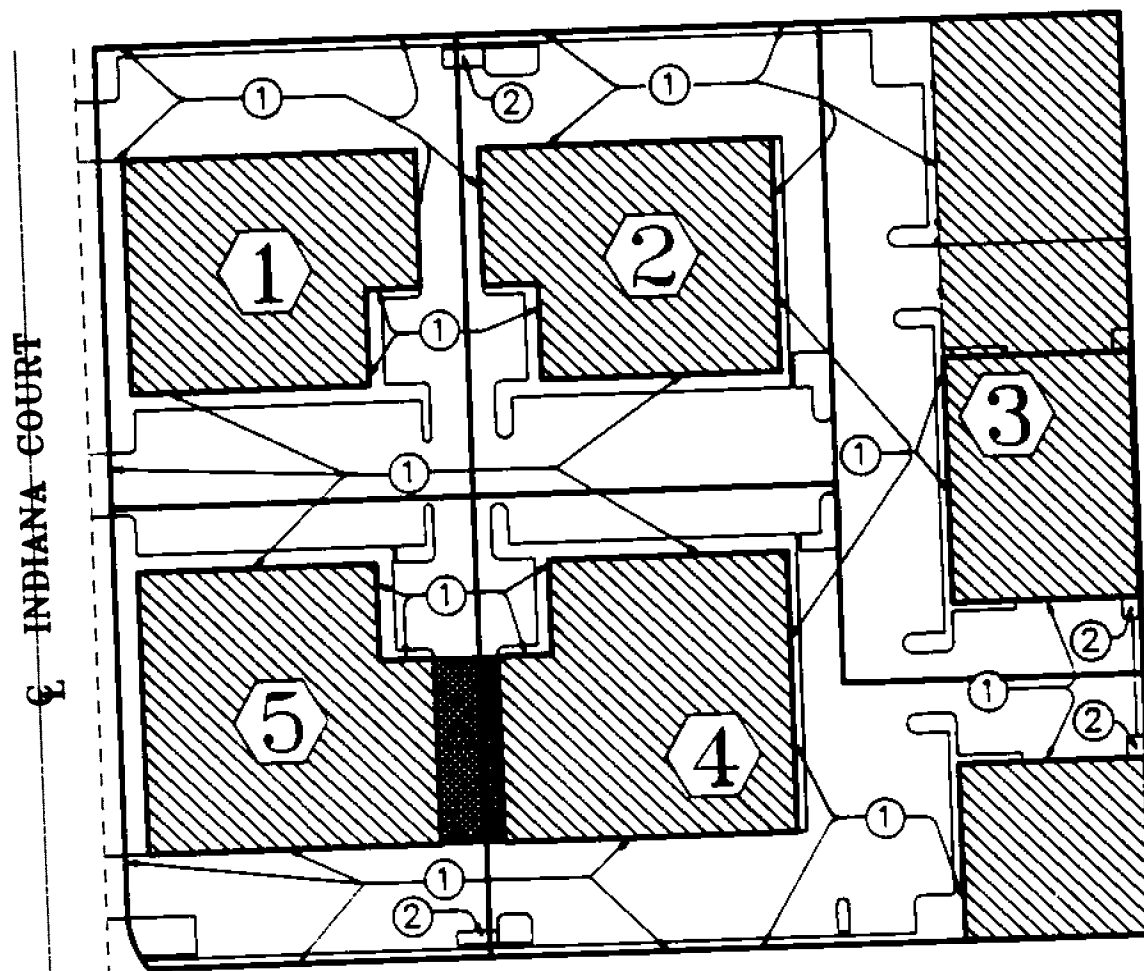


EXHIBIT B

Parcels 1, 2, 3, 4 and 5 of Parcel Map 12940, being a division of Lot 4 of Tract 12158 as shown by Map on file in Book 183, Pages 56 and 57 of Maps, Official Records of San Bernardino County, California.