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RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

Wal-Mart Stores, Inc. Real Estate Department 702 Southwest Eighth Street Bentonville, Arkansas 72716

of Document Recorded Has not been compared with original. SAN BEFMARDINO COUNTY RECORDER

YUCCA VALLEY, CALIFORNIA

AMENDMENT TO AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND RECIPROCAL EASEMENTS AND GRANT OF EASEMENTS

THIS AMENDMENT TO AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND RECIPROCAL EASEMENTS ("Declaration") is executed as of this $\frac{1}{2} \frac{1}{2} \frac{1}{2} \frac{1}{2}$ day of $\frac{1}{2} \frac{1}{2} \frac{1$

WITNESSETH:

WHEREAS, Wal-Mart is the owner of Tract 1 (a "Tract") as shown on the plan attached hereto as <u>Exhibit A</u> hereof, said Tract being more particularly described in <u>Exhibit B</u> hereof;

WHEREAS, Developer is the owner of or has the contractual right to purchase Tract 2A (a "Tract") shown on the plan attached hereto as <u>Exhibit A</u> hereof, said Tract being more particularly described in <u>Exhibit C</u> hereof; and

WHEREAS, Stater Bros. is the owner of Tract 3 (a "Tract") and Outparcels C and D (sometimes herein individually referred to as an "Outparcel") shown on the plan attached hereto as <u>Exhibit A</u> hereof, said Tract and Outparcels being more particularly described in <u>Exhibit D</u> hereof; and

WHEREAS, White is the owner of Tract 4 (a "Tract") and Outparcel E (an "Outparcel") shown on the plan attached hereto as <u>Exhibit A</u> hereof, said Tract and Outparcel being more particularly described in <u>Exhibit E</u> hereof; and

WHEREAS, Penney is the owner of Tract 2B (a "tract") and the grantee of a perpetual access easement over Tract 3 and Tract 4 (sometimes herein referred to as the "Penney Easement") shown on the plan attached hereto as <u>Exhibit A</u> hereof, said Tract and Penney Easement being more particularly described in <u>Exhibits F and G</u> respectively hereof;

WHEREAS, Tract 1, Tract 2A, Tract 2B, Tract 3, Tract 4 and Outparcels A, C, D and E (sometimes herein collectively referred to as "Outparcels") and all of the improvements, appurtenances and facilities located thereon, including but not limited to buildings, common areas, sidewalks, parking lot and landscaping, are hereinafter collectively referred to as the "Project".

WHEREAS, the parties hereto desire that Tract 1, Tract 2A, Tract 2B, Tract 3, Tract 4 and the Outparcels be developed in conjunction with each other pursuant to a general and common plan of improvement to form a commercial shopping center (sometimes hereinafter referred to as the "Shopping Center");

WHEREAS, it is the desire and intention of the parties hereto to develop, subdivide, improve, sell, lease and convey interests in the Project subject to certain uniform covenants, conditions, restrictions, limitations, reservations, easements, rights-of-way, liens, charges and other protective and beneficial provisions set forth herein in order to implement a uniform, general and common plan designed to preserve, protect and enhance the value, desirability and attractiveness of the Project, and each Tract and each Outparcel located therein for the mutual benefit and protection of the Project, each Tract and each Outparcel located therein, the parties and all subsequent owners and lessees of Tracts, the Outparcels or retail space within the Project.

WHEREAS, Developer, Stater Bros., White and Wal-Mart entered into a Declaration of Covenants, Conditions, Restrictions and Reciprocal Easements dated as of April 23, 1992, and recorded in the Official Records of San Bernardino County, California, on April 23, 1992, as Instrument No. 92-173414 (the "Original Declaration"); and

WHEREAS, the parties hereto desire to further amend and to restate the Original Declaration and herewith do so amend the same, effective as of the date hereof, it being their intention that the Original Declaration will be amended and superseded in its entirety by restating the same in its entirety, and as so amended and restated, that it will remain in full force and effect as provided in this Amendment to and Restatement of Declaration of Covenants, Conditions, Restrictions and Reciprocal Easements ("Declaration"); and

WHEREAS, Penney desires to become parties to the Declaration;

NOW, THEREFORE, for and in consideration of the premises, easements, covenants, conditions, restrictions, and encumbrances contained herein, the sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows:

A. Effective as of the date of recording of this Declaration, the Original Declaration is hereby further amended and restated in its entirety as hereinafter set forth, and as so amended and restated this Declaration shall remain in full force and effect throughout the term hereof. From and after the date of recording of this Declaration, the grants, easements, covenants and agreements of the parties hereto shall relate to the Tracts or Outparcels of the parties hereto as such are described in <u>Exhibits</u> B, C, D, E and F and shown on <u>Exhibit A</u>. This Declaration shall be effective when it has been executed, acknowledged and delivered by the parties hereto and has been recorded in the Official Records of San Bernardino County, California.

The parties hereto do hereby establish and declare that the в. Project and each Tract and each Outparcel located therein shall be owned, held, conveyed, transferred, divided, sold, leased, rented, encumbered, developed, improved, graded, landscaped, maintained, repaired, occupied and used subject to the uniform covenants, conditions, restrictions, easements, rights, rights-of-way, liens, charges and other protective and beneficial provisions set forth in this Declaration, each and all of which (i) are hereby expressly and exclusively imposed upon and against the Project and each Tract and each Outparcel located therein as mutual, beneficial and equitable servitudes in favor of and for the mutual use and benefit of the Project, and each Tract and each Outparcel located therein, the parties, their successors and assigns and all subsequent owners of Tracts and Outparcels within the Project and their respective heirs, successors, representatives and assigns in order to implement the uniform, general and common plan described above and (ii) are hereby expressly declared to be binding upon the Project and each Tract and each Outparcel located therein, and upon the owners of each Tract and each Outparcel located therein and shall run with the land and each and every part thereof, inure to the benefit of and be a burden upon the Project and each Tract and each Outparcel located therein and shall bind the respective heirs, successors and assigns of the owners of the Project, and each Tract and each Outparcel located therein. Upon recordation of this Declaration, any conveyance, transfer, sale, hypothecation, assignment, lease or sublease made by the parties hereto and by any owner of any Tract or any Outparcel within the Project, shall be and hereby is deemed to incorporate by reference the provisions of this Declaration, as the same may from time to time be amended, and the provisions of this Declaration shall be enforceable by the specific parties identified in Section 13 herein below, their successors or assigns, or by any person, firm, corporation or trust duly authorized by such persons identified in that section to enforce all or any one or more of the provisions of this Declaration.

The covenants, conditions, restrictions, rights, liens, charges and other protective and beneficial provisions set forth herein are "double covenants" as defined and described in the appropriate sections of the California Civil Code, and to the extent expressly provided herein are covenants to refrain from particular uses of contiguous property, as defined and described in the appropriate sections of the California Civil Code, ("Restrictive Covenant" herein).

IN CONSIDERATION OF THE FOREGOING, the parties hereby covenant and agree as follows:

1. Building/Common Areas.

a. "Building Areas" as used herein shall mean those portions of the Tracts and those portions of the Outparcels shown on <u>Exhibit A</u> as "Building Area" (and "Future Building Area" and "Future Expansion Area"). Canopies and their support structures, including columns, may encroach from the Building Areas over the Common Areas (but only to the edge of any adjacent ኒ

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sidewalk), provided the canopies and support structures do not interfere with the use of the Common Areas. Unless converted to Common Areas pursuant to Section 1(c), Building Areas shall not be part of the Common Areas.

- ь. "Common Areas" shall be all of Tract 1, Tract 2A, Tract 2B, Tract 3 and Tract 4 and the Outparcels except for those portions of the Building Area on each Tract or Outparcel which are from time to time actually covered by a building or other commercial structure, which portions of the Building Areas shall not be considered Common Areas for any purpose. The Common Areas shall include but not be limited to all public and common facilities erected in the Project intended for common use (including but not limited to entrances, exits, driveways, access roads, parking areas, walks, service drives, directional signs, lighting facilities, utility services, drainage and retention pond facilities, landscaped areas and other facilities and areas intended for common use) as the same may exist from time to time in the Project. Common Areas do not include any buildings erected on the Building Areas. Canopies which extend over the Common Areas, together with any columns or posts supporting same, shall be deemed to be a part of the building to which they are attached and not a part of the Common Areas.
- "Conversion of Common Areas": Those portions of the c. Building Areas on each Tract and each Outparcel which are not developed or which from time to time are not used or cannot, under the terms of this Declaration (including Paragraph 5a (III)), be used for buildings shall become part of the Common Area for the uses permitted hereunder and shall be improved, kept and maintained as provided herein at the expense of the owner of the applicable Tract or Outparcel. In view of the fact that Stater Bros. has agreed with the Developer not to sell or develop Outparcel C and Outparcel D for a period of 3 years from April 23, 1992, the intent of this Section 1c is that there will be no permanent conversion of Building Area to Common Area unless and until the applicable Tract or Outparcel has been developed.
- d. "Parking Spaces" or "parking spaces" shall mean parking spaces, measured and configured in the manner required by the local ordinance or regulation which is applicable from time to time.

- A "Tract" or "Outparcel" shall mean a lot or parcel as designated in the California Subdivision Map Act.
 f. The phrase "the parties" or "the parties hereto" shall mean Wal-Mart and its successors as to Tract 1, Stater Bros. and its successors as to Tract 3 and/or Outparcel C and/or Outparcel D, Penney and its successors as to Tract 2B and Developer and White or their respective designated successors pursuant to
- 2. <u>Use</u>.

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Section 14 below.

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- Commercial Purposes. Buildings in the Shopping Center shall be used for commercial purposes of the type normally found in a retail shopping center including without limitation financial institutions, service shops, offices, and retail stores. No cafeteria. restaurant within 300 feet of the Wal-Mart building, the Penney building or the Stater Bros. building, theatre, bowling alley, health spa, billiard parlor, nightclub, bar or other place of recreation or amusement, or any business which derives 50% or more of its gross sales volume serving or selling alcoholic beverages shall occupy space within the Shopping Center without the written consent of Wal-Mart, Penney and Stater Bros. Without limiting the effect of any other provision in this Declaration, no restaurant in the Shopping Center shall be greater than 6,000 net leasable square feet and no restaurant in the Shopping Center shall include a bar area which (i) is greater than 25% of the net leasable square feet of the applicable restaurant or (ii) derives 50% or more of its gross sales volume serving or selling alcoholic beverages. Developer recognizes that said businesses may inconvenience Wal-Mart's, Penney's and Stater Bros.' customers and adversely affect Wal-Mart's, Penney's and Stater Bros.' businesses. The covenant and restriction established pursuant to this Section is a Restrictive Covenant pursuant to the 2a appropriate sections of California Civil Code.
- b. <u>Restrictions</u>. Except for Tract 1 and Tract 3, no portion of the Shopping Center, or any building or other improvement at any time situated thereon, shall be occupied or used directly or indirectly as a supermarket, food market, grocery store, meat, fish or poultry store, a fruit or vegetable store, or any business selling fresh or frozen meat, fish, poultry, produce or fresh dairy products (except ice cream and

frozen yogurt), without the prior written consent of Stater Bros.

- c. <u>No Operating Covenant</u>. As more particularly provided in Section 18 below, it is expressly agreed that nothing contained in this Declaration shall be construed to contain a covenant, either express or implied, to continuously operate a business within the Shopping Center.
- d. <u>Parking Limitations</u>. No motor vehicle parking shall be allowed on Tract 4 except for those portions which are improved for that purpose in conformity with this Declaration and the Development Agreement which was entered into among Wal-Mart, Stater Bros., White and Developer on April 23, 1992. In addition, other than delivery trucks, no overnight motor vehicle parking shall be allowed in the Common Areas.
- e. Recycling Facilities. Stater Bros. shall have the right to use the portion of the Common Area designated "Recycling" in Exhibit A as a recycling location or recycling center ("Recycling Facility") for recycling and related purposes, provided that Stater Bros. shall (i) maintain the Recycling Facility in a neat and orderly condition in accordance with the standards of maintenance required therein for the Common Area; (ii) be responsible for all costs of maintaining and operating the Recycling Facility; and (iii) maintain public liability insurance against claims for personal injury, death or property damage occurring upon or about the Recycling Facility, with such insurance being subject to the provisions in Section 7. In addition, Wal-Mart shall have the right to use portions of the Common Area on Tract 1 as a Recycling Facility, subject to complying with the abovementioned requirements in clauses (i), (ii) and (iii).

3. Buildings; Development.

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a. <u>Design and Construction</u>. The Building Areas shall be designed so that the exterior elevation of each shall be architecturally and aesthetically compatible and so that building wall footings shall not encroach from one Tract onto another Tract or one Outparcel onto another Outparcel except as provided for in Subsection 3e below. The design and construction shall be of first quality. No building shall exceed thirty-five feet (35') in height above finished grade. No building shall have a metal exterior. No rooftop signs (i.e. on the roof of the building as opposed to the canopy) shall be erected on any building constructed on the Tracts. The covenant and restriction established pursuant to this Section 3a is a Restrictive Covenant pursuant to the appropriate sections of California Civil Code.

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- Location. No building shall be constructed on Tract ь. 1, Tract 2A, Tract 2B, Tract 3 or Tract 4 (as either immediate development or future expansion) except within the Building Areas and no improvements or alterations which vary from those shown on Exhibit A may be made without the prior written consent of Wal-Mart, Penney and Stater Bros. which consent may be given or withheld in their sole discretion. The front wall(s) of the building(s) on Tract 1, Tract 2A, Tract 2B, Tract 3 and Tract 4 shall be constructed in the location shown in Exhibit A unless otherwise consented to in writing by Wal-Mart, Penney and Stater Bros., which consent may be given or withheld in their sole discretion. The covenant and restriction established pursuant to this Section 3b is a Restrictive Covenant pursuant to the appropriate sections of California Civil Code.
- c. <u>Outparcel Development</u>. The Outparcels shall be developed only under the following guidelines. The covenant and restriction established pursuant to this Section 3c is a Restrictive Covenant pursuant to the appropriate sections of California Civil Code.
 - (i) <u>Height</u>. Except for towers and ornamental structures, no building constructed on the Outparcels shall exceed twenty-five (25') feet in height, as measured from the finished elevation of the parking lot of the Outparcel in question and, in addition, no towers or ornamental structures shall exceed thirty (30') feet in height, as measured from the finished elevation of the parking lot of the Outparcel in question;
 - (ii) <u>Size</u>. The buildings constructed on Outparcel A shall not, in the aggregate, exceed seven thousand five hundred (7,500) square feet in size. The buildings constructed on Outparcel B shall not, in the aggregate, exceed six thousand (6,000) square feet in size. The buildings constructed on Outparcel C shall not, in the aggregate, exceed seven thousand two hundred fifty (7,250) square feet in size. The buildings constructed on Outparcel D shall not, in the aggregate, exceed four thousand (4,000)



square feet in size. The buildings constructed on Outparcel E shall not, in the aggregate, exceed seven thousand two hundred fifty (7,250) square feet in size.

- (iii) <u>Rooftop Equipment</u>. Any rooftop equipment shall be screened in a manner satisfactory to the Developer;
- (iv) <u>Rooftop Signs</u>. No rooftop sign (i.e. on the roof of the building as opposed to the canopy) shall be erected on any building constructed on the Outparcels;
- Sign Criteria. The Shopping Center shall be (V) subject to the sign criteria more particularly described in Exhibit H hereof. Notwithstanding the foregoing, no free-standing identification sign may be erected on the Outparcels without approval of the Developer, and in no event shall such free-standing identification sign exceed ten (10') feet in height. Further notwithstanding the foregoing, there may be erected entrance-exit signs to facilitate the free flow of traffic, which entrance-exit signs shall be of a monument type, not to exceed 3'3" in height, the type and location of such signs to be approved by Developer. Developer hereby approves the free standing monument sign on Outparcel C and Outparcel D, provided that it meets the criteria in this Section 3c.(v) and provided further that it has been approved by Stater Bros.;
- (vi) Improvement Plans. No improvements shall be expanded or altered on Outparcel B and/or constructed on Outparcel E until the plans for same (including site layout, exterior building materials and colors and parking) have been approved in writing by the Developer. No building or structure of any kind shall be erected on the Outparcels except upon that area designated as a Building Area on Exhibit A; provided, there may be constructed and maintained a cancpy or canopies (and support structures, including columns) projecting from said Building Area (but only to the edge of any adjacent sidewalks); normal foundations and doors for ingress and egress may project from such Building Area; and signs may be erected upon said canopy or canopies, so long as said

signs do not obstruct the signs of any other owner or tenant of the Shopping Center;

- (vii) Parking Ratio. In developing and using the Outparcel(s), the owner of the Outparcel(s) shall continuously provide and maintain a parking ratio on such Outparcel(s) equal to one of the following "Outparcel Uses": (i) fifteen (15.0) spaces for each one thousand (1,000) square feet of building space for any restaurant or entertainment use in excess of five thousand (5,000) square feet (the same ratio shall be provided for a McDonald's Restaurant, notwithstanding a building footprint of less than five thousand (5,000) square feet); or (ii) ten (10.0) spaces for every one thousand (1,000) square feet of building space for any restaurant or entertainment use less than five thousand (5,000) square feet (subject to the exception above); or (iii) six (6.0) spaces per one thousand (1,000) square feet of building space for any other use. In addition, the owners of the Outparcels shall cause landscaping areas to be added and maintained in conjunction with any building or other improvement constructed on the Outparcels. Parking on the Outparcels may be reconfigured, provided that the limitations in this Section 3c(vii) and the applicable limitations in this Declaration are continuously adhered to and provided further that the reconfiguration does not impede traffic flow within the Shopping Center;
- (viii) <u>Maintenance</u>. Without limiting the effect of Section 1c. above regarding the conversion of Common Areas, the Outparcels shall be kept neat, orderly improved with landscaping or other elements which are compatible with the improvements in the Common Areas until improved and constructed and in compliance with any requirements imposed by local governmental agencies and once developed, the Outparcels shall be maintained pursuant to Section 5b;
- (ix) <u>Use</u>. Any building, structure, or improvement on the Outparcels shall be used for retail, restaurant or office purposes only. Banks and financial institutions shall be deemed retail purposes. Except for restaurants which comply with Section 2a above, no building, structure,

or improvement on the Outparcels may be used as a theatre, nightclub, bar, bowling alley, health spa, cafeteria, billiard parlor or other place of recreation or amusement, or as a business which derives 50% or more of its gross sales volume serving or selling alcoholic beverages;

- Common Utility Facilities. Any party having an (\mathbf{x}) ownership or leasehold interest in any Outparcel shall repair any damage or blockage caused to any of the Common Utility Facilities, as defined in Section 4c of this Declaration, serving Tract 1, Tract 2A, Tract 2B, Tract 3, Tract 4 or the Outparcels, where such damage or blockage is caused by such owner, lessee, tenant or user of such Outparcel. The owner of each Outparcel or its lessee, shall pay to Developer its pro rata share (based on land area) of the cost of constructing the Common Utility Facilities serving Tract 1, Tract 2A, Tract 2B, Tract 3, Tract 4 and the Outparcels. These obligations of the owner and lessee of any Outparcel are joint and several. Developer, Wal-Mart, Penney and Stater Bros. shall have the rights specified in Section 9, below, to enforce the financial obligations of the Outparcel owner or lessee described in this Section 3c(x).
- (xi) <u>Damage or Destruction</u>. In the event any building, structure or other improvement on any Outparcel shall be damaged or destroyed by any casualty, the owner, lessee or user of any Outparcel shall promptly:

(A) repair and/or reconstruct such improvement to the condition required by this Section 3c, or (B) level such improvement, remove the debris from the Outparcel(s) and keep the Outparcel(s) neat, orderly, planted in grass and trimmed, until subsequently improved and constructed upon. These obligations of the owner and lessee of the Outparcel(s) are joint and several. In the event such restoration is not materially commenced within two (2) months of such casualty and diligently prosecuted to completion, or in the event the steps required in clause (B) above are not completed within thirty(30) days of such casualty, Developer, Wal-

Mart, Penney or Stater Bros. may take the steps specified in clause (B) at the expense of the owner or lessee of the Outparcel(s), and have the remedies specified in Section 9.

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- (xii) Restrictions; Waiver, Amendment. Any of the restrictions set forth in this Section 3c may be waived, amended, modified, released, or terminated in writing at any time and from time to time by Developer; provided that Developer shall not waive, amend, modify, release or terminate any of the restrictions set forth in this Section 3c. without the prior written consent of Wal-Mart, Penney and Stater Bros., which consent may be given or withheld in their sole discretion, provided further, however, that Developer shall not amend or modify any of the foregoing restrictions if any such amendment or modification would impose additional restrictions on an Outparcel without the prior written consent of the fee owner of the Outparcel;
- (xiii) <u>Benefitted Tracts; Covenants</u>. The foregoing restrictions and agreements are imposed on the Outparcels for the benefit of Tract 1, Tract 2A, Tract 2B, Tract 3 Tract 4 and the Outparcels. The agreements, restrictions and covenants herein shall be deemed restrictive covenants running with the land and shall be binding upon the Outparcels and any person who may from time to time own, lease, or otherwise have an interest in the Outparcels.
- d. <u>Fire Protection</u>. Any other buildings constructed on Tract 1, Tract 2A, Tract 2B, Tract 3 and Tract 4 shall be constructed and operated in such a manner so as to preserve the "Unlimited Area Code Classification", as defined in the appropriate building codes on the Wal-Mart building and shall maintain the same structural classification, site clearances, and sprinkler rating as the Wal-Mart building. It is understood and agreed that all buildings on Tract 1, Tract 2A, Tract 2B, Tract 3 and Tract 4 shall have a sprinkler system for fire protection, if required to preserve the Unlimited Area Code Classification.
- e. Footing Encroachment Easements.
 - (i) In the event any building wall footings straddle

 a property line between Tract 1 and Tracts 2A

and 2B, and such footings underlie both a wall for Wal-Mart's building, and a wall for Developer's building, such footings shall be "Shared Footings" as considered described herein. The repair and maintenance of Shared Footings shall be the joint obligation of the owners of each Tract served by or making use of the same. The cost of such repair and maintenance shall be borne equally by the owners served by and/or making use of any such Shared Footings. If Shared Footings are damaged or destroyed by casualty, any owner who has used such Shared Footings may restore the same and the other owner served by and/or making use of the same shall be obligated to contribute onehalf (1/2) of the cost of such restoration subject, however, to the right of either such owner to seek a larger contribution from the other owner under any rule of law regarding liability for negligence, comparative negligence or willful acts or omissions. Any owner may seek reimbursement for such costs of repair and maintenance pursuant to Section 9 below. The right of any owner to use Shared Footings situated, placed, constructed or reconstructed in substantially the same location originally constructed or placed by Developer or Wal-Mart shall, in accordance with the appropriate the California Civil sections of Code, constitute an easement appurtenant to such owner's Tract. The right of any owner to contribution from any other owner under this subsection shall be appurtenant and run with the land within the boundaries of his Tract. The repair and maintenance of any portion of any Shared Footings shall otherwise be subject in all events to such regulations, standards and time requirements as established in this Declaration. Nothing in this Section shall be deemed to permit any Shared Footings which involve the Stater Bros. building or the Penney building.

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(ii) In the event any building wall footings encroach from one Tract onto another, or into the Common Area, despite efforts to avoid that occurrence, and such encroachment is not in excess of thirty-six (36) inches in horizontal distance to

the Tract whose building wall footings encroached. а valid easement for such encroachment shall exist as long as such encroachment shall exist. Said easement is established by this Declaration. In interpreting deeds, plans and maps of all or any portion of the Shopping Center, the existing physical boundaries of Tracts and buildings. reconstructed in substantial accordance with the original plans thereof shall be conclusively presumed to be the boundaries of such Tract or buildings rather than the metes and bounds expressed in any such deed, plans or map, regardless of settling or lateral movement of such building and regardless of minor variances between boundaries shown on any such deed, plan or map and those of such building. None of the rights, obligations, easements, or restrictions created and/or reserved hereby, or by any instrument or conveyance of any Tract within the Shopping Center shall be altered in any way by encroachments due to settlement or shifting of any portion of any building within the Shopping Center. At the request of the owner of any such encroaching footing or settled footing, wall or building, or at the request of the owner of the Tract upon which such improvement encroaches, any other affected owner shall enter into an agreement in recordable form describing the easements provided for in this subsection, in accordance with a survey made at the expense of the grantee(s) of such easements. The grantee(s) for said easements shall be responsible for any repairs required to such footings. Nothing in this Section shall be deemed to permit any encroachment onto Tract 3.

4. <u>Common Areas</u>.

a. <u>Grant of Reciprocal Ingress, Eqress and Parking Easements</u>. There are hereby granted, reserved and established to and for the benefit of the parties hereto and their respective successors-in-interest, non-exclusive easements appurtenant to each Tract and Outparcel in the Project for ingress, egress, driveway use, parking, loading and unloading of commercial and other vehicles, and otherwise for the enjoyment, comfort and convenience of customers, invitees, licensees, tenants and employees of all businesses and

occupants of the buildings constructed on the Building Area, to pass over and through and use the Common Area on the parties' respective tracts in the Project, including but not limited to the right to use driveways, roadways, walkways, parking spaces and other facilities constituting Common Area, except and provided however that the owners, lessees, tenants and other users including customers and invitees of the Outparcel(s) shall not have any right, easement or license to park vehicles on other Tracts or the Common Area in the Project other than the Common Area of the applicable Outparcel, and provided all of the foregoing easements are subject and subordinate to the parties' rights as elsewhere specified herein, including the right to redesign, construct and rearrange the Common Area in Section 5a(i). The ingress and egress easements shall be for ingress and egress to and from each Tract and Outparcel and to and from each Tract and Outparcel to public streets and thoroughfares as shown on Exhibit A. The entryways and exitways shown on Exhibit A shall not be obstructed or removed by any party unless agreed to by Developer, Wal-Mart, Penney and Stater Bros.

Twenty-Nine Palms Highway and Balsa Avenue (i) Access to Tract 2B. Stater Bros. as the owner of Tract 3 and White as the owner of Tract 4 hereby grants to Penney and its successors in interest as the owner of Tract 2B, a nonexclusive, perpetual easement for roadwav purposes (A) over and across that certain fifty-five approximately (55) foot wide entrance/exit access road at the Twenty Nine Palms Highway entrance to Tract 3 and that certain thirty (30) foot wide connector road which connects the first mentioned entrance/exit access road and Tract 2B and which is designated Drive B on Exhibit A and (B) over and across the Service Drive delineated by dotting or shading on Exhibit A, between Tract 2B and Balsa Avenue. The specific legal descriptions of the easements generally described in clause (A) and clause (B) above are set forth in Exhibit G. This entrance/exit access road and such Service Drive shall not be obstructed and shall remain as shown on Exhibit A.

b. Limitations on Use.

(i) <u>Customers</u>. Each owner, lessee and tenant in the Project shall use reasonable efforts to ensure that customers and invitees shall not be permitted to park on the Common Areas except while shopping or transacting business on Tract 1, Tract 2A, Tract 2B, Tract 3 and Tract 4 or the Outparcels, respectively.

- (ii) <u>Employees</u>. Each owner, lessee and tenant in the Project shall use reasonable efforts to ensure that employees shall not park on the Common Areas, except in areas designated in <u>Exhibit A</u> as "employee parking areas", if any. Wal-Mart, Penney, Developer and Stater Bros. may from time to time, by unanimous agreement, designate, approve and locate or relocate "employee parking areas".
- (iii) General. All of the activity permitted within the Common Areas shall be conducted with reason and judgement so as not to interfere with the primary purpose of the Common Areas which is to provide for parking for the customers, invitees and employees of those businesses conducted within the Building Areas and for the servicing and supplying of such businesses. Persons using the Common Areas in accordance with this Declaration shall not be charged any fee for such use. Nothing contained herein shall prohibit the rights of Wal-Mart, Penney, Stater Bros. or any other anchor tenant in the Shopping Center, to conduct promotional sales in the parking areas of Tract 1, Tract 2A, Tract 2B and Tract 3, respectively, or on the sidewalks located on Tract 1, Tract 2A, Tract 2B and Tract 3, respectively, provided that Wal-Mart, Penney or Stater Bros., or the applicable anchor tenant, as the case may be, does not block the flow of traffic in the Common Area between Tract 1, Tract 2A, Tract 2B, Tract 3 and Tract 4 and the adjacent roadways and provided further that Wal-Mart, Penney or Stater Bros. confine their respective promotional sales to their respective Tracts. Nothing in this Section shall be deemed to give any rights to the owner or any occupant of Tract 4, to conduct promotional sales in the parking areas of Tract 4. Without limiting the other provision effect of any in this Declaration which defines or limits the use of

Common Areas, the Common Areas may be used for the following:

- Subject to the limitation in Section 4a. (a) that the owners, lessees, tenants and other users of the Outparcels shall not have any right, easement or license to park vehicles on other Tracts or the Common Area in the Project other than the Common Area of the applicable Outparcel, the Common Areas may be used for unimpeded and unhindered pedestrian vehicular traffic and the unimpeded and unhindered parking of passenger vehicles in areas designated for such purposes, for all persons who may hold an interest in the real property within Tract 1 through Tract 4, or any leasehold or other estate, and their respective tenants, sub-tenants, concessionaires. agents, employees, customers, visitors and other licensees and invitees;
- (b) the maintenance of vaults, manholes, meters, pipelines, valves, sprinkler controls, conduits and related improvements, sewage facilities, septic tanks, leach lines and distribution boxes; provided, however, that in no event shall any of the improvements described above be located in such a manner as to hinder or impede the other uses and/or maintenance of any portion of the Common Area;
- (c) the unimpeded and unhindered pedestrian and vehicular movement by the persons described in Section 4(a) above, to and from adjacent streets and between Building Areas and Common Areas;
- (d) the construction, maintenance, repair, replacement and reconstruction of signs and other exterior advertising media;
- (e) the unimpeded and unhindered ingress and egress of delivery and service trucks and vehicles to and from the Building Areas and the public streets adjacent to the Shopping Center, for the delivery of goods, wares, merchandise and the rendition of services to all Building Areas and the occupants thereof;

- (f) the provision of other facilities such as mail boxes, public telephones and benches for the comfort and convenience of customers, visitors, invitees, licensees and patrons of mercantile business and professional establishments and occupants of the Building Areas; provided, however, that in no event shall any such facilities be located in such a manner as to hinder or impede the other 11865 and/or maintenance of any portion of the Common Areas;
- (g) the installation, removal, replacement and maintenance of building canopies, including canopy support columns, from any Building Area;
- (h) the installation, removal, replacement, repair, use and maintenance of fire hose connections, downspouts, hose bibs, standpipes, yard or flood lights, subsurface building foundations and such signs or shadow boxes of building occupants as may be attached to or form an integral part of a building;
- (i) provided that they do not prevent the reasonable flow of vehicular traffic, the construction, repair, reconstruction and operation of trash or bottle storage rooms and/or trash bins adjacent and to the rear of the buildings to be serviced thereby;
- (j) the outward opening of doors and buildings located on contiguous Building Areas which open outward;
- (k) the temporary erection of ladders, scaffolding and store front barricades during periods of construction, reconstruction, remodeling or repair of buildings or building appurtenances; provided, however that such construction, reconstruction, remodeling or repair is diligently performed and upon completion such ladders, scaffolding and barricades are promptly removed.
- c. <u>Utility And Service Easements</u>. The parties hereby expressly grant to each other and to their respective successors and assigns for the benefit of Tract 1, Tract 2A, Tract 2B, Tract 3, Tract 4 and the

Outparcels, the non-exclusive and perpetual right and easement to install, maintain, repair, and replace Common Utility Facilities within and upon the Common Areas of the Shopping Center at such places as may be necessary for the orderly development and operation of Any party hereto upon whose the Shopping Center. Tract any such Common Utility Facilities shall have been installed shall have the right, upon sixty (60) days prior notice to the other parties hereto serviced by said Common Utility Facilities, at any time or from time to time, to move and relocate such Facilities to such place on its Tract as it shall designate; provided, however, that such relocation shall be made at the sole cost and expense of the party requesting such relocation and shall not interfere with, nor increase the cost of, any other user's utility service or unreasonably interfere with the conduct or operation of its business or cause any damage to such other party's Tract or Outparcel. The term "Common Utility Facilities" as used in this Section 4c shall mean utility facilities for drainage and sewage, gas, water, electricity and other forms of energy, signals or services, including, but not limited to, sanitary storm sewers, drainage, and detention/retention facilities, pumping facilities, gas and water mains, fire hydrants or other fire protection installations and electric power and telephone lines, which are available for use by the parties hereto for their respective Tracts and Outparcel(s) thereon and/or the Common Areas thereof (including those between the Shopping Center and the lines or facilities of the governmental body or public utility providing the utility service in question); excluding, however, laterals within five (5) feet of any building servicing only such building and located entirely on the Tract on which said building is located. The parties will use reasonable efforts to cause the installation of such utility and service lines prior to paving of the Common Areas. No such lines, sewers, utilities or services of one party shall be installed within the Building Areas or under accessory buildings on the other party's Tract or Outparcel. Each party hereto hereby grants to each other party hereto, for the benefit of each other party hereto and their respective successors and assigns, the opportunity to tie into and use, at the expense of the person or persons exercising such privilege, that portion of the

Common Utility Facilities; provided that (i) the exercise of any right, privilege or easement provided in this subsection shall be subject to any other applicable limitations in this Declaration and shall be reasonable and in good faith, that any disruption of Common Utility Facility services to Tract 1 shall occur only during hours which are not Wal-Mart's normal business hours; that any disruption of Common Utility Services to Tract 2B shall occur only during hours which are not Penney's normal business hours; that any disruption of Common Utility Services to Tract 3 (A) shall occur only upon at least 14 calendar days prior written notice to Stater Bros., (B) shall not occur during hours which are Stater Bros.' normal business hours, and (C) shall not occur during the one week period immediately prior to and including Easter Sunday, Labor Day, or the Fourth of July of any year or during the period from November 15 to the end of the calendar year of any given year, and that all damage to any Common Utility Facilities or to any portion of the Common Area resulting therefrom shall be repaired at the sole cost and expense of the person or persons exercising such privilege, with such damages to be recoverable by Wal-Mart, Penney, Developer, Stater Bros. or White pursuant to Section 9 below; and (ii) that such tie into and use of such Common Utility Facilities shall not interfere with the quality, quantity and effective operation of the other users. In addition, any party having an ownership or leasehold interest in any Tract shall repair any damage or blockage caused to any of the Common Utility Facilities serving any Tract or Outparcel, where such damage or blockage is caused by such owner, lessee, tenant or user of such Tract.

(i) <u>Temporary Termination of Fire Service</u>. In the event that a party hereto is to perform any construction, including but not limited to, the installation, modification or relocation of utility and service lines which shall require as an incident thereto the loss of operation of fire service in any store, such party as a condition precedent to the commencement and continuation of such construction, shall obtain the consent (as to the days and hours) of the party in whose store such service shall be lost; and cause a fire watch to be posted, at the expense of the party performing construction,

during all periods when such fire service is not in operation, which may be satisfied by the physical presence of the local fire department or other responsible person. However, notwithstanding the foregoing, in no event shall the construction which is the subject of this Section, cause the loss of operation of fire service in any store for a period of longer than 72 hours.

- d. Drainage/Water Flow. Any alteration in the natural water drainage flow which may occur as a natural consequence of normal construction activities and the existence of the parties' improvements substantially as shown in Exhibit A (including without limitation building and building expansion, curbs, drives and paving) shall be permitted. There are hereby reserved to the parties, easements in, over, under, across and through the Common Area and Outparcels to grade, establish and maintain patterns and facilities for the benefit of the Project as a whole and for Tract 1, Tract 2A, Tract 2B, Tract 3, Tract 4, the Outparcels and Common Area. Upon establishment and completion of such drainage patterns and facilities, all of Tract 1, Tract 2A, Tract 2B, Tract 3, Tract 4, the Outparcels and the Common Areas shall be and remain subject thereto. The grading pattern for Tract 4 established in the initial development of the project shall not be modified in such a way that concentrates flow in front of the building on Tract 3. Notwithstanding anything to the contrary in this Section 4d, after the development of the sitework for the project, no alteration in the water drainage flow may occur without the consent of Wal-Mart, Penney, Stater Bros. and Developer.
- (e) <u>Construction Quality</u>. All Common Areas shall be designed and constructed in a manner which is architecturally and aesthetically compatible with the initial construction on Tracts 1, 2A, 2B and 3. All Common Areas shall be designed and constructed of first quality using material at least equal in quality to that used in the initial construction on Tracts 1, 2A, 2B and 3.

5. <u>Common Area Construction, Maintenance, and Taxes</u>.

a. <u>Development</u>.

 (i) <u>Arrangement</u>. Developer, Wal-Mart, Penney and Stater Bros. may, acting together, unanimously agree to any change in the arrangement of the

Common Areas, whether or not judged material, and, except as otherwise provided below, neither the owners of the Outparcels or any other Tract in the Project, shall have any remedy with respect to such change unless they (A) are entitled, pursuant to Section 13 to raise such objections and (B) can prove to a court of equity, by clear and convincing evidence, that each of said owner's net income from the Project has been materially impaired as a direct result of such change, and upon such proof, such owner's sole remedy shall be damages. Developer, Wal-Mart, Penney and Stater Bros. may give or withhold their consent as provided in this Section, in their sole discretion.

- (ii) "Parking Area" Ratio. Each party hereto agrees that at all times there shall be independently maintained on each Tract, the following parking: Tract 1 Area sufficient to accommodate not fewer than 4.60 car spaces for each 1,000 square feet of Building Area on such Tract.
 - Tract 2A Not fewer than 4.50 car spaces for each 1,000 square feet of Building Area on such Tract.
 - Tract 2B Not fewer than 4.50 car spaces for each 1,000 square feet of Building Area on such Tract.
 - Tract 3 Not fewer than 5.50 car spaces for each 1,000 square feet of Building Area on such Tract.
 - Tract 4 Not fewer than 5.50 car spaces for each 1,000 square feet of Building Area on such Tract.

Each Outparcel shall maintain a parking ratio pursuant to the requirements set forth in Section 3.(c)(vii).

(iii) <u>Construction Timing</u>. When any building is constructed within the Building Areas of a Tract or Outparcel, the Common Areas of that Tract or Outparcel shall be constructed in accordance with <u>Exhibit A</u> at the expense of the owner of said Tract or Outparcel. In the event one party hereto (the "Developing Party") constructs improvements on Developing Party's Tract or Outparcel prior to the development of the other Tract or Outparcel, subject to the written

consent of the non-developing party to the plans and specifications for such improvements and the cost of the same, the Developing Party shall have the right to grade, pave and use any portion of the Common Areas of any nondeveloping party's Tract or Outparcel for access and for construction of, but not limited to, drainage structures and utility lines as is necessary to provide essential services to the Developing Party's Tract or Outparcel. The Developing Party shall present an itemized statement of expenses incurred in the construction of said improvements to and upon any applicable non-developing party's Tract or Outparcel, and the applicable non-developing party agrees to reimburse the Developing Party for such costs within thirty (30) days of receipt thereof. Upon any non-developing party's failure to pay in full said sums within fifteen (15) days of presentation of said itemized statement, or provide good faith detailed objection to the unpaid portions thereof, the Developing Party shall have the remedies specified in Section 9.

(iv) <u>Service Drive</u>. Developer agrees that if on Exhibit A hereof a service drive is delineated on Tract 2A, Tract 2B, Tract 3 or Tract 4 by dotting or shading and is labelled as a "Service Drive", it shall construct the entire Service Drive simultaneously with the development and construction on Tract 1 by Wal-Mart or on Tract 2B by Penney or on Tract 3 by Stater Bros. In the event Developer does not comply with the provisions of the preceding sentence, in addition to any other legal remedies, any of Wal-Mart, Penney or Stater Bros. shall have the right to cause the entire Service Drive to be constructed and to be reimbursed for its costs in doing so in the manner specified in Section 5(a)(iii) above.

b. <u>Maintenance</u>.

(i) <u>Standards</u>. Following completion of the improvements on the Common Areas; the parties hereto shall maintain the Common Areas in good condition and repair in the manner set forth in this Section 5b. The maintenance is to include without limitation the following:

(a) <u>Surfaces</u>. Maintaining the surfaces in a level, smooth and evenly covered condition with the type of surfacing material originally installed or such substitute as shall in all respects be equal in quality, use, and durability;

- (b) <u>Cleaning and Sweeping</u>. Removing all papers, ice and snow, mud and sand, debris, filth and refuse and thoroughly sweeping the area to the extent reasonably necessary to keep the area in a clean and orderly condition;
- (C) <u>Signs</u>. Placing, keeping in repair and replacing any necessary appropriate directional signs, markers and lines;
- (d) <u>Lighting</u>. Operating, keeping in repair and replacing, where necessary, such artificial lighting facilities as shall be reasonably required;
- (e) <u>Walls</u>. Maintaining all perimeter walls including but not limited to all retaining walls and drive through areas, if any, in a good condition and state of repair; and
- (f) Landscaping. Maintaining, mowing, weeding, trimming and watering a11 landscaped areas and making such replacements of shrubs and other landscaping as is necessary.
- (ii) <u>Tract 1 Maintenance</u>. Wal-Mart shall maintain and pay the maintenance expense of the Common Areas on Tract 1.
- (iii) Maintenance of Tract 2A, Tract 2B, Tract 3, Tract 4 and Outparcels C and D. Subject to reimbursement as provided herein, Stater Bros. as "Maintenance Director" shall maintain the Common Areas of Tract 2A, Tract 2B and Tract 3 and Outparcels C and D and the driveways and related facilities on Tract 4 which are shown in Exhibit "A". Each owner of Tract 2A, Tract 2B and Tract 3 and Outparcels C and D shall pay to the Maintenance Director its pro rata share of "Common Area Maintenance Costs" based on the relative square footage of land area in Tract 2A, Tract 2B and Tract 3 and Outparcels C and D; provided, however that from and after the date of the commencement of construction of the first building on Tract 4 or Outparcel E, whichever

occurs first, each owner of Tract 2A, Tract 2B. Tract 3, Tract 4 and Outparcels C, D and E shall pay to the Maintenance Director its pro-rata share of "Common Area Maintenance Costs" based on the relative square footage of land area in Tract 2A, 2B, Tract 3, Tract 4 and Outparcels C, D and E. Without limiting the effect of any other provision of this Declaration, if any owner of Tract 2A, Tract 2B, Tract 3 Tract 4 or Outparcels C, D, or E fails to pay its pro rata share of Common Area Maintenance Costs, the Maintenance Director shall have the rights specified in Section 9, below, to enforce its right to recover the share of maintenance expense of the applicable owner. The Maintenance Director shall maintain the Common Areas at all times in good, clean condition and repair and shall be allowed to perform the work itself or to contract that work out to various professionals as it deems best. Inasmuch as each party hereto is required to maintain liability insurance pursuant to Section 7b, the Maintenance Director shall not be required to maintain liability insurance with respect to its maintenance activities. Notwithstanding the appointment of a Maintenance Director, each owner, occupant and lessee of any parcel shall be solely responsible for the repair and maintenance of its own building, including wall exteriors, canopies, canopy columns, canopy lights, entrances and vestibules. The Maintenance Director shall be entitled to reimbursement for all costs incurred (except general office overhead, depreciation, interest on investment or items classified as capital expenditures; provided, however that no item costing less than \$25,000 shall be classified as capital expenditure а for purposes of reimbursement of the Maintenance Director and provided further that the Maintenance Director shall not incur any cost in excess of \$25,000, plus an annual factor based on the percentage change in the consumer price index for all urban consumers in the Los Angeles-Anaheim-Riverside region, without the consent of Developer, Penney and Stater) in the maintenance and repair of Common Areas, on a pro-rata basis from the

owners, plus a management fee of ten percent (10%) of all such costs (except that, in calculating such 10%, real estate taxes and assessments, insurance and utilities shall not be considered). The Maintenance Director shall bill each owner periodically for its pro-rata share but in no event more frequently than monthly. Each billing shall be paid within 30 days and any bill outstanding more that 30 days shall bear interest at 1-1/2% per month from the time of billing or the highest rate permitted by law, whichever is lower. Verification of all costs and expenses shall be provided by the Maintenance Director to any owner on request. The Maintenance Director's books on expenses shall be open during business hours for inspection for each maintenance expense year and shall be maintained for three (3) years. Any owner may audit the Maintenance Director's books during such three (3) year period and if an excess billing of more than three percent (3%) is found against the Maintenance Director, then the Maintenance Director shall reimburse the applicable owner for the reasonable cost of the audit. Any overpayment or underpayment discovered as a result of the audit shall be adjusted accordingly within 30 days of the audit. In the event of any dispute over the reimbursement to the Maintenance Director, the prevailing party shall be entitled to reasonable attorneys fees.

In the event the Maintenance Director fails to discharge any material maintenance obligation pursuant to this Section 5b(iii), any owner of Tract 2A, Tract 2B, Tract 3, Outparcel A, Outparcel C or Outparcel D (and after the date of commencement of construction of the first building on Tract 4, any owner of Tract 4 or Outparcel E) may give written notice of default to the Maintenance Director, specifying the obligations that the Maintenance Director has failed to perform. In the event the Maintenance Director fails to cure its default within thirty (30) days after the date that such notice is given, then any such party may perform the obligation that the Maintenance Director has failed to perform and, on written demand, the

Maintenance Director shall reimburse the performing party for the actual cost incurred by the performing party in curing the Maintenance Director's default, less the performing party's pro rata share. If, during any twelve (12) month period, Penney has given three (3) or more written notices of default to the Maintenance Director, Penney shall thereafter have the right to withdraw Tract 2B from the control of the Maintenance Director and to instead, at its sole cost, provide for the maintenance of the Common Areas on Tract 2B; provided, however that, in that event, Penney shall, at its sole cost, take such steps as may be necessary to segregate all utilities and other services serving Tract 2B from the remainder of the Project so that, thereafter, Penney shall have separate utilities and other services to Tract 2B and shall separately pay for such separate utilities and other services. In addition, if Penney withdraws Tract 2B from the control of the Maintenance Director, then Tract 2A shall also be withdrawn and all utilities and other services serving Tract 2A shall be segregated from the remainder of the Project at the cost of the owner of Tract 2A.

In the event that the Maintenance Director resigns or is removed for any reason whatsoever, the Developer shall thereafter either (A) exercise the rights and undertake the obligations of the Maintenance Director or (B) replace the Maintenance Director with another person or firm, in which event, upon appointment, such other person or firm shall succeed to the rights and obligations of the Maintenance Director.

(iv) <u>Maintenance of Tract 4 and Outparcel E</u>. Except for the driveways and related improvements on Tract 4 which are shown in <u>Exhibit "A"</u>, White shall maintain and pay the maintenance expense of Tract 4 and Outparcel E. The parties acknowledge that White does not intend to develop Tract 4 and Outparcel E concurrently with the development of the Shopping Center and that, until Tract 4 and Outparcel E are developed, White shall be deemed to satisfy his obligation of maintenance by keeping the unimproved areas

of Tract 4 and Outparcel E weed free and garbage free and by abating any dust which is being created on Tract 4 or Outparcel E and by taking such steps as may be necessary to prevent surface water drainage and the drainage of water borne soil from Tract 4 onto Tract 3 and the remainder of the Shopping Center. If White fails to maintain and pay the maintenance expense of Tract 4 or Outparcel E, then the Maintenance Director shall have the right to perform said maintenance or to pay said maintenance expense on Tract 4 and Outparcel E and, if White fails to reimburse the Maintenance Director on demand for the same, the Maintenance Director shall have the right specified in Section 9, below, to enforce its right to recover the same from White.

Taxes. Each of the parties hereto agrees to pay or cause to be paid, prior to delinquency, directly to the appropriate taxing authorities all real property taxes and assessments which are levied against that part of the Project owned by it provided, however, that if the property of more than one of the parties should be contained within one county assessor's tax parcel: (A) the parties each shall work, in cooperation and independently, to have said assessor divide the assessor's parcel to conform to the boundaries of Tract 1, Tract 2A, Tract 2B, Tract 3, Tract 4 and the Outparcels and (B) in the event taxes and assessments arising after acquisition of Tract 1 by Wal-Mart are levied prior to such division of the assessor's parcel, the same shall be prorated between Tract 1, Tract 2A, Tract 2B, Tract 3, Tract 4 and the Outparcels based upon the relative square footage thereof (equitably adjusting for any improvements thereon at the time of the assessment thereof) and each affected owner shall pay its share thereof to Wal-Mart prior to the date each installment thereof is due, Wal-Mart shall remit the total to the tax collector, and Wal-Mart shall have the remedies specified in Section 9 in the event any owner fails to timely pay its share. Stater Bros. shall be deemed to have satisfied its obligations in this Section if it pays its share to Wal-Mart within ten (10) days after written request from Wal-Mart, but in no event earlier than thirty (30) days before the payment due date, and

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if it makes the check for its share payable jointly to Wal-Mart and the tax collecting authority.

Signs. Without limiting the effect of the sign criteria 6. described in Exhibit H, no sign shall be located on the Common Areas illustrated on the plan of Tract 1, Tract 2A, Tract 2B, Tract 3, Tract 4 and the Outparcels attached hereto except signs advertising businesses conducted thereon. All signs shall be located as shown in Exhibit H. Notwithstanding the foregoing, Wal-Mart's sign face shall occupy the uppermost position on each Shopping Center pylon sign, Stater Bros.' sign face shall occupy the second position on each such sign and Penney's sign face shall occupy the third position on each such sign. Further notwithstanding the foregoing, no signs shall obstruct the ingress and egress shown on Exhibit A. All costs of installing, maintaining, repairing, replacing and operating each pylon sign shall be paid by each party with an identification panel thereon. Each party's pro rata share shall be determined by multiplying such costs and expenses by a fraction, the numerator of which is the square footage of the user's identification panel and the denominator of which is the square footage of all identification panels on such pylon sign. Each user shall install, maintain, repair and replace its own identification panel at its sole cost and expense. Signage for the Outparcels shall be consistent with the restrictions set forth in Section 3c(v) contained herein.

7. Indemnification/Insurance.

а. Indemnification. Wal-Mart, as owner of Tract 1, Developer, as owner of Tract 2A, Penney, as owner of Tract 2B, Stater Bros. as owner of Tract 3 and Outparcels C, D and White as owner of Tract 4 and Outparcel E and their successors and assigns, (each owner of Tract 1, Tract 2A, Tract 2B, Tract 3 and Tract 4 being referred to for the purpose of this Section 7 only, as a "Party") each hereby indemnifies and saves the other Parties harmless from any and all liability, damage, expense, causes of action, suits, claims or judgements arising from personal injury, death or property damage and occurring on or from its own Tract or Outparcel except if caused by the act or negligence of the Party indemnified hereby. Each Party covenants and agrees to keep or cause to be kept their respective Tracts or Outparcels, as the case may be, and the improvements thereon, free and clear of and from any and all mechanics', materialmen's and other similar liens arising out of or in connection

with the operations thereon or other activities of or other claiming under either of them, and to pay and discharge when due any and all lawful claims upon which any such lien may or could be based, and to save and hold each other Party's Tract or Outparcel, as the case may be, and the improvements thereon, free and harmless of and from any and all such liens and any and all claims of liens and suits or other proceedings pertaining thereto. In the event any mechanics' or materialmens' liens are filed, however, such Party shall have the right to timely contest and discharge those liens.

- b. <u>Insurance</u>.
 - (i) Liability Insurance. Each Party shall procure and maintain in full force and effect throughout the term of this Declaration comprehensive general liability insurance and property damage insurance against claims for personal injury, death or property damage occurring upon, in or about its Tract or Outparcel, including Common Areas, each Party's insurance to afford protection to the limit of not less than Two Million Dollars (\$2,000,000.00) for injury or death of a single person, and to the limit of not less than Two Million Dollars (\$2,000,000.00) for any one occurrence, and to the limit of not less than Two Million Dollars (\$2,000,000.00) for property damage. Such insurance may be written by additional premises endorsement on any master policy of insurance carried by the Party which may cover other property in addition to the property covered by this Declaration. Such insurance shall provide that the same may not be cancelled without thirty (30) days prior written notice to the other Party.
 - (ii) <u>Casualty Insurance</u>. At all times during the term of this Declaration, each Party shall keep improvements on its Tract or Outparcel insured against loss or damage by fire and other perils and events as may be insured against under the broad form of Uniform Extended Coverage Clause in effect from time to time in California, with such insurance to be for the full replacement cost of the insured improvements, with a deductible no greater than ten percent (10%) of replacement costs, subject, however, to the

right granted herein to Wal-Mart, Stater Bros. and Penney to self-insure.

- (iii) Policy Requirements. Policies of insurance provided for in this Section 7 and maintained by the parties and their successors with respect to Tract 1, Tract 2A, Tract 2B, Tract 3 and Tract 4 and the Outparcels, respectively, shall name each of the other parties, as well as the Maintenance Director, in its capacity as Maintenance Director, as insureds as their respective interests may appear, and each of them shall provide to each other certificates, upon written request, evidencing the fact that such insurance has been obtained.
- (iv) Release to Extent of Insurance. Each Party for itself and its property insurer hereby releases the other Parties and their property insurers from and against any and all liabilities, claims, causes of action, obligations, demands, damages, losses, costs, or expenses, including attorneys' fees and costs, for damage to each other Party's property or loss of rents or profits of any Party resulting from or in any way connected with any fire or other casualty whether or not such fire or other casualty shall have been caused by the intentional action, negligence or the contributory negligence of the Party being released or by any officer, agent, employee or associate of the Party being released. This release is to the extent that such damage or loss is covered by the property insurance which the releasing Party is obligated hereunder to carry, or, if the releasing Party is not carrying that insurance, then to the extent such damage or loss would be covered if the releasing Party were carrying that insurance. This release extends to a11 liabilities, claims, causes of action, obligations, demands, damages, losses, costs or expenses, whether known or unknown, suspected or unsuspected, matured or unmatured, contingent or fixed, and liquidated or unliquidated, arising directly or indirectly out of the subject matter of the release. The parties hereto acknowledge that all of their rights under the appropriate sections of California Civil Code, are hereby

expressly waived, and acknowledge that they have been advised that the section reads as follows:

"Certain Claims Not Affected by General Release. A General Release does not extend to claims which the creditor does not know or suspect to exist in its favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

Each owner, lessee, mortgage or trustee, beneficiary, in accepting a conveyance of an inter-est in the Project shall be deemed to have acknowledged that it is a party to the foregoing release, and to a waiver of its potential claims under the appropriate sections of California Civil Code.

- (v) Waiver of Subrogation. Each policy of insurance described herein shall contain a waiver by said insurer of any and all rights of subrogation against each other Party, and their officers, employees, agents, associates and representatives, and said insurance policy shall provide that any "non-control" provision in said policy is excluded or superseded by an endorsement providing that the insurance obtained pursuant to this Section 7b shall not be prejudiced by any act or neglect of any of the insureds when such act or neglect is not within the knowledge and control of all of the insureds collectively and shall likewise not be prejudiced by any failure of the insureds, individually or collectively, to comply with any warranty or condition with regard to any portion of the Project over which each insured individually, or the insureds collectively, have no control. Said insurance policy shall provide that it may not be cancelled, suspended or avoided in whole or in part by any reason of act, omission or breach of any covenant, condition or restriction contained herein.
- (vi) <u>Self-Insurance</u>. Notwithstanding anything to the contrary contained in this Section 7, so long as Wal-Mart is the owner of Tract 1, Penney is the owner of Tract 2B and Stater Bros. is the owner of Tract 3, Wal-Mart, Penney and Stater Bros.,

as the case may be, shall have the right to self-insure and retain the financial risk for all or part of any claim for damages, provided the net worth of Wal-Mart, Penney, or Stater Bros., as the case may be, exceeds One Hundred Million Dollars (\$100,000,000). In the event Wal-Mart, Penney or Stater Bros. elects to selfinsure, it shall deliver a letter to the other owner of Tract 1, Tract 2A, Tract 2B, Tract 3 and Tract 4. indicating the same. Notwithstanding the foregoing, Stater shall have the right to maintain deductibles under its insurance coverage in the amount of up to \$500,000 per policy, plus an annual factor based on the percentage change in the Consumer Price Index for all Urban Consumers in the Los Angeles-Anaheim-Riverside Region.

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8. Eminent Domain.

- Owner's Right To Award. Nothing herein shall be а. construed to give any party hereto any interest in any award or payment made to any other party hereto in connection with any exercise of eminent domain or transfer in lieu thereof affecting said other party's Tract or giving the public or any government any rights in said Tract. In the event of any exercise of eminent domain or transfer in lieu thereof of any part of the Common Areas located on Tract 1, Tract 2A, Tract 2B, Tract 3 and Tract 4 and the Outparcels, the award attributable to the land and improvements of such portion of the Common Areas shall be payable only to the owner thereof, and no claim thereon shall be made by the owners of any other portion of the Common Areas.
- b. <u>Collateral Claims</u>. All other owners of the Common Areas may file collateral claims with the condemning authority for their losses which are separate and apart from the value of the land area and improvements taken from another owner.
- c. <u>Tenant's Claim</u>. Nothing in this Section 8 shall prevent a tenant from making a claim against an owner pursuant to the provisions of any lease between tenant and owner for all or a portion of any such award or payment.
- 9. Enforcement Remedy/Lien Right.
 - a. <u>Agreement to Pay</u>. The parties covenant and agree for each Tract or Outparcel owned by it in the Project that such ownership, and the ownership thereof by each

successor and assign of the parties is expressly made subject to assessments as set forth in this Declaration, and each owner of a Tract or Outparcel in the Project, by acceptance of a conveyance of a Tract covenants and agrees for each Tract owned by him, to pay to the party entitled thereto any assessments levied in accordance with the provisions of this Declaration, and to allow the party entitled thereto to enforce any assessment lien established in accordance with the provisions of this Declaration by non-judicial proceedings under a power of sale or by other means authorized by California law.

- Assessments/Lien and Personal Obligation of owner. Each assessment or installment, together with all collection costs, and reasonable attorneys' fees relating to collection and enforcement hereof shall, at the time such assessment or installment becomes due and payable, be a lien upon the Tract or Outparcel of each affected owner. In the event such an assessment or installment becomes due and payable, and is thereafter unpaid at the time the owner of any affected Tract or Outparcel conveys any interest, including but not limited to a fee interest, a leasehold estate, or a mortgage or deed of trust, in his Tract or Outparcel to a third party, the assessment or installment shall be a lien upon the Tract or Outparcel senior and superior to the interest of the new owner, tenant, mortgagee or beneficiary, and in the case of a new owner, whether through voluntary or involuntary conveyance of title to a Tract or Outparcel, such new owner shall be liable for payment of said installment. No owner, tenant, lessee, mortgagee or beneficiary may be relieved from the obligation to pay any such assessment or installments by waiving the use or enjoyment of all or any portion of the Common Area, or by abandoning its Tract or Outparcel.
- c. Levying of Assessment. In the event Developer, Wal-Mart, Penney, Stater Bros. or any of their successorsin-interest, determines that any assessment shall be levied for one of the purposes elsewhere specified in this Declaration, Developer, Wal-Mart, Penney or Stater Bros. or their successors-in-interest, shall provide written notice to the owner of each Tract or Outparcel upon which such an assessment is to be levied, describing the amount of the assessment, the reason therefor, and the date upon which payment is

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due. In the event said assessment is not paid by the date specified for payment, interest shall accrue upon such assessment at the judgement rate as specified, from time to time, by the California Legislature. Upon delivery of said notice of assessment, said assessment shall become a lien against the owner's Tract or Outparcel, and such lien shall be enforceable by a power of sale under the California Civil Code. In addition to the enforcement powers described above, Developer, Wal-Mart, Penney or Stater Bros., and their successors-in-interest, may enforce delinquent assessments, including delinquent installments, by suing a Tract or Outparcel owner directly on the debt established by the assessment, or by enforcing their lien against the owner's Tract or Outparcel as provided above and foreclosing the lien through judicial proceedings. Neither Developer nor Wal-Mart nor Penney nor Stater Bros. shall be limited to one form of action in enforcing and collecting said assessments. Developer, Wal-Mart, Penney and Stater Bros. may commence and maintain a lawsuit directly on the debt without waiving their right to enforce their lien against the owner's Tract or Outparcel for the delinquent assessments. In any action instituted by Developer, Wal-Mart, Penney or Stater Bros. to collect delinquent assessments, the prevailing party shall be entitled to recover costs and reasonable attorneys' fees.

- d.
- Recording of Assessment Lien. A delinquent assessment or installment, together with accompanying interest and collection costs and enforcement costs including reasonable attorneys' fees, may be recorded in the Official Records of San Bernardino County. The party claiming the assessment shall prepare a written notice which describes the amount of the delinguent assessment or installment, the related charges authorized by this Declaration, a description of the Tract or Outparcel, and the name of the purported owner, and such assessment notice shall be acknowledge by an officer, partner or agent of the party recording the notice. If the delinquent assessment or installment and related charges are paid or otherwise satisfied, the party recording such notice shall record a notice of satisfaction and release of lien.
- e. <u>Foreclosure Under Assessment Lien</u>. The party recording such notice may enforce any assessment lien established hereunder by filing an action for judicial

foreclosure or by recording a notice of default in the form described in the California Civil Code to commence a non-judicial foreclosure under power of sale. Any non-judicial foreclosure under power of sale shall be conducted in accordance with the requirements of California Civil Code that are applicable to non-judicial foreclosures of mortgages or deeds of trust, under power of sale, provided that the party recording the notice of assessment may appoint its attorney, any officer or director, or any title insurance company authorized to do business in California to conduct the sale in the role of trustee. The party recording such notice may bid on the Tract or Outparcel at the sale and the party acquiring the Tract or Outparcel at the sale may hold, lease, mortgage and convey the acquired Tract or Outparcel free of all rights of redemption after said nonjudicial sale. If the Tract or Outparcel owner's default is cured before the last date for redemption as described in the California Civil Code, or before the completion of a judicial foreclosure, including payment of all costs and expenses incurred by the party recording the notice of assessment, the party recording such notice shall record a notice of satisfaction and release of lien, and upon receipt of written request by the owner of the Tract or Outparcel, a notice of rescission rescinding the declaration of default and demand for sale.

- f. Injunctive Relief. The parties hereto acknowledge and agree that have they bargained for specific performance of the covenants, conditions, restrictions, rights, easements, and rights-of-way contained in this Declaration, and all other provisions hereof, and that each party entitled to enforcement of the terms hereof pursuant to Section 13 below, including but not limited to Developer, Wal-Mart, Penney and Stater Bros., shall be entitled to injunctive relief, including but not limited to temporary restraining orders, preliminary injunctions and permanent injunctions, both mandatory and prohibitory. Subject to the limitations contained in this Declaration, the parties hereto shall have all remedies, at law or in equity, in order to enforce the terms of this Declaration.
- 10. <u>Rights And Obligations Of Lenders</u>. If by virtue of any right or obligation set forth herein a lien shall be placed upon any Tract or Outparcel in the Project, except as

provided in Sections 7 and 8, such lien shall expressly be subordinate and inferior to the lien of any first lienholder now or hereafter placed on such Tract or Outparcel; provided, however that upon foreclosure by such first lienholder, any assessment recorded (pursuant to Section 9) prior to such foreclosure, and any post foreclosure assessment, shall be and become the obligation of the party coming into title to such Tract or Outparcel. Except as set forth in the preceding sentence, any holder of a first lien on any Tract or Outparcel in the Project and any assignee or successor in interest of such first lienholder, shall be subject to the terms and conditions of this Declaration.

- 11. Expansion of Shopping Center. The parties hereto may unanimously agree (which agreement may be given or withheld in their sole discretion) to expand the Shopping Center and upon such agreement, all of the provisions of this Declaration shall apply to the expanded area and the parking to the building ratio in the expanded area shall not be less than 5.5 car spaces for each 1,000 square feet of Building Area, to the extent the expanded area is a Tract, or a parking ratio pursuant to the requirements set forth in Section 3(c)(vil), to the extent the expanded area is an Outparcel. A memorandum of such expansion shall be recorded in the San Bernardino County Recorder's Office as an amendment hereto.
- Release From Liability. Any person acquiring fee or 12. leasehold title to any Tract or Outparcel(s) in the Project or any expansion of the Shopping Center pursuant to Section 11 or any portion thereof, shall be bound by this Declaration only as to the rights and obligations pertaining to the Tract or Outparcel(s) or portion of the Tract or Outparcel(s) acquired by such person. In addition, subject to Section 9, such person shall be bound by this Declaration only during the period such person is the fee or leasehold owner of such Tract or Outparcel(s) or portion of the Tract or Outparcel(s), except as to obligations, liabilities or responsibilities that accrue during said period. Although persons may be released from liability under this Section, easements, covenants and restrictions in this the Declaration shall continue to be benefits to and servitudes upon said Tracts and Outparcel(s) running with the land.

13. Limitations on Enforcement Proceedings.

A. In the event of breach or threatened breach of this Declaration, only all record owners of Tract 1 as a group, or all record owners of Tract 2A as a group or all record owners of Tract 2B as a group, or all record owners of Tract 3 as a group, or Wal-Mart so

long as it or any successor affiliate of Wal-Mart has an interest as owner or lessee of Tract 1, or Developer so long as it or any affiliate has an interest as owner or lessee of Tract 2A, or Penney, so long as it or any affiliate has an interest as owner or lessee of Tract 2B or Stater Bros. so long as it or any affiliate has an interest as owner or lessee of Tract 3, shall be entitled to institute proceedings, at law or in equity, for full and adequate relief from the consequences of said breach or threatened breach, provided, however, this Section is not a limitation on the assessment powers of the parties hereto, as provided for in Section 9 and in other Subsections hereof referring to Section 9. The unsuccessful party in any action shall pay to the prevailing party a reasonable sum for attorneys' fees, accruing from the date such action was filed.

- B. In the event of a breach of the provisions of Section 4a (the creation of Common Area easements), or an abridgement of the privileges herein granted to the owners of the Outparcels pursuant to Section 4c, the owners of the Outparcels shall be entitled to institute proceedings for full and adequate relief from the consequences thereof. The unsuccessful party in any action shall pay to the prevailing party a reasonable sum for attorneys' fees, accruing from the date such action was filed.
- 14. Rights of Successors. The easements, restrictions, benefits and obligations hereunder shall create mutual benefits and servitudes running with the land. This Declaration shall bind and inure to the benefit of the parties hereto, their respective heirs, representatives, lessees, successors and assigns; provided, however no successor-in-interest to Developer hereunder shall succeed to the rights or obligations specifically reserved or granted to Developer unless (a) Developer fully and completely assigns those rights to one (1) third party of record or (b) Developer no longer has fee title to any Tract or Outparcel in the Shopping Center, and the third party successor is the owner of Tract 2A or Outparcels A or B. The singular number includes the plural and the masculine gender includes the feminine and neuter.
- 15. Document Execution, Modification and Cancellation. This Declaration (including exhibits) may be amended or cancelled only by the mutual agreement of (a) Wal-Mart as long as it or its affiliate has any interest as either owner or lessee of Tract 1, and (b) Developer, as long as it has any

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interest as either owner or lessee of Tract 2A, and (c) Penney, so long as it has any interest as either owner or lessee of Tract 2B and (d) Stater Bros., as long as it has any interest as either owner or lessee of Tract 3. If Wal-Mart or its affiliate no longer has any interest in Tract 1, such amendment or cancellation may only be made by the then owner of Tract 1, Developer, Penney and Stater Bros. or their respective successors as described in Section 14.

- 16. <u>Non-Merger</u>. So long as Wal-Mart or its affiliate is owner or lessee of Tract 1, or Penney as its affiliate is owner or lessee of Tract 2B, or Stater Bros. or its affiliate is owner or lessee of Tract 3, this Declaration shall not be subject to the doctrine of merger.
- 17. <u>Duration</u>. The easements granted in this Declaration shall continue in perpetuity and all other rights and obligations hereof shall automatically terminate and be of no further force and effect after ninety-nine (99) years from the date hereof.
- 18. No Implied Covenant to Operate. It is expressly agreed by the parties hereto, for their own benefit and that of their successors-in-interest, that: Without limiting the effect of Section 2c, nothing contained in this Declaration shall be construed to contain a covenant, either express or implied, to either commence the operation of a business or thereafter continuously operate a business upon Tract 1, Tract 2B or Tract 3. The parties recognize and agree that Wal-Mart, Penney or Stater Bros. may, at each one's sole and absolute discretion and at any time during the term of this Declaration, cease the operation of its business, upon Tract 1, Tract 2B and Tract 3, as the case may be, and the parties hereby waive any legal action for damages or for equitable relief which might be available to them or any of their respective successors-in-interest because of such cessation of business activity by Wal-Mart, Penney or Stater Bros. or their respective successors-in-interest.
- 19. <u>Captions and Readings</u>. The captions and headings herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of this document nor in any way affect the terms and provisions hereof.
- 20. Entire Agreement. This Declaration constitutes the entire agreement between the parties hereto regarding the subject matter of this Declaration other than any Separate Agreement, as defined below. No Separate Agreement between Penney and Developer shall alter or affect in any way any party's obligations hereunder to Wal-Mart or Stater. The term "Separate Agreement(s)" means each Separate Agreement

entered into simultaneously herewith between Penney and Developer whereby Developer and Penney have set forth certain agreements between such parties not set forth herein. In the event of a conflict between the obligations of Penney and Developer to each other as set forth in this Declaration and as set forth in such Separate Agreement, as between the Developer and Penney, the provisions of the Separate Agreement shall control. The parties do not rely upon any statement, promise or representation not herein expressed, and this Declaration once executed, delivered and recorded shall not be modified or altered in any respect except by a writing executed in the same manner as required by this Declaration.

- 21. <u>Covenants Running with the Land</u>. The covenants, conditions, restrictions and easements contained herein shall run with the land, shall constitute equitable servitudes upon each Tract and Outparcel in favor of the other Tract and Outparcel and shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto.
- Benefit to the Outparcels. Notwithstanding anything to the 22. contrary contained herein, the parties hereto expressly acknowledge and agree that the Outparcels shall benefit from, and be burdened by, the provisions of this Declaration only as specifically set forth herein. The owner, lessee or user of an Outparcel shall not have the right to claim that any right or easement herein granted for the benefit of Tract 1, Tract 2A, Tract 2B, Tract 3 or Tract 4 also benefits the Outparcels unless such right or easement is expressly granted herein to and for the benefit of the Outparcels, and no party hereto shall have the right to claim that any right or easement granted by either party for the benefit of the other party's Tract also benefits or burdens any Outparcel unless expressly granted by the owner of the Outparcel.
- 23. <u>Waiver of Performance</u>. The failure of a party to insist upon strict performance of any of the provisions of this Declaration shall not be deemed a waiver of any rights or remedies that said party may have, and shall not be deemed a waiver of any subsequent breach or default in any of such provisions by the same or any other person.
- 24. <u>Estoppel Certificates</u>. Each party hereto agrees to from time to time supply any other party within thirty (30) days after request an estoppel certificate in writing certifying to the best of its knowledge: (i) whether this Declaration is unmodified (or if modified, listing the modification); (ii) whether there are any uncured defaults under the

Declaration (or if there is a default) specifying such default; and (iii) whether the Declaration is in full force and effect. It is agreed that estoppel certificates requested more than once every twelve (12) months.

- 25. <u>Breach Shall Not Defeat Mortgage Lien</u>. No breach of any of the terms, conditions, covenants, or restrictions of this Declaration shall defeat or render invalid the lien of any first mortgage lienholder made in good faith and for value, but such term, condition, covenant or restriction shall be binding upon and effective against any person who acquires title to said property or any portion thereof by foreclosure, trustee's sale or otherwise.
- 26. <u>Consent</u>. In any instance in which any party to this Declaration shall be requested to consent to or approve of any matter with respect to which such party's consent or approval is required by any of the provisions of this Declaration, such consent or approval or disapproval shall be given in writing unless the provisions of this Declaration with respect to a particular consent or approval shall expressly provide otherwise. Whenever in this Declaration an owner is given the right to approve or disapprove in its sole discretion, it may disapprove without specifying the reason therefore. Requests for consent shall be subject to the provisions of Section 31.
- 27. <u>Injunctive Relief</u>. In the event of any violation or threatened violation by any person or any of the restrictions contained in this Declaration, any or all of the owners of the property included within the Project shall have the right to enjoin such violation or threatened violation in a court of competent jurisdiction. The right of injunction shall be in addition to all other remedies set forth in this Declaration or provided by law.
- 28. Sale and Sale-Leaseback Purchaser. Notwithstanding anything to the contrary contained in this Declaration, it is expressly agreed that in the event an owner of any Tract or Outparcel sells its Tract or Outparcel to an unaffiliated third party and thereafter enters into a net lease for such Tract or Outparcel with such third party (hereinafter referred to collectively as the "Prime Lessor") so long as said owner is in possession of the Tract or Outparcel as a prime lessee (hereinafter referred to as the "Prime Lessee") the parties hereto shall look first to said Prime Lessee (and said Prime Lessee shall be liable therefor) for the performance of any obligations either the Prime Lessee or the Prime Lessor shall have under this Declaration and the Prime Lessor shall be secondarily liable for the performance of or liability for the restrictions set forth herein



relating to either the Prime Lessee or its Tract or Outparcel; provided, however, at such time as the Prime Lessee ceases to become the Prime Lessee, and notice is given to the other parties to such effect, then the rights and obligations under this Declaration shall become those of the Prime Lessor of that Tract or Outparcel and not the Prime Lessee and the Prime Lessee shall be relieved of any further liability or obligations hereunder.

- 31. Notices.
 - a. <u>Giving Notice</u>. All notices given pursuant to this Declaration shall be in writing and shall be given by personal delivery, by United States mail or by United States express mail or other established express delivery service (such as Federal Express), postage or delivery charge prepaid, return receipt requested, addressed to the person and address designated below or, in the absence of such designation, to the person and address shown on the then current real property tax rolls of San Bernardino County. All notices to the parties shall be sent to the person and address set forth below:

To Developer:	Yucca Valley Square Associates
	12625 High Bluff Drive
	Suite 304
	San Diego, California 92130
	Attn: Franklin C. Gatlin, III
To Wal-Mart:	Wal-Mart Stores, Inc.
	702 Southwest Eighth Street
	Bentonville, Arkansas 72716
	Attn: President
	and Property Manager (same address)
To Stater Bros:	Stater Bros. Markets
	Attn: Vice President - Real Estate
	21700 Barton Road
	Colton, California 92324
To White:	Raymond D. White
	Post Office Box 691
	Yucca Valley, California 92286
To Penney:	J. C. Penney Properties, Inc.
	Attn: Real Estate Counsel
	Real Estate Department
	Post Office Box 10001
	Dallas, Texas 75301-2105
With a copy to:	J. C. Penney Co., Inc.
	Attn: Real Estate Counsel
	Real Estate Department







Dallas, Texas 75301-2105

The person and address to which notices are to be given may be changed at any time upon written notice to the other parties. All notices given pursuant to this Declaration shall be deemed given when sent by appropriate means, but the time periods to respond shall not begin to run until receipt of such notice.

- b. <u>Notice Receipt</u>. For the purpose of this Declaration, the term "receipt" shall mean the earlier of any of the following: (i) the date of delivery of the notice or other document as shown on the return receipt, or (ii) the date of actual receipt of the notice or other document by the person or entity specified pursuant to Section 31a.
- 32. Election of Remedies. In addition to the rights, powers and remedies given in this Declaration to Developer, Wal-Mart, Penney and Stater Bros., or their respective successors as designated in Section 14, each of them may, in their own absolute discretion, at any time, and from time to time, exercise any and all rights and powers, and pursue any and all remedies now or hereafter given at law or in equity, including but not limited to any rights or remedies granted herein or by California or Federal case, statutory or regulatory law. Their failure to exercise any such right or remedy shall not be deemed a waiver of that right or remedy unless the party entitled to that right or remedy has so agreed, expressly and in writing, and the failure to so exercise any right or remedy shall not preclude the party entitled thereto from later exercising any such right or remedy. The written waiver of any default hereunder given by only one of Developer, Wal-Mart, Penney or Stater Bros. shall not be binding upon any of the other parties hereto if such default was by a third party. Any written waiver of default shall not constitute a continuing waiver or waiver of any other same, similar or different events of default on any future occasion, unless such a waiver of such future defaults is expressed, in writing, with precision. No course of dealing between any party hereto, or any owner, tenant, lessee, or user of the Tracts in the Project, or any encumbrancer thereof, in exercising any rights under this Declaration shall operate as a waiver of such rights, nor shall any such delay, unless agreed to in writing by the parties entitled to enforce this Declaration, constitute a waiver of any obligation or default. No waiver of default shall extend to or impair any other obligation not expressly waived, nor impair any right otherwise consequent on such

covenant, provision or obligation. Any waiver may be given subject to satisfaction of conditions stated therein. No power or remedy herein conferred is exclusive of or shall prejudice any other power or remedy given by law or by the terms of this Declaration, nor shall any party hereto be forced to make any election of remedies.

- 33. <u>Waiver of Setoff/Counterclaim</u>. Each party hereto, for its own benefit and for the benefit of all of its successors and assigns, including but not limited to all parties with interests in the Project or any Tract or Outparcel or building which forms a portion thereof, hereby waives any and all rights of setoff, recoupment, and counterclaim with respect to assessments and obligations due under the terms of this Declaration, including rights of setoff, recoupment, and counterclaim with respect to the Project which may arise from claims, transactions or occurrences heretofore or in the future unknown to the claimant.
- 34. Time of the Essence. Each party hereto will comply with any time periods set forth herein; provided, however, that said periods shall be extended for a period or periods of time equal to any period or periods of delay caused by strikes. lockouts, fire or other casualty, the elements or acts of God, refusal or failure of governmental authorities to grant necessary permits, or other causes, other than financial, beyond their reasonable control. No extension of time for payment of any sum due hereunder shall operate to release, discharge, modify, change, or affect the original liability as established hereunder, either in whole or in part. In accepting an interest in any Tract or Outparcel in the Project, each owner, tenant, lessee, user, and mortgagee, and trust deed beneficiary shall be deemed to take its interest knowingly and willingly subject to this time is of the essence clause.
- 35. <u>Severability</u>. Invalidation of any of the provisions contained in this Declaration, or of the application thereof to any person by judgement or court order shall in no way affect any of the other provisions hereof or the application thereof to any other person and the same shall remain in full force and effect.
- 36. Negation of Partnership. None of the terms or provisions of this Declaration shall be deemed to create a partnership between or among the parties hereto in their respective businesses or otherwise, nor shall it cause them to be considered joint venturers or members of any joint enterprise. Each party hereto shall be considered a separate owner, and no party shall have the right to act as an agent for another party, unless expressly authorized to

do so herein or by separate written instrument signed by the party to be charged.

- 37. Not a Public Dedication. Nothing herein contained shall be deemed to be a gift or dedication of any portion of the Shopping Center or of any Tract, Outparcel or portion thereof to the general public, or for any public use or purpose whatsoever. Except as herein specifically provided, no right, privileges or immunities of any party hereto shall inure to the benefit of any third-party person, nor shall any third-party person be deemed to be a beneficiary of any of the provisions contained herein.
- 38. <u>Governing Law</u>. The interpretation and enforcement of the terms of this Declaration shall be governed by the laws of the State of California.
- 39. <u>Recordation</u>. This Declaration shall be recorded in the Office of the Recorder of San Bernardino County, California where the Shopping Center is located.
- 40. Pro-Rata Share.

(a) For purposes of sharing Common Area Maintenance costs pursuant to Section 5b.(iii) and 5b.(iv)), before the date of commencement of construction of the first building on Tract 4 or Outparcel E, whichever occurs first, the parties' "pro-rata shares" shall be as follows:

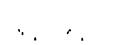
Developer, as to Tract 2A	9.8%
Penney, as to Tract 2B	21.3%
Stater Bros., as to Tract 3	49.6%
Stater Bros., as to Outparcel C	9.9%
Stater Bros., as to Outparcel D	9.4%

(b) For purposes of sharing Common Area Maintenance costs pursuant to Section 5b.(iii) and 5b.(iv)), after the date of commencement of construction of the first building on Tract 4 or Outparcel E, whichever occurs first, the parties' "prorata shares" shall be as follows:

Developer, as to Tract 2A	6.0%
Penney, as to Tract 2B	13.1%
Stater Bros., as to Tract 3	30.5%
Stater Bros., as to Outparcel C	5.8%
Stater Bros., as to Outparcel D	6.1%
White, as to Tract 4	32.7%
White, as to Outparcel E	5.9%



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IN WITNESS WHEREOF, we have hereunto set our hands and seal on the date

and year first above written.

SIGNATURES FOLLOW



DEVELOPER

·, • ·

Yucca Valley Square Associates, A California general partnership

By: _________ Its: General Partner

STATER BROS.

Stater Bros. Markets, a California corporation

By: Jack H. Brown, President Chairman & Chief Executive Officer

By: Walter F. Ford Vice President-Real Estate

WAL-MART

Wal-Mart Stores, Inc., a Delaware corporation

WHITE

Raymond D. White

PENNEY

J. C. Penney Properties, Inc., a Delaware corporation

Attest:

WITNESS:

By:______
By:_____
Its:_____
By:_____

ATTEST :

Assistant Secretary



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DEVELOPER

Yucca Valley Square Associates, a California general partnership

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By:_____ Its: General Partner

STATER BROS.

Stater Bros. Markets, a California corporation By: Jack H. Brown, President Chairman & Chief Recative Officer By: Walter F. Ford Vice President-Real Estate

WAL-MART

Wal-Mart Stores, Inc., a Delaware corporation

By:_____ Its:_____ By:_____ Its:_____

WHITE

Raymond D. White

PENNEY

J. C. Penney Properties, Inc., a Delaware corporation

Attest:

ATTEST:

Assistant Secretary

WITNESS:

MWYUCCA CC&RAMND 7-1 G190-004



DEVELOPER

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Yucca Valley Square Associates, a California general partnership

By:_

Its: General Partner

STATER BROS.

Stater Bros. Markets, a California corporation

By:__

Jack H. Brown, President Chairman & Chief Executive Officer

By:______ Walter F. Ford Vice President-Real Estate

ATTEST: Assistant Se

WITNESS:

al-mart	
al-Mart Stores, Inc., a Delaware	
corporation	
By:	
Its: AST. Vice President	_
Ву:	_
Its:	-

WHITE

Raymond D. White

PENNEY

J. C. Penney Properties, Inc., a Delaware corporation

Attest:

By:______ Its:_____



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DEVELOPER

Yucca Valley Square Associates, a California general partnership

By:

Its: General Partner

STATER BROS.

Stater Bros. Markets, a California corporation

By:_

Jack H. Brown, President Chairman & Chief Executive Officer

.

By:_ Walter F. Ford Vice President-Real Estate

WAL-MART

Wal-Mart Stores, Inc., a Delaware corporation

By:			
Its:	 	 	

By:_ Its:

WHITE N. White am mk

Raymond D. White

PENNEY

J. C. Penney Properties, Inc., a Delaware corporation

Attest:

ATTEST:

WITNESS:

Assistant Secretary

By: Its:_

By: Its:_





DEVELOPER

Yucca Valley Square Associates, a California general partnership

By:_

Its: General Partner

STATER BROS.

Stater Bros. Markets, a California corporation

By:___

Jack H. Brown, President Chairman & Chief Executive Officer

By: Walter F. Ford Vice President-Real Estate

WAL-MART

Wal-Mart Stores, Inc., a Delaware corporation

By:_ Its:

By:_____ Its:_____

WHITE

Raymond D. White

PENNEY

J. C. Penney Properties, Inc., a Delaware corporation

nn Vice President

ATTEST:

Assistant Secretary

WITNESS:

Attest:

tant Secretary

STATE OF CALLFORNIA

)SS. COUNTY OF EAN DEGO

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On \underline{Jui} 27, 1973, before me, the undersigned, a Notary Public, personally appeared <u>Keeper R. Dentied</u> personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.

	ANNE NELSON HOOVER D
C Andrew State	Comm. # 978028 \$
3 5 2 2 2 2	NOTARY PUBLIC - CALIFORNIA 💲
	San Diego County JJ My Comm, Expires Nov. 15, 1996 🚽

WITNESS my hand and official seal.

STATE OF)))SS. COUNTY OF)

On ______, 19__, before me, the undersigned, a Notary Public, personally appeared _______ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public in and for said State.

STATE OF))) SS. COUNTY OF _____)

On ______, 19__, before me, the undersigned, a Notary Public, personally appeared _______ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public in and for said State.

STATE OF)ss. COUNTY OF

On _____, 19__, before me, the undersigned, a Notary Public, personally appeared ______ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public in and for said State.

No. 5193

STATE OF)
)
)SS.
COUNTY OF)

On _____, 19__, before me, the undersigned, a Notary Public, personally appeared ______ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

	California) 	OPTIONAL SECTION
	San Bernardino	_}	CAPACITY CLAIMED BY SIGNER Though statute does not require the Notary to fill in the data below, doing so may prove invaluable to persons relying on the document.
On 8/2/93 DATE	Jack H. Brown	J. Atkinson, Notary Public, UNKE, TITLE OF OFFICER - E.G., JANE DOE, NOTARY PUBLIC [®] and Walter F. Ford NAME(S) OF SIGNER(S)	INDIVIDUAL CORPORATE OFFICER(S) Chairman, President & CEO
SL No	wn to me - OR - prov ISAN J. ATIGNSON COMM. #955651 ERY Public Calibria IERNARDING COUNTY IRI., expires FEB 09, 1995	ved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and ac- knowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. WITNESS my hand and official seal.	PARTNER(S) LIMITED GENERAL SIGNER IS REPRESENTING: NAME OF PERSON(S) OR ENTITY(IES) Stater Bros. Markets A California Corporation
THIS CERTIFICATE I THE DOCUMENT DE	MUST BE ATTACHED TO SCRIBED AT RIGHT:		to Declaration #120
it could prevent frauduler	ed here is not required by law, It reattachment of this form.	SIGNER(S) OTHER THAN NAMED ABOVE None	

C1992 NATIONAL NOTARY ASSOCIATION • 8236 Remmet Ave., P.O. Box 7184 • Canoga Park, CA 91309-7184

STATE OF

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COUNTY OF

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_, 19__, before me, the undersigned, a Notary Public, On personally appeared _ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public in and for said State.

STATE OF

COUNTY OF

19__, before me, the undersigned, a Notary Public, On _ personally known to me or proved personally appeared to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public in and for said State.

STATE OF Arkansas))ss.

COUNTY OF BENTON

on July 2, 1993, before me, the undersigned, a Notary Public, personally appeared Patrick E Peery personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal. Mary four Colou Notary Public in and for said State.

W OTHER EXPIRES 6/13/99

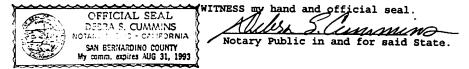
STATE OF

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COUNTY OF BEENAEDING

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On July 24, 1973, before me, the undersigned, a Notary Public, personally appeared RAYMOND D. MULTE personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.



STATE OF)
)
COUNTY OF _____)

On ______, 19__, before me, the undersigned, a Notary Public, personally appeared _______ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

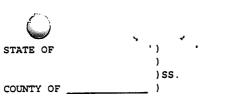
Notary Public in and for said State.

STATE OF)) SS. COUNTY OF)

On ______, 19__, before me, the undersigned, a Notary Public, personally appeared ______ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public in and for said State.



J

On ______, 19__, before me, the undersigned, a Notary Public, personally appeared _______ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public in and for said State.

STATE OF TEXAS) COUNTY OF COLLIN)

On <u>July</u> 23, 19<u>7</u> before me, the undersigned, a Notary Public, personally appeared <u>parameters</u> personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.

g...... BETTY SUE WICKWARE WITNESS my hand and official seal. Bay Ane Wichward Notary Public. State of Texas My Commission Expires 2-05-96 ä Notary Public in and for said State.

On _____, 19__, before me, the undersigned, a Notary Public, personally appeared ______ personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public in and for said State.



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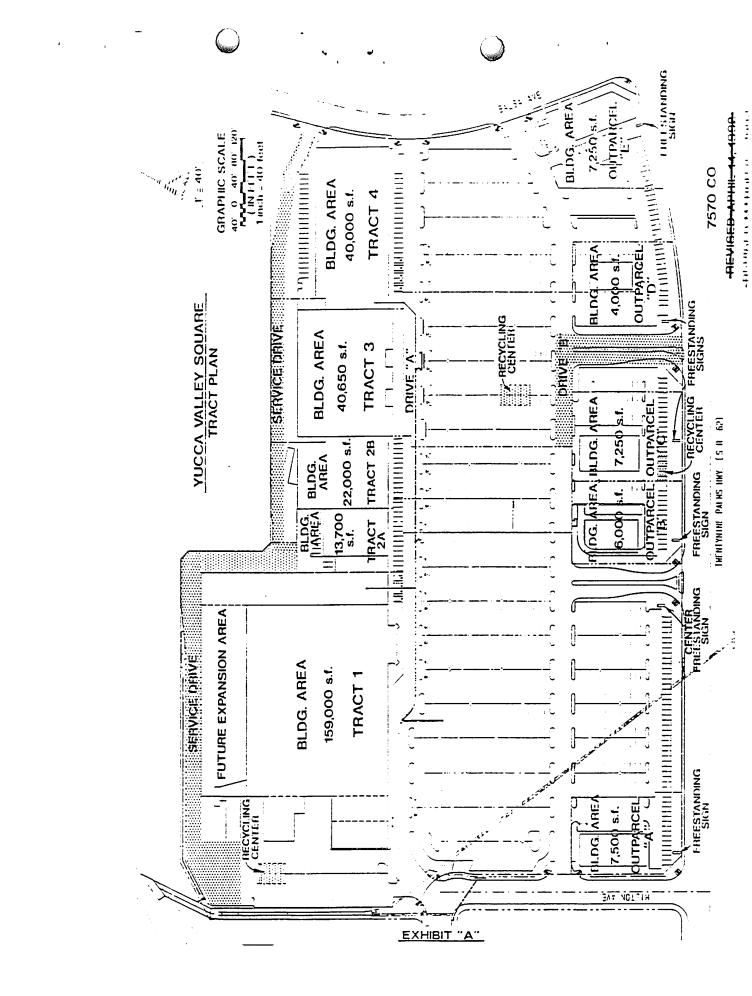


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Amendment to and Restatement of Declaration of Covenants, Conditions, Restrictions and Reciprocal Easements

SITE PLAN





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Amendment to and Restatement of Declaration of Covenants, Conditions, Restrictions and Reciprocal Easements

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WAL-MART

TRACT 1

Parcel 1 of Parcel Map No. 14239 as recorded in Book 166, at Pages 70 through 73, inclusive, records of the County Recorder of San Bernardino County, California.



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Amendment to and Restatement of Declaration of Covenants, Conditions, Restrictions and Reciprocal Easements

DEVELOPER

TRACT 2A

Parcel 2 of Parcel Map No. 14239 as recorded in Book 166, at Pages 70 through 73, inclusive, records of the County Recorder of San Bernardino County, California. Amendment to and Restatement of Declaration of Covenants, Conditions, Restrictions and Reciprocal Easements

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STATER BROS. INC.

TRACT 3

Parcel 4 of Parcel Map No. 14239 as recorded in Book 166, at Pages 70 through 73, inclusive, records of the County Recorder of San Bernardino County, California.

OUTPARCELS C AND D

Parcels 6 and 7 of Parcel Map No. 14239 as recorded in Book 166, at Pages 70 through 73, inclusive, records of the County Recorder of San Bernardino County, California. Amendment to and Restatement of Declaration of Covenants, Conditions, Restrictions and Reciprocal Easements

WHITE

TRACT 4

Parcel 5 of Parcel Map No. 14239 as recorded in Book 166, at Pages 70 through 73, inclusive, records of the County Recorder of San Bernardino County, California, excepting therefrom outparcel E described below.

OUTPARCEL E

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE TOWN OF YUCCA VALLEY, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

A PORTION OF PARCEL 5 OF PARCEL MAP NO. 14239 PER MAP THEREOF FILED FOR RECORD IN PARCEL MAP BOOK 166 AT PAGES 70 THROUGH 73, INCLUSIVE, OFFICIAL RECORDS OF SAID SAN BERNARDINO COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHEASTERLY CORNER OF SAID PARCEL 5; THENCE, S 55°31'39" W ALONG THE SOUTHERLY LINE OF SAID PARCEL 5 FOR A DISTANCE OF 4.01 FEET TO THE BEGINNING OF A TANGENT CURVE TO THE RIGHT, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 1448.00 FEET; THENCE, SOUTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 06°55'46" FOR AN ARC DISTANCE OF 175.13 FEET; THENCE, N 14°13'06" W FOR A DISTANCE OF 194.45 FEET TO AN ANGLE POINT; THENCE N 55°31'59" E FOR A DISTANCE OF 146.41 FEET TO A POINT ON THE EASTERLY LINE OF SAID PARCEL 5, SAID POINT BEARING N 34°28'01" W A DISTANCE OF 157.99 FEET FROM THE MOST EASTERLY CORNER OF SAID PARCEL 5; THENCE, S 34°28'01" E ALONG SAID EASTERLY LINE OF SAID PARCEL 5 FOR A DISTANCE OF 157.99 FEET TO SAID EASTERLY CORNER; THENCE, S 10°31'49" W ALONG THE MOST SOUTHEASTERLY LINE OF SAID PARCEL 5 FOR A DISTANCE OF 49.50 FEET TO THE POINT OF BEGINNING.



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Amendment to and Restatement of Declaration of Covenants, Conditions, Restrictions and Reciprocal Easements

PENNEY

TRACT 2B

Parcel 3 of Parcel Map No. 14239 as recorded in Book 166, at Pages 70 through 73, inclusive, records of the County Recorder of San Bernardino County, California. Amendment to and Restatement of Declaration of Covenants, Conditions, Restrictions and Reciprocal Easements

PENNEY EASEMENTS

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE TOWN OF YUCCA VALLEY, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

THAT PORTION OF PARCEL MAP NO. 14239 AS RECORDED IN PARCEL MAP BOOK 166 AT PAGES 70 THROUGH 73, INCLUSIVE, OFFICIAL RECORDS OF SAID SAN BERNARDINO COUNTY MORE PARTICULARLY DESCRIBED AS FOLLOWS:

Penney Easement described in Section 4a(i)(A)

PARCEL "C"

BEGINNING AT THE NORTHEASTERLY CORNER OF PARCEL 7 OF SAID PARCEL MAP NO. 14239; THENCE, S 75°46'54" W ALONG THE NORTHERLY LINE OF SAID PARCEL 7 A DISTANCE OF 100.84 FEET TO AN ANGLE POINT IN THE WESTERLY LINE OF PARCEL 4 OF SAID PARCEL MAP NO. 14239; THENCE, N 14°13'06" W ALONG SAID WESTERLY LINE A DISTANCE OF 30.00 FEET; THENCE, N 75°46'54" E A DISTANCE OF 205.84 FEET; THENCE, S 14°13'06" E A DISTANCE OF 236.42 FEET TO THE MOST SOUTHERLY LINE OF SAID PARCEL 4 ALSO BEING THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE NORTHWEST HAVING A RADIUS OF 1448.00 FEET TO WHICH BEGINNING A RADIAL LINE BEARS S 16°53'56" E; THENCE, WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 2°10'38" A DISTANCE OF 55.02 FEET TO A POINT ON A NON-TANGENT LINE TO WHICH POINT A RADIAL LINE BEARS S 14°43'18" E; THENCE, N 14°13'06" W A DISTANCE OF 207.94 FEET; THENCE, S 75°46'54" W A DISTANCE OF 50.00 FEET TO THE POINT OF BEGINNING.

Penney Easement described in Section 4a(i)(B)

PARCEL "A"

THE NORTHWESTERLY 24.00 FEET, AS MEASURED AT RIGHT ANGLES, OF PARCEL 4 OF SAID PARCEL MAP NO. 14239.

PARCEL "B"

BEGINNING AT THE NORTHWESTERLY CORNER OF PARCEL 5 OF SAID PARCEL MAP NO. 14239; THENCE, N 75°46'54" E ALONG THE NORTHWESTERLY LINE OF SAID PARCEL 5 A DISTANCE OF 75.92 FEET; THENCE, N 85°40'23" E A DISTANCE OF 153.40 FEET; THENCE, S 82°15'20" E A DISTANCE OF 100.84 FEET TO THE EASTERLY LINE OF SAID PARCEL 5; THENCE, S 00°57'05" W ALONG SAID EASTERLY LINE A DISTANCE OF 24.17 FEET; THENCE, N. 82°15'20" W A DISTANCE OF 101.16 FEET; THENCE, S 85°40'23" W A DISTANCE OF 148.79 FEET; THENCE, S 75°46'54" W A DISTANCE OF 148.79 FEET; THENCE, S 75°46'54" W A DISTANCE OF 148.79 FEET; THENCE, S 75°46'54" W A DISTANCE OF 148.79 FEET; THENCE, S 75°46'54" W A DISTANCE OF 148.79 FEET; THENCE, S 75°46'54" W A DISTANCE OF 148.79 FEET; THENCE, S 75°46'54" W A DISTANCE OF 148.79 FEET; THENCE, S 75°46'54" W A DISTANCE OF 148.79 FEET; THENCE, S 75°46'54" W A DISTANCE OF 24.00 FEET TO THE POINT OF BEGINNING.



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Amendment to and Restatement of Declaration of Covenants, Conditions, Restrictions and Reciprocal Easements

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SIGN CRITERIA

SIGN CRITERIA FOR YUCCA VALLEY SHOPPING CENTER

Located at 29 Palms Highway at Balsa Avenue Yucca Valley, California

Original Draft December 13,1991

DEVELOPER:

Gatlin Development 12625 Highbluff Drive Suite 304 San Diego, California 92130 (619) 793-2850

ARCHITECT:

Leidenfrost / Horowitz and Associates 1833 Victory Boulevard Glendale, California 91201 (818) 246-6050

DESIGNATED SIGN CONSULTANT:

Signtech Electrical Advertising, Inc. 6618 Federal Boulevard Lemon Grove, California 91945 (619) 286-7446 Fax (619) 286-7498

EXHIBIT "H"

SIGN CRITERIA FOR YUCCA VALLEY SHOPPING CENTER

THE PURPOSE OF THIS CRITERIA IS TO ESTABLISH THE SIGN STANDARD NECESSARY TO ENSURE COORDINATED PROPORTIONAL EXPOSURE FOR ALL TENANTS. IN THE BEST INTEREST OF ALL TENANTS, YUCCA VALLEY SHOPPING CENTERHAS DEVELOPED THE FOLLOWING SIGN CRITERIA WHICH ALLOWS EACH TENANT ROOM FOR CREATIVITY WITHIN THE LIMITS OF THEIR LEASEHOLD WIDTH.

TENANTS SHALL BE RESPONSIBLE FOR THE DESIGN, FABRICATION AND INSTALLATION OF THEIR INDIVIDUAL SHOP SIGNS WITHIN THE LIMITS OF THIS SIGNAGE PROGRAM. PERFORMANCE SHALL BE STRICTLY ENFORCED, ANY NON-CONFORMING SIGNS SHALL BE REMOVED BY LANDLORD'S CONTRACTOR AT THE TENANT'S EXPENSE.

A. GENERAL REQUIREMENTS

- 1. All signs and their installation must comply with all local building and electrical codes as well as this criteria.
- 2. No animated, flashing or audible signs will be permitted.
- 3. No exposed lamps shall be permitted, except neon for major tenants as per section "C" of this criteria.
- 4. All tenants must have sign installed prior to opening for business and must maintain the following signs:
 - a. Tenant copy in the space provided on the canopy fascia.
 - b. An under canopy sandblasted wood sign, except in areas where soffit will not accommodate a sign
 - c. Store address affixed to both front and back of store, located at the front door on transom area, at rear door above six (6) feet.
- 5. Upon removal of any sign by tenant, any damage to the canopy face will be repaired by Tenant, or by Landlord at Tenant's cost.

- 6. Acceptable signage on doors and windows is as follows:
 - a. Permanent signage to be attached directly on the store front glass or to be hung in the window openings, must be approved, in writing, by the landlord prior to installation.
 - b. No signs are permitted without the express written approval of the Landlord.
 - c. Numbers identifying the address of the premises.
 - d. A sign listing the store hours.
 - e. Window signs shall be limited to one sign no larger than 20% of the size of the window or two separate signs together no larger than 20% of the size of the window. Such signs must advertise products related to a merchandising sale in the store. This sign, or signs, shall not be displayed more than once, allowing a period of four weeks to elapse before the sign, or signs, are re-displayed.
 - f. A sign, or signs, displaying the credit card (s) accepted by the merchant
 - g. All signs must be prepared in a professional manner.
 - h. Signs may not be hand-lettered or scripted presenting an unprofessional appearance.
 - i. No signs or posters may be placed outside the demised or leased line of the premised
 - j. Advertising banners for grand openings or special events attached to the canopy or outside fascia of the store area are not permitted without express written permission by the Landlord and then would be limited to 15 working days maximum.
- 7. Except as noted in this signage program, no signage is permitted which does not directly relate to the primary service or function of the Tenant's activity. Sign copy will be restricted to that specified in the individual sign section and is intended to identify the name of the business and the type or purpose of the business (not individual products).
- 8. All signs shall be kept in a "like new" condition. On notice by the Landlord, a Tenant will be required to refurbish any signing which does not qualify as being of an accepted standard.

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- 9. Signs will be free of all labels and manufacturers' advertising with the exception of code requirements.
- 10. All signs and installation of signs will conform to the appropriate building and electrical codes. The Tenant's contractor shall obtain any and all permits required, prior to fabrication.
- 11. Electrical service to Tenant signs shall be on Landlord's meters and billed to Tenant as a common area expense.
- 12. Exceptions to this criteria will not be permitted.

B. APPROVALS:

- 1. The design and construction of Tenant's exterior sign must receive written approval by Landlord and a permit by the City of Yucca Valley before fabrication. Landlord's approval shall be based on:
 - a. Conformity to the sign criteria established for the center, including fabrication and method of installation.
 - b. Harmony of the proposed sign with the design standards of the shopping center.
- 2. Landlord has the specific right to refuse approval of any sign which does not conform to the specific criteria set forth herein or any design not in harmony with design standards of the shopping center. To secure Landlord's approval, three (3) copies of the design drawings of the sign shall be submitted to the designated sign consultant. The sign consultant will forward approved drawings to the landlord for final approval. The sign drawings must indicate an elevation drawing with the following information:
 - a. The type, color and size of all lettering.
 - b. The location of the sign in relation to store frontage.
 - c. Colors, finishes and types of all materials.

3. For approval, send three (3) copies of the complete sign plan to the designated sign consultant:

Earl Charles Signtech Electrical Advertising, Inc. 6618 Federal Boulevard Lemon Grove, California 91945 (619) 286-7446 Fax (619) 286-7498

C. SPECIFICATIONS FOR MAJOR TENANTS:

1. Major Tenants shall be required to use individual channel letters and logos that are intenally illuminated. These types of signs shall be allowed provided that the sign area for such signs is a part of the building design and the allocated areas are of a size to accommodate the signage, also such area shall be compatible to the exterior facade design of the building. Square footage for major tenant signage shall be computed by 3 square feet per 1 lineal foot of street or parking lot frontage. Square footage for major tenant signs shall not exceed 150 square feet for any one sign. Major tenant secondary sign shall be the same as above. Open neon may be used as a part of the sign for logos, accents or highlights as long as 75% of the sign consists of individual channel letters.

NOTE: Square footage of individual letters to be calculated by the actual area of box, rectangle, circle or triangle encompassing each individual word.

D. SPECIFICATIONS FOR MINOR TENANTS:

1. Minor tenant signs shall be pan channel internally illuminated letters with plexiglass faces and neon illumination. The approved letter styles are as follows: Peignot Bold, Optima Bold, Souvenir Demi Bold and Helvetica Medium. The approved colors are: 2108 green, 2793 Red, 2119 Orange, 2037 Yellow, 2016 Yellow and 2648 Blue. The maximum letter height is 24^{*}, the maximum length is 75% of storefront. The maximum area of sign shall be 2 square feet of sign per one lineal foot of building frontage not to exceed 75 square feet. Minor Tenant signs shall be restricted to the area allowed on the face of the building designated as sign bands.

NOTE: Tenants with an established and nationally or regionally recognized letter style or logo may use that style or logo subject to Landlord approval.

- 2. Secondary signage for corner shops, shops with 2 frontages, or pad buildings, shall be the same as above in item D-1.
- 3. No script or other style of letter or logo than that detailed will be permitted on sign band. (Exception see NOTE: above item D-1.)
- 4. Wording of signs shall not include the product sold except as part of the Tenant name or insignia.
- 5. Signs shall be centered on storefronts unless prior approvals are obtained from the owner.

E. FREE STANDING PADS SPECIFICATIONS

- 1. Pad tenants shall be allowed to use individual channel letters and logos that are back lighted and faced in a plexiglas material. These types of signs shall be allowed provided that the sign area for such signs is a part of the building design and these allocated areas are of a size to accommodate the signage. Maximum letter height 24", maximum length 75% of storefront; maximum area per sign 150 square feet, area to be calculated at 2 square feet per 1 linear foot of building frontage. Colors and letter style same above in item D-1.
- NOTE: Tenants with an established and nationally or regionally recognized letter style or logo may use that style or logo subject to Landlord approval
- 2. Pad tenants secondary signage shall be the same as above in item E-1.
- 3. Free standing pads shall be allowed one (1) double faced monument display not to exceed 40 square feet of sign area not including architectural embellishments or base nor a maximum height of 8 feet. Monument signs to be manufactured per approved criteria (see attached exhibit). Monument sign square footage to be in addition to tenant overall allowable wall signage.

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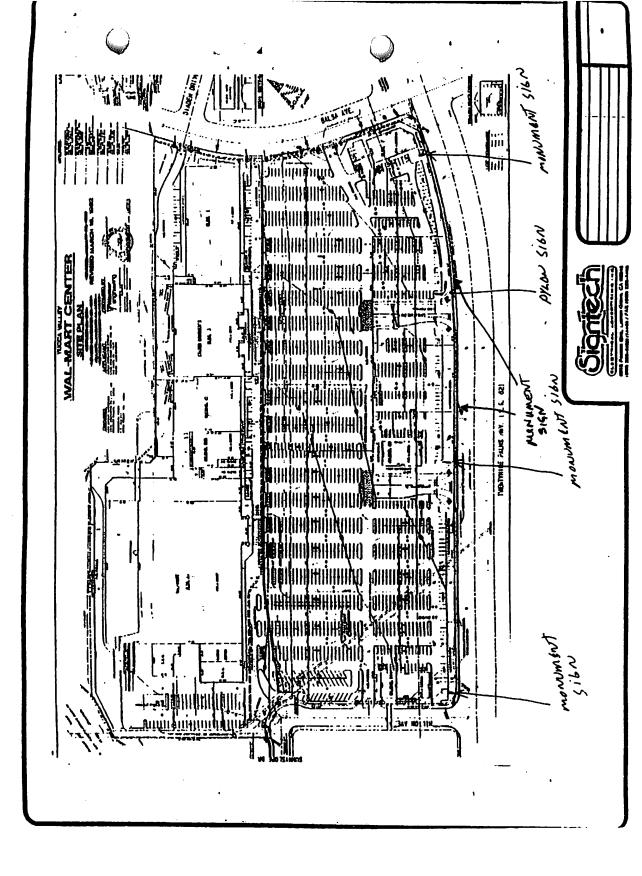
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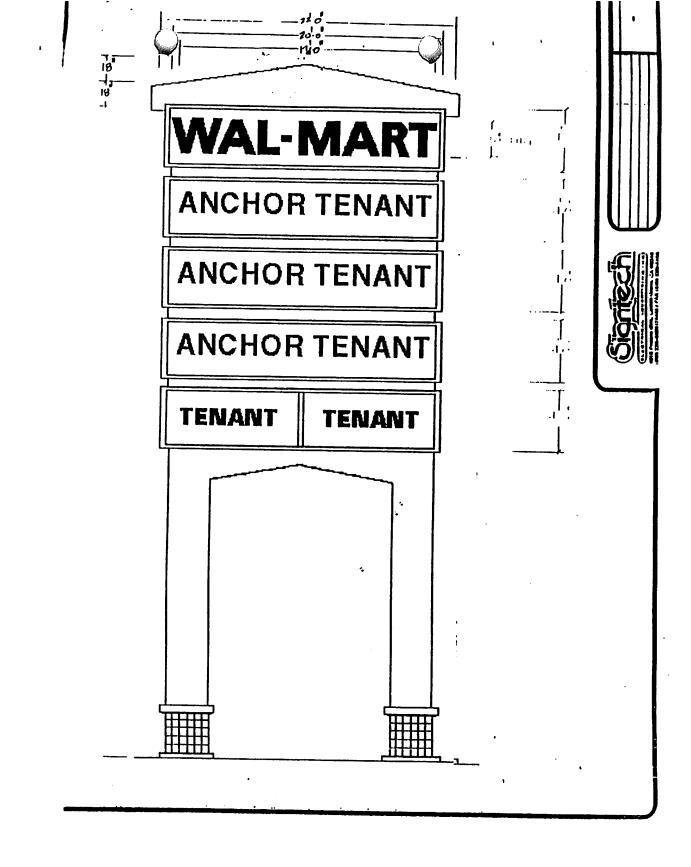
F. UNDER CANOPY SIGN

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- 1. Under canopy signs are to be redwood sandblasted double face, 12 inches high by 48 inches long.
- 2. Under canopy signs are mandatory for all in line shop tenants. Square footage of under canopy signs not to be counted against the Tenant's overall allowable signage.

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