

EXHIBIT I

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

BRYAN CAVE LLP  
3161 Michelson Drive, Suite 1500  
Irvine, California 92612  
Attention: William B. Tate II

---

Space Above This Line For Recorder's Use Only

DECLARATION  
OF  
COVENANTS, CONDITIONS AND RESTRICTIONS

## ESTOPPEL CERTIFICATE

1. The County of Riverside, as Tenant, or County, and Corona Medical Arts Plaza, LLC, a California limited liability company, as lessor (the "**Lessor**"), entered into a written Lease dated December 13, 2016 in which Lessor leased to County and County leased from Lessor that certain Premises consisting of approximately 4,096 square feet of office space located at 2815 S. Main Street, Suite 100 and 115, Corona, California. The lease, as amended is referred to in this Certificate as the Lease.
2. The Lease has not been amended, modified, nor supplemented.
3. The next payment of Rent is due on the first of each month after the planning and construction of the project is completed pursuant to Exhibit "B," sections 5.2 and 6.1, and County receives Certificate of Occupancy. The rent is \$9,626.00. County has not paid Lessor a security deposit.
4. Under the Lease, the effective date was July 1, 2019, and the expiration date of the Lease is fifteen (15) years after the Commencement Date (as defined in the Lease) subject to an automatic five (5) year extension for a total of twenty (20) years if County fails to exercise its Option to Purchase (as defined in the Lease).
5. The Lease provides for two option(s) to extend the term of the Lease. The extension Options(s) shall be exercised by County delivering to Lessor written notice thereof no later than ninety (90) days prior to the expiration of the Original Term or any extension thereof. The rent payable by County during any extended term shall be 2.75% greater than the original term rent or option period.
6. The County has the right of first refusal to renew the Lease, after the original term and any options to extend have expired, on the same terms and conditions received by Lessor as a bona fide offer from a third party to Lease the Premises.
7. There are no oral or written amendments, modifications, or supplements to the Lease except as previously stated in this Certificate. A true, correct, and complete copy of the Lease, including all amendments, is attached to this Certificate. The Lease is in full force and effect and represents the entire agreement between Lessor and the County pertaining to the Premises.
8. To the best of the County's knowledge, Lessor and County are not in default in the performance of any of the terms and provisions of the Lease, and no event or condition has occurred that, with the giving of notice or passage of time, or both, would constitute such default by Lessor or County.
9. To the best of the County's knowledge, the Lessor has not assigned, transferred, or hypothecated the real property or any interest in the real property.
10. The County has not assigned, transferred, or hypothecated the Lease or any interest in the Lease or subleased all or part of the Premises.

11. To the best knowledge of the County, there are no mortgagees, beneficiaries under deeds of trust, or other holders of a security interest in the Real Property.
12. There are no setoffs or credits against Rent payable under the Lease. No free periods or rental abatements, rebates, or concessions have been granted to County.
13. To the best knowledge of the County, there are no pending actions, voluntary or involuntary, under any bankruptcy or insolvency laws of the United States or any state against County that affect the leased Premises.
14. The execution of this Certificate by Lessor and the County does not amend the Lease or waive any of Lessor's or County's rights under the Lease.
15. This Certificate is given to Sun Community Federal Credit Union, (the "Lender") and the Lessor with the understanding that as a lender or purchaser of the above described real property or assignee of either Lessor or Lender may rely on it in connection with either the assignment or acquisition of the above described real property or making a loan secured by the above described real property. Following that acquisition, assignment by Lessor or loan, County intends to keep the Lease full force and effect and shall bind and inure to the benefit of Lessor and its successor in interest.

COUNTY:

By: \_\_\_\_\_  
Robert Field  
Assistant County Executive Officer/EDA

APPROVED AS TO FORM:  
Gregory P. Priamos, County Counsel

By: \_\_\_\_\_  
Deputy County Counsel

RECORDED AT REQUEST OF AND WHEN  
RECORDED RETURN TO:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

### **SUBORDINATION, NON-DISTURBANCE, AND ATTORNMENT AGREEMENT**

This Subordination, Non-disturbance, and Attornment Agreement ("Agreement") is made as of \_\_\_\_\_ between Sun Community Federal Credit Union, (Lender), a federal credit union, having its principal place of business at 1068 Broadway, El Centro, Imperial County, California and the County of Riverside (County), by its authorized representative the Assistant County Executive Officer/EDA having its address for notification at 3403 Tenth Street, Suite 400, Riverside, California 92501.

#### **Recitals:**

A. Lender has agreed to make a loan to Admani Family 2002 Trust, (Lessor), to be secured by a deed of trust, dated \_\_\_\_\_, \_\_\_\_\_, and recorded on \_\_\_\_\_, \_\_\_\_\_, as Instrument No. \_\_\_\_\_, in the Official Records of Riverside County, California (together with all amendments, increases, renewals, modifications, consolidations, replacements, substitutions, and extensions, either current or future, referred to hereafter as the "Mortgage") encumbering Lessor's ownership interest in real property located in the City of Corona, County of Riverside, State of California. The legal description of the encumbered real property (the "Mortgage Premises") is set forth in Exhibit A, attached to this Agreement. The Mortgage, together with the promissory note or notes, the loan agreement(s), and other documents executed in connection with it are hereafter collectively referred to as the "Loan Documents".

B. On \_\_\_\_\_, \_\_\_\_\_, County and Lessor entered into a lease for the Mortgage Premises (the Lease). The Lease creates a leasehold estate in favor of County for space (the "Premises") located on the Mortgage Premises.

C. In connection with execution of the Mortgage, Lessor also executed and delivered to Lender an Assignment of Leases, Rents and Profits dated \_\_\_\_\_, \_\_\_\_\_, and recorded on \_\_\_\_\_, \_\_\_\_\_, as Instrument No. \_\_\_\_\_, in the Official Records of the County Recorder of \_\_\_\_\_, California concerning all rents, issues and profits from the Mortgage Premises. This document, together with all amendments, renewals, modifications consolidations, replacements, substitutions and extensions, is hereafter referred to as the "Assignment of Rents."

To confirm their understanding concerning the legal effect of the Mortgage and the Lease, in consideration of the mutual covenants and agreements contained in this Agreement and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged,

Lender and County, intending to be legally bound, agree and covenant as follows:

1. **Representations and Warranties.** County warrants and represents that the Lease is in full force and effect and that, as of the date of this Agreement and to the best of County's knowledge, there is no default under the Lease by Lessor or County.

2. **County Subordination.**

2.1. Subject to the provisions of Section 3, the Loan Documents shall constitute a lien or charge on the Mortgage Premises that is prior and superior to the Lease, to the leasehold estate created by it, and to all rights and privileges of County under it; by this Agreement, the Lease, the leasehold estate created by it, together with all rights and privileges of County under it, is subordinated, at all times, to the lien or charge of the Loan Documents in favor of Lender.

2.2. By executing this Agreement, County subordinates the Lease and County's interest under it to the lien right and security title, and terms of the Loan Documents, and to all advances or payments made, or to be made, under any Loan Document.

3. **Non-disturbance.**

3.1. Lender consents to the Lease.

3.2. Despite County's subordination under Section 2, County's peaceful and quiet possession of the Premises shall not be disturbed and County's rights and privileges under the Lease, including its right to early termination, its right to extend the term of the Lease, its right of first refusal to lease the property after expiration of the original term and any extensions thereof, shall not be diminished by Lender's exercise of its rights or remedies under the Loan Documents, provided that County has not canceled or terminated the Lease, nor surrendered, or abandoned the Premises.

3.3. If (a) Lender shall acquire title to, and possession of, the Premises on foreclosure in an action in which Lender shall have been required to name County as a party defendant, and (b) County is not in default under the Lease beyond any applicable cure or grace periods, has not canceled or terminated the Lease, nor surrendered, vacated or abandoned the Premises and remains in actual possession of the Premises at the time Lender shall so acquire title to, and possession of, the Premises, Lender and County shall enter into a new lease on the same terms and conditions as were contained in the Lease, except that:

(a) The obligations and liabilities of Lender under a new lease shall be subject to the terms and conditions of this Agreement (including the provisions of Sections 5-7);

(b) Lender shall have no obligations or liabilities to County under any such new lease beyond those of Lessor as were contained in the Lease; and

(c) The expiration date of any new lease shall coincide with the original expiration date of the Lease.

3.4. County shall not be named or joined in any foreclosure, trustee's sale, or other proceeding to enforce the Loan Documents unless such joinder shall be legally required to

perfect the foreclosure, trustee's sale, or other proceeding.

4. **Attornment.**

4.1. If Lender shall succeed to Lessor's interest in the Mortgage Premises by foreclosure of the Mortgage, by deed in lieu of foreclosure, or in any other manner, County shall be bound to Lender under all the terms, covenants and conditions of the Lease for the balance of its term with the same force and effect as if Lender were the Lessor under the Lease. County shall be deemed to have full and complete attornment to, and to have established direct privity between County and:

- (a) Lender when in possession of the Mortgage Premises;
- (b) a receiver appointed in any action or proceeding to foreclose the Mortgage;
- (c) any party acquiring title to the Mortgage Premises; or
- (d) any successor to Lessor.

4.2. County's attornment is self-operating, and it shall continue to be effective without execution of any further instrument by any of the parties to this Agreement or the Lease. Lender agrees to give County written notice if Lender has succeeded to the interest of the Lessor under the Lease. The terms of the Lease are incorporated into this Agreement by reference.

4.3. If the interests of Lessor under the Lease are transferred by foreclosure of the Mortgage, deed in lieu of foreclosure, or otherwise, to a party other than Lender (Transferee), in consideration of, and as condition precedent to, County's agreement to attorn to any such Transferee, Transferee shall be deemed to have assumed all terms, covenants, and conditions of the Lease to be observed or performed by Lessor from the date on which the Transferee succeeds to Lessor's interests under the Lease.

5. **Lender as Lessor.** If Lender shall succeed to the interest of Lessor under the Lease, Lender shall be bound to County under all the terms, covenants and conditions of the Lease, and County shall, from the date of Lender's succession to the Lessor's interest under the Lease, have the same remedies against Lender for breach of the Lease that County would have had under the Lease against Lessor; provided, however, that despite anything to the contrary in this Agreement or the Lease, Lender, as successor to the Lessor's interest, shall be:

- (a) liable for any act or omission of the Lessor; provided that the Lender may elect either to perform the pre-existing obligation or to permit the County to perform it and to recover the cost out of Rent;
- (b) subject to any offsets or defenses expressly permitted under the Lease, including abatement rights which County might have had against Lessor;
- (c) bound by any rent or additional rent that County might have paid for more than one month in advance to Lessor; or
- (d) bound by an amendment or modification of the Lease even though

made without Lender's written consent and whether or not the amendment or modification materially adversely affect any right of Lessor under the Lease.

(e) subject to the County's right to assert continuing claims, such as material interference with the County's use and enjoyment of the premises, against the Lender.

6. **Right To Cure.** County agrees that, before County exercises any of its rights or remedies under the Lease, Lender shall have the right, but not the obligation, to cure the default within the same time given Lessor in the lease to cure the default, plus an additional thirty (30) days or ten (10) days in the case of defaults in the payment of money from Lessor to County. County agrees that the cure period shall be extended by the time necessary for Lender to commence foreclosure proceedings and to obtain possession of the Mortgage Premises, provided that:

(a) Lender shall notify County of Lender's intent to effect its remedy;

(b) Lender initiates immediate steps to foreclose on or to recover possession of the Mortgage Premises;

(c) Lender initiates immediate legal proceedings to appoint a receiver for the Mortgage Premises or to foreclose on or recover possession of the Mortgage Premises within the thirty (30) day period; and

(d) Lender prosecutes such proceedings and remedies with due diligence and continuity to completion.

7. **Assignment of Rents.** If Lessor defaults in its performance of the terms of the Loan Documents, County agrees to recognize the Assignment of Rents made by Lessor to Lender and shall pay to Lender, as assignee, from the time Lender gives County notice that Lessor is in default under the terms of the Loan Documents, the rents under the Lease, but only those rents that are due or that become due under the terms of the Lease after notice by Lender. Payments of rents to Lender by County under the assignment of rents and Lessor's default shall continue until the first of the following occurs:

(a) No further rent is due or payable under the Lease;

(b) Lender gives County notice that the Lessor's default under the Loan Documents has been cured and instructs County that the rents shall thereafter be payable to Lessor;

(c) The lien of the Mortgage has been foreclosed and the purchaser at the foreclosure sale (whether Lender or a Transferee) gives County notice of the foreclosure sale. On giving notice, the purchaser shall succeed to Lessor's interests under the Lease, after which time the rents and other benefits due Lessor under the Lease shall be payable to the purchaser as the owner of the Mortgage Premises.

8. **County's Reliance.** When complying with the provisions of Section 7, County shall be entitled to rely on the notices given by Lender under Section 7, and Lessor agrees to release, relieve, and protect County from and against any and all loss, claim, damage, or liability (including reasonable attorney's fees) arising out of County's compliance with such notice.

County shall be entitled to full credit under the Lease for any rents paid to Lender in accordance with Section 7 to the same extent as if such rents were paid directly to Lessor. Any dispute between Lender (or Lender's Transferee) and Lessor as to the existence of a default by Lessor under the terms of the Mortgage, the extent or nature of such default, or Lender's right to foreclosure of the Mortgage, shall be dealt with and adjusted solely between Lender (or Transferee) and Lessor, and County shall not be made a party to any such dispute (unless required by law).

9. **Lender's Status.** Nothing in this Agreement shall be construed to be an agreement by Lender to perform any covenant of the Lessor under the Lease unless and until it obtains title to the Mortgage Premises by power of sale, judicial foreclosure, or deed in lieu of foreclosure, or obtains possession of the Mortgage Premises under the terms of the Loan Documents.

10. **Cancellation of Lease.** County agrees that it will not cancel, terminate, or surrender the Lease, except at the normal expiration of the Lease term or as provided in the Lease.

11. **Special Covenants.** Despite anything in this Agreement or the Lease to the contrary, if Lender acquires title to the Mortgage Premises, County agrees that: Lender shall have the right at any time in connection with the sale or other transfer of the Mortgage Premises to assign the Lease or Lender's rights under it to any person or entity, and that Lender, its officers, directors, shareholders, agents, and employees shall be released from any further liability under the Lease arising after the date of such transfer, provided that the assignee of Lender's interest assumes Lender's obligations under the Lease, in writing, from the date of such transfer.

12. **Transferee's Liability (Non Recourse).** If a Transferee acquires title to the Mortgage Premises:

(a) County's recourse against Transferee for default under the Lease shall be limited to the Mortgage Premises or any sale, insurance, or condemnation proceeds from the Mortgage Premises;

(b) County shall look exclusively to Transferee's interests described in (a) above for the payment and discharge of any obligations imposed on Transferee under this Agreement or the Lease ; and

- (i) Transferee, its officers, directors, shareholders, agents, and employees are released and relieved of any personal liability under the Lease;
- (ii) County shall look solely to the interests of Transferee set forth in (a) above, and
- (iii) County shall not collect or attempt to collect any judgment out of any other assets, or from any general or limited partners or shareholders of Transferee.

13. **Transferee's Performance Obligations.** Subject to the limitations provided in Sections 11 and 12, if a Transferee acquires title to the Mortgage Premises, the Transferee shall perform and recognize all County improvement allowance provisions, all rent-free and rent rebate provisions, and all options and rights of offer, in addition to Lessor's other obligations under the Lease.



14. **Notice.** All notices required by this Agreement shall be given in writing and shall be deemed to have been duly given for all purposes when:

(a) deposited in the United States mail (by registered or certified mail, return receipt requested, postage prepaid); or

(b) deposited with a nationally recognized overnight delivery service such as Federal Express or Airborne.

Each notice must be directed to the party to receive it at its address stated below or at such other address as may be substituted by notice given as provided in this section.

The addresses are:

Lender: Sun Community Federal Credit Union  
1068 Broadway  
El Centro, California 92243  
Attn.: Rafael Bernal

Copy to: \_\_\_\_\_

\_\_\_\_\_

Attention: \_\_\_\_\_

County: Economic Development Agency  
3403 Tenth Street, Suite 400  
Riverside, CA 92501  
Attention: Deputy Director of Real Estate

Copy to: \_\_\_\_\_

\_\_\_\_\_

Attention: \_\_\_\_\_

Copies of notices sent to the parties' attorneys or other parties are courtesy copies, and failure to provide such copies shall not affect the effectiveness of a notice given hereunder.

15. **Miscellaneous Provisions.**

15.1. This Agreement may not be modified orally; it may be modified only by an agreement in writing signed by the parties or their successors-in-interest. This Agreement shall inure to the benefit of and bind the parties and their successors and assignees.

15.2. The captions contained in this Agreement are for convenience only and in no way limit or alter the terms and conditions of the Agreement.

15.3. This Agreement has been executed under and shall be construed,

governed, and enforced, in accordance with the laws of the State of California except to the extent that California law is preempted by the U.S. federal law. The invalidity or unenforceability of one or more provisions of this Agreement does not affect the validity or enforceability of any other provisions.

15.4. This Agreement has been executed in duplicate. Lender and County agree that one (1) copy of the Agreement will be recorded.

15.5. This Agreement shall be the entire and only agreement concerning subordination of the Lease and the leasehold estate created by it, together with all rights and privileges of County under it, to the lien or charge of the Loan Documents and shall supersede and cancel, to the extent that it would affect priority between the Lease and the Loan Documents, any previous subordination agreements, including provisions, if any, contained in the Lease that provide for the subordination of the Lease and the leasehold estate created by it to a deed of trust or mortgage. This Agreement supersedes any inconsistent provision of the Lease.

15.6. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which copies, taken together, shall constitute but one and the same instrument. Signature and acknowledgment pages may be detached from the copies and attached to a single copy of this Agreement to physically form one original document, which may be recorded without an attached copy of the Lease.

15.7. If any legal action or proceeding is commenced to interpret or enforce the terms of this Agreement or obligations arising out of it, or to recover damages for the breach of the Agreement, the party prevailing in such action or proceeding shall be entitled to recover from the non-prevailing party or parties all reasonable attorneys' fees, costs, and expenses it has incurred.

15.8. Word Usage. Unless the context clearly requires otherwise, (a) the plural and singular numbers will each be deemed to include the other; (b) the masculine, feminine, and neuter genders will each be deemed to include the others; (c) "shall," "will," "must," "agrees," and "covenants" are each mandatory; (d) "may" is permissive; (e) "or" is not exclusive; and (f) "includes" and "including" are not limiting.

Executed on the date first above written.

**Lender:**

\_\_\_\_\_

a \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

**COUNTY OF RIVERSIDE:**

By: \_\_\_\_\_  
John J. Benoit, Chairman  
Board of Supervisors

**ATTEST:**  
Kecia Harper-Ihem  
Clerk to the Board

By: \_\_\_\_\_

**APPROVED AS TO FORM:**  
Gregory P. Priamos, County Counsel

By: \_\_\_\_\_

Deputy County Counsel

Accepted and Agreed To:

**Lessor:**

\_\_\_\_\_  
a \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

[Exhibit A: Legal description of Mortgage Premises]

EXHIBIT I

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I RECITALS .....	1
ARTICLE II GENERAL PROVISIONS .....	1
2.01 Establishment of Covenants.....	1
2.02 Purpose of Covenants .....	1
2.03 Definitions.....	2
ARTICLE III PARKING COVENANTS.....	4
3.01 Parking Covenants; Access .....	4
ARTICLE IV UTILITY COVENANTS.....	5
ARTICLE V EASEMENTS .....	5
5.01 [Intentionally Omitted].....	5
5.02 Easements for Encroachment.....	5
5.03 Slope and Drainage Easements.....	5
ARTICLE VI CONSTRUCTION PERIOD LICENSE.....	6
ARTICLE VII IMPROVEMENTS .....	6
7.01 Submittals .....	6
7.02 Approvals .....	7
7.03 Basis of Approval.....	7
7.04 Prior Notice of Construction Starts .....	7
7.05 Certificates of Compliance.....	7
7.06 Identical Replacements.....	8
7.07 Presumption of Compliance.....	8
7.08 Exculpation .....	8
7.09 Completion of Work.....	8
7.10 Fee .....	9
ARTICLE VIII REGULATION OF OPERATIONS AND PERMITTED USES .....	9
8.01 Permitted Uses.....	9
8.02 Prohibited Operations and Uses .....	9
8.03 Other Operations and Uses.....	10
8.04 Hazardous Substances.....	10
ARTICLE IX MAINTENANCE AND OPERATION OF THE PROJECT.....	11
9.01 The Manager.....	11
9.02 Management Agreement .....	11
9.03 Maintenance of Common Area.....	11
9.04 Parking Area.....	12
9.05 Taxes .....	12
9.06 Common Area Costs and Budget.....	13
9.07 Owner's Share.....	14

EXHIBIT I

9.08 Records and Audits ..... 14

ARTICLE X MAINTENANCE AND REPAIR OF THE OWNERS' UNIMPROVED  
PORTIONS OF THE PROPERTY AND IMPROVEMENTS, AND  
PAYMENT OF OTHER OBLIGATIONS WITH RESPECT THERE TO ..... 14

10.01 Maintenance, Repair and Restoration ..... 14

10.02 Landscaping ..... 15

10.03 Insurance ..... 15

10.04 Waiver of Subrogation..... 16

10.05 Owner Taxes ..... 16

ARTICLE XI [INTENTIONALLY OMITTED.] ..... 16

ARTICLE XII ENFORCEMENT ..... 16

12.01 Inspection Rights ..... 16

12.02 Default and Remedies..... 17

12.03 Exclusivity of Remedies ..... 19

12.04 Waiver ..... 19

12.05 Termination..... 19

ARTICLE XIII TERM AND MATTERS AFFECTING RIGHTS AND DUTIES ..... 19

13.01 Term ..... 19

13.02 Termination or Modification ..... 19

ARTICLE XIV MISCELLANEOUS PROVISIONS ..... 20

14.01 Constructive Notice and Acceptance ..... 20

14.02 Mutuality, Reciprocity, Runs with Land..... 20

14.03 Intentionally Omitted ..... 20

14.04 Rights of Lenders ..... 20

14.05 Arbitration..... 20

14.06 Time of the Essence ..... 21

14.07 Invalidity of Provision ..... 21

14.08 Notices ..... 21

14.09 Intentionally Omitted ..... 22

14.10 Governing Law..... 22

14.11 Captions ..... 22

14.12 No Third Party Beneficiaries ..... 22

14.13 No Joint Venture..... 22

14.14 Estoppel Certificates..... 22

14.15 Additional Agreements..... 23

14.16 Authority ..... 23

EXHIBITS

- "A" Legal Descriptions
- "B" Common Areas

**DECLARATION  
OF  
COVENANTS, CONDITIONS AND RESTRICTIONS**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Declaration") is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2016, by CORONA MEDICAL ARTS PLAZA, LLC, a California limited liability company ("Corona Medical").

**ARTICLE I**

**RECITALS**

1.01 Corona Medical is the owner of that certain real property located in the City of Corona, State of California (the "Property"), more particularly described in Exhibit "A" hereto and designated therein as Parcels "1" and "2."

1.02 Corona Medical desires to develop the Property in two or more phases into a planned and integrated medical office and commercial complex consisting of two (2) buildings respectively located on each of the two (2) Parcels (as that term is hereinafter defined) and adjacent parking lots (the "Parking Lots").

1.03 The planned development will be benefitted if the owners and users of the two (2) Parcels have reciprocal rights to use the Common Area (as that term is hereinafter defined) located on the both Parcels and if certain mutual provisions by and between the two (2) Parcels govern the construction of the Improvements (as that term is hereinafter defined) thereon and the maintenance and operation of the Common Area.

NOW, THEREFORE, Corona Medical hereby declares as follows:

**ARTICLE II**

**GENERAL PROVISIONS**

2.01 Establishment of Covenants. Corona Medical hereby declares that the Property and all Improvements now or hereafter situated on, over or under the Property is now held, and shall hereafter be held, transferred, sold, leased, encumbered, conveyed and occupied subject to the covenants, conditions and restrictions herein set forth (collectively "Covenants"), each and all of which is and are, except as otherwise specifically provided herein, for, and shall inure to, the benefit of and pass with each and every portion of the Property and shall run with the land and shall apply to and bind (i) any Owner (as that term is hereinafter defined) and (ii) the Property.

2.02 Purpose of Covenants. The purpose of these Covenants is to ensure proper development and use of the Property, to protect the Owner of each Parcel against any improper development and use of the other Parcel as will depreciate the value of such Owner's Parcel, to prevent the erection on the Property of Improvements built of improper design or materials, to enhance and protect the value, desirability and attractiveness of all of the Property in general, to provide adequately for a high type and quality of improvement of the Property in accordance with a

uniform plan of development, to impose upon the owners certain obligations with respect to their Improvements, to provide for common use and the maintenance and operation of the Common Area, to establish certain Covenants affecting all or certain of the Parcels, and to protect Institutional Mortgagees (as that term is hereinafter defined).

2.03 Definitions. In addition to the definitions set forth elsewhere herein, the following terms shall have the meanings set forth below:

“Allocated Share” as to any Owner shall mean a fraction, the numerator of which is the Floor Area in that part of the Project on such Owner’s Parcel, and the denominator of which is the Floor Area in the Project on all Parcels that have reached Substantial Completion.

“Building” or “Buildings” shall mean any, some or all, as the context requires, of the buildings to be constructed on each of Parcel 1 and Parcel 2 (but shall not include the Parking Lots) and any additions or reconstructions thereof built in accordance with Article VII hereof.

“City” shall mean the City of Corona, a municipal corporation, organized and conducting business pursuant to the laws of the State of California.

“Commencement of Construction” as to any Parcel shall mean the time at which an Owner obtains a building permit with respect to the Construction of Improvements on such Parcel.

“Common Area” shall mean all of those facilities and improvements on, under or in the Property; provided, however, Common Area shall not include:

- (i) any Building or portion thereof;
- (ii) security and life safety systems within a Building; and
- (iii) the loading docks.

It is the express intention of Corona Medical that Common Area shall not include or encompass or be deemed or interpreted to include or encompass any of the improvements set forth in subparagraphs (i) through (iii) above unless all of the Owners otherwise agree in writing.

“Deed of Trust” shall mean a mortgage, as well as a deed of trust.

“Environmental Laws” means collectively all federal, state and local laws, statutes, codes, ordinances, orders, rules and regulations relating in any way to the generation, transportation, use, storage, maintenance, disposal or remediation of Hazardous Substances.

“Floor Area” shall mean [ ] of square feet for Parcel 1 and [ ] of square feet for Parcel 2.

“Hazardous Substances” shall mean any hazardous or toxic substance, material or waste which now is or hereafter becomes regulated by any local governmental authority, the State of California or the United States Government. The term “hazardous substances” includes,

without limitation, any material or substance which is (i) defined as a "hazardous waste," "extremely hazardous waste" or "restricted hazardous waste" under Sections 25115, 25117 or 251223 or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (ii) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act); (iii) defined as a "hazardous material," "hazardous substance" or "hazardous waste", under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (iv) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances); (v) petroleum; (vi) asbestos; (vii) listed under Article 9 or defined as hazardous or extremely hazardous pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 30; (viii) designated as a "hazardous substance" pursuant to Section 1311 of the Federal Water Pollution Control Act (33 U.S.C. Section 1317); (ix) defined as a "hazardous waste" pursuant to Section 6903(5) of the Federal Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq. (42 U.S.C. Section 6903); (x) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq., as may be amended from time to time; (xi) any "pollutant or contaminant" as defined in 42 U.S.C. Section 9601(33); or (xii) defined as "hazardous waste" pursuant to 42 C.F.R. Part 260 or defined as a "hazardous chemical" pursuant to 29 C.F.R. Part 1910.

"Improvement(s)" shall mean and include all Buildings, structures, and the Common Area located above or below the ground level of any Parcel (including the Parking Lots), and any replacements, additions, repairs or alterations thereto of any kind whatsoever, but excluding any improvements to the interior of any Building (other than window treatments or lobbies at the street level of any Building).

"Institutional Mortgagee" with respect to any owner shall mean a bank, insurance company or federal or state savings and loan association or any subsidiary of any of the foregoing, pension trust, group trust, real estate investment trust or saving fund society or similar institution that is the holder or co-holder of a recorded first mortgage or deed of trust on any Parcel.

"Majority (Owners)" or "Majority (Footage)" as the case may be, shall mean any Owner or any combination of Owners whose Buildings have an aggregate Floor Area greater than or equal to fifty-one percent (51%) of the aggregate Floor Area of all Buildings on all Parcels that have reached Substantial Completion.

"Manager" shall have the definition set forth in Article 9 hereof.

"Occupant(s)" shall mean any Person or Persons from time to time entitled to the use and occupancy of the respective Parcels of each Owner under any lease, deed or other instrument or arrangement with the Owner of such Parcel where under such Person or Persons have a right to the use and occupancy of any portion thereof.

"Owner" shall mean collectively all of the owners of record of all fee interests in a single Parcel (and all of such Owner's successors and assigns) during the respective terms of such owners', or such successor's or assign's, ownership.



“Owners” shall mean, collectively, the Owner of Parcel 1 and the Owner of Parcel 2.

“Parcel” shall mean each of Parcel 1 and Parcel 2.

“Parcels” shall mean, collectively, Parcel 1 and Parcel 2, “Parking Lots” shall mean the parking lots adjacent to the Parcels as depicted on Exhibit “A.”

“Permittees” shall mean all Occupants and their respective officers, directors, employees, agents, contractors, customers, patients, visitors, invitees, licensees, subtenants and concessionaires.

“Person(s)” shall mean a corporation, partnership, trust, association or governmental or other entity, as well as an individual.

“Project” shall mean the Property together with all Improvements now or hereafter constructed on the Property.

“Record” and its variations shall mean the filing and/or recordation of an instrument in the Office of the County Recorder of Riverside County, California.

“Sign(s)” shall mean all names, insignia trademarks, numerals, addresses and descriptive words or material of any kind affixed, inscribed, erected or maintained on the Property or on any Improvement thereon.

“Submittal(s)” shall include all documents required to be submitted to the Owners for approval pursuant to Paragraph 7.02 below.

“Substantial Completion” shall mean, for each Parcel, the issuance of a temporary certificate of occupancy covering the Building shell and core of any Building located on such Parcel.

### ARTICLE III

#### PARKING COVENANTS

3.01 Parking Covenants: Access. Corona Medical hereby grants to each Parcel, effective from and after the date on which the Parking Lots are first legally available for parking, for the benefit of such Parcel’s Owner and Permittees, the non-exclusive right to use the Parking Lots in common with all other Persons entitled to the use thereof for vehicular and pedestrian ingress and egress from the Improvements, vehicular and pedestrian ingress and egress from each of the Parking Lots, vehicular and pedestrian access to and from public streets adjoining the Parcels, for parking of motorized vehicles and bicycles, and for the passage and accommodation of pedestrians upon such respective portions thereof as are set aside, maintained and authorized for such use and for the doing of such other things as are authorized or required to be done on such areas pursuant to this Declaration. Notwithstanding the foregoing, each Parcel, for the benefit of such Parcel’s Owner and Permittees, shall have the undivided exclusive right to its “Allocated Share” of the parking spaces in the Parking Lots available for use by Occupants of the Project.

## ARTICLE IV

### UTILITY COVENANTS

Corona Medical hereby grants to each Parcel (the "Benefitted Parcel"), for the benefit of such Parcel's respective Owner and Permittees, a non-exclusive right on, to, under and across the Common Area for the installation, operation, flow and passage, use, maintenance, repair, relocation and removal of sanitary sewers, storm drains, water and gas mains, electrical power lines, cable television, telephone lines, heating, ventilating and air conditioning lines, fire service lines and other utility lines serving the Property ("Utility Covenants"), all of which sewers, drains, mains and utility lines shall be placed below the street level of the Project to the maximum extent possible. The location of each Utility Covenant shall not materially affect the usage of the Parcel burdened by such Utility Covenant (the "Burdened Parcel") or damage or interfere with any Building on the Burdened Parcel and shall be subject to the prior written approval of each Owner of each Burdened Parcel, which approval shall not be unreasonably withheld or delayed in light of the intent hereof. The Owner of the Benefitted Parcel shall indemnify and hold harmless the Owner of the Burdened Parcel from and against any and all losses, costs, damages and liabilities arising out of or relating to construction, maintenance or use of the Utility Covenant, including, without limitation, costs of replacing any damage to the improvements on the Burdened Parcel (including damaged landscaping) and the costs of discharging any liens on the Burdened Parcel. Upon the request of any Owner, each Owner shall execute an exhibit to this Declaration upon which the location of such Utility Covenants shall be further described in detail.

## ARTICLE V

### EASEMENTS

5.01 [Intentionally Omitted].

5.02 Easements for Encroachment. Corona Medical hereby grants and creates mutual, reciprocal, non-exclusive easements for encroachments of the present Improvements built and existing on each Parcel.

5.03 Slope and Drainage Easements: The Owner of each Parcel will permit free access by Owners of adjacent or adjoining Parcels to slopes or drainageways located on his Parcel which affect said adjacent or adjoining Parcels when such access is essential for the maintenance of permanent stabilization on said slopes, or maintenance of the drainage facilities for the protection and use of property other than the Parcel in which the slope or drainageway is located. No Owner of a Parcel shall in any way interfere with the established drainage pattern over his Parcel from adjoining or other Parcels, and each Owner of a Parcel shall make adequate provisions for proper drainage if it is necessary to change the established drainage over his Parcel. For the purposes of this paragraph, "established" drainage means the drainage which occurred at the time the overall grading of each Parcel was completed by Corona Medical.

## ARTICLE VI

### CONSTRUCTION PERIOD LICENSE

Upon Commencement of Construction of any Improvement on any Parcel, the Owner of such Parcel and their respective architects, contractors, materialmen and others engaged in performing such work, shall have a temporary license to enter and store materials upon the other Parcel (the "Other Parcel"), but only as and to the extent such construction cannot reasonably be performed without said use of the Other Parcel, and provided that, (i) such license shall terminate when such construction is completed, but shall in any event not extend beyond the time when it is necessary under good construction practice, (ii) such licensee shall not cause any damage to or interfere with any construction being performed or any use of or operations on the Other Parcel, (iii) such licensee shall promptly repair any damage caused by its use of the Other Parcel and upon termination of its license, restore the Other Parcel to their condition immediately prior to such licensee's use, (iv) such licensee shall obtain or cause to be obtained insurance insuring the Owner of the Other Parcel against damage or injury to property or persons resulting from acts or omissions caused by the licensee, its agents or employees in coverages equal to those being carried by or for the benefit of the Owner of the Other Parcel, and (v) such licensee shall give the Owner of the Other Parcel reasonable prior notice of the intent to use such Parcel, the purpose of such use, and the portions thereof intended to be used.

## ARTICLE VII

### IMPROVEMENTS

7.01 Submittals. Except as otherwise provided in Paragraph 7.06 below, no Improvement of any nature whatsoever, including, but not limited to, any alteration or addition to any Improvements existing from time to time, shall be constructed, placed, assembled or maintained on any Parcel until the submittals required by this Paragraph 7.01 ("Submittals") shall have been approved in writing by the Majority (Owners) and their respective Institutional Mortgagees, if required. Separate Submittals regarding Improvements shall be made by the Owner of the affected Parcel for approval of the Majority (Owners) and their respective Institutional Mortgagees as follows:

- (a) A comprehensive master plan shall be required when any Improvement occurs in stages;
- (b) Preliminary plans and specifications, including a schematic plan, shall be submitted for each stage of, or for the entire Improvement, as the case may be, showing principal exterior dimensions, including height of principal components, design concepts, materials selection, exterior lighting, landscaping, signing, structural facilities and decorative or architectural treatment; and
- (c) Working drawings and final plans and specifications shall be submitted for each stage of, or for the entire Improvement, as the case may be. Written approval of the Majority (Owners) and their respective Institutional Mortgagees shall be obtained if any change or modification is made in the basic design, appearance, location or components of the preliminary

plans and specifications approved by the Majority (Owners) and their respective Institutional Mortgagees.

(d) Any Owner or any Institutional Mortgagee may request such further information or documents as such Owner or Institutional Mortgagee reasonably requires to evaluate the Submittal. Partial Submittals may be made and approved by the Majority (Owners) and their respective Institutional Mortgagees, but in no event shall construction of any Improvement proceed beyond the scope of the approval received.

(e) All plans and specifications to be submitted to the Owners and Institutional Mortgagees hereunder for approval by the Majority (Owners) and their respective Institutional Mortgagees shall be prepared by an architect, landscape architect and/or engineer, as applicable, licensed to practice in the State of California, and shall be submitted in writing over the signature of the Owner or his authorized agent.

7.02 Approvals. No Owner and no Institutional Mortgagee shall unreasonably withhold or delay its approval of any Submittal, and such approval shall be reasonably based on the criteria set forth in Paragraph 7.03 hereof. An Owner and an Institutional Mortgagee shall be conclusively, deemed to have given its approval thereof unless, within thirty (30) days, after any such Submittal has been received, such Owner or Institutional Mortgagee, at the case may be, shall give express written notice specifying in reasonable detail each item which such Owner or Institutional Mortgagee disapproves. If so approved, such Owner or Institutional Mortgagee shall endorse and affix its approval on one set of submitted documents and return the same to the person from whom the documents were received; provided, however, that the failure to so endorse and affix shall not affect such approval.

7.03 Basis of Approval. The Project is designed to be an integrated, aesthetically consistent development. Therefore, an Owner or Institutional Mortgagee may reasonably disapprove any Submittals that contemplate Improvements that (i) are not reasonably integrated into the Project, or (ii) which do not substantially conform aesthetically, or visually with other existing or proposed Improvements. Notwithstanding the foregoing, each Owner and each Institutional Mortgagee shall approve any Submittal that is the logical extension and/or modification of, and not materially inconsistent with, any previous Submittal approved by the Majority (Owners) and their respective Institutional Mortgagees.

7.04 Prior Notice of Construction Starts. Each Owner shall give each other Owner and each Institutional Mortgagee at least seventy-two (72) hours' prior written notice of the commencement of the initial work on any Improvements.

7.05 Certificates of Compliance.

(a) Prior to the pouring of any foundations for any Improvement, the Owner conducting such construction shall supply each other Owner and each Institutional Mortgagee with a certification by a duly licensed civil engineer or land surveyor verifying that the proposed Improvements are located on the correct Parcel of land and in accordance with the Submittals previously approved by the Majority (Owners) and their Institutional Mortgagees, as the case may be.

(b) Upon completion of any such Improvements of the Owner conducting such construction shall supply each other Owner and each Institutional Mortgagee with a certification by a duly licensed or registered architect, landscape architect and/or engineer, as applicable, that the Improvements as designed by such architect, landscape architect, or engineer, as the case may be, have been completed substantially in accordance with the working drawings and final plans and specifications previously approved by the Majority (Owners) and their respective Institutional Mortgagees, as the case may be.

7.06 Identical Replacements. Notwithstanding the foregoing, any Improvements for which Submittals were previously approved by the Majority (Owners) and their respective Institutional Mortgagees as provided hereinabove, may be repaired, replaced or reconstructed without the approval of the Majority (Owners) and their respective Institutional Mortgagees, but only if such repair, replacement or reconstruction is substantially identical to the Improvements previously so approved. An Owner constructing such identical replacements shall nevertheless remain subject to Paragraphs 7.04 and 7.05 hereof.

7.07 Presumption of Compliance. Notwithstanding anything to the contrary herein contained, after the expiration of one (1) year from the date of completion of construction of an Improvement, said improvement shall be deemed to be in compliance with all provisions of this Article VII, unless actual notice of such noncompliance or noncompletion, executed by any Owner, shall appear of record in the Office of the County Recorder of Riverside County, California, or unless legal proceedings shall have been instituted to enforce compliance or completion.

7.08 Exculpation. Except for any actions taken (or any failure to take action) in bad faith, no Owner or Institutional Mortgagee shall be liable in damages to anyone making Submittals as provided herein, or to any other Owner, licensee or other Person subject to or affected by these restrictions, on account of (i) such Owner's or Institutional Mortgagee's approval or disapproval of any Submittal, whether or not defective; (ii) any construction, performance or non-performance by an owner of any work on such Owner's Parcel or Improvements, whether or not pursuant to approved Submittals; (iii) any mistake in judgment, negligence, action or omission by such Owner or Institutional Mortgagee in exercising its rights, powers and responsibilities under this Article VII; or (iv) the enforcement or failure to enforce any of these restrictions. Every Person who makes Submittals to the Owners for approval by the Majority (Owners) and their respective Institutional Mortgagees agrees by reason of such Submittals and every Owner of a Parcel, Improvements or any portion thereof agrees by acquiring title or an interest therein, not to bring any suit or action against any owner or Institutional Mortgagee seeking to recover any such damages, except as set forth above. An Owner's or an Institutional Mortgagee's approval of any Submittal shall not constitute the assumption of any responsibility by, or impose any liability upon, such Owner or Institutional Mortgagee as to the accuracy, efficacy or sufficiency thereof.

7.09 Completion of Work. After commencement of construction of any Improvement, the work thereon shall be diligently prosecuted to the end that the structure shall not remain in a partly-finished condition any longer than reasonably necessary for completion thereof. Each Owner shall use reasonable efforts to minimize any disruption to the Common Area, and to the Owners, Occupants and Permittees who use the Common Area during the construction of Improvements. Additionally, each Owner shall use reasonable effort to minimize the disruption of traffic flow and parking during such construction and shall clear up daily any construction debris from the Common Area to the extent reasonably practicable.

7.10 Fee. Any Owner which makes a Submittal pursuant to this Article VII shall reimburse each other Owner and its Institutional Mortgagees for the reasonable costs and expenses incurred by each such other Owner and its Institutional Mortgagees in reviewing such Submittal, including, without limitation, any architectural and/or engineering fees incurred in connection therewith; provided, that the Owner making a Submittal shall not be obligated to reimburse the other Owners and their respective Institutional Mortgagees for the fees, costs and expenses of more than one architect, landscape architect and engineer engaged by such other Owners and their respective Institutional Mortgagees to review such submittal. In the event that such other Owners and their respective Institutional Mortgagees do not jointly engage such professionals, the Submitting Owner shall not be obligated to reimburse, for professional services by an architect, landscape architect and engineer, more than an amount equal to the amount of the highest reasonable fees incurred by any reviewing Owner or its Institutional Mortgagees. Each such other Owner and its Institutional Mortgagees shall provide to the reimbursing Owner reasonable itemization of such costs and expenses upon request.

## ARTICLE VIII

### REGULATION OF OPERATIONS AND PERMITTED USES

8.01 Permitted Uses. Subject to all applicable zoning laws or ordinances promulgated by the City and the County of Riverside, the following uses shall be permitted with respect to the Property subject to all other provisions of this Declaration:

- (a) Medical and dental office;
- (b) Restaurants, including fast food outlets;
- (c) General commercial office;
- (d) Banks and savings and loans;
- (e) Health club; and
- (f) Retail to serve primarily employees of or visitors to the businesses located on the Property.

8.02 Prohibited Operations and Uses. No use or operation will be made, conducted or permitted on or with respect to all or any portion of any Parcel or Improvement thereon which is in violation of any applicable governmental requirement or which is obnoxious to or out of harmony with the development or operation of the businesses conducted on any of the Property. The following is a non-exclusive list of operations or uses that shall be prohibited (unless otherwise approved by the Majority (Owners)) because of their obvious detrimental effect upon the general appearance of the Parcels and their conflict with the reasonable standards of appearance and maintenance:

- (i) Any public or private nuisance;

- (ii) Any vibration, noise, sound or disturbance that is objectionable due to intermittence, beat, frequency, shrillness or loudness (but not including any outdoor concerts or activities conducted with the prior approval of the Majority (Owners));
- (iii) Any substantial or unlawful electromechanical or electromagnetic disturbance or radiation;
- (iv) Any unlawful air or water pollution;
- (v) Any emission of odorous, noxious, caustic or corrosive matter, whether toxic or non-toxic gas;
- (vi) Any litter, dust, dirt or fly ash in excessive quantities;
- (vii) Any unusual firing, explosion or other damaging or dangerous hazard, including the storage, display or sale of explosives or fireworks;
- (viii) Any unlawful disposal of biological or medical waste; or
- (ix) Any dumping, disposal, incineration or reduction of garbage or refuse of any nature whatsoever (other than sewage treatment facilities required by the City).

#### 8.03 Other Operations and Uses.

(a) Operations and uses which are neither specifically prohibited nor specifically authorized by this Declaration are hereby prohibited, but may be permitted in a specific case if a written description of the proposed operation or use is submitted to and approved in writing by the Majority (Owners). Each Owner shall base approval or disapproval of such use or operation upon the effect thereof on other property subject to these restrictions or upon the Owners, Occupants or Permittees as determined by such owner in its sole discretion. If an owner fails to either approve or disapprove the requested operation or use within thirty (30) days after written request therefor shall have been received, it shall be conclusively deemed that such Owner has disapproved said request. Any Owner who disapproves or is deemed to have disapproved such request shall give the reasons for its disapproval upon written request from any other Owner.

(b) No Owner, nor its successors or assigns, shall be liable in damages to anyone submitting a request pursuant to Paragraph 8.03(a) above, or to any Owner or Occupant by reason of a mistake in judgment, negligence or nonfeasance arising out of or in connection with such Owner's approval or disapproval or failure to approve any such requested operation or use. Every Person who submits to the Owners a request for approval of an operation or use pursuant to Paragraph 8.04(a) above agrees by submission thereof, and every Owner agrees, by acquiring title to any Parcel, that he will not bring any action or suit against any Owner or its successors or assigns for damages.

8.04 Hazardous Substances. At no time shall an Owner or any Permittee thereof, cause, suffer or permit any Hazardous Substance to be brought onto, used or stored on its Parcel except incidental to construction of Improvements thereon or permitted uses hereunder and in compliance with all Environmental Laws. Each Owner shall comply with, and shall cause such Owner's Permittees to comply with, all Environmental Laws with respect to such Owner's Parcel.

Each Owner hereby agrees to indemnify, defend and hold harmless each other Owner of each of the other Parcels from any violation of this Paragraph 8.04 caused by such Owner or by any Permittee thereof.

## ARTICLE IX

### MAINTENANCE AND OPERATION OF THE PROJECT

9.01 The Manager. From and after the date hereof, the Majority (Owner) shall select, on or before thirty (30) days prior to the expiration of each calendar year, a person to manage the Common Area (the "Manager") and shall approve the terms of the Management Agreement (as hereinafter defined) and the Budget (as hereinafter defined). Upon each selection of the Manager, the Majority (Owner) shall notify in writing each Owner whose Parcel has reached Substantial Completion of the identity of the new Manager.

Notwithstanding the foregoing, the Majority (Owner) may, but shall not be obligated to, select a separate Manager for the Parking Lots (the "Parking Manager"), in which case the procedures set forth in this Article IX with respect to the Manager, the Management Agreement, the Budget, and audits and records shall apply equally to the Parking Manager.

9.02 Management Agreement. The Manager shall manage the Project pursuant to a contract (the "Management Agreement") approved by the Majority (Owner). The Management Agreement shall not be inconsistent with this Declaration and shall contain at least the provisions set forth in this Article IX. When signed by the Manager and the Majority (Owner), the Management Agreement shall be binding on the Owners. The Management Agreement shall provide that it is terminable by the Majority (Owner) on thirty (30) days' prior written notice. The Management Agreement may allow the Manager to subcontract with others for the performance of the duties set forth in the Management Agreement.

9.03 Maintenance of Common Area. The Management Agreement shall provide that the Manager shall be in charge of maintaining and repairing the Common Area consistent with the requirements of this Declaration, which obligation shall include, but not be limited to, the following:

- (a) Keeping the surfaces in a clean, uncluttered, orderly and sanitary condition.
- (b) Making necessary repairs and replacements by reason of obsolescence, exhaustion, wear and tear, weather or casualty, on all Improvements situated thereon.
- (c) Caring for and, when necessary, promptly replanting and replacing all landscaping so as to maintain the same in a first-class, thriving condition.
- (d) Paying the premiums on and maintaining in full force and effect reasonable casualty insurance (as hereinafter provided) and property damage and public liability insurance, all in such amounts and covering such casualties as the Management Agreement requires and in compliance with the reasonable requirements of each Institutional Mortgagee.



(e) Cleaning lighting fixtures located in the Common Area (including those on the exterior of Buildings) and relamping and reballasting as needed.

(f) Maintaining all signs relating to the Project (excluding any signs mounted on a Building identifying the Occupants therein), including relamping and repairing as needed.

(g) Providing customary security, including security personnel, if required, and night lighting as shall be reasonably required for the Common Area.

(h) Maintaining and keeping in a sanitary condition any public restrooms and other public use facilities in the Common Area.

(i) Maintaining appropriate parking area entrance, directional signs, markers and lights as reasonably required and in accordance with the practices prevailing in the operation of similar first-class commercial buildings.

(j) Operating the Parking Lots, including maintaining the surfaces of the Parking Lots and repainting striping, markers and directional signs as necessary to maintain the Parking Lots in first-class condition.

(k) Cleaning, repairing and maintaining all utility systems that are part of the Common Area or used to provide service for the Common Area, to the extent the same are not cleaned, repaired and maintained by public utilities.

(l) Maintaining bicycle parking areas, including replacing bicycle racks when necessary.

9.04 Parking Area. The Management Agreement shall provide that revenues from the operations of the Parking Lots shall be remitted on a monthly basis to the Owners. The Management Agreement shall further provide that both revenues and costs related to the operation of the Parking Lots shall be divided on the basis of a reasonable allocation related to the use of the Parking Lots by each such Owner.

9.05 Taxes.

(a) Each Owner shall initially pay that portion of the real estate taxes and assessments, personal property taxes and assessments, and similar taxes in lieu thereof or in addition thereto (collectively "Taxes") attributable to the Common Area taxed and assessed as part of its portion of the Property. Copies of its Notice of Assessed Valuation and tax bills shall be forwarded to the Manager. The amount of all Taxes attributable to any Common Area shall be a Common Area Cost and shall be paid for by each Owner in the manner hereinafter set forth. Each Owner shall receive an appropriate credit to its Allocated Share of Common Area Costs (as set forth in Paragraph 9.09 hereof) for the portion of Taxes paid by it which are: (i) reasonably attributable to the Common Area on such Owner's Parcel, and (ii) in excess of such Owner's Allocated Share of such Taxes.

(b) Upon the direction of any Owner, the Manager may contest any Notice of Assessed Valuation or tax bill submitted which includes any of the Common Area, but to

the extent that the particular statement or bill includes any Improvements or land not part of the Common Area, the Manager shall first notify the Owner of such Improvements or land of its intention to contest the statement or bill. The Owner of such Improvements or land shall have a period of thirty (30) days following such notification to elect to contest such statement or bill, including the portion thereof attributable to the Common Area, and if such Owner commences such contest within such thirty (30) day period (and the Owner shall have the first right to pursue such contest) and diligently prosecutes the same to completion, the Manager shall have no authority to so do. If such Owner declines to pursue such contest, but the Manager does so, the cost of such contest shall be a Common Area Cost, but to the extent that any reduction is achieved with respect to any Improvements or land, other than with respect to the Common Area, the Manager may charge, and shall be entitled to deduct from any amounts otherwise payable to, such Owner all reasonable costs (including attorneys' fees) incurred in connection with such contest up to the amount payable to such Owner with respect to such reduction; provided, however, if such contest also results in a reduction of the Taxes attributable to the Common Area, there will be a fair division of such costs (as determined by the Majority (Owners)) between those payable by the owner and those which are a Common Area Cost. Costs and expenses incurred by the manager in pursuing any contest shall likewise be included as a Common Area Cost and shall be paid for by the Owners in the manner hereinafter set forth.

9.06 Common Area Costs and Budget. The costs of maintenance, repair and operation of the Common Area shall include the total of all items of direct cost and expense necessarily expended for the supervision, operation, maintenance and repair of the Common Area (collectively "Common Area Costs") as set forth in the Budget (as hereinafter defined) or otherwise in the Management Agreement. By way of example and not limitation, Common Area Costs may include maintenance, replacements and reconstruction work as required to preserve the utility of the Common Area and its equipment in the same condition and status as it was as of the time of the completion of the Initial Improvements and will further include all rental charges for equipment, the cost of small tools and supplies, all costs for police security protection, traffic condition and control, and parking regulation; costs of cleaning and removal of rubbish, dirt and debris from the Common Area; the cost of landscaping and supplies incidental to such; all charges for utility services used in connection with such, together with all costs of maintaining lighting fixtures in the Parking Structure and other parts of the Common Area; all premiums for public liability and property damage insurance covering the Common Area; all fees, costs and expenses incurred pursuant to Paragraph 9.03 and Paragraph 9.05(b) hereof; costs incurred in auditing the Manager pursuant to Paragraph 9.8 hereof (but not including any individual Owner's costs and expenses of inspecting the Manager's books and records); and a fee to the Manager for supervision and management as set forth in the Management Agreement.

The Management Agreement shall require the Manager, in conjunction with the Majority (Footage), to prepare and submit to each Owner, at least ninety (90) days prior to the end of each calendar year, a proposed budget of Common Area costs for the upcoming calendar year ("Budget"). The Budget shall be reasonably approved by the Majority (Owners). The Budget shall be deemed approved by an owner unless within thirty (30) days after the Budget has been submitted to such Owner, such Owner shall give express written notice specifying in reasonable detail each line item which such Owner reasonably disapproves (hereinafter, a "Disapproved Item"). In the event that each line item in the Budget is not approved by the Majority (Owners), the Owners shall be deemed to have approved a Budget that contains (i) those proposed line items that are not Disapproved Items, (ii) as to Disapproved Items, line items in amounts no greater than 110% of

such Disapproved Item's annualized budget as set forth on the Budget last approved hereunder or on the Interim Budget, if applicable; and (iii) an allowance for capital expenditures reasonably required in the ordinary course of maintaining Common Area in a condition substantially similar to that which existed on the date that Phase II reached Substantial Completion. That part of the Budget not meeting the limitations set forth in subparagraphs (ii) and (iii) and which is not approved by the Majority (Owners) shall be submitted to arbitration hereunder.

9.07 Owner's Share. Except as otherwise specifically provided below or in Paragraph 9.07 hereof, each Owner's Share of Common Area Costs shall be equal to such Owner's Allocated Share; provided, however, that no Owner shall have any obligation to pay an Allocated Share of Common Area Costs incurred prior to Substantial Completion of the Building on such Owner's Parcel. Each Owner shall deposit with the Manager a portion of its Allocated Share periodically, as set forth in the Management Agreement.

9.08 Records and Audits. The Management Agreement shall require the Manager to furnish, within ninety (90) days following the expiration of each period for which a Budget was prepared, a statement showing in reasonable detail the total of Common Area Costs incurred for such period. Such statement shall be delivered to each Owner that was entitled to approve the Budget for such period. If the Budget for such period was greater than said total, the Manager shall be obligated to return to each such Owner such Owner's Allocated Share of such excess. The Management Agreement shall require the Manager to keep and maintain at its principal office in Riverside County, California for a period of not less than two (2) years following each calendar quarter, complete and accurate books, records and other pertinent data with respect to Common Area Costs. Any Owner entitled to approve the Budget or its representative shall have the right at any time and from time to time during regular business hours to examine and inspect all of said books, records and other pertinent data for the purpose of investigating and verifying the Manager's incurrence of Common Area Costs. The operations, books and records of Manager shall be audited annually, and all costs and fees associated therewith shall be Common Area Costs.

## ARTICLE X

### MAINTENANCE AND REPAIR OF THE OWNERS' UNIMPROVED PORTIONS OF THE PROPERTY AND IMPROVEMENTS, AND PAYMENT OF OTHER OBLIGATIONS WITH RESPECT THERETO

10.01 Maintenance, Repair and Restoration. Each Owner shall be obligated to maintain in good condition and state of repair, and in compliance with all laws, rules and regulations, orders and ordinances of governmental agencies exercising jurisdiction thereof, any portion of the Property owned by it, any Improvement situated thereon, and any Improvements thereunder, except such portion thereof as is designated as Common Area. All unimproved portions so owned shall be maintained in a neat and clean condition, and all such Improvements shall be maintained in a manner compatible to other similar first-class commercial buildings situated in the City. In the event that any portion of the Common Area on any Parcel is damaged or destroyed by any act or casualty for which insurance is in effect hereunder, the Owner of such Parcel shall promptly restore such portion of the Common Area, in compliance with Article VII hereof, to the extent proceeds of the "Common Area Casualty Insurance" (as hereinafter defined) are available therefor. The Owner of any Parcel on which any Improvement that is destroyed or damaged by casualty and is not required

to be restored hereunder shall either (i) promptly restore such Improvement or (ii) promptly remove from such Parcel all damage and debris thereon and thereafter maintain such Parcel in a clean and safe condition.

10.02 Landscaping: Every Parcel improved with a Building or other Improvement shall be landscaped by the Owner in a first class manner as required by the City within thirty (30) days after occupancy or completion of such structure, whichever occurs first. All landscaping shall be aesthetically compatible and harmonious with all other landscaping in the Project. All unpaved areas between street curbs and the setback lines shall be fully and adequately landscaped. Sprinklers and other reasonable and adequate landscape irrigation maintenance facilities shall be provided for all landscaped areas. Each Owner shall provide continuous maintenance for all undeveloped areas upon its Parcel, and shall keep the same free and clear of weeds, debris and rubbish, in a neat, clean, sightly and well-kept condition.

10.03 Insurance. Each Owner shall, severally, at all times during the term of this Declaration, maintain in full force and effect: (a) comprehensive public liability insurance covering its Parcel (exclusive of the Common Area) with a financially responsible insurance company or companies, including coverage for any accident resulting in personal injury to or death of any person and consequential damages arising therefrom, and comprehensive property damage insurance, each in an amount not less than [\$5,000,000] per occurrence, or such greater amount as may be required by the Institutional Mortgagee of such Owner; and (b) fire and other casualty insurance, with coverage for collapse, explosion, underground hazards and coverage in so-called "multiperil" form (excluding earthquake and flood), including a replacement cost endorsement, and an agreed amount endorsement, (the requirements set forth in this Paragraph 10.03 shall be hereinafter collectively referred to as the "Required Casualty Provisions") covering its Parcel (exclusive of the Common Area). The insurance required to be carried pursuant to this Paragraph 10.03 may be carried under a policy or policies covering other liabilities and locations of each Owner, or a subsidiary, successor, affiliate or controlling corporation of such Owner. Each Owner shall severally furnish to the other Owners evidence that said insurance is in full force and effect and that the premiums therefor have been paid. All policies of insurance carried by any Owner pursuant to this Paragraph 10.03 or endorsements issued under any blanket policy or policies covering those liabilities required to be insured against by this paragraph (i) as to public liability policies, shall name the other Owners and all Institutional Mortgagees as additional insureds, (ii) as to property damage, shall name such Owner's Institutional Mortgagee as loss payee, and (iii) shall provide that the same may not be cancelled or amended without at least thirty (30) days' prior written notice being given by the insurer to each other Owner and each Institutional Mortgagee.

The Majority (Footage) approving the Management Agreement shall cause the Manager to secure casualty insurance on the Common Area in an amount sufficient to restore any portion of the Common Area that is damaged or destroyed (the "Common Area Casualty Insurance"). Such Common Area Casualty Insurance shall name as the insured parties each Owner and as loss payees each Institutional Mortgagee of each Owner, as such Owner's (or Institutional Mortgagee's) interests may appear. Such Common Area Casualty Insurance shall contain the Required Casualty Provisions and shall provide that losses payable thereunder shall be payable notwithstanding any act or negligence of any Owner (or Institutional Mortgagee). Such policy shall also provide that no cancellation or termination thereof for any reason (including nonpayment of premiums) shall be effective until at least thirty (30) days after mailing or otherwise sending written notice thereof to the Manager, each Owner and each Institutional Mortgagee. Each mortgage or

deed of trust on a Parcel shall provide that insurance proceeds from the Common Area Casualty Insurance shall be made available for the purposes set forth in this Paragraph 10.03.

Such insurance policy shall also contain a clause providing that any loss in excess of One Million and No/100 Dollars (\$1,000,000.00) shall be payable to a trustee (which shall be a bank or trust company, designated by the Majority (Footage), having an office in the Riverside or Orange County metropolitan areas and which has capital and surplus of at least \$50,000,000) or to the Institutional Mortgagees that hold the first mortgage on the Parcel on which the damage to the Common Area has occurred, at the option of such Institutional Mortgagee; provided, however, such payment shall be made to a bank or trust company, in trust, if there is no Institutional Mortgagee; it being understood, however, that each and every amount collected on any such policies shall be made available to the Owner responsible for the reconstruction or repair of that part of the Common Area damaged or destroyed or to the Majority (Footage) if such Owner fails or refuses to conduct such reconstruction or repair, and shall be paid out by the said trustee or Institutional Mortgagee from time to time as the work of rebuilding, reconstruction and repair shall progress, in amounts designated by certification, by architects licensed to do business in the State of California, showing the application of said amounts as payment for such repairs, rebuilding and reconstruction, but only upon receipt of appropriate mechanic's lien releases. The Owner responsible for the reconstruction or repair shall pay all reasonable fees of the trustee for its services.

Not more often than once per calendar year, an Owner may request that an appraisal of the full replacement cost of the Common Area be conducted. The Majority (Owners) shall cause such appraisal to be conducted, and the cost thereof shall be a Common Area Cost. Upon completion of such appraisal the Majority (Owners) shall cause the coverage of the Common Area Casualty Insurance to be adjusted to equal the updated full replacement cost of the Common Area.

10.04 Waiver of Subrogation. Each Owner hereby releases each of the other Owners from any liability for any loss or damage of the type provided by any insurance required to be carried hereunder, and agrees to exercise its reasonable efforts to secure (without the expenditure of any material sums) from any insurer providing such insurance, a waiver of any right of subrogation which any such insurer of any one Owner may acquire against any other party or parties by virtue of payment of any loss covered by such insurance.

10.05 Owner Taxes. Subject to an Owner's right to contest after payment any Notice of Assessed Valuation or tax bill with respect to its Parcel, each Owner shall be obligated to pay, or cause to be paid, prior to delinquency, all Taxes upon its land and Improvements, if any.

## ARTICLE XI

[INTENTIONALLY OMITTED.]

## ARTICLE XII

### ENFORCEMENT

12.01 Inspection Rights. Each Owner or its authorized representative may, from time to time, at any reasonable hour, upon reasonable advance notice, enter upon and inspect the

Property, any Parcel or any portion thereof or Improvements thereon, to ascertain compliance with this Declaration, but without obligation to do so or liability therefor.

12.02 Default and Remedies. Each Owner shall have a lien, with power of sale on each Parcel not owned by it to secure the performance of the obligations of the Owner of such Parcel hereunder. Such lien shall be subject and subordinate to the lien of the first mortgage or deed of trust held by any Institutional Mortgagee.

Any breach, default, non-compliance, violation or failure to perform or satisfy any of the covenants or restrictions contained herein involving the payment of money shall be referred to herein as a "Monetary Breach." Any other breach, default, non-compliance, violation or failure to perform or satisfy any of the covenants or restrictions contained herein shall be referred to herein as a "Non-monetary Breach." A Monetary Breach or a Nonmonetary Breach shall each sometimes be referred to herein as a "Breach." The following procedures shall apply in the event that any Owner (the "Non-defaulting Owner") delivers a Notice (a "Breach Notice") to any other Owner (the "Defaulting Owner") and its Institutional Mortgagee alleging that such Defaulting Owner has suffered to exist a Breach on such Defaulting Owner's Parcel or has committed a Breach.

The "Monetary Breach Cure Period" shall mean twenty (20) days after delivery of a Breach Notice identifying an alleged Monetary Breach or, if arbitration of such alleged Monetary Breach has been requested within such twenty (20) day period, then twenty (20) days after the decision of an arbitrator becomes final under Paragraph 14.05 hereof.

The "Non-monetary Breach Cure Period" shall mean thirty (30) days after delivery of a Breach Notice identifying an alleged Non-monetary Breach, and

(i) if cure of such alleged Non-monetary Breach has been commenced within such thirty (30) day period, such longer period as may be required to promptly and diligently cure such alleged Nonmonetary Breach; or

(ii) if arbitration of such Breach has been requested within such thirty (30) day period, then thirty (30) days after the decision of the arbitrator becomes final under Paragraph 14.05 hereof, and, if cure of such Breach is commenced within such thirty (30) day period after the arbitrator's decision becomes final, then such longer period as may be required to promptly and diligently cure such Non-monetary Breach.

In the event a Breach Notice is delivered hereunder and such Breach is not cured within the Monetary Cure Period or the Non-monetary Cure Period, as applicable, any Owner, in its sole discretion, may:

(a) proceed to cure the Breach of such Defaulting Owner hereunder, and/or enter or cause its agents to enter the Parcel or portion of the Parcel as to which the Breach exists and summarily abate and remove, without further legal process to the maximum extent permitted by law, but in such a manner as to reasonably mitigate interference with the lawful uses of such Parcel, if possible, any structure, thing or condition that may exist in Breach of any of these restrictions, all at the sole cost and expense of the Defaulting Owner or any Person having possession under the Defaulting Owner; and/or

(b) deliver to the Defaulting Owner and record with the Riverside County Recorder a certificate or notice of claim of lien (which, among other things, shall recite the nature of the Breach, the legal description of the Parcel or portion of the Parcel affected by such Breach, the record or reputed Owner thereof, the curing Owner's name and address, and the remedies pursued by such curing Owner and the amount of any such claim being charged, including all amounts for which such Defaulting Owner may be liable hereunder, including interest, fees and costs (as set forth in this Paragraph 12.02). If the amount claimed in such lien claim has not been paid to the curing Owner within sixty (60) days thereafter, such curing Owner or its authorized representatives may foreclose such lien by a sale conducted pursuant to Sections 2924, 2924b and 2924c of the California Civil Code, as amended, from time to time, or other statutes applicable to the exercise of powers of sale in mortgages or deeds of trust, or in any other manner permitted by law. Any Owner (including the curing Owner) through its authorized representatives, may bid on and acquire any property subject to such lien at any such foreclosure sale. If any recited amounts are timely paid to the curing Owner as provided above, such curing owner shall forthwith record an appropriate release of such 'lien at the sole expense of the Defaulting Owner; and/or

(c) bring an action in equity or otherwise for specific performance to enforce compliance with this Declaration or for an injunction or to enjoin the continuance of a breach hereof, it being the understanding and agreement of each Owner that a Breach may cause each Non-defaulting Owner to suffer material and irreparable injury and damage not compensable in money.

Any costs or expenses paid or incurred by an Owner in pursuing any remedy hereunder (including without limitation all costs incurred under Paragraph 14.05 hereof and reasonable attorneys' fees and costs of collection), together with interest at the maximum rate permissible by law, shall be a charge against the Parcel or portion of the Parcel as to which the Breach exists, shall be a continuing lien thereon until paid, as to which the procedures in Paragraph 12.02(b) shall apply.

Notwithstanding the foregoing, no Owner may exercise any remedy under this Paragraph 12.02 unless, after the failure 'of a Defaulting Owner to cure such Breach within the Monetary Cure Period or Non-monetary Cure Period, as the case may be, such Non-defaulting Owner gives a Breach Notice to each Institutional Mortgagee of the Defaulting Owner of which the nondefaulting Owner has received notice under Paragraph 14.04 hereof, and provides such Institutional Mortgagee with the opportunity to cure such Breach within an additional Monetary Cure Period or Non-monetary Cure Period, as the case may be; provided, however, that nothing herein shall entitle such Institutional Mortgagee to arbitrate a Breach that has already been arbitrated hereunder.

Notwithstanding anything in this Paragraph 12.02 to the contrary, any Owner may pursue the remedies specified in Paragraph 12.02(c) hereof with respect to a Non-monetary Breach without delivering a Breach Notice, without regard to the Non-monetary Cure Period, and without regard to the rights of Institutional Mortgagees, if such Owner in good faith believes that any delay associated with the pendency of cure or arbitration hereunder will cause such Owner to suffer material and irreparable injury and damage not compensable in money. Any owner so seeking relief under Paragraph 12.02(c) shall use its good faith efforts to notify the Defaulting Owner and its Institutional Mortgagees promptly upon commencement of any action under Paragraph 12.02(c).

12.03 Exclusivity of Remedies. Except for an action in damages permitted under Paragraph 7.09 hereof, the remedies contained in Paragraph 12.02 hereof are intended to be the exclusive remedies for a Breach hereunder, and each Owner hereby waives any other right or remedy of any nature for a Breach hereunder, whether such right or remedy is available at law, equity or otherwise.

12.04 Waiver. No waiver by any Owner of a Breach of this Declaration and no delay or failure to enforce this Declaration shall be construed or held to be a waiver of any succeeding or preceding Breach of the same part of this Declaration or any other part of this Declaration. No waiver by any Owner of any Breach hereunder shall be implied from any omission by any owner to take any action on account of such Breach if such Breach persists or is repeated, and no express waiver shall affect a Breach other than as specified in said waiver. The consent or approval by any Owner to or of any act by an owner requiring any Owner's consent or approval shall not be deemed to waive or render unnecessary any Owner's consent or approval to or of any subsequent similar acts by the Owner. No waiver by any Owner of any Breach shall be deemed a waiver by any other Owner of such Breach.

12.05 Termination. Notwithstanding anything contained or implied herein to the contrary, in no event shall the remedies available hereunder for a Breach include termination of this Declaration, it being Corona Medical's express intention that this Declaration be terminable only upon agreement of all the Owners. Each Owner hereby waives any right under law, equity or otherwise, to terminate this Declaration under any circumstance other than as set forth in Article XIII hereof.

## ARTICLE XIII

### TERM AND MATTERS AFFECTING RIGHTS AND DUTIES

13.01 Term. This Declaration, every provision hereof and every covenant, condition and restriction contained herein, shall continue in full force and effect for a period of fifty (50) years from the date of the recording of this Declaration in the Office of the Recorder of Riverside County, California; provided, however, that thereafter this Declaration shall be automatically renewed, for successive periods of ten (10) years each, unless and until terminated in accordance with the provisions of Paragraph 13.02 below; provided, further, no such termination shall terminate any of the Covenants set forth in Article III, Article IV or Article V hereof.

13.02 Termination or Modification. This Declaration, or any provision hereof or thereof, may be terminated, extended, modified or amended as to all or any portion of the Property only by concurrence of all of the owners and all of the Institutional Mortgagees, if any. No such termination, extension, modification or amendment shall be effective until a proper instrument duly executed and acknowledged has been recorded in the Office of the Recorder of Riverside County, California.



## ARTICLE XIV

### MISCELLANEOUS PROVISIONS

14.01 Constructive Notice and Acceptance. To the maximum extent permitted by law, every Owner who now or hereafter owns or acquires any right, title or interest in or to any portion of the Property is and shall conclusively be deemed to have consented and agreed to every Covenant contained herein, whether or not any reference to this Declaration is contained in the instrument by which such Person acquired an interest in the Property.

14.02 Mutuality; Reciprocity; Runs with Land. Except as otherwise specifically provided herein, all Covenants and agreements contained herein are made for the direct, mutual and reciprocal benefit of each and every part and Parcel of the Property; shall create reciprocal rights and obligations between the respective Owners of all Parcels and privity of contract and estate between all Owners of the Parcels, their heirs, successors and assigns; and shall, as to the owner of each Parcel, its heirs, successors and assigns, operate as covenants running with the land for the benefit of all other Parcels; provided, however, that the provisions of this Declaration shall only be enforced as provided in Article XII above.

14.03 Intentionally Omitted.

14.04 Rights of Lenders. No Breach of this Declaration shall defeat or render invalid the lien of any first mortgage, deed of trust or similar instrument held by an Institutional Mortgagee, provided that all of the provisions hereof shall be binding upon and effective against any subsequent Owner of the Property or any portion thereof whose title is acquired by foreclosure, trustee's sale, deed in lieu of foreclosure, or otherwise pursuant to such lien rights, but such subsequent Owner shall take title free and clear of any monetary liens arising prior to such transfer of title. If any Institutional Mortgagee gives notice as provided in Paragraph 14.08 hereof to the Owners of the Parcels not encumbered by such Institutional Mortgagee's first mortgage, such Institutional Mortgagee shall be entitled to receive a copy of the notice of any Breach delivered pursuant to Paragraph 12.02 hereof to the Owner of the Parcel on which such Institutional Mortgagee holds a first mortgage, and such Institutional Mortgagee may, but shall not be obligated to, cure such Breach within the time period set forth in Paragraph 12.02 hereof.

14.05 Arbitration. Any and all controversies or disputes arising hereunder shall be settled by binding arbitration; provided, however, that no arbitration hereunder shall enjoin, prohibit or terminate the ability of any Owner to seek equity relief pursuant to the last paragraph of Paragraph 12.02 hereof. All arbitration proceedings hereunder shall be conducted according to the Commercial Arbitration Rules of the American Arbitration Association ("AAA"), where not inconsistent with the provisions of this Declaration. The judgment upon the award rendered in any arbitration hereunder shall be final and binding on the parties hereto and may be entered in any court having jurisdiction thereof. Notwithstanding anything to the contrary which may now or hereafter be contained in the Rules of the AAA: (i) the arbitrator shall, upon the request of any party to the arbitration, issue a written opinion of the arbitrator's findings of fact and conclusions of law on all questions submitted to the arbitrator and which opinion shall be sent to the owners involved and their respective Institutional Mortgagees, and (ii) upon receipt by the requesting party of such written opinion, said party will have the right to file with the arbitrator a motion to reconsider and

the arbitrator thereupon will consider the issues raised by said motion and either conform or change his decision which will then be final and conclusive upon the parties thereto.

During an arbitration proceeding pursuant to this Paragraph 14.05, the parties thereto shall continue to perform and discharge all of their respective obligations under this Declaration. All disputes arbitrated in accordance with this Paragraph 14.05 shall be raised by notice, sent to the other party pursuant to Paragraph 14.08 hereof, setting forth the issues to be submitted to arbitration. The parties to the arbitration shall mutually and promptly select one person who has demonstrated at least ten (10) years' experience in the subject matter of the dispute, and who has no business relationship with any party to the arbitration, to act as neutral arbitrator hereunder. If a selection is not made within thirty (30) days after a demand for arbitration is made, then upon the request of either party, an arbitrator shall be appointed by the AAA. The arbitration proceedings shall take place at a mutually-acceptable location in Orange County, California. When resolving any dispute, the arbitrator shall apply the pertinent provisions of this Declaration without departure therefrom in any respect. The arbitrator shall not have the power to change any of the provisions of this Declaration, but this Paragraph 14.05 shall not prevent in any appropriate case the interpretation, construction and determination by the arbitrator of the applicable provisions of this Declaration to the extent necessary in applying the same to the matter to be determined by arbitration. It is specifically contemplated and agreed by the parties hereto that in any arbitration hereunder, the arbitrators shall apply the law of the State of California. Any and all fees and costs of the successful party to such arbitration (including without limitation attorney's fees), and any and all fees and costs of the sole arbitrator, shall be borne by the unsuccessful party to such arbitration.

14.06 Time of the Essence. Time is of the essence with respect to the performance of each of the Covenants and agreements contained in this Declaration.

14.07 Invalidity of Provision. If any provision of this Declaration as applied to any Owner or to any circumstance shall be adjudged by a court of competent jurisdiction to be void or unenforceable for any reason, the same shall in no way affect (to the maximum extent permissible by law) any other provision of this Declaration, the application of any such provision under circumstances different from those adjudicated by the court, or the validity or enforceability of the instrument as a whole.

14.08 Notices. All notices, consents, requests, demands, approvals, authorizations, Submittals and other communications provided for herein ("Notices") shall be in writing and shall be deemed to have been duly given if and when (i) personally served, or (ii) delivered by a nationally recognized overnight delivery service (e.g. FedEx, or UPS), or (iii) email, if sent before 5 pm, otherwise on the next business day, with confirmation copy by facsimile, or (iv) two (2) business days after deposit thereof in the United States mail, registered or certified, return receipt requested, postage prepaid, to the intended party at its last known address. If such Notice is to be given to Corona Medical, such notice shall be delivered to:

CORONA MEDICAL ARTS PLAZA, LLC

\_\_\_\_\_  
Attention: Mr. Richard Boureston

Email: rich@tbcos.com

Facsimile: ( ) \_\_\_\_\_

Any Owner, the Manager or any Institutional Mortgagee may change or add its address for the purpose of receiving Notices as herein provided by delivering Notice in the manner aforesaid to all other Owners and the Manager. Until any such change is delivered as provided in this Paragraph 14.08, the other Owners, the Institutional Mortgagees and the Manager, if applicable, may conclusively rely on the last Notice delivered by such Owner, the Institutional Mortgagee or the Manager, as the case may be. All notices delivered to an Owner hereunder shall also be delivered to the Institutional Mortgage of such Owner, if such Institutional Mortgagee has added its address hereunder.

Upon the transfer or conveyance of all of the fee interest in any Parcel, the transferee shall promptly notify the other Owners and the Manager of the name and address of a single party that may conclusively be deemed by the other Owners and the Manager to be the Owner of such transferred Parcel. Until such notice is deemed delivered to all such parties hereunder, such transferee shall not be deemed an Owner hereunder, and shall not have the benefits of an Owner hereunder including, without limitation, the right to approve any matter hereunder or the right to enforce this Declaration.

For the purpose of any provision herein providing for approval of a proposed action by the Majority (Owners) or the Majority (Footage), such approval shall be conclusively deemed to have been given by each Owner that does not, within thirty (30) days after the Notice with respect thereto is deemed given to such Owner, specifically disapprove such proposed action; provided, however, that this sentence shall not apply to any provision of this Declaration wherein procedures for approval are specifically set forth.

14.09 Intentionally Omitted.

14.10 Governing Law. This Declaration shall be governed under the laws of the State of California.

14.11 Captions. The paragraph headings or captions used herein are for convenience only and are not a part of this Declaration, and do not in any way limit, define or amplify the scope or intent of the terms and provisions hereof.

14.12 No Third Party Beneficiaries. This Declaration is for the sole and mutual benefit of the Owners, and shall not benefit, and shall not be enforceable by, any other party other than an Institutional Mortgagee.

14.13 No Joint Venture. This Declaration is a statement of covenants, conditions and restrictions on the Property, and does not constitute a joint venture or partnership of the Owners. Any joint or representative activity hereunder is solely for the efficacy and enforcement of the provisions contained herein.

14.14 Estoppel Certificates. Upon request by any owner, not more often than once each calendar quarter, each other Owner shall execute an estoppel certificate addressed to such party as requested by such requesting Owner certifying that (a) this Declaration is in full force and effect and a binding obligation of such Owner, (b) this Declaration has not been amended or modified orally or in writing or if so amended or modified, identifying such amendments or modifications and

(c) to the best of such certifying party's knowledge, without investigation, there is no Breach that has not been cured, or if there is such a Breach, describing the nature of such Breach.

14.15 Additional Agreements. Any two or more Owners, together with their Institutional Mortgagees, may enter into and record any covenants, conditions and restrictions regarding use of their respective Parcels so long as such covenants, conditions and restrictions are not inconsistent with this Declaration.

14.16 Authority. Corona Medical hereby represents and warrants to the Owners that it has full power and authority to execute this Declaration and to record this Declaration in the Official Records of Riverside County, California against the Property.

IN WITNESS WHEREOF, the undersigned has executed this Declaration as of the date first above written.

CORONA MEDICAL ARTS PLAZA, LLC,  
a California limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )

COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, 2016, before me, \_\_\_\_\_  
*Date* *(Here Insert Name and Title of the Officer)*

personally appeared \_\_\_\_\_  
*Name(s) of Signer(s)*

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

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_  
*Signature of Notary Public*

*Place Notary Seal Above*