

RECORDING REQUESTED BY:

HIGGS, FLETCHER & MACK

WHEN RECORDED MAIL TO:

David W. Ferguson, Esq.
HIGGS, FLETCHER & MACK
613 W. Valley Parkway, Suite 345
Escondido, CA 92025

FIRST AMENDMENT TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF RANCHO TEMECULA PLAZA

This First Amendment to Declaration of Covenants, Conditions and Restrictions of RANCHO TEMECULA PLAZA ("First Amendment") is made this 18th day of December 1987, by NORMAN PORT and MARLENE PORT, Trustees under the Port Trust Agreement dated December 10, 1981, as amended and Trustees under Amended and Restated Trust Agreement dated August 2, 1985, JAMES PORT, Trustee of Port-Streitfeld-Schwartz Declaration of Trust dated April 23, 1986, and JOSEPH J. KUZMANIC, a married man as his separate property, and HIDEO ASANO, a married man ("Members"), to amend that Declaration of Covenants, Conditions and Restrictions of RANCHO TEMECULA PLAZA recorded in the Official Records of Riverside County, California on September 9, 1987 at File/Page 87-261259 ("Declaration").

Pursuant to Paragraph 12.2 of the Declaration, the Class A Members and Class B Member hereby amend Paragraph 4.6, "Use of Lots," to delete therefrom the last sentence, which sentence states: "In addition, Lot or Units shall not be used for any excluded purpose set in Exhibit 'C' hereto ('Use Restrictions'), and shall be limited to permitted uses as set forth therein." Further, Exhibit "C," "Use Restrictions" shall be of no further force and effect.

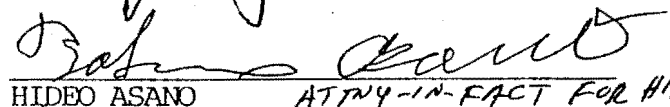
The undersigned represent all of the voting power of Class A Members and Class B Members of the RANCHO TEMECULA PLAZA ASSOCIATION, and are entitled to amend the Declaration.

Dated: 2/15/88

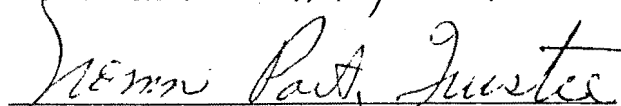
Dated: 12-18-87

Dated: 12-18-87


JOSEPH J. KUZMANIC


HIDEO ASANO

ATNY-IN-FACT FOR HIDEO ASANO


NORMAN PORT, Trustee under the Port Trust Agreement dated December 10, 1981, as amended and Trustee under Amended and Restated Trust Agreement dated August 2, 1985

Dated: 12-18-87

Marlene Port, Trustee
MARLENE PORT, Trustee under the Port Trust Agreement dated December 10, 1981, as amended and Trustee under Amended and Restated Trust Agreement dated August 2, 1985

Dated: 12-18-87

James Port, Trustee
JAMES PORT, Trustee of the Port-Streitfeld-Schwartz Declaration of Trust dated April 23, 1986

** See below for further signatures

APPROVED.

County of Riverside

By: _____

**Dated: _____

JIUNN-SHIUNG LIN

Dated: _____

SHEAU YUAN LIN

STATE OF CALIFORNIA)
COUNTY OF Riverside) ss.

On Feb. 15, 1988, before me, the undersigned, a Notary Public in and for said State, personally appeared JOSEPH J. KUZMANIC, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument, and acknowledged to me that he executed it.

WITNESS my hand and official seal.

(Seal)

Cheryl A. DeBaker
Notary Public in and for said State

Dated: 12-18-87

Marlene Port, Trustee
MARLENE PORT, Trustee under the Port Trust Agreement dated December 10, 1981, as amended and Trustee under Amended and Restated Trust Agreement dated August 2, 1985

Dated: 12-18-87

James Port Trustee
JAMES PORT, Trustee of the Port-Streitfeld-Schwartz Declaration of Trust dated April 23, 1986

** See below for further signatures

APPROVED.

County of Riverside

By: _____

** Dated: 5-9-88

Jiunn-Shiung Lin
JIUNN-SHIUNG LIN

Dated: 5-9-88

Sheau Yuan Lin
SHEAU YUAN LIN

State of California

County of San Diego

} ss.

On this the 9th day of May, 1988, before me,

SYLVIA MARIE BIELIK

the undersigned Notary Public, personally appeared

JIUNN-SHIUNG LIN AND SHEAU YUAN LIN

personally known to me

proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) are subscribed to the

within instrument, and acknowledged that they executed it.

WITNESS my hand and official seal.

Sylvia Marie Bielik
Notary Signature



ATTORNEY-IN-FACT ACKNOWLEDGEMENT

City & STATE OF HAWAII)
County of Honolulu) ss.

On this 11th day of January, 19 88, before me personally appeared
TAKEO ASANO

to me known to be the person who executed the foregoing instrument in behalf of *HIDEO ASANO*
, and acknowledged that he executed
the same as the free act and deed of said *HIDEO ASANO*

[Signature]
Notary Public, First Judicial Circuit, State of Hawaii
My commission expires 2/7/90

P-181 (REV. 7/62)

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) ss.

On DECEMBER 18, 1987, before me, the undersigned, a Notary Public in and for said State, personally appeared NORMAN PORT, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person that executed the within instrument as Trustee under the Port Trust Agreement dated December 10, 1981, as amended and as Trustee under Amended and Restated Trust Agreement dated August 2, 1985, and acknowledged to me that he executed it.

WITNESS my hand and official seal.

(Seal)



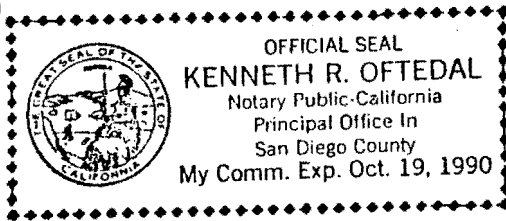
[Signature]
Notary Public in and for said State

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN DIEGO)

On DECEMBER 18, 1987, before me, the undersigned, a Notary Public in and for said State, personally appeared MARLENE PORT, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person that executed the within instrument as Trustee under the Port Trust Agreement dated December 10, 1981, as amended and as Trustee under Amended and Restated Trust Agreement dated August 2, 1985, and acknowledged to me that she executed it.

WITNESS my hand and official seal.

(Seal)



Kenneth R. Oftedal
Notary Public in and for said State

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN DIEGO)

On DECEMBER 18, 1987, before me, the undersigned, a Notary Public in and for said State, personally appeared JAMES PORT, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person that executed the within instrument as Trustee of the Port-Streitfeld-Schwartz Declaration of Trust dated April 23, 1986, and acknowledged to me that he executed it.

WITNESS my hand and official seal.

(Seal)



Kenneth R. Oftedal
Notary Public in and for said State

261059

RECORDING REQUESTED BY
TICOR TITLE INSURANCE

Recording Requested By:

Higgs, Fletcher & Mack

When Recorded Return to:

David W. Ferguson
Higgs, Fletcher & Mack
442 S. Escondido Boulevard
Escondido, CA 92025

RECEIVED FOR RECORD
AT 2:00 O'CLOCK P.M.

SEP 9 1987

Recorded in Official Records
of Riverside County, California

William J. Farney
Recorder

Fees \$ 75

75/35

Above Space for Recorder's
Use

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS OF
RANCHO TEMECULA PLAZA

HIGGS, FLETCHER & MACK

SEP 16 1987

RECEIVED ON

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**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS OF
RANCHO TEMECULA PLAZA**

This Declaration is made this 2nd day of June, 1987, by Norman Port and Marlene Port, Trustees under the Port Trust Agreement dated December 10, 1981, as amended and Trustees under Amended and Restated Trust Agreement dated August 2, 1985, as to an undivided 53.50 percent and JAMES PORT, Trustee of Port-Streitfeld-Schwartz Declaration of Trust dated April 23, 1986, as to an undivided 46.50 percent ("Declarant").

Declarant is the owner of real property located in the County of Riverside, California, described in Exhibit "A" (Real Property").

Declaration

Declarant declares that Real Property is, and shall be, held, conveyed, hypothecated, encumbered, leased, rented, used and occupied subject to the following limitations, restrictions, easements, covenants, conditions, liens and charges, all of which are declared and agreed to be in furtherance of a plan of ownership for the subdivision, improvement, protection, maintenance and sale of Lots within the Real Property, and all of which are declared and agreed to be for the purpose of enhancing, maintaining and protecting the value and the attractiveness of the Real Property. All of the limitations, restrictions, easements, covenants, conditions, liens and charges shall run with the land, and shall be binding on and inure to the benefit of all parties having any right, title or interest therein, or in any part thereof, their heirs, successors and assigns, and all of which are imposed upon the Real Property, and every part thereof as a servitude in favor of each and every parcel thereof as a dominant tenement or tenement and may be enforced by Declarant, its successors and assigns, the County of Riverside, each Owner (hereinafter defined), his successors and assigns, or by the Association (hereinafter defined), its successors and assigns, including those through merger, consolidation or reorganization; provided, however, no provision of the Declaration shall limit in any way, or be construed to limit or prevent, Declarant's development of the Real Property and construction of improvements thereon, nor Declarant's right to maintain construction, sale or leasing offices or similar facilities on the Real Property, or any portion thereof owned by Declarant, or on any real property owned by an Owner with the consent of such Owner, nor Declarant's right to post signs incidental to construction, sale or leasing.

ARTICLE 1

Definitions

Unless the context otherwise specifies or requires, the following words and phrases, when used in this Declaration, shall have the meaning hereinafter specified:

1.1 **Articles** shall mean the Association's articles of incorporation and their amendments.

1.2 **Assessment** shall refer to any or all of the assessments hereinafter defined:

1.2.1 Regular Assessment shall mean a charge against each Lot Owner and his Lot, including improvements thereon, representing that portion of the Common Expenses attributable to such Owner and his Lot as provided for in this Declaration.

1.2.2 Special Assessment shall mean a charge against each Owner and his Lot, including improvements thereon, representing a portion of the cost to the Association for the installation, construction, repair or reconstruction of any capital improvements on any Common Area, and as payment of other Common Expenses as provided for in this Declaration.

1.3 Association shall mean Rancho Temecula Plaza Association, a California not-for-profit corporation, its successors and assigns.

1.4 Board shall mean the Board of Directors of the Association.

1.5 Bylaws shall mean the Association's bylaws and their amendments.

1.6 Commercial Center shall mean the Rancho Temecula Plaza.

1.7 Common Area shall mean any easements, including but not limited to access easements and sign easements, if any, described on the attached Exhibit "B," owned by the Declarant and to be transferred to the Association for the benefit of the Members as defined in this Declaration.

1.8 Common Area Expenses or Common Expenses shall mean and refer to actual and estimated costs of maintenance, management, operation, repair and replacement of the Common Area, unpaid assessments, management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and other employees; utilities, trash pick-up and disposal, gardening and other services benefiting the Common Area; fire, casualty, liability, workers' compensation and other insurance covering the Common Area; reasonable reserves as appropriate; bonding of the members of the management body; taxes paid by the Association; amounts paid by the Association for the discharge of any lien or encumbrance levied against Common Area or portions thereof; amounts paid or incurred by the Association in collecting assessments, including amounts expended to purchase a Lot in connection with the foreclosure of an assessment lien against such Lot; and expenses incurred by the Association for any reason whatsoever in connection with the Common Area, this Declaration, the Articles or Bylaws, or in furtherance of the purposes of the Association, or in the discharge of any obligations imposed on the Association, or the Board by this Declaration.

1.9 Declarant shall mean NORMAN PORT and MARLENE PORT, Trustees under the Port Trust Agreement dated December 10, 1981, as amended and as Trustees under Amended and Restated Trust Agreement dated August 2, 1985, as to an undivided 53.50 percent, and JAMES PORT, Trustee of Port-Streitfeld-Schwartz Declaration of Trust dated April 23, 1986, as to an undivided 46.50 percent, and their successors and assigns.

1.10 Development shall mean the entire parcel of Real Property described on Exhibit "A" hereto, divided or to be divided in Lots and Common Area including all structures and improvements on it.

1.11 Declaration shall mean this instrument as it may, from time to time, be amended.

1.12 Lot shall mean a portion of the Real Property which is a legally described parcel of real property, or is designated as a lot on any recorded subdivision tract map

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upon which there has been, or will be constructed a Unit, being a commercial structure. The term "Lot" shall not include any property classified as "Association property" or "Common Area." The term "Lot" shall be deemed to include the term "Unit" (hereinafter defined) unless the context otherwise indicates.

1.13 Member shall mean any person who is a Member of the Association pursuant to the provisions of Article 4 hereof.

1.14 Owner or Lot Owner shall mean (a) Declarant, unless otherwise designated; or (b) any person or persons being either (i) grantee or grantees, as the case may be, of the fee simple estate by conveyance in a Lot and their successors and assigns; or (ii) the purchasers, under any executory contract of sale, of a Lot within the Development. Unless the context otherwise requires, the term "Owner" shall include employees, servants, agents, representatives, invitees, licensees and lessees of any Owner, but shall not include those having such interest merely as security for the performance of an obligation.

1.15 Person shall mean any individual, partnership, corporation, Association, or other entity with the legal right to hold title to real property.

1.16 Record, recorded and recordation shall mean, with respect to any document, the recordation of such documents in the office of the County Recorder of Riverside County, California (which may also be referred to herein as "file" or "filed").

1.17 Unit shall mean and refer to any structure or building located on a Lot.

ARTICLE 2

Description of Common Interest, Property Rights, Rights of Enjoinment and Easements

2.1 Ownership of Lot; Easements. Ownership of each Lot within the Development shall include the Lot, a membership in the Association, and any exclusive or non-exclusive easement or easements appurtenant to such Lot over the Common Area as described in this Declaration, or the deed to a Lot.

2.2 Owners' Non-Exclusive Easements. Every Owner of a Lot shall have a non-exclusive easement of use and enjoyment in, to and throughout the Common Area of the Development, and for ingress, egress and support over and through the Common Area. However, such non-exclusive easement shall be subordinate to, and shall not interfere with, exclusive easements, if any, appurtenant to and which pass with title to every assessed Lot, subject to the following rights and restrictions:

2.2.1 Rules. The right of the Association to adopt Association rules and regulations regulating the use and enjoyment of the Common Area.

2.2.2 Borrow Money. The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Area and facilities thereon, if any, and in aid thereof to mortgage or deed, in trust, said Common Areas; provided, however, that the rights of the mortgagee shall be subordinate to the rights of the Members.

2.2.3 Protect Common Area. The right of the Association to take such steps as are reasonably necessary to protect the Common Area against foreclosure;

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2.2.4 Entry for Construction. The right of Declarant or designees to enter on the Development, to construct the Development, and to make repairs and remedy construction defects if such entry shall not interfere with the use of any occupied Lot or Unit unless authorized by the Lot Owner.

2.2.5 Entry to Enforce Declaration. The right of the Association, or its agents, to enter any Lot or Unit thereon to perform its obligations under this Declaration, including obligations with respect to construction, maintenance or repair for the benefit of the Common Area or the Owners in common. The rights shall be immediate in case of an emergency originating in or threatening such Lot, and the obligation can be performed whether or not the Owner is present.

2.2.6 Other Rights. Such other rights of the Association contained in this Declaration.

2.3 Minor Encroachments. If any portion of the Common Area encroaches on any Lot or Unit thereon, or if any portion of a Lot or Unit encroaches on the Common Area, regardless of the cause, a valid easement shall exist for such encroachment and for the maintenance of it as long as it remains, and all Lots, Units and the Common Area are made subject to such easements. In the event that any Lot, Unit, any adjoining Lot or Unit, or any adjoining Common Area, shall be partially or wholly destroyed as a result of fire or other casualty, or as a result of condemnation or eminent domain proceedings and then rebuilt, and any encroachment results therefrom, a valid easement shall exist for such encroachment and for the maintenance of it as long as it remains, and all Lots, Units and the Common Area are made subject to such easements.

ARTICLE 3

Rancho Temecula Plaza Association

3.1 Organization. The Association shall be a non-profit California corporation charged with the duties and invested with the powers prescribed by law and set forth in the Articles, Bylaws and this Declaration. The Association shall be formed prior to the closing and recording of the first Lot sale to an Owner other than the Declarant. Neither the Articles nor the Bylaws shall, for any reason, be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration. On closing and recording of the first Lot sale to an Owner other than the Declarant, the Association shall thereupon be charged with the duties and invested with the powers set forth in the Articles, the Bylaws and this Declaration, including, but not limited to, control and maintenance of the Common Area and any Common Area facilities.

3.2 Membership.

3.2.1 Qualification. Each Owner (including the Declarant) of a Lot, by virtue of being such an Owner and for so long as he is such an Owner, shall be deemed a Member of the Association. Ownership of such Lot shall be the sole qualification for membership.

3.2.2 Transfer of Membership. The Association membership of each Owner (including Declarant), and the right to vote shall be appurtenant to said Lot, and shall not be transferred, pledged or alienated in any way except upon the conveyance or sale of a Lot, and then only to the conveyee or purchaser of said Lot as a new owner thereof. Any attempt to make a prohibited transfer shall be void. Any transfer of title to said Lot shall operate automatically to transfer said membership to the new owner thereof. Each

Owner shall promptly notify the Association in writing upon the transfer or conveyance of any interest in his Lot.

3.3 Voting.

3.3.1 Number of votes. All the Members shall have voting rights, and the Association shall have two (2) classes of Members as follows:

3.3.1.1 ~~Class A Members shall originally be all of the Owners, with the exception of Declarant, or its successor in interest, and shall be entitled to one (1) vote for each Lot owned.~~ Declarant shall become a Class A member with regard to Lots owned by Declarant upon expiration of its Class B membership. The Owner of each Lot in the Development may, by notice in writing to the Association, designate a person (who need not be an Owner) to exercise the vote for such Lot. Such designation shall be revocable at any time by notice in writing to the Association by the Owner. Such powers of designation and revocation may be exercised by the guardian of an Owner's estate, by his executor or administrator where the latter's interest in said property is subject to administration in his estate; or, in the case of a corporate Owner, by the president or by any vice president thereof, or by any officer, or by any other person authorized by its board of directors. Any person designated to exercise the vote for any Lot shall be conclusively presumed to have the right, power and consent to bind the Owner upon any matter which may be presented for vote to the Members.

3.3.1.2 ~~The Class B Member shall be Declarant, its assignee or its successor. Declarant or assignee shall be entitled to three (3) votes for each Lot owned by Declarant or assignee and located within the Development.~~ Class B membership shall continue for only so long as Declarant or its successor or assign owns any Lot or Lots and holds the same out for sale upon completing all improvements thereon.

3.3.2 Joint Owner Disputes. The vote for each Lot shall, if at all, be cast as a single vote, and fractional votes shall not be allowed. In the event that joint owners are unable to agree among themselves as to how their vote shall be cast, they shall lose their right to vote on the matter in question. If any owner casts a vote representing a certain Lot, it will thereafter be conclusively presumed for all purposes that he was acting with the authority and consent of all other owners of the same Lot.

3.4 Meetings of Members.

3.4.1 Time and Notice. There shall be a meeting of the Members of the Association on the _____ Tuesday in _____ of each year at 10:00 A.M. or at such other time as the Board may fix from time to time, and at such place within the Real Property, or within the County of Riverside, State of California, or at any such reasonable time (not more than thirty (30) days before or after such date) as may be designated by written notice of the Board given to the Members not less than ten (10) days, nor more than ninety (90) days prior to the date fixed for said meeting, specifying the date, time and place thereof. A special meeting of the Members of the Association shall be promptly called at any reasonable time and place by written notice of the Board of the Association upon: (i) the vote for such meeting by a majority of a quorum of the Board of the Association; or (ii) upon receipt of a written request thereof signed by Members representing not less than twenty-five percent (25%) of the total voting power of the Association, or by Members representing not less than five percent (5%) of the total voting power residing in exclusive of Declarant, and specifying the date, time and place thereof, and the nature of the business to be undertaken.

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3.4.2 First Meeting. Not later than three (3) months after the sale of the first Lot in the Development, a special meeting shall be held at which members of the Board of the Association shall be elected by a vote of the then Members of the Association. The presence at any meeting, in person or by proxy, of the Members entitled to vote at least fifty percent (50%) of the total vote shall constitute a quorum. If any meeting cannot be held because a quorum is not present, the Members present, either in person or by proxy, may, as otherwise provided by law, adjourn the meeting to a time not less than five (5) days nor more than thirty (30) days from the time the original meeting was called, at which meeting the quorum requirement shall be Members entitled to vote at least twenty-five percent (25%) percent of the total vote.

3.4.3 Chairman and Secretary. The president of the Association (or any vice-president in his absence) shall act as chairman of all meetings of the Members, and the secretary of the Association (or assistant secretary thereof in his absence) shall act as secretary of all such meetings.

3.5 Voting Rights. The voting rights of all the classes of Membership shall be subject to the restrictions and limitations provided in this Declaration and in the Articles and Bylaws.

3.6 Duties of the Association. The Association shall have the obligation, subject to and in accordance with this Declaration, the Articles and Bylaws, to perform each of the following duties for the benefit of the Owners of each Lot within the Development as follows:

3.6.1 Association Real Property. Upon prior written consent of the Planning Director of the County of Riverside or the County's successor-in-interest, to accept delivery of and exercise dominion over all real property and interests therein conveyed to the Association by Declarant, which real property and/or interests therein shall include, but not be limited to, Common Area and easements for operation, maintenance and access purposes.

3.6.2 Association Personal Property. To accept delivery of and exercise dominion over all personal property transferred and assigned to the Association by Declarant.

3.6.3 Title to Property Upon Dissolution. To convey, upon dissolution of the Association, the assets of the Association to an appropriate public agency or agencies to be used for purposes similar to those for which the Association was created, or to a nonprofit corporation, association, trust or other organization organized and operated for such similar purposes.

3.6.4 Operation of Common Area. To operate, maintain and landscape, or provide for the operation, maintenance and landscaping of the Common Area, all slopes, landscaped areas and irrigation systems conveyed to it by Declarant or, at its option, in which it owns easements either for operation and maintenance purposes or for the benefit of Members, and to keep all improvements of whatever kind and for whatever purpose from time to time located thereon in good order and repair. To the extent that any building on a Lot does not extend to the Lot lines, the Association may, but shall not be obligated to landscape such unimproved areas in a manner and style as the Association shall decide.

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3.6.5 Payment of Taxes. To pay all general and special real property taxes and assessments levied upon any property conveyed, or otherwise transferred to the Association, to the extent not assessed to the Members thereof. Such taxes and assessments may be contested or compromised by the Association; provided, however, that they are paid or a bond insuring the payment is posted prior to the sale or other disposition of any property to satisfy the payment of such taxes.

3.6.6 Insurance. To obtain and maintain in force the following policies of insurance:

3.6.6.1 Fire and extended coverage insurance on all improvements owned by or leased to the Association, in such amounts as the Association shall deem necessary.

3.6.6.2 Bodily injury liability insurance, and property damage liability insurance, insuring against liability for bodily injury, death and property damage arising from the activities of the Association or with respect to property under its jurisdiction, in such amounts as the Association shall deem necessary. The liability insurance shall name as separately protected insureds the Declarant, the Association, the Board and their representatives, members and employees, with respect to any liability arising out of the maintenance or use of any Association property.

3.6.6.3 Workers' compensation insurance to the extent necessary to comply with any applicable laws.

3.6.6.4 Such other insurance, including business interruption insurance, indemnity and other bonds as the Board shall deem necessary or expedient to carry out the Association's functions as set forth in this Declaration, the Articles and Bylaws.

Every policy of insurance obtained by the Association shall contain an express waiver, if available, of any and all rights of subrogation against Declarant, Declarant's agent and representatives, any person, firm or corporation affiliated with Declarant in the development of the Commercial Center, the Board, and their representatives, members and employees.

Said fire and liability insurance policies may be blanket policies covering the Association properties, any properties located within the Development owned and/or administered by the Association, and any property of the Declarant located within or nearby the Development, in which case the Association and Declarant shall each pay their proportionate share of the premium. With respect to insurance proceeds paid in connection with a loss of Association property only, the Association shall be deemed trustee of the interests of all Members (Owners) in any insurance proceeds paid to it under any such policies, and shall have full power to receive and to receipt for their interest in such proceeds and to deal therewith.

3.6.7 Rule Making. To make, establish, promulgate, amend and repeal the Association rules as provided in Section 3.8 hereof.

3.6.8 Enforcement of Restrictions and Rules. To perform such other acts, whether or not expressly authorized by this Declaration as may be reasonably necessary to enforce any of the provisions of this Declaration and the rules.

3.6.9 Maintenance and Repair. To maintain, repair and landscape, the Common Area, all slopes, landscaped areas and irrigation systems, and all improvements thereto.

3.6.10 Other. To carry out the duties of the Association set forth in this Declaration, the Articles and Bylaws.

3.6.11 Contracts. During the period of time when Declarant and/or its representatives have a majority of the membership votes of the Association, neither Declarant nor any agent of Declarant shall enter into any contract which would bind the Association or the Board thereof for a period in excess of one (1) year, except with the approval of a majority of the Owners.

3.6.12 Audit. Any Owner may, at any time and at his own expense, cause an audit or inspection to be made of the books and records of the Association by a certified public accountant; provided, however, that such audit or inspection is made during normal working hours and without unnecessary interference with the operations of the Association.

3.6.13 Financial Statements. The Board shall cause financial statements for the Association to be prepared and copies shall be distributed to Owners as follows: (i) a pro forma operating statement (budget) for each fiscal year shall be distributed not less than sixty (60) days before the beginning of the fiscal year; (ii) a balance sheet (as of an accounting date which is the last day of the month closest in time to six (6) months from the date of closing of the first sale of a Unit), and an operating statement for the period from the date of the first closing to said accounting date, shall be distributed within sixty (60) days after the accounting date. Such statement shall include a schedule of Assessments received and receivable, identified by Lot and name and entity assessed; and (iii) an annual report shall be distributed within 120 days after the close of the fiscal year and shall consist of the following:

- (a) A balance sheet as of the end of the fiscal year;
- (b) An operating (income) statement for the fiscal year;

3.7 Powers and Authority of the Association. The Association shall have all of the powers of a California nonprofit corporation, subject only to such limitations appearing in the Articles, Bylaws or this Declaration. It shall have the power to do any and all lawful things which may be authorized, required or permitted to be done by the Association under and by virtue of this Declaration, the Articles and Bylaws of the Association, and to do and perform any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the express powers of the Association. Without in any way limiting the generality of any of the foregoing provisions, the Association shall have the power and authority, without the obligation, at any time, to do the following:

3.7.1 Assessments. All in accordance with the provisions of Article 6 hereof, and in the proportions set forth therein, to levy Regular Assessments against the Owners of Lots and, if necessary, to collect amounts so assessed against the Owners of Lots, or any of them; and, further, to enforce payment of any such Assessments against the Owners utilizing the procedures set forth in Article 7.

3.7.2 Special Assessments. To levy Special Assessments against Owners of Lots within the Development as provided for in Article 6 hereof; and, further, to enforce payment of any such Assessment against the Owners utilizing the procedures set forth in Article 7.

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3.7.3 Right of Entry and Enforcement.

3.7.3.1 Easements and Rights-of-Way. To grant and convey to the extent of its interest therein to any person, easements, rights-of-way, parcels or strips of land in, on, over or under any Association property for the purpose of constructing, erecting, operating or maintaining thereon, therein and thereunder:

- (i) Roads, streets, walks, driveways, accessway, signs, parkways and park areas.
- (ii) Underground lines, cables, wires, conduits or other devices for the transmission of electricity for lighting, heating, power, telephone and other purposes.
- (iii) Sewers, storm water drains and pipes, water systems, sprinkling systems, water, heating and gas lines or pipes.
- (iv) Any similar improvements or facilities.

3.7.3.2 Repair and Maintenance of Association Property. To maintain and repair Association property and all improvements thereto, including street lighting and signs.

3.7.3.2 Legal and Accounting Services. To retain and pay for legal and accounting services necessary or proper in the operation of the Association property, enforcement of the provisions of this Declaration, or in performing any of the other duties or rights of the Association.

3.8 Rules. The Board may adopt such rules as it deems proper for the use of the Association property and for all other property within the Development. A copy of said rules, as they may from time to time be adopted, amended or repealed, shall be mailed or otherwise delivered to each Owner and may, but need not be, recorded. Upon such mailing, delivery or recordation, said rules shall have the same force and effect as if they were set forth in and were part of this Declaration. In addition, as to any Owner having actual knowledge of any given rules, such rules shall have the same full force and effect and may be enforced against such Owner.

3.9 Liability of Board Members. No member of the Board, nor any agent, representative or employee of the Association shall be personally liable to any Owner or to any other party for any damage, loss or prejudice suffered or claimed on account of any act or omission of the Association, the Board or any other agents, representatives or employees of the Association, provided that such Board member or other person has, upon the basis of such information as may be possessed by him, acted in good faith.

ARTICLE 4

General Restrictions

4.1 Use of Common Area. The Common Area shall be improved and used only for (i) vehicular parking; (ii) vehicular and pedestrian movement within the Development; (iii) landscaping and related improvements for the beautification of the Development; (iv) installation of utilities for the Development; and (v) the construction of such additional common-use improvements for such additional common-use purposes as the Board may hereafter authorize.

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4.2 Parking. No unattended vehicle shall at any time be left in any portion of the Common Area in such a manner as to impede the passage of traffic, or to impair proper access to the parking areas. No part of the Common Area shall be obstructed so as to interfere with ingress, egress and parking in and about the Common Area. Loading and unloading of trailer-trucks, vans, pick-ups and similar vehicles shall be permitted only in the Common Area adjacent to loading docks, provided such loading or unloading is done in a manner which will neither impede the passage of traffic through the Common Area, nor impair proper access to and from the Common Area. No such vehicle shall be left anywhere on the Common Area for more than eight (8) hours, nor shall such vehicles be used as a temporary storage facility or the like while situated on the Common Area. Boats, trailers, campers or other recreational vehicles may not be kept or stored on any portion of the Development without prior authorization of the Board.

4.3 Right of Access. Each Owner hereby grants a right of access to his Lot (exclusive of Units thereon) to the Board or their authorized representatives or agents, or to any other person authorized by the Board for the purpose of making inspections, or for the purpose of correcting any condition originating upon any Lot or Unit, which condition threatens the Common Area, or for the purpose of performing installations, alterations, or repairs to the mechanical, electrical or plumbing services in and about the Common Area or elsewhere, provided that request for entry is made in advance, and that any such entry is at a time reasonably convenient to the Owner. In a case of an emergency, such right of access shall be immediate, whether the Lot Owner is present at the time or not.

4.4 Indemnification. Each Owner shall be liable to the remaining Owners and the Association for any damage to the Common Area that may be sustained by reason of the negligence of that Owner, his agents, representatives, servants, employees, guests, invitees or clients, to the extent that any such damage is not covered by insurance. Each Owner, by acceptance of his deed, agrees for himself and for his assigns, successors, representatives, agents, servants, employees, guests, invitees or clients, to indemnify and hold harmless each and every other Owner and the Association from, and defend him or it against, a claim of any person for personal injury or property damage occurring within the Lot or Unit of that particular Owner, and any exclusive easements over the Common Area appurtenant to that Lot, unless the injury or damage is fully covered by insurance.

4.5 Owner's Obligation for Taxes. To the extent allowed by law, all Lots, including their respective undivided easements in the Common Area and the membership of an Owner in the Association, shall be separately assessed and taxed so that all taxes, assessments and charges which may become liens prior to first mortgages under local law shall relate only to the individual Lots and not to the Development as a whole. Each Owner shall be obligated to pay any taxes or assessments assessed by the county assessor of said county against his Lot and against his personal property.

4.6 Use of Lots. No Lot or Unit shall be used for any purpose or in any manner which is impermissible under the zoning in effect on the date of recordation of this Declaration, and applicable to the Real Property, or as such may be amended from time to time, unless appropriate waivers or permits are secured from the applicable governmental bodies having jurisdiction over such matters. In addition, Lot or Units shall not be used for any excluded purpose set in Exhibit "C" hereto ("Use Restrictions"), and shall be limited to permitted uses as set forth therein.

4.7 Restriction on Conduct of Business. The permitted uses as described above shall be conducted under the following conditions:

4.7.1 Noise. No Owner shall produce noise at such levels as will be offensive to adjoining property Owners.

4.7.2 Vibration, Smoke, Noxious Matter, etc. Any equipment which is permitted to be located on any Lot or within any Unit and which causes vibrations, shall be set back a sufficient distance from Lot lines, or be so mounted as to eliminate vibration hazard or nuisance beyond Lot lines. No Unit shall discharge into the atmosphere any air contaminant producing a public nuisance or hazard beyond Lot lines. No Unit shall discharge into the sewer system, storm drain or across Lot lines, any toxic or noxious matter in such concentration as to be detrimental to, or endanger the public health, safety, welfare or which interferes with the quiet enjoyment of an Owner of his Lot, or which causes damage to neighboring Lots or businesses. No Unit shall emit odorous matter in such quantity as to be readily detectable on any point along Lot lines. No Unit shall discharge into the air, pollutants or contaminants sufficient to create a nuisance, or to endanger the public health, safety, welfare or to any operation which produces intense glare or heat unless such operation shall be performed within enclosures so as to not create a public nuisance or hazard along Lot lines.

4.7.3 Compliance with Laws. Nothing shall be done or kept in any Lot or Unit or in the Common Area that might increase the rate or cause the cancellation of, insurance on the Development, or any portion of the Development without prior written consent of the Board. The Board may require, as a condition to consent, that the Owner, in addition to any other conditions imposes, pay the increase on any policy of any insurance attributable to such Owner's activities, trade or business. No Owner shall permit anything to be done or kept in his Lot or Unit that violates any law, ordinance, statute, rule or regulation of any local, county, state or federal body. No Owner shall allow furniture, furnishings, machinery or other personalty belonging to such Owner to remain within any portion of the Common Area except portions subject to an exclusive easement over the Common Area appurtenant to such Owner's Lot, and except as may otherwise be permitted by the Board.

4.8 General Maintenance. The exterior of all Units and the landscaping on each Lot shall be regularly maintained, and repaired (including replacement where required) in good, sightly and well-kept order, repair and condition. Any Owner, before undertaking any alteration or improvement to any exterior area of a Lot or Unit shall submit the plans and specifications for such work to the Committee, as set forth in Article 5 below, and obtain its written approval prior to the commencement of any such work. If the improvements, landscaping and exterior of each Lot are not maintained in accordance with these requirements, or such other requirements as may be promulgated from time to time by the Board, the Board shall have the right, after ten (10) days prior to notice to any Owner, to enter upon the Lot and perform the required maintenance and repair. The expense of such maintenance and repair shall be borne entirely by such Owner who shall reimburse the Board upon demand therefor. Any amounts expended or incurred by the Board for such purposes shall be deemed to be an assessment upon said Lot, subject to immediate payment and to the foreclosure procedure described in Article 7 hereof.

4.9 Hazardous Use. In the event that any use shall cause an increase in fire or other insurance premium otherwise payable on the insurance procured by the Board, or by any other Lot Owner, the party causing such increase shall be liable for payment of the same, to the Board or individual Lot Owner, as the case may be. The party so charged with additional premium cost shall have the right to contest the validity of such increase

before the Board in a manner prescribed by the Board. A levy made against such Owner for such increase in premiums shall be deemed to be an assessment upon said Lot, subject to immediate payment and to the foreclosure procedure contained in Article 7 hereof.

4.10 Insurance. Each Owner shall maintain a policy or policies of insurance protecting his Lot and all improvements thereon against the following: (a) fire and other perils normally included within the classification of fire, extended coverage special form and sprinkler leakage in amounts equal to at least ninety percent (90%) of their replacement value from time to time; (b) public liability and property damage insurance in amounts not less than (i) Five Hundred Thousand Dollars (\$500,000) for injury or death to any one person in any one accident or occurrence, (ii) One Million Dollars (\$1,000,000) for injury or death to more than one person any one accident or occurrence, and (iii) not less than One Hundred Thousand Dollars (\$100,000) per occurrence for damage to property. All such policy or policies of insurance shall name the Association as a co-insured, and each Owner shall furnish the Association with a certificate of insurance with respect such policy or policies prior to conveyance of title to his Lot.

4.11 Lot Splitting. Until such time as Declarant or its successor or assign shall be converted from Class B Member to a Class A Member of the Association, Declarant shall have the right to subdivide any Lot owned by it into smaller legal parcels. No Owner other than Declarant or its successor or assignee during said Class B membership period, shall have the right to subdivide or otherwise change the size or configuration of a Lot without the unanimous approval of the Members and the Board.

4.12 Further Construction. Nothing in this Declaration shall limit the right of Declarant, its successors and assigns, to complete construction of improvements to the Common Area, or to any Lot. Alteration of improvements to the Common Area, or construction of additional improvements as Declarant deems advisable before completion and sale of all Lots in the Development may be made so long as prior written consent of the Planning Director of the County of Riverside or the County's successor-in-interest is obtained for such construction or alteration. The rights of Declarant in this Declaration may be assigned by Declarant to any successor (to all or any part of any of Declarant's interest in the Development) as developer, by an express assignment incorporated in a recorded deed that transfers an interest to a successor.

4.13 Enforcement. Failure of any owner to comply with any provision of this Declaration, the Articles or Bylaws, or any rule or regulation of the Board or its Committee, as the case may be, shall give the Board or its representative the right, in addition to any other rights or remedies provided herein or otherwise: (a) to enter the Lot or Unit in which, or as to which such violation or breach exists, and summarily abate and remove, at the expense of the defaulting Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of this Declaration, the Articles or Bylaws, or any rule or regulation of the Board or its Committee, and the Board or its representatives shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings either at law or equity, the continuance of any such breach. If any Owner shall fail to promptly reimburse the Board or Committee for any expense the Board or Committee have incurred in enforcing the provisions of this Declaration, the Articles or the Bylaws, or rules and regulations of the Board or its Committee, such expenses, including reasonable attorneys' fees, shall be deemed to be an Assessment upon said Lot, subject to immediate payment and to the foreclosure procedures described in Article 7 hereof.

ARTICLE 5

Architectural Control

5.1 Architectural Review Committee. There shall be an Architectural Review Committee ("Committee") which shall consist of three (3) persons. The Committee members shall be the representatives of Declarant until such time as a Board is elected; thereafter the Committee members shall be chosen by the Board. The Committee Members may, but shall not be required to, be Members of the Association.

5.2 Regulation of Improvements.

5.2.1 Approval of Plans and Specifications. No Unit shall be erected, planned, altered, maintained or permitted to remain on any portion of the Real Property until plans and specifications therefor, prepared by a licensed architect, are submitted to and approved in writing by the Committee. All submittals shall be presented for approval in two phases (a "Preliminary Submittal" and a "Final Submittal") and shall include, but not be limited to, the following items:

5.2.1.1 Preliminary Submittal.

a. Architectural drawings, taking into consideration the architectural theme of the project, if any.

- 1. Site Plan; illustrating building, parking and drives;
- 2. Building floor plans;
- 3. Building elevations and sections;
- 4. Materials and color sample board;
- 5. Preliminary grading and drainage concepts; and
- 6. Site lighting concept.

b. Landscaping

- 1. Landscape concept plan, utilizing the Guidelines for Landscape Development, attached hereto as Exhibit "D," including planting plans and conceptual landscape grading and drainage plans. The plan shall include plant materials and other landscape forms, including but not limited to boulders, mounding or special types of paving, and fencing and any screen walls.

c. Signs

- 1. Plans indicating the design of the proposed signs, conforming to the approved sign plan for the Development and conforming to the County of Riverside requirements.

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5.2.1.2 Final Submittal

- a. Civil
Final grading and drainage plan.
- b. Architectural
Complete final plans and specifications.
- c. Landscaping
Final planting and irrigation plans.
- d. Signs
Final lighting and installation details.

5.2.2 Setback Limitations. No building, structure, or improvement of any kind and no part thereof will be constructed, installed or maintained closer to a property line than herein provided:

5.2.2.1 From Jefferson. The setback line is established at 30 feet from the property line facing Jefferson.

5.2.2.2 From Winchester. The setback line is established at 30 feet from the property line facing Winchester.

5.2.2.3 From Interstate 15. The setback line is established at 25 feet from the property line facing Interstate 15.

The following structures and improvements are specifically excluded from the setback provisions:

- a. Steps and walks;
- b. Paving and associated curbing;
- c. Landscaping;
- d. Planters and walls, not to exceed three (3) feet in height, provided the same are approved by the Committee; and
- e. Signs and lighting

5.2.3 Commencement of Construction. Construction of Units shall commence within twelve (12) months of the sale or lease of any such Lot from Declarant. After commencement of construction of any structure, the Owner shall diligently prosecute the work thereon, to the end that the structure shall not remain in a partly finished condition any longer than is reasonably necessary for the physical construction and completion thereof. At all times during construction, the Lot shall be kept in neat and clean condition. In no event shall progress on the structure cease for a period in excess of thirty (30) days (excluding strikes, material shortages and acts of God).

There shall be incorporated into the agreement of purchase and sale between the Owner and the buyer, for each of the Lots, an option to repurchase in favor of the Owner in the event construction is not commenced and diligently pursued to completion.

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5.2.4 Landscaping. Every site on which a building shall have been placed shall be landscaped and maintained thereafter in a sightly and well-kept condition. A landscaping plan shall be submitted to the Committee for its review and approval. Landscaping pursuant to approved landscaping plans shall be completed at the time of completion of construction.

5.2.5 Storage Areas. Other than new and used vehicles held for sale to the public, no materials, supplies, or equipment, shall be stored in any area on a site except inside closed buildings or behind a visual barrier, such as solid walls or black vinyl coated chain-link fencing with stained redwood inserts, which barrier shall be of sufficient height to interrupt sight lines from points of view from the frontage street and as such shall be approved prior to construction by the Committee. No storage area shall extend past street setback lines as established herein.

5.2.6 Building Regulations. No exterior walls of any building shall be painted or otherwise refinished until the materials and colors therefore have been submitted to and approved in writing by the Committee.

5.2.7 Machinery and Devices. No shades, awnings, window guards, ventilators, fans, fences, barriers, compressors, heating or air-conditioning devices, machines or similar devices shall be situated outside or fixed to the exterior of any Unit without the prior written consent of the Committee; provided, however, that the Committee shall permit such heating or air-conditioning devices, ventilators, fans, compressors, machines, or similar devices (hereinafter "mechanical devices") to be situated on the outside of any Lot or affixed to the exterior of any Unit which is reasonably necessary to the conduct of an Owner's trade or business, provided such mechanical devices are suitably enclosed or screened from view in such manner as the Board may direct, and provided further that such mechanical devices shall not violate any of the provisions herein relating to noise, vibration, pollution or similar restrictions set forth in this Declaration. Notwithstanding anything to the contrary in this Declaration, any such mechanical device may encroach on the Common Area, provided such encroachment does not unreasonably interfere with rights of common access, ingress, egress or parking in, over or through the Common Area, and a valid nonexclusive easement shall exist for such encroachment, and for the maintenance of it, as long as it remains, and all Lots, Units and the Common Area are made subject to such easements.

5.2.8 Trash Disposal Facilities. Each site shall have adequate trash disposal facilities located in areas approved by the Committee. Such facilities shall generally be located at the rear of any site, and shall be confined by perimeter black vinyl coated chain-link fencing with, including posts, stained redwood inserts, block walls, or similar enclosure, all as approved by the Committee. All garbage and refuse shall be deposited in said trash disposal facilities.

5.2.9 Fences, etc. No fences, awnings, ornamental screens, screen doors, sun shades or walls of any nature shall be erected or maintained on or around any portion of any structure or elsewhere within the Development except those that are installed in accordance with the original construction of the Development, their replacement, or as authorized and approved in writing by the Committee.

5.3 Requirement of Committee Approval. No act which requires the consent of the Committee in the exercise of architectural control shall be undertaken until plans and specifications showing plot layout and all exterior elevations, with materials and colors therefor and structural design and landscaping, shall have been submitted to and approved in writing by the Committee. All such plans and specifications shall be submitted in

writing over the signature of the Owner or its authorized agent. Approval shall be based, among other things, on adequacy of site dimensions; adequacy of structural design and materials; conformity and harmony of external design with neighboring structures; effect of location and use of improvements on neighboring property, improvements, operations and uses; relation of topography, grade and finished ground elevation of the property being improved to that of neighboring property; proper facing of main elevations with respect to nearby streets; preservation of natural view and aesthetic beauty; and conformity of the plans and specifications to the purpose and general plan and intent of this Declaration. Any proposed alteration of the architecture of any Unit or the landscaping of any Lot, other than routine maintenance and repair, must be approved by the Committee. In any event, the Committee shall have the right to require any Owner to remove, trim, top or prune any shrub, tree or hedge which the Committee reasonably believes interferes with the use by another Owner of his Lot. Any approval of the Committee does not constitute review of submitted plans for conformance to any local building codes or zoning ordinances, nor does the approval warrant the plans other than to establish their conformance with the regulations established in this Declaration. It shall be the Owner's responsibility to comply with all local agency requirements regarding reviews and approvals.

5.4 Failure to Approve or Disapprove Plans and Specifications. In the event the Committee or its designated representative, fails to either approve, conditionally disapprove or disapprove such plans and specifications within thirty (30) days after the same have been submitted to it, it shall be conclusively presumed that the Committee has approved such plans and specifications.

5.5 No Liability. Neither Declarant, the Association nor the Board, the members thereof, the Committee, nor the members thereof shall be liable in damages to anyone submitting plans or specifications to them for approval, or to any Owner property affected by these restrictions by reason of mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications. Every person who submits plans or specifications to the Committee for approval agrees, by submission of such plans and specifications, and every Owner of any of said property agrees that he will not bring any action or suit against Declarant, the Association, the Board, any of the members thereof, the Committee, nor any of the members thereof to recover any such damages.

5.6 Notice of Noncompliance or Noncompletion. Notwithstanding anything to the contrary contained herein, after the expiration of one (1) year from the date of issuance of a building permit by municipal or other governmental authority for any improvement, said improvement shall, for the benefit of purchasers and encumbrancers in good faith and for value, be deemed to be in compliance with all provisions of this Article 5, unless actual notice of such noncompliance or noncompletion, executed by the Committee or its designated representatives, shall appear of record in the Office of the County Recorder of Riverside, California, or unless legal proceedings shall have been instituted to enforce compliance or completion.

5.7 Rules and Regulations. The Committee may from time to time, in its sole discretion, adopt, amend and repeal rules and regulations relating to architectural control.

5.8 Variances. Where circumstances, such as topography, location of property lines, locations of trees, or other matters may require, the Committee may allow reasonable variances as to any of the covenants, conditions or restrictions contained in this Declaration and relating to architectural control, on such terms and conditions as it shall require; provided, however, that all such variances shall be in keeping with the general plan for the improvement and development of the Real Property.

ARTICLE 6

Covenants for Assessments

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6.1 Creation of the Lien and Personal Obligations of Assessments. Declarant, for each Lot owned by it within the Development, hereby covenants, and each Owner of any Lot within the Development by acceptance of a deed or other conveyance therefor, whether or not it shall be so expressed in any such deed or other conveyance, does and shall be deemed to covenant and agree to pay to the Association Assessments as defined in Section 1.2 above, including Regular Assessments and Special Assessments, as may be fixed, established and collected from time to time as hereinafter provided. The Assessments, together with such interest thereon and costs of collection thereof, as provided below in Article 7 of this Declaration, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each Assessment is made. The lien shall become effective upon recordation of a Notice of Claim of Lien in accordance with Article 7 hereof. Each Assessment, together with such interest and costs, shall also be the personal obligation of the person or entity who was the Owner of such Lot at the time when the Assessment or any portion thereof fell due and shall bind his heirs, devisees, personal representatives, successors and assigns. However, the personal obligation shall not pass to his successors in title unless expressly assumed by them.

6.2 Purpose of Regular Assessments. The Regular Assessments levied by the Association shall be collected, accumulated and used exclusively for the purpose of providing for and promoting the health, safety and social welfare of the Members of the Association, including the improvement and maintenance of the Common Area and facilities thereon devoted to this purpose.

6.3 Regular Assessments. The Association shall send to each Owner on an annual basis a written statement of its share of the Regular Assessment. The Regular Assessment shall be of two (2) types:

6.3.1 ~~Landscape Assessments.~~ Each Lot shall be responsible for paying its proportionate share of maintaining all landscaping which will be maintained by the Association. Such costs shall include, but shall not be limited to, all reasonable costs and expenses incurred in or relating to the construction, installation, maintenance and repair for the Common Area, including, but not limited to, the purchase and rental of maintenance equipment, tools and supplies, the costs of cleaning and removal of rubbish, dirt and debris from the Common Area, the costs of landscape replacement and maintenance, charges for utility service utilized in connection therewith, real and personal property taxes, extended coverage and vandalism insurance on the Common Area and equipment used by the Association, landscape architects fees, costs of billing, management fees, and premiums on public liability and property damage insurance on the Common Area.

6.3.2 ~~Other Cost Assessments.~~ Each Lot shall be responsible for paying its proportionate share of all other costs incurred by the Association included under Regular Assessments.

Upon request, the Association will permit any Owner to examine the Association's books, records, invoices, bills and contracts with respect to the Common Area, such examination to be made during regular business hours. If, as a result of such examination, it is determined that an Owner has paid in excess of its share of the Regular Assessment, the Association shall promptly rebate said excess. Each Member of the Association shall pay promptly to the Association a portion of the cost of constructing, installing, maintaining and repairing the Common Area and all other Common Area Expenses. Until January 1st of the year immediately following the conveyance of the

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~~first lot to an Owner, the Regular Assessment shall not exceed \$6,150 per gross horizontal square acre.~~

6.4 Special Assessments. In addition to the Regular Assessments authorized by Section 6.3 above, the Board of the Association may levy for an Assessment period a Special Assessment for the purpose of defraying, in whole or in part, the cost of any installation, construction, repair or reconstruction of a described capital improvement upon the Common Area, including the necessary fixtures and personal property related thereto and the payment of Common Expenses, other than capital improvement, provided that the Board of the Association may not, without the vote or written assent of a majority of the Members, levy any such Special Assessments for any purpose other than that established in Article 8 which in the aggregate exceed ten percent (10%) of the budgeted gross expenses of the Association for the fiscal year.

~~**6.5 Dates of Commencement of Regular Assessments and Due Dates.** Liability for payment of Regular Assessments provided for herein shall commence on the first day of the month following the conveyance of the first Lot within the Development to an Owner other than the Declarant.~~

The Regular Assessments shall be levied on a calendar year basis ("assessment period") and shall be due and payable quarterly in advance on December 31, March 31, June 30 and September 30, or in such other manner as the Board of the Association may from time to time establish. The Regular Assessments for the first Assessment period (including any partial calendar year preceding the first full calendar year) shall be fixed prior to the conveyance of the first Lot and shall be pro-rated from the date of close of escrow. The due date of any Special Assessment under Section 5.4 above shall be fixed in the resolution authorizing such Assessment.

6.6 Assessment Procedures. At least thirty (30) days in advance of each Assessment period following the first Assessment period, the Board shall estimate the total Common Area Expenses to be incurred by the Association for such forthcoming Assessment period and shall at that time determine and fix the amount of the regular Assessment against each Lot subject thereto for such Assessment period. Written notice of such Regular Assessment shall be sent to every Owner subject thereto at least fifteen (15) days in advance of each Assessment period. Each Owner shall thereafter pay to the Association his regular Assessment in quarterly installments as hereinabove provided. In the event the Board shall determine at any time that the Regular Assessments levied for the current Assessment period are, or will become, inadequate to meet all Common Area Expenses for any reason, it shall immediately determine the approximate amount of such inadequacy, issue a supplemental estimate of the Common Area Expenses and revise and fix the amount of Regular Assessments against each Owner; provided, however, the Board may not, without the vote or written assent of a majority of the voting power of the Association residing in Members other than Declarant, impose a Regular Assessment per Lot which is more than twenty percent (20%) greater than the Regular Assessment for the immediately preceding year.

6.7 Certificate of Payment. Upon demand, the Association shall furnish to any Owner liable for Regular or Special Assessments a certificate in writing signed by an officer of the Association setting forth whether said Assessments or any portion thereof have been paid. Such certificate shall be conclusive evidence of payment of any Assessments or portion thereof therein stated to have been paid. A reasonable charge may be made by the Board for the issuance of any such certificate.

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6.8 Assessment of Lots Owned by Declarant. The Declarant shall possess all the rights of a Lot Owner with respect to each Lot owned by the Declarant, until the same is conveyed to a purchaser of such Lot. The Declarant, in the same manner as other Owners, shall be liable for or charged with any Assessment, Common Area charge or Common Expense, or any portion thereof, with respect to any Lot owned by it, and on which a certificate of completion has been filed. The terms of this paragraph shall supersede any contrary direction, expressed or implied, contained in any other provision of this Declaration.

6.9 Nonuse and Abandonment. No Owner may waive or otherwise escape personal liability for the Assessments provided for herein by nonuse of the Common Area or abandonment of his Lot.

6.10 Uniform Rate of Assessments. Both Regular and Special Assessments shall be fixed at uniform rates, and each Owner's proportionate share of the assessments shall be such ratio that the gross horizontal square acreage of said Owner's Lot bears to the total gross horizontal square acreage of all lots subject to assessment.

6.11 Exempt Property. The following property subject to this Declaration shall be exempt from the Assessments, charges and liens created herein:

- (a) All properties dedicated to and accepted by a local public authority.
- (b) The Common Area.
- (c) All properties exempted from taxation by the laws of the State of California, upon the terms and to the extent of such legal exemption.

Notwithstanding any provision herein, no real property or improvements devoted to commercial or industrial use shall be exempt from said Assessments, charges or liens.

ARTICLE 7

Nonpayment of Assessments

7.1 Delinquency and Remedies of Association. If any Assessment, Regular or Special, or any portion thereof, including Common Area Expenses is not paid on the date when due, then such Assessment or portion thereof shall become delinquent and subject to a uniform late charge to be fixed by the Board, and shall, together with interest and costs of collection as provided below, thereupon become a continuing lien on the Lot against which such Assessment was made as more particularly described in Article 6 above. If the Assessment or any portion thereof is not paid within fifteen (15) days after the delinquency date, it shall be subject to a late charge as provided above, and the unpaid Assessment or portion thereof shall bear interest from the date of delinquency at the then legal rate and, in addition to all other legal and equitable rights or remedies, the Association may, at its option, bring an action at law against the owner personally obligated to pay the same; or, upon compliance with the notice provisions set forth in Section 7.2 below, foreclose the lien against the Lot, and there shall be added to the amount of such Assessment or any portion thereof and interest thereon all costs and expenses, including reasonable attorneys' fees incurred by the Association in collecting the delinquent Assessment. In lieu of judicially foreclosing the lien, the Association, at its option, may foreclose such lien by proceeding under a power of sale as provided below in Section 7.3, such a power of sale being given to the Association as to each and every Lot for the purpose of collecting delinquent Assessments. Each Owner vests in the

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the right and power to bring all actions of law or lien foreclosures against such Owner or other Owners for purposes of collecting delinquent Assessments.

7.2 Notice of Claim of Lien. No action shall be brought to foreclose the lien or to proceed under the power of sale less than thirty (30) days after the date a Notice of Claim of Lien, executed by person designated by the Association for that purpose or, if no one is designated, by the President of the Association, is recorded with the Riverside County Recorder, said notice stating the amount claimed (which may include interest and costs of collection, including reasonable attorneys' fees), a good and sufficient legal description of the Lot being assessed, the name of the record owner or reputed owner thereof, and the name and address of the Association as claimant. In addition, in order for the lien to be foreclosed by nonjudicial foreclosure, the name and address of the trustee authorized by the Association to enforce the lien by sale shall be set forth. A copy of said Notice of Claim of Lien shall be deposited in the United States mail, certified or registered with postage thereon fully prepaid, to the Owner of the Lot.

7.3 Foreclosure Sale. Any such sale for above shall be conducted in accordance with the provisions of Sections 2924, 2924b and 2924c of the Civil Code of the State of California, or any similar statute which may be adopted subsequent to the date hereof, applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any other manner permitted or provided by law. The Association, through its duly authorized agents, shall have the power to bid on the Lot at foreclosure sale and to acquire and hold, lease, mortgage or convey the same.

7.4 Curing of Default. Upon the timely curing of any default for which a Notice of Claim of Lien was recorded by the Association, the officers of the Association are hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment by the defaulting Owner of a fee to be reasonably determined by the Board, but not less than Twenty-Five Dollars (\$25.00), to cover the costs of preparing and filing or recording such release together with the payment of such other costs, interest or fees as shall have been incurred.

7.5 Cumulative Remedies. The Assessment lien and the rights to foreclosure and sale thereunder shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have hereunder and by law or in equity.

7.6 Subordination of the Lien to Mortgages. The lien of the Assessments provided for herein shall not be subordinate to any encumbrance other than a lien of any first deed of trust or first mortgage made in good faith and for value, and of record prior to the Assessment lien, now or hereafter placed upon any of the Lots within the Development subject to Assessment; provided, however, that such subordination shall apply only to the Assessments which have become due and payable prior to a sale or transfer of such Lot pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such Lot from liability for any Assessments thereafter becoming due nor from the lien of any such subsequent Assessment.

ARTICLE 8

Destruction of Common Area Improvements

In the event of a partial or total destruction of improvements upon the Common Area, it shall be the duty of the Association to restore and repair the same to their former condition as promptly as is practicable and in a lawful and workmanlike manner. The proceeds of any insurance maintained pursuant hereto shall be used for such purpose,

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subject to the prior rights of mortgagees whose interests may be protected by said policies. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be at least eighty-five percent (85%) of the estimated cost of restoration and repair, a Special Assessment may be levied by the Association to provide the necessary funds for such reconstruction and repair, over and above the amount of any insurance proceeds available for such purpose, and such Assessment may be enforced under the lien provisions contained in Article 7, or in any other manner provided in this Declaration. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be less than eighty-five percent (85%) of the estimated cost of restoration and repair, the improvements shall not be replaced or restored unless approved by the vote or written consent of two-thirds (2/3) of the Members. If the improvements are not restored or rebuilt, the right of an Owner to partition through legal action as described in Article 10 shall revive immediately. In the event of a determination not to replace or restore the improvements on the Common Area, the Common Area shall be cleared; provided, however, that there shall exist in such Common Area adequate vehicular and pedestrian rights-of-way for the Owners of Lots to insure legal access thereto, and the costs thereof shall be paid for with the insurance proceeds, and any deficiency may be raised by the levy of Special Assessments in an amount determined by the Board of the Association, and such Assessments may be enforced under the lien provisions contained in Article 7, or in any other manner provided in this Declaration. In the event any excess insurance proceeds remain, the Board shall retain such sums in the general funds of the Association. Notwithstanding anything to the contrary contained in this Article 8, the distribution of any insurance proceeds for any damage or destruction to the Common Area shall be subject to the prior rights of the mortgagees.

ARTICLE 9

Eminent Domain - Common Area

The term "taking" as used in this Article shall mean condemnation by eminent domain or sale under threat of condemnation. In the event of a threatened taking of all or any portion of the Common Area, the Members hereby appoint the Board of the Association and such persons as the Board of the Association may delegate to represent all of the Members in connection with the taking. The Board shall act in its sole discretion with respect to any awards being made in connection with the taking and shall be entitled to make a voluntary sale to the condemnor in lieu of engaging in a condemnation action. Any awards received on account of the taking shall be paid to the Association. In the event of a taking of less than all of the Common Area, the rules as to restoration and replacement of the Common Area and the improvements thereon shall apply as in the case of destruction of improvements upon the Common Area. In the event of a total taking, the Board shall retain any award in the general funds of the Association. Notwithstanding anything to the contrary in this Article 9, the distribution of any award or awards for a taking of all or any portion of the Common Area shall be subject to the prior rights of mortgagees under deeds of trust. On a sale or on a taking that renders more than fifty percent (50%) of the Lots in the Development uninhabitable, the right of any Owner to partition through legal action shall revive immediately.

ARTICLE 10

Partition

10.1 Suspension. The right of partition is suspended pursuant to California Civil Code Section 1354, or any similar statute which may be adopted subsequent to the date

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hereof as to the Development. The right of partition of the Development may be revived on a showing that the conditions for partition as stated in Article 8 or in Article 9 have been met. Nothing in this Declaration shall prevent partition or division of interest between joint or common owners of one Lot.

10.2 Proceeds. Proceeds or property resulting from a partition shall be distributed to and among the respective Owners and their mortgagees as their interest appear in proportion to their respective percentage of undivided interests in the common area.

10.3 Power of Attorney. Pursuant to California Civil Code Section 1355(b)(9), or any similar statute which may be adopted subsequent to the date hereof, each Owner grants the Association an irrevocable power of attorney to sell the Development for the benefit of the Owners when partition can be had. Exercise of the power is subject to the approval of Members.

ARTICLE 11

Non-Severability of Component Interests In A Lot

11.1 Prohibition Against Severance. An Owner shall not be entitled to sever his Lot from his membership in the Association, and shall not be entitled to sever his Lot and his membership from his undivided interest in the Common Area for any purpose. None of the component interests can be severally sold, conveyed, encumbered, hypothecated or otherwise dealt with, and any violation or attempted violation of this provision shall be void. Similarly, no Owner can sever any exclusive easement appurtenant to his Lot over the Common Area from his Lot, and any attempt so to do shall be void. The suspension of this right of severability will not extend beyond the period set forth in Article 10 respecting the suspension of partition. It is intended hereby to restrict severability pursuant to California Civil Code Section 1355(g), or any similar statute which may be adopted subsequent to the date hereof.

11.2 Conveyances. After the initial sales of the Lots, any conveyance of a Lot, or of the component interest in the Common Area, by the Owner of any Lot, shall be presumed to convey the entire Lot. However, nothing contained in this Section shall preclude the Owner of any Lot from creating a cotenancy or joint tenancy in the ownership of the Lot with any other person or persons.

ARTICLE 12

General Provisions

12.1 Term. The covenants, conditions and restrictions of this Declaration shall run until in perpetuity and may not be terminated or extinguished absent the prior written consent of the Planning Director of the County of Riverside or the County's successor-in-interest. After prior written consent is obtained from the Planning Director of the County of Riverside or the County's successor-in-interest, such covenants, conditions and restrictions may be extinguished by a written instrument executed by at least sixty percent (60%) of the Owners of Lots in Commercial Center, and such written instrument shall be recorded with the Riverside County Recorder.

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12.2 Amendment. Subject to the prior written consent of the Planning Director of the County of Riverside or the County's successor-in-interest, this Declaration may be amended only by an instrument in writing signed by Class A Members of the Association holding not less than sixty percent (60%) of the voting power of the Class A membership; provided, however, so long as the Class B membership within the Association is still in effect, this Declaration may be amended only by an instrument in writing signed by Members entitled to exercise not less than sixty percent (60%) of the voting power of each class of membership. No such amendment shall be effective until a proper instrument in writing has been approved by the County of Riverside and executed, acknowledged and recorded in the Office of the County Recorder of Riverside County, California.

12.3 Notices. Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered forty-eight (48) hours after a copy of the same has been deposited in the United States mail with postage thereon fully prepaid and addressed to any person at the address given by such person to the Association for the purpose of service of such notice, or to the Lot address or residence of such person if no address has been given to the Association. Such address may be changed from time to time by notice in writing to the Association.

12.4 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate their purpose of creating a uniform plan for the development and operation of the Commercial Center. This Declaration shall be construed and governed under the laws of the State of California.

12.5 Conflicts. In the event of any conflict between any of the provisions of this Declaration and the Articles, Bylaws or rules and regulations of the Association, the provisions of this Declaration shall control.

12.6 Severability. If any provision of this Agreement or application to any party or circumstance shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to any person or circumstance, other than those as to which it is determined invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and shall be enforced to the fullest extent permitted by law.

12.7 Enforcement and Nonwaiver.

12.7.1 Right of Enforcement. Except as otherwise provided herein, any Owner of any Lot within the Commercial Center shall have the right to enforce any or all of the provisions of this Declaration upon any property within the Commercial Center, and the Owners thereof.

12.7.2 Violations and Nuisance. Every act or omission whereby any provision of this Declaration is violated in whole or in part is hereby declared to be a nuisance and may be enjoined or abated, whether or not the relief sought is for negative or affirmative action by Declarant or the Association or any owners of Lots within the Commercial Center. However, any other provisions to the contrary notwithstanding, only Declarant, the Association, the Board or the duly authorized agents of any of them may enforce, by self-help, any of the provisions of this Declaration, the Articles, Bylaws or rules and regulations of the Association, and only if such self-help is preceded by

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reasonable notice to the Owner involved. Failure to exercise any of such rights shall not be deemed to be a waiver thereof, nor deemed to be a waiver of such violation or similar violations or breaches.

12.8 Violation of Law. Any violation of any state, municipal or local law, ordinance or regulation pertaining to the ownership, occupation or use of any property within the Commercial Center is hereby declared to be a violation of this Declaration, and subject to any or all of the enforcement procedures set forth in said Declaration.

12.9 Attorneys' Fees. In the event any action or proceeding is brought or commenced by Declarant, the Association, an Owner, or other person authorized by this Declaration to bring an action to enforce or construe the provisions of this Declaration, the Articles, Bylaws, rules or regulations of the Association, the prevailing party in such action shall be awarded his costs and attorneys' fees.

12.10 Cumulative Remedies. Each remedy provided for in this Declaration shall be cumulative and not exclusive. Failure to exercise any remedy provided for herein shall not under any circumstances, be construed as a waiver thereof.

12.11 Captions. All captions and titles used in this Declaration are intended solely for convenience or reference and shall not affect that which is set forth in any of the provisions hereof.

12.12 No Rights Given to the Public. Nothing contained in this Declaration shall be deemed to be a gift or dedication of any portion of The Commercial Center to the general public or for any public use or purpose.

IN WITNESS WHEREOF, Declarant has executed this Declaration of Covenants, Conditions and Restrictions of Rancho Temecula Plaza on the day and year first above written.

Norman Port Trustee

NORMAN PORT, Trustee under the Port Trust Agreement dated December 10, 1981, as amended and Trustee under Amended and Restated Trust Agreement dated August 2, 1985

Marlene Port Trustee

MARLENE PORT, Trustee under the Port Trust Agreement dated December 10, 1981, as amended and Trustee under Amended and Restated Trust Agreement dated August 2, 1985

James Port Trustee

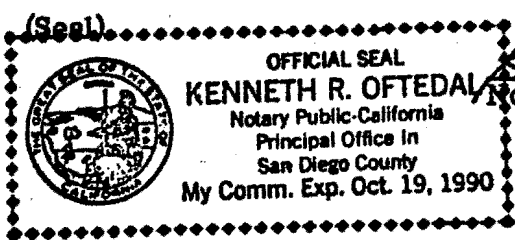
JAMES PORT, Trustee of the Port-Streitfeld-Schwartz Declaration of Trust dated April 23, 1986

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STATE OF CALIFORNIA)
)
) SS.
COUNTY OF SAN DIEGO)

On JUNE 2ND, 1987, before me, the undersigned, a Notary Public in and for said State, personally appeared NORMAN PORT, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person that executed the within instrument as Trustee under the Port Trust Agreement dated December 10, 1981, as amended and as Trustee under Amended and Restated Trust Agreement dated August 2, 1985, and acknowledged to me that he executed it.

WITNESS my hand and official seal.



Kenneth R. Oftedal
Notary Public in and for said State

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

On 3 JUNE, 1987, before me, the undersigned, a Notary Public in and for said State, personally appeared MARLENE PO~, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person that executed the within instrument as Trustee under the Port Trust Agreement dated December 10, 1981, as amended and as Trustee under Amended and Restated Trust Agreement dated August 2, 1985, and acknowledged to me that she executed it.

WITNESS my hand and official seal.

(Seal)



Richard L. Sheppard
Notary Public in and for said State

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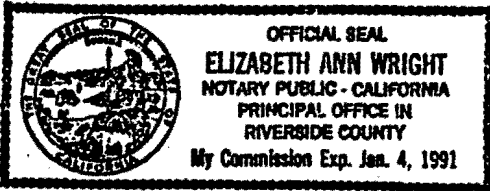
STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.

On June 4, 1987, 1987, before me, the undersigned, a Notary Public in and for said State, personally appeared JAMES PORT, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person that executed the within instrument as Trustee of the Port-Streitfeld-Schwartz Declaration of Trust dated April 23, 1986, and acknowledged to me that he executed it.

WITNESS my hand and official seal.

(Seal)

Elizabeth Ann Wright
Notary Public in and for said State



THAT PORTION OF LOT 113, AS SHOWN BY MAP OF THE TEMECULA LAND AND WATER COMPANY, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 8 PAGE 359 OF MAPS, RECORDS OF SAN DIEGO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE CENTERLINE INTERSECTION OF JEFFERSON AVENUE (FORMERLY GARFIELD AVENUE) AND WINCHESTER ROAD (FORMERLY BANANA STREET) AS SHOWN BY RECORD OF SURVEY ON FILE IN BOOK 58 PAGES 75 THROUGH 83 OF RECORDS OF SURVEY, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

THENCE NORTH 37 DEGREES 40' 46" WEST ON THE CENTERLINE OF SAID JEFFERSON AVENUE, 938.60 FEET;

THENCE NORTH 52 DEGREES 19' 14" EAST, AT A RIGHT ANGLE TO THE CENTERLINE OF SAID JEFFERSON AVENUE, 30.00 FEET TO THE NORTHEASTERLY LINE OF SAID JEFFERSON AVENUE, AS SHOWN BY SAID RECORD OF SURVEY, ON FILE IN BOOK 58 PAGES 75 THROUGH 83 OF RECORDS OF SURVEYS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, BEING THE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED;

THENCE EASTERLY ON A NON-TANGENT CURVE, CONCAVE TO THE SOUTHEAST, HAVING A RADIUS OF 1,500.00 FEET THROUGH A CENTRAL ANGLE OF 28 DEGREES 20' 31", AN ARC DISTANCE OF 741.99 FEET OF THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF 1-15 (FORMERLY HIGHWAY 395) AS SHOWN BY THE STATE OF CALIFORNIA DIVISION OF HIGHWAYS, RIGHT OF WAY MAP NO. 913572, THE INITIAL RADIAL LINE BEARS NORTH 44 DEGREES 08' 26" WEST;

THENCE SOUTH 09 DEGREES 52' 04" EAST, 220.32 FEET;

THENCE SOUTH 01 DEGREES 03' 31" WEST 363.88 FEET;

THENCE SOUTHERLY ON A CURVE CONCAVE TO THE SOUTHEAST, HAVING A RADIUS OF 230.00 FEET, THROUGH A CENTRAL ANGLE OF 42 DEGREES 54' 58", AN ARC DISTANCE OF 172.28 FEET;

THENCE SOUTH 41 DEGREES 51' 27" EAST, 37.71 FEET;

THENCE SOUTHWESTERLY ON A CURVE CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 55.00 FEET THROUGH A CENTRAL ANGLE OF 83 DEGREES 48' 29", AN ARC DISTANCE OF 80.45 FEET;

THENCE SOUTH 41 DEGREES 57' 02" WEST, 219.34 FEET;

EXHIBIT A

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THENCE NORTHWESTERLY ON A NON-TANGENT CURVE, CONCAVE TO THE
NORTHEAST, HAVING A RADIUS OF 170.00 FEET, THROUGH A CENTRAL
ANGLE OF 61 DEGREES 41' 05", AN ARC DISTANCE OF 183.02 FEET
THE TERMINUS OF SAID CURVE BEING 30.00 FEET NORTHWESTERLY MEASURED
AT A RIGHT ANGLE TO THE CENTERLINE OF SAID JEFFERSON AVENUE,
THE INITIAL RADIAL BEARING BEARS SOUTH 09 DEGREES 21' 51" EAST;
THE PRECEDING SEVEN (7) COURSES WERE ON THE NORTHWESTERLY, WESTERLY
AND SOUTHWESTERLY RIGHT-OF-WAY OF 1-15, AS SHOWN BY SAID DIVISION
OF HIGHWAY RIGHT OF WAY MAP NO. 913572;
THENCE NORTH 37 DEGREES 40' 46" WEST, ON THE NORTHEASTERLY LINE
OF SAID JEFFERSON AVENUE, 723.46 FEET, TO THE POINT OF BEGINNING.

GN

EXHIBIT B




COMMON AREA

The Common Area shall be comprised of the following:

1. A landscaped open space easement 30 feet in width

As shown on the illustrative map attached hereto, which 30-foot easement has been divided into two zones, Zone A and Zone B. Zone A shall be landscaped and maintained by the Association. Upon the conveyance of a Lot to an Owner, said Owner shall become liable to landscape that portion of Zone B which shall be within his Lot, which landscaping must be completed pursuant to plans approved by the Architectural Review Committee on or before occupancy or use of any Unit on said Lot shall be permitted. After an Owner has installed the landscaping required by this provision, and has received Architectural Review Board approval that the installation is in accordance with the plans submitted to the Architectural Review Board, the Association shall maintain that portion of Zone B from and after said approval has been obtained.

PM 21670
COUNTY OF RIVERSIDE
LANDSCAPE ZONING MAP

- ZONING LEGEND:**
-  DOWNTOWN
 -  ZONE 'B'
 -  OWNER MAINTAINED

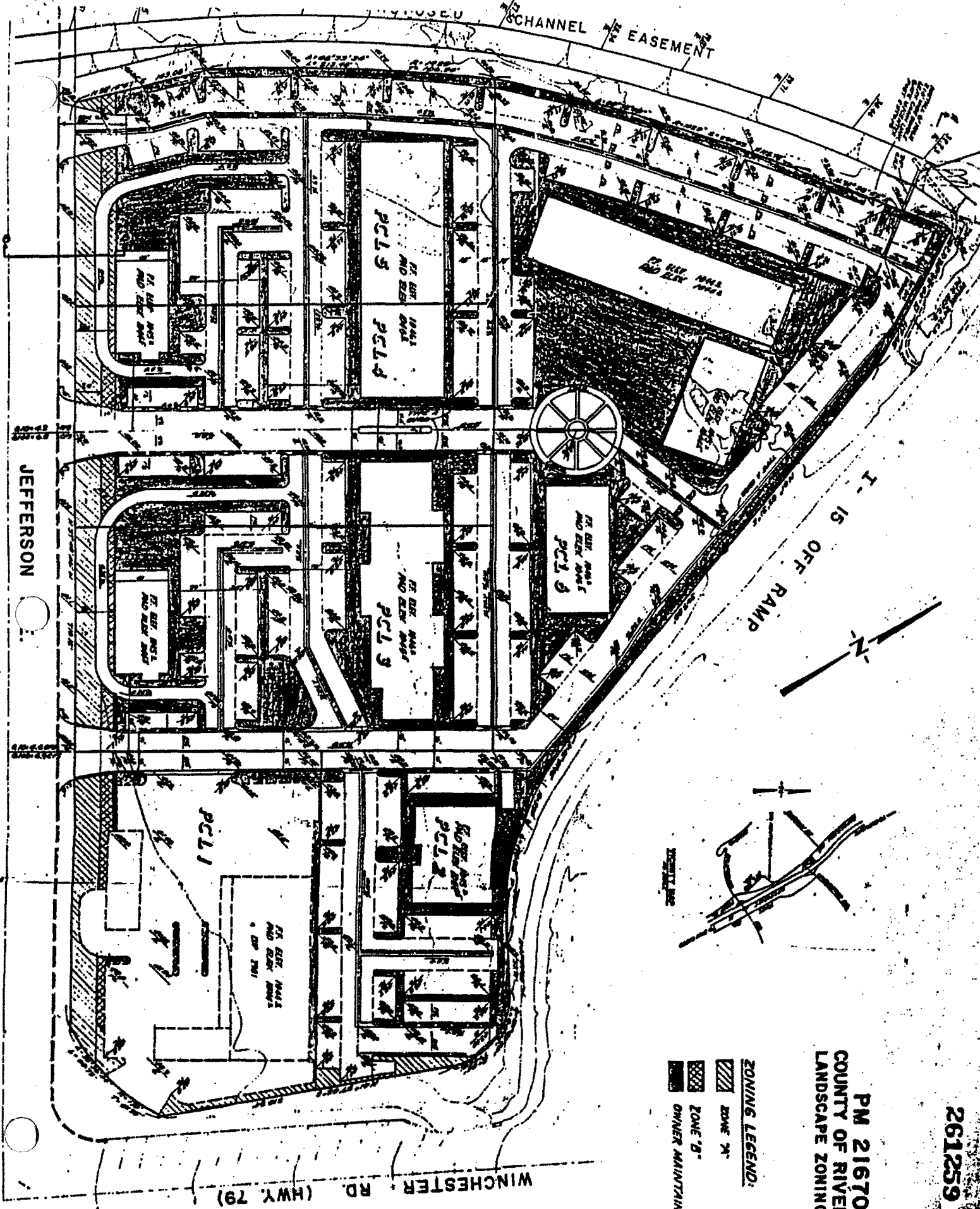


EXHIBIT C
USE RESTRICTIONS

I. PERMITTED USES

Transient lodgings - hotels
 Transient lodgings - motels and motor hotels
 Communications
 Telephone company offices
 Telegraph message centers
 Radio broadcasting studios
 Recording and sound studios
 Electric utility company office
 Gas and electric company office
 Travel arranging service (offices only)
 Restaurants
 Finance, insurance and real estate services
 Advertising Services
 Consumer and mercantile credit reporting services, adjustments and collection services
 Duplicating, mailing, stenographic and office services
 Telephone answering service
 News syndicate services
 Employment service
 Detective and protective services
 Other business services
 Medical and other health services
 Legal services
 Engineering, architectural and planning services
 Educational and scientific research service
 Professional services
 Governmental services (all levels of governments)
 Educational services
 Business, professional and labor organizations and services
 Non-profit membership organizations
 Cultural activities
 Legitimate theater

Any use substantially similar to those enumerated above in terms of aesthetic appearance, noise production, light pollution, air pollution and traffic generation will be permitted if otherwise permitted by the Scenic Highway Commercial (C-P-S) Zone of the County of Riverside.

II. ~~EXCLUDED USES~~

~~Membership lodging~~
~~Mobile home parks or trailer parks~~
~~Transient lodgings - tourist or cabin courts (offstreet parking provided, includes auto courts and auto camps)~~

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- Transient lodgings - Boatel (oriented to transient boat traffic with limited parking)
- ~~Transient lodgings - transient apartments, rented by day or week~~
- ~~Newspapers, publishing, publishing and printing~~
- ~~Commercial printing, except lithographic~~
- ~~Commercial printing, lithographic~~
- ~~Bookbinding and miscellaneous related work~~
- Bus transportation (depot only)
- ~~Taxicab transportation~~
- ~~Ambulance services~~
- Heliport landing (takeoff pads, with maintenance facilities)
- No fee parking lots and garages (lots are exempt from enclosure if built in accordance to general provisions section)
- ~~Telephone exchange stations~~
- ~~Telephone relay towers, microwave or other~~
- ~~Telegraph transmitting and receiving stations only~~
- ~~Radio transmitting stations and towers~~
- ~~Television transmitting stations and relay towers~~
- ~~Radio and TV transmitting facilities only~~
- ~~Other communications~~
- ~~Electric utility transmission substations~~
- Gas pressure control stations
- ~~Gas company office~~
- ~~Water utility or irrigation company office~~
- ~~Refuse disposal company office~~
- Lumber and other building materials
- Heating, plumbing and air conditioning equipment (retail and repair)
- ~~Paint, glass and wallpaper~~
- Electrical supplies, except appliances
- ~~Hardware stores~~
- ~~Swimming pool supplies~~
- General merchandise
- ~~Food (to exclude selling of live poultry, slaughter and cleaning of poultry)~~
- Groceries, with or without meat (off-sale general license) (to exclude selling of live poultry, slaughter and cleaning of poultry)
- ~~Motor vehicles (new or used)~~
- ~~Used cars~~
- ~~Tires, batteries and accessories~~
- ~~Gasoline service stations~~
- ~~Retail trade - automotive, marine crafts, aircraft and accessories~~
- ~~Apparel and accessories~~
- ~~Furniture, home furnishings and equipment~~
- Short order eating places with product specialty, such as frostie freeze, ice cream, soft drinks, etc. (may or may not be auto-oriented)
- ~~Eating places (on sale beer and wine license)~~