

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM: 21.2
(ID # 14105)

MEETING DATE:

FROM: TLMA-PLANNING:

Tuesday, February 09, 2021

SUBJECT: TRANSPORTATION & LAND MANAGEMENT AGENCY/PLANNING: Public Hearing on Conditional Use Permit No. 190040, Development Agreement No. 1900030 and associated Ordinance No. 664.68 – CEQA EXEMPT – Applicant: DJK Group, Inc. – Engineer/Representative: Infrastructure Engineers – Fourth Supervisorial District – Bermuda Dunes District – Western Coachella Valley Area Plan: Community Development: Light Industrial (CD:LI) – Location: North of Flora Rd, East of I-10, south of 38th Ave, and West of Washington St – 0.71 Acres – Zoning: Industrial Park (I-P) – REQUEST: Conditional Use Permit No. 190040 is a proposal for a cannabis microbusiness within an existing 5,920 square foot commercial building on an 0.71 acre parcel. The microbusiness will include a Cannabis retail storefront (2,494 square feet), manufacturing (1,896 square feet), distribution (1,530 square feet), and supporting storage, office, employee break area, and lobby/reception areas. Development Agreement No. 1900030 associated with Ordinance No. 664.68 has a term of 10 years, will grant the applicant vested rights to develop the project in accordance with the terms of the development agreement and CUP No. 190040 and will provide community benefits to the Bermuda Dunes district. APN: 626-420-025. District 4. [100% Applicant Funds]

RECOMMENDED MOTION: That the Board of Supervisors:

1. **FIND** that the project is **EXEMPT** from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15301 (Existing Facilities), Section 15303(c) (New Construction or Conversion of Small Structures), and Section 15061 (b)(3) (Common Sense) based on the findings and conclusions in the staff report;

Continued on Page 2

ACTION: Policy


Charissa Leish, Interim TLMA Director 1/28/2021

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended and Ordinance 664.68 is approved as introduced with waiver of the reading.

Ayes: Jeffries, Spiegel, Washington, Perez, and Hewitt
Nays: None
Absent: None
Date: February 9, 2021
xc: Planning, COB

Kecia R. Harper
Clerk of the Board

By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

RECOMMENDED MOTION: That the Board of Supervisors:

2. **APPROVE Conditional Use Permit No. 190040**, subject to the attached Advisory Notification Document and Conditions of Approval, based upon the findings and conclusions provided in the staff report, and subject to adoption of Ordinance No. 664.68; and
3. **INTRODUCE, READ TITLE and WAIVE FURTHER READING OF, and ADOPT** on successive weeks **ORDINANCE NO. 664.68**, an ordinance of the County of Riverside approving Development Agreement No. 1900030, based upon the findings in the staff report.

Continued on Page 3

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A
NET COUNTY COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A
SOURCE OF FUNDS: 100% Applicant Funded			Budget Adjustment: N/A	
			For Fiscal Year: N/A	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On October 23, 2018, Agenda Item 19.1, the Board of Supervisors adopted Ordinance No. 348.4898, which established the permitting process and regulations for commercial cannabis activities in the unincorporated County areas.

Project Details

The proposed Cannabis Microbusiness would occupy an existing, approximately 5,920-square-foot warehouse building to be used as a retail storefront, packing/distribution, and manufacturing facility, otherwise referred to as a Cannabis Microbusiness, in the Bermuda Dunes District of Riverside County. The establishment of the existing building was approved as part of Plot Plan No. 19431, an application for the construction of four (4) industrial/warehouse buildings, which was approved by the Riverside County Planning Director on September 2, 2004. As fully explained in the staff report, the proposed project is fully consistent with the General Plan Foundation Component and Land Use Designation of Community Development: Light Industrial, and the proposed use is permitted within the applicable zoning classification of Industrial Park with an approved conditional use permit and meets all applicable development standards for that zone.

Development Agreement

The applicant proposed entering into the attached development agreement (DA) with the County for the Project. The DA is consistent with the General Plan and with Board Policy B-9. Additionally, the Advisory Notification Document, Conditions of Approval, and entitlement approvals are incorporated in the exhibits of the DA and will ensure that the Project is developed in a way that would not conflict with the public's health, safety or general welfare. The DA has a term of 10 years (with the option for a 5-year extension subject to mutual approval) and will grant the applicant vesting rights to develop the Project in accordance with the terms of the DA. In exchange, the DA provides certain public benefits that go beyond the basic requirements of the County including annual public benefit payments, which will be used

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

for additional public safety services, infrastructure improvements or community enhancement programs.

Development Agreement No. 1900030 requires the applicant to make the following payments:

- 1) An initial deposit-based fee of \$5,000 for annual inspections and the administration of the development agreement program.
- 2) A baseline Public Benefits payment of \$52,079.00, which will be increased 2% per year. The baseline payment amount shall be allocated 45% to the Code Enforcement Department, and the remaining 55% will be transferred to the Executive Office for deposit into the General Fund, to be allocated as part of the annual budget process and generally spent on cannabis regulatory activity performed by the District Attorney's Cannabis Regulation Task Force, the Sheriff's Office, Public Health, County Counsel, and the Agricultural Commissioner's office. The percentages above are based on the expected regulatory costs that were used to establish the baseline Public Benefits fee, as approved by the Board on January 29, 2019. The Code Enforcement Department will serve as the main regulatory arm of the County in monitoring that the businesses will comply with their conditions of approval and respond to public concerns.
- 3) An annual Additional Public Benefit payment of \$90,000.00 which will increase 3% per year. This payment shall be held by TLMA in an account specifically for the Bermuda Dunes area, to be allocated by the Board of Supervisors to projects and services that benefit the community.

Per state law, a development agreement is a legislative act that must be approved by ordinance. Proposed Ordinance No. 664.68 an ordinance of the County of Riverside Approving Development Agreement No. 1900030, incorporates by reference DA No. 1900030 consistent with Government Code section 65867.5.

Development Agreement No. 1900030 and Conditional Use Permit No. 190040 were submitted to the County of Riverside on October 24, 2019.

On November 4, 2020, the Planning Commission voted 5-0 in favor of recommending approval to the Board of Supervisors.

Impact on Residents and Businesses

The proposed project is categorically exempt under CEQA, which means that it belongs to a class of projects that have been determined to not have a significant effect on the environment. As detailed in the Planning Commission Staff Report, which is attached hereto and incorporated by reference, no exceptions pursuant to State CEQA Guidelines section 15300.2 apply. Accordingly, there will be no impacts on residents or businesses.

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
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SUPPLEMENTAL:

Additional Fiscal Information

All fees are paid by the applicant; there is no General Fund obligation

ATTACHMENTS:

- A. PLANNING COMMISSION MINUTES, MEMO, AND STAFF REPORT (WITH AND/COA)
- B. ORDINANCE NO. 664.68
- C. DEVELOPMENT AGREEMENT No. 1900030



Jason Farin, Principal Management Analyst 2/2/2021



**PLANNING COMMISSION
MINUTE ORDER
NOVEMBER 4, 2020**

I. AGENDA ITEM 4.1

CONDITIONAL USE PERMIT NO. 190040 and DEVELOPMENT AGREEMENT NO. 1900030 – Exempt from the California Environmental Quality Act (CEQA), pursuant to the State CEQA Guidelines Section 15301 (Existing Facilities), Section 15303 (New Construction or Conversion of Small Structures), and Section 15061(b)(3) (Common Sense Exemption) – Applicant: DJK Group, Inc. – Fourth Supervisorial District – Bermuda Dunes Zoning District – Western Coachella Valley Area Plan: Community Development: Light Industrial (CD-LI) (0.25 – 0.60 FAR) – Location: Northerly of Flora Road, easterly of Interstate 10, southerly of 38th Avenue, and westerly of Washington Street – 0.71 Acres – Zoning: Industrial Park (I-P).

II. PROJECT DESCRIPTION:

Conditional Use Permit No. 190040 proposes to use an existing 6,000 sq. ft. tilt-up concrete building as a cannabis microbusiness location and will include tenant improvements to the existing building. Development Agreement No. 1900030 would impose a lifespan on the proposed cannabis project and provide community benefit to the Bermuda Dunes district.

III. MEETING SUMMARY:

The following staff presented the subject proposal:

Project Planner: Gabriel Villalobos at (951) 955-6184 or email at gvillalo@rivco.org.

Spoke in favor:

Sia Shirazi, Applicant's Representative, 123 Seacounty Lane, Rancho Santa Margarita, 92688, 714-306-2333

Spoke in opposition:

Marsha Vincelette, Neighbor, 77885 Las Montanas Road, Palm Desert, 92211- did not speak

No one spoke in a neutral position.

IV. CONTROVERSIAL ISSUES:

None.

V. PLANNING COMMISSION ACTION:

Public Comments: Closed

Motion by Commissioner Sanchez, 2nd by Commissioner Leonard

By a vote of 5-0

The Planning Commission Recommend the Following Actions to the Board of Supervisors:

FIND the project exempt from the California Environmental Quality Act (CEQA); and,

TENTATIVELY Approve Development Agreement No. 1900030; and,

APPROVE Conditional Use Permit No. 190040, subject to the conditions of approval.



*Charissa Leach, P.E.
Assistant TLMA Director*

RIVERSIDE COUNTY PLANNING DEPARTMENT

Memorandum

DATE: November 2, 2020
TO: Riverside County Planning Commission
FROM: Gabriel Villalobos, Project Planner
RE: November 4, 2020 Planning Commission
ITEM: 4.1 – Conditional Use Permit No. 190040, Development Agreement No. **1900030**

Please see attachments regarding public comments to be included in the staff report package for CUP190040.

Riverside Office · 4080 Lemon Street, 12th Floor
P.O. Box 1409, Riverside, California 92502-1409
(951) 955-3200 · Fax (951) 955-1811

Desert Office · 77588 El Duna Court, Suite H
Palm Desert, California 92211
(760) 863-8277 · Fax (760) 863-7040

DESERT BUSINESS PARK POA

October 29, 2020

Riverside County Planning Department
Attn: Gabriel Villalobos
P.O. Box 1409
Riverside, CA 92502-1409
gvillalo@rivco.org

RE: CONDITIONAL USE PERMIT NO. 190040 and DEVELOPMENT AGREEMENT NO. 1900030

Dear Commission Members:

The property being considered for the Conditional Use Permit 190040 is part of a Master Planned Business Park and subject to the regulations of Covenants, Conditions and Restrictions and Reservation of Easements for Desert Business Park ("CCRs"). The CCRs specifically prohibit the "growth processing or sale of marijuana or products containing marijuana" (see Section 2 of the Second Amendment to CCRs). Accordingly the use being applied for under this Conditional Use Permit is not a legally permissible use of the property.

When the Desert Business Park Property Owner's Association first became aware of this Conditional Use Permit application on March 26, 2020, the Riverside County Planning Department was notified via email on March 30, 2020 regarding the prohibition on marijuana uses for the property under the CCRs. It was our understanding the process would go no further with Riverside County.

The property owner then contacted the Board of the Association requesting removal of the marijuana restrictions under the CCRs. By letter dated May 4, 2020, the Association declined to remove the marijuana restrictions under CCRs and informed the property owner that any such use would not be allowed.

On October 28, 2020, we were made aware of the Public Hearing regarding this Conditional Use Permit. This letter is to notify the Planning Commission of our objection and restate our intention to take all necessary legal action against this project if the CCRs use restrictions continue to be ignored.

The CCRs are a matter of public record, but for your reference I have attached the following documents:

- Amended and Restated Covenants, Conditions and Restrictions and Reservation of Easements for Desert Business Park recorded on May 12, 2006 under recording number 2006-0347510

IFC California Corporation

- First Amendment to Amended and Restated Covenants, Conditions and Restrictions and Reservation of Easements for Desert Business Park recorded on May 17, 2007 under recording number 2007-0328619
- Second Amendment to Amended and Restated Covenants, Conditions and Restrictions and Reservation of Easements for Desert Business Park recorded on January 18, 2017 under recording number 2017-0021331

Should you have any questions concerning this matter, please feel free to call me at 760-200-0029 or email at mvincelette@investco.com

Sincerely,



Marsha Vincelette,
President and Director of Desert Business Park Property Owner's Association

DOC # 2006-0347510
 05/12/2006 08:00A Fee:328.00
 Page 1 of 108
 Recorded in Official Records
 County of Riverside
 Larry W. Ward
 Assessor, County Clerk & Recorder

RECORDING REQUESTED BY

WHEN RECORDED RETURN TO
 EALY, HEMPHILL, BLASDEL & OLESON LLP
 777 East Tahquitz Canyon Way
 Suite 328
 Palm Springs, CA 92262
 Attn: Gregory R. Oleson, Esq.



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THE AREA ABOVE IS RESERVED FOR RECORDER'S USE

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**AMENDED AND RESTATED DECLARATION
 OF
 COVENANTS, CONDITIONS AND RESTRICTIONS AND
 RESERVATION OF EASEMENTS
 FOR
 DESERT BUSINESS PARK**

NOTE: AS MORE FULLY DESCRIBED IN SECTION 17.20 OF THIS DECLARATION, IN THE EVENT OF ANY DISPUTES ARISING HEREUNDER, OR RELATING TO THE DESIGN AND/OR CONSTRUCTION OF THE PROJECT GOVERNED HEREBY, SUCH DISPUTE SHALL BE SUBMITTED TO JUDICIAL REFERENCE, A FORM OF ALTERNATIVE DISPUTE RESOLUTION.

FILE COPY

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AMENDED AND RESTATED DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
AND RESERVATION OF EASEMENTS
FOR
DESERT BUSINESS PARK

THIS RESTATED DECLARATION OF THE COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS (this "Declaration") is made as of the 11 day of May, 2006, by Desert Business Park II L.L.C., a Washington limited liability company, DBP Investments, L.L.C., a Washington limited liability company, DBP Partners L.L.C., a Washington limited liability company and DBP Ventures, a California general partnership (individually and collectively as the "Declarant").

RECITALS

A. Declarant's predecessor and affiliated entity, Desert Business Park L.L.C. (the "Initial Declarant"), originally owned all of that certain real property located in the County of Riverside, State of California, as more particularly described on Exhibit "A" attached hereto (the "Covered Property"). The Covered Property is part of a master-planned development commonly known as Desert Business Park (the "Development") being developed by Declarant.

B. Initial Declarant sold a portion of the Lots to Retail Purchasers and formed Desert Business Park II L.L.C., DBP Investments, L.L.C., DBP Partners L.L.C. and DBP Ventures, a California Partnership to own and develop the remaining Lots. Initial Declarant is no longer operating.

C. Initial Declarant imposed a general plan for the improvement, development and maintenance of the Development and adopted and established covenants, conditions and restrictions upon the Covered Property for the purpose of enforcing and protecting the value, desirability and attractiveness thereof pursuant to the Declaration of Covenants, Conditions and Restrictions and Reservation of Easements dated September 24, 2001, and recorded on July 10, 2002, as Instrument No. 2002-378079, as amended by that certain First Amendment dated April 1, 2003 and recorded on April 10, 2003 as Instrument No. 2003-253963, that certain Second Amendment dated June 5, 2003 and recorded on June 9, 2003 as Instrument No. 2003-416212, that certain Third Amendment dated August 27, 2003 and recorded on September 15, 2003 as Instrument No. 2003-712502, and that certain Fourth Amendment dated November 7, 2003 and recorded November 13, 2003 as Instrument No. 2003-894614, that Fifth Amendment dated March 9, 2004 and recorded April 21, 2004 as Instrument No. 2004-0288250, that certain Sixth Amendment dated May 27, 2004 and recorded June 1, 2004 as Instrument No. 2004-0412113 and that certain that certain Seventh Amendment dated June 1, 2004 and recorded June 17, 2004 as Instrument No. 2004-464685 and that certain Eighth Amendment dated October 15, 2004 and recorded November 2, 2004 as Instrument No. 2004-868900 (collectively, the "Original Declaration").

D. Initial Declarant also created the Desert Business Park Property Owner's Association, a California nonprofit mutual benefit corporation (the "Association") for the efficient management of the Development and the preservation of the value, desirability and attractiveness of the Development, to which has been delegated and assigned the powers of managing the Covered Property, maintaining and administering the "Common Areas" (as hereinafter defined) and administering and enforcing these covenants, conditions and restrictions and collecting and disbursing funds pursuant to the "Assessments" (as hereinafter defined) and charges hereinafter created and referred to and to perform such other acts as shall generally benefit the Covered Property.



E. Declarant now desires to amend and restate the Original Declaration for the purpose of consolidating the various amendments recorded as well as to reflect the current size, scope and purposes of the Development.

F. This Declaration does not contain any substantial changes with respect to the extent, usage or maintenance of the Common Areas.

NOW, THEREFORE, for the purposes above set forth, Declarant hereby declares that the Covered Property and each part thereof shall be held, sold and conveyed subject to the following easements, equitable servitudes, restrictions, covenants, and conditions in accordance with California Civil Code Section 1354, which are for the purpose of protecting the value and desirability of, and which shall constitute equitable servitudes on, the Covered Property and which shall run with the Covered Property and be binding on and inure to the benefit of all parties having any right, title or interest therein, or in any part thereof, their heirs, successors and assigns.

ARTICLE I. DEFINITIONS

1.1 "**Architectural Committee**" shall mean the Architectural Committee established pursuant to Article V below.

1.2 "**Articles**" shall mean and refer to the articles of incorporation of the Association, and any amendments thereto.

1.3 "**Architectural Guidelines**" shall mean the guidelines prepared and issued by the Architectural Committee for the purpose of reviewing and approving all development, landscaping, and site plans (including signs and other identification insignia) for the Covered Property.

1.4 "**Assessments**" The following meanings shall be given to the Assessments hereinafter defined:

1.4.1 "**Capital Improvement Assessment**" shall mean and refer to a charge against each Owner and each Owner's Lot representing a portion of the cost to the Association for the installation, construction, unexpected repair or replacement of any capital improvements, including the necessary fixtures and personal property related thereto, on any Common Area or other portion of the Covered Property upon which the Association may be required to install, construct, repair or replace any capital improvements as provided in this Declaration, which cost has not been provided for by the reserves established by Regular Assessments paid by the Members.

1.4.2 "**Phase of Development Assessments**" shall mean those Assessments charged to and collected from certain Owners in accordance with Section 3.9 of this Declaration, for the purpose of financing the expenses incurred or to be incurred in connection with certain special services and/or facilities for such Owners in a particular Phase of Development.

1.4.3 "**Regular Assessment**" shall mean the amount which is to be paid by each Member to the Association for Common Expenses in accordance with this Declaration.

1.4.4 "**Reimbursement Assessment**" shall mean any charge designated as a Reimbursement Assessment in this Declaration, the Articles, Bylaws or Association Rules, including, without limitation, for reimbursement to the Association for costs incurred in bringing an Owner or an Owner's Lot in compliance with the provisions of this Declaration, the Articles, Bylaws, Association Rules or the Del Webb Restrictions, which costs shall include, without limitation, attorneys' fees and costs.



1.4.5 "**Remedial Assessment**" shall mean any charges and/or fines levied by the Association against a particular Owner who fails to comply with this Declaration, the Articles, Bylaws, Association Rules, or the Del Webb Restrictions, together with attorneys' fees and other charges payable by such Owner, pursuant to the provisions of this Declaration, plus interest thereon as provided for in this Declaration.

1.4.6 "**Special Assessment**" shall mean any charge designated as a Special Assessment in this Declaration, the Articles, Bylaws or Association Rules, including, without limitation, for costs incurred by the Association or Declarant for materials or services furnished to such Owner or such Owner's Lot at the request of, or on behalf of, such Owner as a result of any Owner failing to maintain any portion of such Owner's Lot in accordance with the provisions of this Declaration, or for material or services furnished to the Common Area or any portion of any Lot which the Association maintains pursuant to this Declaration, as a result of the negligence or willful misconduct of any Owner, the Owner's employees, guests or invitees, or for excessive use or special use of the services or facilities provided by the Association, including, but not limited to, painting, trash removal, and maintenance of improvements.

1.5 "**Association**" shall mean and refer to the Desert Business Park Property Owners Association, a California nonprofit mutual benefit corporation.

1.6 "**Association Maintenance Areas**" shall mean and refer to those portions of Lots on which water retention basins, water collection ponds, and/or similar improvements are located, as specifically designated on **Exhibit "K"** attached hereto and **Exhibit "L"** attached hereto, or in any Supplemental Declaration, which improvements are to be maintained by the Association (unless otherwise specifically agreed to in writing between an Owner or Owners and the Association).

1.7 "**Association Rules**" shall mean and refer to the rules and regulations from time to time adopted by the Board pursuant to **Section 7.5** below.

1.8 "**Board**" shall mean and refer to the Board of Directors of the Association, who shall be appointed and elected as provided in the Bylaws.

1.9 "**Bylaws**" shall mean and refer to the bylaws of the Association, and any amendments thereof.

1.10 "**Common Areas**" shall mean all real property and the improvements thereon owned or leased from time to time by the Association or over which the Association has an easement for maintenance and the common use and enjoyment of the Members. Common Areas may include private streets, landscape areas, water retention basins, well parcels, and other similar improvements. The Common Areas shall be that certain property described on **Exhibit "C"** attached hereto.

1.11 "**Common Expenses**" shall mean and refer to the actual and estimated costs of:

1.11.1 maintenance, management, operation, repair and replacement of the Common Areas and all other areas on the Covered Property which are maintained by the Association;

1.11.2 unpaid Assessments;

1.11.3 maintenance by the Association of areas within the public right-of-way of public streets in the vicinity of the Covered Property as provided in this Declaration or pursuant to



agreements with the County or any other applicable governmental or quasi-governmental agency, if applicable;

1.11.4 management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and employees;

1.11.5 utilities, trash pickup and disposal, gardening and other services which generally benefit and enhance the value and desirability of the Common Areas;

1.11.6 fire, casualty, liability, workmen's compensation and any other insurance covering the Common Areas;

1.11.7 any other insurance obtained by the Association;

1.11.8 reasonable reserves as deemed appropriate by the Board, and the cost of any reserve study performed by the Association;

1.11.9 bonding of the members of the Board, any professional managing agent or any other person handling the funds of the Association;

1.11.10 taxes paid by the Association;

1.11.11 amounts paid by the Association for discharge of any lien or encumbrance levied against the Common Areas or portions thereof;

1.11.12 amounts incurred by the Architectural Committee or any other committee established by the Board; and

1.11.13 other expenses incurred by the Association for any reason whatsoever in connection with the Common Areas, or the costs of any other item or items designated by this Declaration, the Articles, Bylaws or Association Rules, or in furtherance of the purposes of the Association or in the discharge of any duties or powers of the Association.

1.12 "**Conveyances**" shall mean and refer to the conveyances of a fee simple title interest in or to any part of the Covered Property.

1.13 "**County**" shall mean and refer to the County of Riverside, and its various departments and divisions.

1.14 "**Declarant**" shall mean and refer to Desert Business Park II L.L.C., a Washington limited liability company, DBP Investments, L.L.C., a Washington limited liability company, DBP Partners L.L.C., a Washington limited liability company, and DBP Ventures, a California Partnership, and to any Person(s) to whom Declarant's right hereunder shall be expressly assigned, and/or Declarant's duties hereunder shall be expressly delegated, pursuant to a written assignment recorded in the Official Records. Any such assignment or delegation may be to all or a portion of the Covered Property, and may include only certain specific rights and/or duties of the Declarant, and may be subject to such conditions as Declarant may impose in its sole discretion.

1.15 "**Del Webb**" shall mean and refer to Del Webb California Corp., an Arizona corporation.

1.16 "**Del Webb Restrictions**" shall mean those certain covenants, conditions and restrictions as contained in (a) that certain Corporation Grant Deed recorded on June 29, 2000 as Instrument No.



2000-251499 in the Official Records and (b) that certain Corporation Grant Deed recorded on June 29, 2000, as Instrument No. 2000-251500 in the Official Records.

1.17 "Developer Lots" shall mean and refer to all of the separate interests proposed for the Development that have not yet been conveyed to Retail Purchasers and are owned by the Declarant.

1.18 "Frontage Zone" shall mean the easternmost one hundred fifty (150) feet of the Covered Property as more particularly described on Exhibit "E-1" attached hereto, and depicted on Exhibit "E-2" attached hereto.

1.19 "Institutional Mortgagee" shall mean and refer to a First Mortgagee which is a bank or savings and loan association or established mortgage company, or other entity chartered under federal or state laws, any corporation or insurance company, any federal or state agency, or any other institution regulated by federal or state law.

1.20 "Lot" shall mean and refer to any lot, parcel or tract of land subdivided out of the Covered Property by Declarant and either conveyed to another Person or specifically identified by Declarant in an amendment to this Declaration or a map of the Covered Property.

1.21 "Member" shall mean and refer to every person or entity who holds membership in the Association.

1.22 "Mortgage" shall mean and refer to any duly recorded mortgage or deed of trust encumbering a Lot. A "First Mortgage" shall refer to a Mortgage which has priority over all other Mortgages encumbering a specific Lot.

1.23 "Mortgagee" shall mean and refer to the mortgagee or beneficiary under any Mortgage. A "First Mortgagee" shall mean the holder of a First Mortgage.

1.24 "Official Records" shall mean and refer to the Official Records of Riverside County, State of California.

1.25 "Owner" shall mean and refer to the record owner, whether one or more Persons, of the fee simple title to any Lot which is a part of the Covered Property, except a Mortgagee.

1.26 "Person" shall mean and refer to a natural individual, corporation, partnership, limited liability company, or any other entity with the legal right to hold title to real property.

1.27 "Phase of Development" shall mean the Phase I Property and/or the Phase II property that was annexed to this Declaration.

1.28 "Phase of Development Common Areas" shall mean any portion of the Development, if any, to be maintained as Common Areas by the Association, but to be utilized solely by a select Owner or Owners of Lots within a particular Phase of Development (and the maintenance of which shall be funded through Phase of Development Assessments collected from such Owner(s)).

1.29 "Retail Purchaser" shall mean any Owner of a Lot other than Declarant.

1.30 "Special Zone" shall mean the easternmost two hundred (200) feet of the Covered Property as more particularly described on Exhibit "F-1" attached hereto, and depicted on Exhibit "F-2" attached hereto.



1.31 "Supplemental Declaration" shall mean those certain declarations of covenants, conditions and restrictions or similar instruments, annexing additional property and extending the plan of this Declaration to such additional property as provided in the Article of this Declaration entitled "Integrated Nature of the Covered Property."

ARTICLE II. MEMBERSHIP

2.1 Members. Every Owner shall automatically be a Member of the Association. The terms and provisions set forth in this Declaration are binding upon all Owners. Members and their Lots shall also be subject to the terms and provisions of the Articles and Bylaws. Membership shall be appurtenant to and may not be separated from an Owner's fee interest in a Lot. Ownership of such Lot shall be the sole qualification for membership.

2.2 Transfer. The membership held by any Owner shall not be transferred, pledged or alienated in any way, except upon the sale or assignment of such Lot and then only to the purchaser or assignee thereof. Any attempt to make a prohibited transfer is void, and will not be reflected upon the books and records of the Association. In the event that an Owner should fail or refuse to transfer the membership registered in the Owner's name to the purchaser of such Lot, the Association shall have the right to record such transfer upon the books of the Association upon receipt of evidence of such transfer satisfactory to the Association.

2.3 Voting Rights. The Association shall have three (3) classes of voting membership.

2.3.1 Class A. Class A Members shall be all Owners except Declarant. Each Class A Member shall be allocated between one (1) and four (4) votes for each Lot owned depending upon the net useable area of each Lot as described in the "Voting Allocation Schedule" attached hereto as Exhibit "B". When more than one person owns a Lot each such person shall be a Member provided that the vote(s) for such Lot shall be exercised as the joint Owners among themselves determine; provided, however, that all votes allocated to a Lot shall be voted in the same manner either for or against the matter in question. In the event that the joint Owners of any Lot are unable to agree among themselves as to how their vote(s) shall be cast, they shall lose their right to vote on the matter in question. If any Owner casts a vote representing a Lot, it will thereafter be conclusively presumed for all purposes that the Owner(s) were acting with the authority and consent of all other Owners of the same Lot. In the event that joint Owners of a particular Lot that is entitled to more than one (1) vote pursuant to the Voting Allocation Schedule cast opposing votes regarding any matter in question none of said votes shall be counted and said votes shall be deemed void. Fractional votes shall not be allowed.

2.3.2 Class B. The Class B Member shall be Declarant. For each Developer Lot Declarant shall be entitled to three (3) votes multiplied by the number of votes allocated to the Developer Lot in accordance with the Voting Allocation Schedule; provided that, solely for the purpose of counting votes in order to determine when Class B membership shall cease and convert to Class A membership as provided below, Declarant shall be entitled to five (5) votes multiplied by the number of votes allocated to the Developer Lot in accordance with the Voting Allocation Schedule for each Developer Lot. Class B membership shall cease and be converted to Class A membership on the happening of the earliest of the following events:

(a) when the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership;

(b) May 13, 2014, which date is ten (10) years after the annexation of Parcel Map 29715 to the Development (the "Conversion Date"); provided that if at the time of the Conversion Date less than seventy five percent (75%) of the projected Lots for the Development have been sold to Retail Purchasers, the Conversion Date shall be extended for consecutive two (2) year periods until



seventy-five percent (75%) of the projected Lots for the Development have been sold to Retail Purchasers; or

(c) May 12, 2028, which date is twenty-five (25) years after the Initial Sale Date.

2.3.3 Class C. The Class C Member shall be Declarant. The Class C Member shall be entitled to solely elect a majority of the members of the Board. With the exception of the election of Directors hereunder, the Class C membership shall not be considered a part of the voting power of the Association. The Class C membership shall terminate on May 12, 2008, which is the fifth (5th) anniversary of the Initial Sale Date (the "Termination Date"); provided, however, if at the time of the Termination Date less than seventy-five percent (75%) of the projected Lots for the Development have been sold to Retail Purchasers, the Termination Date shall be extended for consecutive two (2) year periods, up until fifteen (15) years after the Initial Sale Date.

2.3.4 Approval of Members. Unless otherwise specifically provided in this Declaration or the Bylaws, any provision of this Declaration or the Bylaws which requires the vote or written assent of the voting power of the Association or any class or classes of membership shall be deemed satisfied by either of the following:

(a) the vote, in person or by proxy, of the Owners constituting a quorum casting a majority of the votes at a meeting duly called and noticed pursuant to the provisions of the Bylaws dealing with annual or special meetings of the Members; or

(b) written consents signed by the Owners constituting a quorum casting a majority of the votes.

2.3.5 Special Declarant Representation Rights. Notwithstanding the provisions of this Article, until such time as ninety percent (90%) of the Developer Lots anticipated to be developed in the Development have been sold to Retail Purchasers (as such number of Developer Lots may increase from time to time), Declarant shall have the absolute authority to elect all of the Directors on the Board.

ARTICLE III. COVENANT FOR MAINTENANCE ASSESSMENTS

3.1 Creation of the Lien and Personal Obligation of Assessments. Each Owner including the Declarant (to the extent Declarant is an Owner as defined herein), of any Lot, by acceptance of a deed or other conveyance, creating in such Owner the interest required to be deemed an Owner, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association: Regular Assessments, Special Assessments, Reimbursement Assessments, Capital Improvement Assessments, Remedial Assessments, Reconstruction Assessments, and Phase of Development Assessments. Such Assessments shall be fixed, established and collected from time to time as provided in this Declaration. The Regular, Special, Reimbursement, Capital Improvement, Reconstruction and Phase of Development Assessments, together with interest thereon, late charges, attorneys' fees and court costs, and other costs of collection thereof, as hereinafter provided, shall be a charge upon the Lot against which each such Assessment is made. Each such Assessment, including Remedial Assessments, together with such interest, late charges, costs and attorneys' fees, shall also be the personal obligation of the Owner of such Lot at the time when the Assessment becomes due. The personal obligation for delinquent Assessments shall not pass to the successors in title of an Owner unless expressly assumed by such successors. No Owner may waive or otherwise escape liability for Assessments by nonuse of the Common Areas or any part thereof, or abandonment of his or her Lot.

3.2 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purposes of carrying out and/or enforcing the provisions of this Declaration, and promoting the recreation, health, safety and welfare of the Members, the management of the Covered



Property, enhancing the quality of life in the Covered Property, and the value of the Covered Property including, without limitation, the improvement and maintenance of the properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas, or in furtherance of any other duty or power of the Association. The Association shall not impose or collect an assessment, penalty or fee that exceeds the amount necessary (including applicable reserve amounts) for the purpose or purposes for which it is levied.

3.3 Regular Assessments. The Board shall determine the amount of the Regular Assessment to be paid by each Member. The Association shall provide written notice by first-class mail to all Owners of any change in Regular Assessments, or the due dates therefore, not less than thirty (30) days, nor more than sixty (60) days, prior to the due date for such Regular Assessments. Each Member shall thereafter pay to the Association his or her Regular Assessment in installments by the due date established by the Board. In the event the Board shall determine that the estimate of total charges for the current year is, or will become, inadequate to meet all Common Expenses for any reason, it shall then immediately determine the approximate amount of such inadequacy and issue a supplemental estimate of the Common Expenses and determine the revised amount of Regular Assessments against each Member, and the date or dates when due. In the event the amount budgeted to meet Common Expenses for the then-current year proves to be excessive in light of the actual Common Expenses, the Board, in its discretion, may either reduce the amount of the Regular Assessment or may abate collection of Regular Assessments as it deems appropriate. Until such time as the Class B Membership has ceased and been converted into Class A Membership, Regular Assessments may not be reduced if such reduction would diminish the quantity or quality of services provided by the Association. Notwithstanding the foregoing, Regular Assessment increases shall not be limited in the case of "emergency situations" as defined in Section 1366 of the California Civil Code. Notwithstanding the foregoing, Regular Assessments to be paid by Declarant may be reduced or abated pursuant to the terms of any maintenance agreement or similar document. Notwithstanding any other provisions of this Declaration, until the earlier to occur of (1) the recordation of a notice of completion of an improvement on the Common Areas, or (2) the placement of such improvement into use, each Owner (including Declarant) shall be exempt from paying that portion of any Regular Assessment which is for the purpose of defraying expenses and reserves directly attributable to the existence and use of such improvement.

3.4 Capital Improvement Assessments. In addition to the Regular Assessments, the Association may levy in any calendar year, a Capital Improvement Assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or replacement (other than due to destruction) of a described capital improvement upon the Common Areas to the extent the same is not covered by the provisions affecting Reconstruction Assessments in the Article hereof entitled "Destruction of Improvements," including the necessary fixtures and personal property related thereto. The Association shall not impose a Capital Improvement Assessment, the total amount of which exceeds five percent (5%) of the estimated Common Expenses as set forth in the Section of this Article entitled "Regular Assessments," without the approval of a majority of a quorum of the voting power of the Association. Any reserves collected by the Association for the future maintenance and repair of the Common Areas, or any portion thereof, shall not be included in determining said annual Capital Improvement Assessment limitation. All amounts collected as Capital Improvement Assessments may only be used for capital improvements and shall be deposited by the Board in a separate bank account to be held in trust for such purposes. Said funds shall not be commingled with any other funds of the Association and shall be deemed a contribution to the capital account of the Association by the Members. The Association shall provide notice to all Owners, by first-class mail, of any decision by the Association to levy a Capital Improvement Assessment, not less than thirty (30) nor more than sixty (60) days prior to the due date for such Assessment.

3.5 Uniform Assessment. Regular, Reconstruction and Capital Improvement Assessments shall be fixed at an equal amount for each Lot and may be collected at intervals selected by the Board. Phase of Development Assessments shall be fixed at an equal amount for each Lot subject to such Phase of Development Assessment and may be collected at intervals selected by the Board.



3.6 Special Assessment. Special Assessments may be levied by the Association to fund any budgetary shortfall or to restore any funds transferred from the Association's reserve account. Special Assessments shall also be levied by the Board against an Owner and his or her Lot to reimburse the Association for any other charge designated as a Special Assessment in this Declaration, the Articles, Bylaws or Association Rules.

3.7 Remedial Assessment. In the event the Board levies any fines or charges against an Owner who fails to comply with this Declaration, the Articles, Bylaws or the Association Rules, such fines or charges shall be Remedial Assessments.

3.8 Reimbursement Assessment. Reimbursement Assessments may be levied by the Association to reimburse the Association for materials or services provided by the Association which benefit individual Lots. Reimbursement Assessments shall also be levied by the Board against an Owner (and his or her Lot) to reimburse the Association for any other charge designated as a Reimbursement Assessment in this Declaration, the Articles, Bylaws or Association Rules. The Association shall provide notice by first-class mail to the Owners subject to a Reimbursement Assessment of any decision to levy such Reimbursement Assessment, not less than thirty (30) nor more than sixty (60) days prior to the Reimbursement Assessment becoming due.

3.9 Phase of Development Assessments. Pursuant to this Declaration, the Association shall charge and collect the Phase of Development Assessments in order to finance the cost and operation of any additional service or facility located within a particular Phase of Development or benefiting solely Owners within a particular Phase of Development.

3.10 Certificate of Payment. The Association shall, upon demand, furnish to any Member liable for Assessments, a certificate in writing signed by an officer or authorized agent of the Association, setting forth whether the Assessments on a specified Lot have been paid, and the amount of delinquency, if any. A reasonable charge may be collected by the Board for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any Assessment therein stated to have been paid.

3.11 Exempt Property. All properties dedicated to, and accepted by, or otherwise owned or acquired by, a public authority shall be exempt from the Assessments created herein.

3.12 Date of Commencement of Regular Assessments. Subject to any assessment maintenance or subsidy program established by the Declarant, the Regular Assessments for a particular Phase of Development hereunder shall commence on the date (the "Initial Sale Date") which is the first day of the month following the first close of escrow for the sale of a Lot by Declarant to a Retail Purchaser within a particular Phase of Development. The Initial Sale Date for Phase I is May 12, 2003. For purposes of determining when the Lots in Phase II shall be subject to Regular Assessments, the development of Phase II shall be divided into the following groups:

Phase II, Group A: Parcels 3, 8 and 12 of Parcel Map 29715, as same may be re-subdivided by Declarant at any time hereafter;

Phase II, Group B: Parcels 1,2,9,10,11,13 and 14 of Parcel Map 29715, as may be re-subdivided by Declarant at any time hereafter:

Phase II, Group C: Parcels 4 and 7 of Parcel Map 29715, as may be re-subdivided by Declarant at any time hereafter:

Phase II, Group D: Parcels 5 and 6 of Parcel Map 29715, as may be re-subdivided by Declarant at any time hereafter



Regular Assessments in Phase II shall commence on the date of which is the first day of the month following the first close of escrow for the sale of a Lot by Declarant to a Retail Purchaser within a Group. Provided however if the Declarant retains ownership of a Lot and does not sell that Lot to a Retail Purchaser, Regular Assessments for that Lot shall commence on the date of the earlier of actual use or occupancy of the improved structure on the Lot.

3.13 No Offsets. All Assessments shall be payable in the amount specified by the Assessment and no offsets against such amount shall be permitted for any reason, including, without limitation, a claim that (i) the Association is not properly exercising its duties and powers as provided in this Declaration; (ii) a Member has made or elects to make no use of the Common Areas; or (iii) any construction or maintenance performed pursuant to the Section entitled "Assumption of Maintenance Obligations" of the Article entitled "Repair and Maintenance" of this Declaration shall in any way postpone Assessments or entitle a Member to claim any such offset or reduction.

3.14 Homestead Waiver. Each Owner, to the extent permitted by law, does hereby waive, to the extent of any liens created pursuant to this Declaration, whether such liens are now in existence or are created at any time in the future, the benefit of any homestead or exemption laws of the State of California now in effect, or in effect from time to time hereafter.

3.15 Reserves. The Regular Assessments shall include reasonable amounts as determined by the Board collected as reserves for the future periodic maintenance, repair or replacement of all or a portion of the Common Areas, or any other purpose as determined by the Board. All amounts collected as reserves, whether pursuant to this Section or otherwise, shall be deposited by the Board in a separate bank account to be held in trust for the purposes for which they are collected and are to be segregated from and not commingled with any other funds of the Association. Such reserves shall be deemed a contribution to the capital account of the Association by the Members. Withdrawal of funds from the Association's reserve account shall require the signatures of either (a) two (2) members of the Board; or (b) one (1) member of the Board and an officer of the Association who is not also a member of the Board.

3.16 Automatic Assessment Increases. Upon the annexation of additional Phases of Development, the Regular Assessments shall be automatically increased by the amount, if any, necessary to maintain the Common Areas located within such additional Phases of Development pursuant to standards established in accordance with prudent property management practices for projects similar to the Development, consistently applied throughout the geographic region in which the Development is located. If annexation of Common Areas results in an increase in the Regular Assessments, then the Association shall be obligated to collect such increased Regular Assessment. To facilitate the orderly payment of Regular Assessments during the development of the Development, the Board may establish and levy a median monthly Regular Assessment at an amount sufficient to defray the Common Expenses of the Association during the development of the Development. By accepting title to a Lot, each Owner consents to the Regular Assessment increases specified in this Section.

ARTICLE IV. NONPAYMENT OF ASSESSMENTS

4.1 Effect of Nonpayment of Assessments; Remedies of the Association. In the event any Assessment is not paid when due, such Assessment shall be deemed to be delinquent and in default. Each Owner vests in the Association or its assigns the right and power to bring all actions at law and in equity and exercise such other remedies provided herein against such Owner for the collection of delinquent Assessments. In the event an attorney or attorneys are employed for collection of any Assessment, whether by suit or otherwise, each Owner agrees to pay reasonable attorneys' fees and costs thereby incurred in addition to any other amounts due or any other relief or remedy obtained against such Owner. In addition to any other remedies herein or by law provided, the Association may enforce the obligations of the Owners to pay the Assessments in any manner provided by law or in equity, and without any limitation of the foregoing, by any or all of the following procedures:



4.1.1 Suspension of Rights: Monetary Penalties. After a hearing by the Board (whether or not the delinquent Owner appears), upon ten (10) days' prior written notice to the delinquent Owner, the Board may (a) suspend the voting rights of any Owner, (b) impose reasonable monetary penalties pursuant to a monetary penalty schedule established and posted by the Board, and/or (c) suspend such Owner's right to use the Common Areas for any period during which any Assessment against such Owner's Lot remains unpaid; provided, however, these provisions shall not operate or be construed to deny or restrict ingress or egress of any Owner to and from such Owner's Lot.

4.1.2 Enforcement by Suit. By commencement and maintenance of a suit at law or equity against any Owner or prior Owner to enforce the Assessment obligation, such suit is to be maintained in the name of the Association. Any judgment rendered in any such action may include the amount of the delinquency, interest thereon at the maximum legal rate per annum from the date of the delinquency, court costs and reasonable attorneys' fees, in such amount as the court may adjudge against the delinquent Owner.

4.1.3 Enforcement by Lien. There is hereby created a "Claim of Lien," with power of sale, on each and every Lot to secure payment to the Association of any and all Assessments charged against any and all Lots pursuant to this Declaration (except Remedial Assessments), together with interest thereon at the maximum legal rate per annum from the date of delinquency, and all costs of collection which may be paid or incurred by the Association in connection therewith, including reasonable attorneys' fees. At any time after the delinquency, the Association may elect to file and record in the Official Records a Claim of Lien against the Lot of the defaulting Owner. Such Claim of Lien shall be executed and acknowledged by any officer of the Association, and shall contain substantially the following information:

- (a) the name of the delinquent Owner;
- (b) the legal description of the Lot against which the Claim of Lien is made;
- (c) the total amount of the delinquency, interest thereon, penalties, collection costs and reasonable attorneys' fees if then known (with any proper offset allowed);
- (d) a statement that the Claim of Lien is made by the Association pursuant to this Declaration and that a lien is claimed against said Lot in an amount equal to the amount stated; and
- (e) the name and address of the trustee authorized by the Association to enforce the Claim of Lien by sale.

Upon such recordation of a duly executed original or copy of such Claim of Lien and mailing a copy thereof to said Owner, the lien claimed therein shall immediately attach and become effective. Any such lien may be foreclosed by appropriate action in court or in the manner provided by law for the foreclosure of a deed of trust by exercise of a power of sale contained therein or in the manner provided by law for the enforcement of a judgment as the laws of the State of California may from time to time be changed or amended. The Association shall have the power to bid in at any foreclosure sale, trustee's sale or judgment sale and to purchase, acquire, lease, hold, mortgage and convey any Lot. Reasonable attorneys' fees, court costs, title search fees, interest and all other costs and expenses shall be allowed to the extent permitted by law. The proceeds of any foreclosure, trustee's or judgment sale provided for in this Declaration shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees, title costs and costs of the sale, and all other expenses of the proceedings and sale, and the balance of the unpaid sales proceeds after satisfaction of such charges and unpaid assessments hereunder or any liens, shall be paid to the defaulting Owner. Any purchaser at such sale shall thereupon be entitled to a deed to the Lot and immediate possession of the Lot and shall have the right to apply to a court of competent jurisdiction for such orders as may be reasonable for the purpose of



acquiring and possessing the Lot. It shall be a condition of such sale, and the deed so made shall provide, that the purchaser shall take the interest in the sold Lot subject to this Declaration. Upon the timely curing of any default for which a Claim of Lien was filed by the Association, the officers of the Association are hereby authorized to record an appropriate release of such lien in the Office of the County Recorder.

4.2 Assignment of Rents. As security for the payment of all such liens, each Owner hereby gives to and confers upon the Association the right, power and authority, during the continuance of such ownership, to collect the rents, issues and profits of the Owner's Lot, reserving unto the Owner the right, prior to any default by such Owner in performance of such Owner's obligation under this Declaration, or the Bylaws or the Articles, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, the Association may, at any time, upon ten (10) days' written notice to such Owner, then either in person, by agent, or by a receiver to be appointed by a court of competent jurisdiction, and without regard to the adequacy of any security for such indebtedness, enter upon and take possession of such Owner's Lot or any part thereof, in its own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, in payment of any indebtedness to the Association or in performance of any agreement hereunder, and in such order as the Association may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure nor waive any default hereunder or invalidate any act done pursuant to this Declaration. The assignment of rents and powers described hereinabove shall not affect, and shall in all respects be subordinate to, the rights and powers of the holder or beneficiary of any First Mortgage or deed of trust on any Lot or second Mortgage or deed of trust on any Lot if the holder or beneficiary of such second Mortgage or deed of trust is Declarant, to do the same or similar acts.

4.3 Curing of Default. Upon the timely curing of any default for which a notice of Claim of Lien was filed by the Association (which cure shall include, without limitation, the payment of all delinquent Assessments, accrued interest, late charges, attorneys' fees and other costs of collection), the officers of the Association are hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment by the defaulting Owner of a fee, to be determined by the Association, to cover the costs of preparing and filing or recording such releases together with payment of such other costs, late charges, interest or fees as shall have been incurred.

4.4 Cumulative Remedies. The Assessment lien and the rights to foreclosure and sale thereunder shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have hereunder and by law, including a suit to recover a money judgment for unpaid Assessments as provided above or to bring an action for injunctive relief.

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

ARTICLE V. ARCHITECTURAL CONTROL

5.1 Architectural Design Guidelines. Declarant has adopted, or will adopt, guidelines setting forth general standards for the design and appearance of the Development (the "Design Guidelines"). The Design Guidelines may be different for each Phase of Development to accommodate the unique nature of, or revised development plans for, such Phase of Development. The Design Guidelines are intended to provide design professionals with standardized design vocabularies and materials intended to preserve the quality and overall appearance of the Development. However, in the event of any conflict between the Design Guidelines and this Declaration, this Declaration shall control. The Design Guidelines shall not be amended, modified, changed, or waived in any manner, without the prior written approval of Declarant; provided, however, Declarant shall have the right any time to relinquish to the Board its rights concerning the Design Guidelines in which case the Board shall have the right to



unilaterally exercise same. Notwithstanding any other provision herein, no amendment to the Design Guidelines shall act to make any previously constructed or installed improvement or landscaping out of compliance with such amended Design Guidelines, provided that such improvement and/or landscaping was in compliance with the applicable Design Guidelines prior to such amendment to the Design Guidelines. Each prospective Retail Purchaser should become familiar with the Design Guidelines applicable to the Lot such person intends to purchase before executing any agreement for the purchase of such Lot. The Architectural Committee shall maintain a copy of the Design Guidelines on file at all times, and the Architectural Committee shall provide each Owner with a copy of the Guidelines upon written request. The Architectural Committee shall not approve the construction of any Improvement which is not designed and constructed substantially in accordance with the Design Guidelines. The Design Guidelines may include, among other things, the following restrictions and limitations upon the Owners:

5.1.1 time limitations for the completion of the architectural improvements for which approval is required pursuant to the Design Guidelines with respect to both the total time period allowed for construction of the improvements and/or the maximum time period in which to construct improvements after purchase of a Lot by a Retail Purchaser;

5.1.2 conformity of completed architectural improvements to plans and specifications approved by the Architectural Committee; provided, however, as to purchasers and encumbrancers in good faith and for value, unless notice of non-completion or non-conformance identifying the violating Lot and its Owner and specifying the reason for the notice, executed by the Architectural Committee, shall be filed in the Official Records and given to such Owner within one (1) year of the expiration of the time limitation described in subsection 5.1.1 above, or unless legal proceedings shall have been instituted to enforce compliance or completion within said one (1) year period, the completed architectural improvements shall be deemed to be in compliance with plans and specifications approved by the Architectural Committee and in compliance with the Design Guidelines, but only with respect to purchasers and encumbrancers in good faith and for value;

5.1.3 such other limitations and restrictions as the Declarant, in its reasonable discretion, shall adopt, including, without limitation, the regulation of the following: construction, reconstruction, exterior addition, change or alteration to or maintenance of any building, structure, wall or fence, including, without limitation, the nature, kind, shape, height, materials, exterior color and surface and location of such dwelling structure; and

5.1.4 a description of the types of such construction, reconstruction, additions, alterations or maintenance which, if completed in conformity with the Design Guidelines, do not require the approval of the Architectural Committee.

5.2 Appointment of Architectural Committee. The Architectural Committee shall consist of not less than three (3) nor more than five (5) individuals as fixed from time to time by resolution of the Board. The Declarant shall initially appoint the Architectural Committee. The Declarant shall retain the right to appoint, augment or replace all members of the Architectural Committee until one (1) year after the Initial Sale Date. Thereafter, the Declarant shall retain the right to appoint, augment or replace a majority of the members of the Architectural Committee until five (5) years after the Initial Sale Date, or until ninety percent (90%) of the Lots within the Development have been conveyed to Retail Purchasers, whichever shall last occur. Notwithstanding the foregoing, commencing one (1) year following the Initial Sale Date, the Board shall have the right but not the obligation to appoint the remaining members of the Architectural Committee. Five (5) years after the Initial Sale Date, or when ninety percent (90%) of the Lots within the Development have been conveyed to Retail Purchasers, whichever shall last occur, the right to appoint, augment or replace all members of the Architectural Committee shall automatically be transferred to the Board.



5.3 General Provisions.

5.3.1 The Architectural Committee may establish reasonable procedural rules and may assess a reasonable fee in connection with review of plans and specifications including, without limitation, the number of sets of plans to be submitted; provided, however, the Architectural Committee may delegate its plan review responsibilities to one or more members of such Architectural Committee. Upon such delegation, the approval or disapproval of plans and specifications by such persons shall be equivalent to approval or disapproval by the entire Architectural Committee. Unless any such rules are complied with, such plans and specifications shall be deemed not submitted. Plans required to be submitted may include, without limitation, site plans, floor plans, drainage plans, elevations, color and/or material samples, and such other plans and/or samples reasonably required by the Architectural Committee.

5.3.2 The address of the Architectural Committee shall be the address established for giving notice to the Association. Such address shall be the place for the submittal of plans and specifications and the place where the Design Guidelines shall be kept.

5.3.3 The establishment of the Architectural Committee and the systems herein for architectural approval shall not be construed as changing any rights or restrictions upon Owners to maintain, repair, alter or modify or otherwise have control over the Lots as may otherwise be specified in this Declaration, in the Bylaws or in any Association Rules.

5.3.4 In the event the Architectural Committee fails to approve or disapprove such plans and specifications within sixty (60) days after the same have been duly submitted in accordance with any rules regarding such submission adopted by the Architectural Committee, such plans and specifications will be deemed approved.

5.4 Approval and Conformity of Plans and Improvements.

5.4.1 No building, fence, wall, structure, landscaping improvements (including such landscaping improvements that consist of predominantly hardscape material(s) (including, but not limited to, cement, rock and gravel)), shall be commenced, erected, maintained upon, or removed from the Covered Property, nor shall there be any addition to or change in the exterior of any Lot, building, fence, wall, structure, the painting (other than painting with the same color of paint as previously existed) of exterior walls, patio covers and solar and other energy saving devices, except in compliance with the Design Guidelines, this Declaration, the Association Rules, and the plans and specifications (showing the nature, kind, shape, height, width, color, materials and location) which have been submitted to and approved by the Architectural Committee as to their structural integrity and harmony of external design and location in relation to surrounding structures and topography.

5.4.2 Each Owner, by acceptance of a deed to his or her Lot recognizes that the unique characteristics of such Lot, including its size, location, configuration, grade, soil composition and geologic setting, as well as governmental and private regulations, limit what modifications and/or additions, if any, such Owner can make to such Lot. As such, each Owner understands that any physical modification and/or addition to any Lot or the improvements thereon after acquisition thereof by such Owner (collectively, "Future Work"), including, without limitation, the construction of any buildings, warehouses, plants or structures, installation of infrastructure improvements, and/or installation or modification of concrete flat work, walls (including, without limitation, retaining walls), fencing, landscaping and the like, and any structural foundations related thereto (collectively, "Future Improvements"), will require specific and additional design and engineering considerations to accommodate the unique characteristics and limitations of such Lot and neighboring Lots and Common Areas. Each Owner, by accepting a deed to his or her Lot recognizes and agrees that there is no guarantee that such Owner will be able to construct any particular improvement on such



Lot. It is therefore required that the following actions and/or conditions be undertaken and/or satisfied by each Owner to assure that any Future Work is planned and performed to the highest possible design, engineering, and construction standards:

(a) Before performing any Future Work, the Owner is required to consult with appropriate, qualified, experienced, and financially sound civil, structural, geotechnical and/or soils engineers, architects, landscape architects, and/or other consultants (collectively, the "Design Professionals") to prepare all plans, specifications and guidelines to be implemented in performing the Future Work. All Design Professionals must be licensed and in good standing with their respective licensing bodies, and must maintain adequate commercial general liability, errors and omissions, automotive, and workers' compensation insurance. Each Owner is strongly advised, prior to retaining any Design Professional, to have an attorney review any written contract(s) for the proposed services to assure that (i) such Owner's rights are protected, (ii) the Design Professional provides adequate and appropriate warranties and indemnification for defects in design of Future Improvements and/or failure to properly perform the tasks and/or duties for which such Design Professional was hired, and (iii) such contract is consistent with the requirements of this Article.

(b) In all events, and prior to any plan preparation, appropriate review of all soils, building sites, geological conditions, retaining walls, drainage patterns and the like must be performed by the appropriate Design Professionals to assure that any and all planned Future Improvements can, in fact, be safely and adequately constructed on or about the Owner's Lot in light of the physical constraints presented by such Lot. If any Design Professional determines that any Future Work, no matter how designed, can not appropriately be constructed on or upon a particular Lot, such Future Improvement shall not be constructed.

(c) The recommendations of an Owner's Design Professionals shall be included with all plans and specifications submitted by such Owner to the Architectural Committee. The Architectural Committee shall have the right to base any decision to approve or disapprove any Future Work on (i) the recommendations and/or information supplied by such Design Professionals, and/or (ii) any Owner's failure to retain adequate Design Professionals as required hereby. The Architectural Committee shall also have the right, without obligation of any kind, to consult with its own panel of Design Professionals to determine whether or not the recommendations and/or findings of the Owner's Design Professionals are satisfactory. The Architectural Committee does not assume any liability or responsibility for any improvements, including, without limitation, any Future Improvements, constructed by any Owner.

(d) With respect to landscape improvements and/or any other Future Improvements which will introduce, or redirect the flow of, water into, on, or about the Covered Property, each Owner is also obligated to provide a drainage and watering plan and impact study prepared by appropriate Design Professionals indicating, in the opinion of such Design Professionals, the impacts such landscape improvements will have on such Owner's Lot and neighboring properties, and the mitigation measures necessary or appropriate to avoid over-saturation of the Lot, and to avoid excessive run off or seepage which could deteriorate or harm the improvements, soils, or landscaping on neighboring properties.

(e) Any Future Work involving construction of a concrete slab or foundation must take into account, in addition to and not in limitation of any other recommendation of an Owner's Design Professionals, moisture-protection measures and possible adverse reaction to sulfate content in any soil, if applicable.

(f) Upon approval by the Architectural Committee of any proposed Future Work, all such Future Work shall be undertaken by experienced contractors and subcontractors who are licensed in the State of California and in good standing with their respective licensing bodies, and who maintain broad-form commercial general liability (including completed products liability), errors and omissions, automotive, and workers' compensation insurance. Such approval by the Architectural



Committee shall not constitute an endorsement or assumption of any responsibility or liability regarding such contractors or subcontractors or any work performed thereby. All Future Work must be performed in compliance with all applicable laws and regulations, including, without limitation, applicable building codes and zoning laws.

(g) Any Future Work requiring excavation or modification of soils must be monitored by appropriate Design Professionals to (i) identify field conditions that differ from those anticipated by such Design Professionals' preliminary investigation, and (ii) to determine that any such Future Work is otherwise performed in accordance with such Design Professionals' recommendations. Owners should recognize that such observation/monitoring requirements may be required by such Owner's Design Professionals as a condition to such Design Professionals' warranty and indemnity obligations to such Owner. Declarant shall not be responsible for an Owner's failure to require its Design Professionals to monitor such Future Work. Owners are strongly advised, prior to retaining any contractor, to have an attorney review any written contract for the proposed services to assure that (a) such Owner's rights are protected; (b) the contractor provides adequate and appropriate warranties and indemnification for defects in construction of Future Improvements; and (c) such contract is consistent with the requirements of this Article.

(h) In the event that there is any substantial delay between the date the Architectural Committee approves any proposed Future Work and the commencement of such Future Work, or, irrespective of any such delay, if any physical conditions of the Covered Property or neighboring properties have sufficiently changed between the date the Architectural Committee approves any proposed Future Work and the commencement of such Future Work, the Owner desiring to perform such Future Work is required to have its Design Professionals review, assess, and update their previous analysis, reports and plans to assure that same remain valid and appropriate, and such Owner shall submit same to the Architectural Committee for its review. The Architectural Committee may thereafter disapprove such Future Work based on changes presented by such updated materials.

(i) In performing any Future Work and/or constructing or installing any Future Improvement each Owner agrees to release, indemnify, defend (with counsel reasonably acceptable to the indemnified party), and hold harmless Declarant and the Architectural Committee from and against claims, losses, liabilities, costs and expenses (including reasonable attorneys' fees and costs) arising out of, caused by, or related to such Future Work and/or Future Improvements.

5.5 Non-liability for Approval of Plans. Each Owner shall be solely responsible for any violation of this Declaration, the Design Guidelines, or any applicable instrument, law or regulation, caused by any Future Work or Future Improvement made by such Owner, even though same is approved by the Architectural Committee. Plans and specifications shall be approved by the Architectural Committee as to style, exterior design, appearance and location, and are not approved for engineering design or for compliance with zoning and building ordinances, this Declaration, easements, deed restrictions and other rights and obligations affecting the Covered Property. By approving any such plans and other specifications, neither the Architectural Committee, the members thereof, the Association, the Members, the Board, nor Declarant, assumes liability or responsibility therefor, or for any defect in any structure constructed from such plans and specifications. The Architectural Committee shall have the right to require, as a condition of approval, that an Owner provide separate, express indemnification on terms and conditions satisfactory to the Architectural Committee. Notwithstanding any other provision herein, under no circumstances shall the approval by the Architectural Committee of any modification or improvement on any one occasion, or for the benefit of any particular Owner, constitute or be deemed to constitute approval of any other modification or improvement on any other occasion or for any other Owner.

5.6 Appeal. In the event plans and specifications submitted to the Architectural Committee are disapproved thereby, the Owner making such submission may appeal in writing to the Board. The written request must be received by the Board not more than fifteen (15) days following the final decision of the Architectural Committee. The Board shall submit such request to the Architectural Committee for



review, whose written recommendations will be submitted to the Board. Within forty-five (45) days following receipt of the request for appeal, the Board shall render its written decision. The failure of the Board to render a decision within said forty-five (45) day period shall be deemed a decision in favor of the appellant; provided, however, the submitted plans and specifications shall remain subject to the Design Guidelines.

5.7 Inspection and Recording of Approval. Any member of the Architectural Committee or any Director, officer, employee or agent of the Association may at any reasonable time enter, without being deemed guilty of trespass, upon any Lot after notice to the Owner in order to inspect improvements constructed or being constructed on such Lot to ascertain that such improvements have been or are being built in compliance with plans and specifications approved by the Architectural Committee and in accordance with the Design Guidelines. The Architectural Committee shall cause such an inspection to be undertaken within forty-five (45) days of a request therefor from any Owner as to his Lot, and if such inspection reveals that the improvements located on such Lot have been completed in compliance with this Article, the President and the Secretary of the Association shall provide to such Owner a notice of such approval in recordable form, which, when recorded in the Official Records, shall be conclusive evidence of compliance with the provisions of this Article as to the improvements described in such recorded notice, but as to such improvements only. In the event that the inspection reveals that the improvements or landscaping were not completed in accordance with the approved plans, the Owner shall promptly modify or replace any such improperly constructed or installed improvements or landscaping and thereafter notify the Architectural Committee upon completion of same (which modified improvements or landscaping shall thereafter be subject to inspection in accordance with this Section).

5.8 Consultants to Board and Architectural Committee. Notwithstanding any other provision herein, the Board and the Architectural Committee shall maintain relationships with a panel of geological, geotechnical, architectural, landscaping and legal consultants with whom the Board and Architectural Committee shall consult, as necessary or appropriate, to determine the physical appropriateness of any proposed Future Work, and the likely impacts of such Future Work on other portions of the Development; provided, however, the ultimate decision-making authority shall lie with the Board and the Architectural Committee as set forth in this Article.

ARTICLE VI. DEL WEBB RIGHTS AND RESTRICTIONS

6.1 Frontage Zone Approval Rights. Notwithstanding anything to the contrary contained herein, Del Webb shall have the right of prior approval as to any improvements to be constructed in the Frontage Zone and any modifications to any previously constructed improvements in the Frontage Zone (the "**FZ-Improvements**") in order to preserve the orderly development of the adjacent Sun City Palm Desert development (the "**Sun City Development**"), which approval shall not be unreasonably withheld, conditioned, or delayed. Del Webb or its successors may enforce the foregoing approval rights by injunctive procedures.

6.2 Review of Site Plan Materials. Each Owner of a Lot located in the Frontage Zone shall prepare, at its sole cost and expense, and submit to Del Webb, reasonably detailed plans and specifications for the FZ-Improvements ("**Site Plan Materials**") prior to submission thereof to the County. Del Webb shall review the Site Plan Materials and notify the Owner in writing of its approval or disapproval of the Site Plan Materials no later than thirty (30) days after Del Webb's receipt thereof ("**Plan Approval Deadline**"). Del Webb's approval of the Site Plan Materials shall not be unreasonably withheld, conditioned, or delayed. If Del Webb disapproves the Site Plan Materials, Del Webb shall specify in writing the reason(s) for such disapproval. Del Webb shall approve or disapprove of the Site Plan Materials based upon (i) the compatibility of style, colors and materials with the existing improvements located in the Sun City Development adjacent to the submitting Owner's Lot, (ii) the acceptability of the "fit and finish" of the Owner's proposed FZ-Improvements in the context of Del Webb's overall development of the Sun City Development, and (iii) the consistency of the Site Plan Materials with the established Design Guidelines. Due to the fact that the Frontage Zone is located directly across from the Sun City Development, the Site Plan Materials must provide for reasonably intense landscaping improvements so



as not to detract from the attractiveness thereof. If Del Webb fails to notify the Owner in writing of its approval or disapproval on or before the Plan Approval Deadline, the Site Plan Materials shall be deemed approved. If Del Webb disapproves the Site Plan Materials, the applying Owner shall, within five (5) business days after the date of Del Webb's notice of disapproval, modify and resubmit the modified Site Plan Materials to address the objections, which resubmittal shall thereafter be reviewed subject to the process and conditions set forth hereinabove for the initial approvals. Del Webb and the applying Owner shall negotiate, in good faith, to resolve any differences between them with respect to the Site Plan Materials. The applying Owner shall not submit the Site Plan Materials to the County until such materials have been approved by Del Webb as provided herein.

6.3 Primary and Secondary Entries. Within the Frontage Zone, truck traffic must (i) use Wildcat Drive as the primary entry to the Development (the "Primary Entry") and (ii) use Washington Street as the secondary entry (the "Secondary Entry"). The Association shall use all reasonable measures to promote truck traffic through the Primary Entry and away from the Secondary Entry.

6.4 Additional Restrictions. In addition to the foregoing, no portion of the Covered Property shall be used in any fashion which is in violation of the Del Webb Restrictions, including, without limitation, the specific use restrictions set forth in Section 11.3 below.

ARTICLE VII. DUTIES AND POWERS OF THE ASSOCIATION

7.1 General Duties and Powers. In addition to the duties and powers enumerated in its Articles and Bylaws, or elsewhere provided for herein, and without limiting the generality thereof, the Association shall have the specific duties and powers specified in this Article.

7.2 General Duties of the Association. The Association, through the Board, shall have the duty and obligation to:

7.2.1 enforce the provisions of this Declaration, any Supplemental Declaration, the Articles, Bylaws and Association Rules, by appropriate means and carry out the obligations of the Association hereunder;

7.2.2 maintain in good and attractive condition and repair, and otherwise manage the following:

(a) all easements and real property and all facilities, improvements and landscaping thereon in which the Association holds an interest, subject to the terms of any instrument transferring such interest to the Association;

(b) all personal property in which the Association holds an interest, subject to the terms of any instrument transferring such interest to the Association; and

(c) all property, real or personal, which the Association is obligated to repair or maintain pursuant to this Declaration, including, without limitation, the Article of this Declaration entitled "Repair and Maintenance";

7.2.3 pay any real and personal property taxes and other charges assessed to or payable by the Association;

7.2.4 obtain, for the benefit of the Common Areas, water, gas and electric, refuse collections and other services;



7.2.5 make available the books, records and financial statements of the Association for inspection by Owners and First Mortgagees during normal business hours;

7.2.6 undertake well-informed decisions based on fair and objective information, and engage in actions which achieve objectives without unnecessary controversy and/or disruption to the Development; and

7.2.7 avoid litigation and/or adversarial proceedings, and, prior to engaging in any adversarial proceedings in accordance with this Declaration, submitting same to good faith, confidential mediation.

7.3 General Powers of the Association. The Association, through the Board, shall have the power but not the obligation to:

7.3.1 employ a manager or other persons and contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association, provided that any contract with a person or firm appointed as a manager or managing agent shall (i) have a term of not more than one (1) year with successive one (1) year renewal periods upon mutual agreement of the parties, and (ii) provide for the right to terminate without cause, and without payment of a penalty, upon no more than ninety (90) days notice;

7.3.2 acquire interests in real or personal property for offices or other facilities that may be necessary or convenient for the management of the Covered Property, the administration of the affairs of the Association or for the benefit or enjoyment of the Members;

7.3.3 borrow money in a total amount not to exceed ten percent (10%) of the then-existing estimated annual Common Expenses, as may be needed in connection with the discharge by the Association of its powers and duties;

7.3.4 establish and maintain a working capital and contingency fund in an amount to be determined by the Board. Such contribution shall be a Common Expense and shall be used by the Board as it deems fit to carry out the objectives and purposes of the Association; and

7.3.5 negotiate and enter into contracts with Institutional Mortgagees and mortgage insurers and guarantors as may be necessary or desirable to facilitate the availability of loans secured by Mortgages within the Covered Property.

7.4 General Limitations and Restrictions on the Powers of the Board. In addition to the limitations and restrictions enumerated in the Articles and Bylaws or elsewhere provided for herein, and without limiting the generality thereof, the Board shall be prohibited from taking any of the following actions without the approval of a majority of the voting power of the Association and a majority of the votes of Members other than the Declarant:

7.4.1 enter into contracts for materials or services for the Common Areas which have a term in excess of one (1) year, with the following exceptions:

(a) a contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission, provided that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate;

(b) prepaid casualty and/or liability insurance policies of not to exceed three (3) years duration, provided that the applicable policy permits short rate cancellation by the insured;



(c) a management contract which provides that the Association may terminate the contract without cause, and without payment of a penalty, upon no more than ninety (90) days notice;

(d) agreements for sale or lease of burglar alarm and fire alarm equipment, installation and services of not to exceed five years duration provided that the supplier or suppliers are not entities in which the Declarant has a direct or indirect ownership interest of ten percent (10%) or more; and

(e) agreements for cable television services and equipment or satellite television services and equipment of not to exceed five (5) years duration, provided that the supplier is not an entity in which the Declarant has a direct or indirect ownership interest of ten percent (10%) or more.

7.4.2 sell any real or personal property of the Association with an aggregate fair market value in excess of five percent (5%) of said estimated Common Expenses during any accounting year;

7.4.3 pay compensation to Directors or to officers of the Association for services performed in the conduct of the Association's business; provided, however, the Board may cause a Director or officer to be reimbursed for expenses incurred in carrying on the business of the Association;

7.4.4 incur aggregate indebtedness in excess of five percent (5%) of the then-existing estimated annual Common Expenses;

7.4.5 fill any vacancy on the Board created by the removal of a member of the Board; and

7.4.6 undertake any litigation and/or adversarial proceedings affecting the Development except as provided herein.

7.5 Association Rules. The Board shall have the exclusive power to adopt, amend, and repeal such rules and regulations as it deems reasonable (the "Association Rules") which may include the establishment of a system of fines and penalties enforceable as Remedial Assessments, all as provided in the Bylaws. The Association Rules shall govern such matters in furtherance of the purposes of the Association, including, without limitation, the use of the Common Areas; provided, however, the Association Rules may not discriminate among Owners, and shall not be inconsistent with this Declaration, the Articles or Bylaws. A copy of the Association Rules as they may from time to time be adopted, amended, or repealed, or a notice setting forth the adoption, amendment, or repeal of specific portions of the Association Rules shall be delivered to each Owner in the same manner established in this Declaration for the delivery of notices. Upon completion of the notice requirements, said Association Rules shall have the same force and effect as if they were set forth in and were a part of this Declaration and shall be binding on the Owners and their successors in interest whether or not actually received thereby. The Association Rules, as adopted, amended or repealed, shall be available at the principal office of the Association to each Owner and Institutional Mortgagee upon request. In the event of any conflict between any such Association Rules and any other provisions of this Declaration, or the Articles and Bylaws, the provisions of the Association Rules shall be deemed to be superseded by the provisions of this Declaration, the Articles or the Bylaws to the extent of any such conflict.

7.6 Delegation of Powers. The Association shall have the right, according to law, to delegate to committees, officers, employees or agents any of its duties and powers under this Declaration, the Articles and Bylaws; provided, however, no such delegation to a professional management company, the



Architectural Committee or otherwise shall relieve the Association of its obligation to perform such delegated duty.

7.7 Pledge of Assessment Rights. The Association shall have the power to pledge the right to exercise its Assessment powers in connection with obtaining funds to repay a debt of the Association; provided, however, any such pledge shall require the prior affirmative vote or written assent of not less than sixty-six and two-thirds percent (66-2/3%) of the voting power present in person or by proxy at a duly and validly held meeting of the Members or by written consent as set forth in the Bylaws. Said power shall include, but not be limited to, the ability to make an assignment of Assessments which are then payable to or which will become payable to the Association, which assignment may be then presently effective but shall allow said Assessments to continue to be paid to and used by the Association as set forth in this Declaration, unless and until the Association shall default on the repayment of the debt which is secured by said assignment. The Association may levy Special Assessments against the Members to obtain such funds. Upon the failure of any Member to pay said Special Assessment when due, the Association may exercise all its rights, including, without limitation, the right to foreclose its lien, pursuant to the Article hereof entitled "Nonpayment of Assessments." Without limiting the generality of the foregoing, any pledge of Assessment rights in excess of an amount equal to twenty-five percent (25%) of the total Regular Assessments collected by the Association in the then preceding accounting year, shall require the prior written approval of seventy-five percent (75%) of the Institutional Mortgagees based on one (1) vote for each First Mortgage held.

7.8 Emergency Powers. The Association or any person authorized by the Association may enter any Lot in the event of any emergency involving illness or potential danger to life or property. Such entry shall be made with as little inconvenience to the Owners as practicable, and any damage caused thereby shall be repaired by the Association, at its expense, unless covered by insurance carried by the Owner.

7.9 Additional Services and Facilities. The purpose of this Section is to provide Declarant, or particular groups of Owners with the right to establish and maintain additional services and/or facility(ies) for a particular Phase of Development. Notwithstanding any other provision(s) in this Declaration, Declarant, or the Owners in any Phase of Development, shall have the right to establish additional service(s) (including, but not limited to, employing security guards, manned security entrances, or custodians) or facility(ies) (including, but not limited to, entry driveway security mechanism) for a Phase of Development subject to the following provisions:

7.9.1 Declarant may establish a Phase of Development Assessment for a particular Phase of Development at any time prior to the sale of a Lot within such Phase of Development to a Retail Purchaser. Subsequent to the first sale of Lot in a Phase of Development to a Retail Purchaser, at least sixty-six and two-thirds percent (66-2/3%) of all Owners within such Phase of Development must consent to the establishment and operation (including, without limitation, the initial budget and the Phase of Development Assessments) of a particular service or facility for their Phase of Development. Such requisite consent must be in writing and may be obtained during a properly noticed regular or special meeting of the Association.

7.9.2 The full cost and expense (including reserves) of any additional service or facility for a Phase of Development shall be fully paid by all of the Owners in such Phase of Development pursuant to Phase of Development Assessments levied and collected by the Association.

7.9.3 No additional service or facility shall be established which adversely affects any existing services and facilities then being provided for the overall Development.

7.9.4 In the event a Phase of Development Assessment is established, the Owners within such Phase of Development shall elect a committee ("**Phase Committee**") for their



Phase of Development. The Board may establish, from time to time, fair and reasonable procedures for the election of such Phase Committee. The Phase Committee for a particular Phase of Development shall consist of three (3) Owners in that Phase of Development or representatives of Declarant. Each Phase Committee will be a committee of the Association, subject to the control of the Board, and each Phase Committee will meet, confer and work closely with the Board in order to coordinate the establishment and maintenance of the additional service(s) or facility(ies). Each Phase Committee will be primarily responsible for performing the necessary tasks, including such tasks established by the Board, for the proper establishment and maintenance of the additional service(s) or facility(ies), and the appropriate assessments to be established. Such tasks shall include, without limitation the preparation of budgets (which shall include sufficient start up and reserve funds) and other financial information for the additional service(s) or facility(ies).

7.9.5 In the event any Phase of Development Assessments are established for a particular Phase of Development, such Phase of Development Assessments may not be increased by more than twenty percent (20%) from the levels of the preceding fiscal year unless a majority of a quorum of the voting power of the Association within such Phase of Development consents to such increase. Phase of Development Assessments may not be used to cover any operating expenses of the Association other than those for which the Phase of Development Assessments are being collected. The Board shall have the authority to levy Special, Reconstruction and/or Capital Improvement Assessments against the Owners within such Phase of Development which relate to the additional facilities or services provided to such Owners consistent with the provisions of Article III herein.

7.9.6 In the event any Phase of Development Assessments are established for a particular Phase of Development, the Phase Committee shall establish and maintain for such Phase of Development maintenance and reserve accounts, which accounts shall be separate from the general accounts of the Association, and separate from those accounts maintained for any other Phase of Development. The maintenance and reserve accounts for any particular Phase of Development shall also be segregated pursuant to the terms generally set forth in this Declaration for maintenance and reserve accounts.

ARTICLE VIII. REPAIR AND MAINTENANCE

8.1 Repair and Maintenance by Association. Except to the extent that an Owner may be obligated to maintain and repair as hereinafter provided, and without limiting the generality of the statement of duties and powers contained in this Declaration, the Articles, Bylaws or Association Rules, the Association shall have the duty to accomplish the following upon the Covered Property in such manner and at such times as the Board shall prescribe:

8.1.1 maintain, repair, restore, replace and make necessary improvements to the Common Areas and the Association Maintenance Area Improvements, including, without limitation, to repair and/or replace any landscaping and/or surface improvements thereon, which landscaping and/or surface improvements are designed to control storm water run-off and/or erosion;

8.1.2 maintain, repair, restore, replace, and make necessary improvements to any Phase of Development Common Areas; provided, however, the cost of such maintenance and/or repair shall be borne solely by the Owner(s) with the right to utilize such Phase of Development Common Areas, which costs shall be funded through Phase of Development Assessments collected in accordance with the terms of this Declaration; and

8.1.3 maintain all other areas, facilities, equipment, services or aesthetic components of whatsoever nature as may from time to time be requested by the vote or written consent of a majority of the voting power of the Members.



The costs of any such maintenance and repair pursuant to this Section 8.1 shall be paid out of the general funds of the Association, except as otherwise herein specified as payable by the particular Owners.

8.2 Best Management Practices. Notwithstanding anything to the contrary herein, the management and maintenance of the Common Area shall include the best management practices ("BMPs") set forth by the County to reduce storm water pollution, which BMPs are specifically set forth, verbatim, on Exhibit "G" attached hereto, the terms of which are expressly incorporated herein by this reference. All references in the BMPs to "residents," "occupants," and "tenants" shall apply equally to all Owners and their tenants, occupants, guests, licensees, and invitees.

8.3 Repair and Maintenance by Owner. Except to the extent that the Association shall be obligated to maintain and repair as may be provided in this Declaration, every Owner shall be responsible for the following maintenance and repair:

8.3.1 to maintain, in good and attractive condition and repair, and consistent with applicable local ordinances, this Declaration, the Design Guidelines, and the Association Rules, such Owner's Lot and all improvements thereon, including, without limitation, all walls and/or fences on or around such Owner's Lot;

8.3.2 to install, and thereafter maintain, in good, attractive, healthy and thriving condition and repair (and free of weeds, trash and/or debris), yard landscaping and drainage and irrigation improvements (including those intended to provide erosion control) on such Owner's Lot in accordance with the Design Guidelines, this Declaration, and any other applicable requirements, including any applicable soils reports. Each Owner recognizes that it is critical to maintain all landscaping, drainage and irrigation improvements on such Owner's Lot (whether existing at the time such Owner acquired the Lot or installed later) in a proper fashion in order to avoid over-watering. Over-watering is a significant source of excessive moisture transmission through concrete slabs and landscaping and soil damage to both the over-watered property and neighboring properties affected by water runoff and seepage. The Association shall have the right, as part of the Association Rules, to establish watering guidelines which each Owner is required to follow. Each Owner is solely and ultimately responsible for properly watering and maintaining such Owner's landscaping, drainage, and irrigation improvements. Owners cannot delegate that responsibility to their gardeners or landscapers (although Owners are expected to consult with such people as to appropriate watering levels). Prior to installing any landscaping, drainage or irrigation improvements, Owners are required to consult with a landscape architect and other appropriate Design Professionals and to comply with the requirements set forth in Section 5.4 above with respect to landscaping, drainage and irrigation; and

8.3.3 in the event the Board shall determine that any Lot perimeter walls and fences have been damaged from within a Lot, the Owner of the Lot shall be responsible for repairing such damage in a timely manner and in accordance with such rules as the Board or the Architectural Committee shall from time to time adopt. In the event such repair is not so accomplished by the Owner, the Association or its delegates shall have the right at reasonable times to enter the Lot to effect such repair, and the cost thereof shall be charged to the Owner of the Lot, and, if not paid in a timely manner, shall be a Reimbursement Assessment and enforceable in accordance with the provisions of this Declaration applicable thereto.

8.4 Right of Association to Maintain and Install. In the event that any Owner fails to accomplish any maintenance, repair or installation required by this Section or pay his or its share of expenses incurred in the accomplishment of the same, the Association or its delegates may, but shall not be obligated to, cause such maintenance, repair and installation to be accomplished or such payment to be made to the appropriate parties (said maintenance, repair, installation or lack of payment shall be referred to in this Article as a "deficiency") as hereinafter set forth.



8.4.1 Upon finding by the Board of a deficiency, the Board shall give notice of the deficiency to the violating Owner which shall briefly describe the deficiency and set a date for the cure thereof. If the violating Owner submits a written request to the Board for a hearing within fifteen (15) days after the mailing of such deficiency notice, the Board shall set a date for such hearing before the Board or a committee selected by the Board for such purpose. The Board may delegate its powers under this subsection to a duly appointed committee of the Association.

8.4.2 Such hearing shall be held not less than ten (10) nor more than thirty (30) days from the date of said request for hearing.

8.4.3 Such hearing shall be conducted according to such reasonable rules and procedures as the Board shall adopt which shall provide the Owner with the right to present oral and written evidence and to confront and cross-examine any person offering at such hearing evidence adverse to such Owner. If the Board or any such committee renders a decision against the Owner, it may set another date by which the deficiency is to be corrected by the Owner. A decision of such committee may be appealed to the Board, but a decision of the Board shall be final.

8.4.4 If the deficiency continues to exist after the time limitation set forth in the deficiency notice or, in the event a hearing is held, the date imposed by a final decision of the Board or any such committee, the Board or such committee may cause such maintenance, repair or installation to be accomplished or such payment to be made.

8.4.5 In the event the Board or such committee elects to cause such maintenance, repair or installation to be accomplished, it shall give written notice of such election to the violating Owner and the following shall apply:

(a) the Owner shall have no more than ten (10) days following the receipt thereby of said written notice of election in which to select a day or days upon which such maintenance, repair or installation work shall be accomplished;

(b) the date which said Owner selects shall be not less than ten (10) days nor more than thirty (30) days following the last day of the ten (10) day period specified in such notice of election;

(c) if said Owner does not select such day or days within the ten (10) day period specified in such notice of election, the Board or such committee may select a day or days upon which such work may be accomplished which shall be not less than twenty-five (25) nor more than fifty-five (55) days from the last day of the ten (10) day period specified in such notice of election; and

(d) unless the Owner and the Board otherwise agree, such maintenance or installation shall take place only during daylight hours on any day, Monday through Friday, excluding holidays.

8.4.6 If the Association pays for all or any portion of correcting such deficiency or if an Owner has not paid his or its share of the maintenance and repair expenses as set forth in this Article, regardless of whether the Association has reimbursed the appropriate parties or Owners pursuant to this Section, such amount shall be a Reimbursement Assessment to the violating Owner and his Lot.

8.5 Standards for Maintenance and Installation.

8.5.1 Maintenance of the Lots and the improvements thereon shall be accomplished in accordance with the Design Guidelines and the Association Rules.



8.5.2 All portions of the yard of a Lot which are unimproved and visible from the street on which said Lot fronts shall be landscaped by the Owner thereof in conformance with customary landscaping material(s), primarily living plants, lawn (sod), trees and shrubs. Thereafter, such landscaping shall be maintained by the Owner in an attractive condition and according to the Design Guidelines, any Association Rules promulgated by the Board, and as otherwise required by applicable laws or regulations then in effect.

8.6 Right of Entry. The Association shall have the right to enter upon any Lot in connection with any exterior maintenance, repair or construction in the exercise of the powers and duties of the Association. Any damage caused by such entry shall be repaired by the Association to the extent that the damage is unreasonable under the circumstances to carry out the Association's rights and obligations.

8.7 Maintenance of Public Utility Facilities. Nothing contained herein shall require or obligate the Association to maintain, replace or restore the facilities of public utilities which are located within easements in the Common Areas owned by such public utilities. However, the Association shall take such steps as are necessary or convenient to ensure that such facilities are properly maintained, replaced or restored by such public utilities.

8.8 Assumption of Maintenance Obligations. Declarant, Declarant's assigns, its subcontractors and the agents and employees of same shall have the right to enter upon the Common Areas to complete the construction of any landscaping or other improvement to be installed on the Common Areas as provided in this Declaration. If any excess of Assessments collected over actual Common Expenses incurred by the Association is caused by reason of construction or maintenance pursuant to this Section, or otherwise, such excess shall be placed in reserve to offset the future expenses of the Association in any manner designated by the Board.

ARTICLE IX. RIGHTS OF ENJOYMENT

9.1 Members' Right of Enjoyment. Every Member shall have a nonexclusive easement for use and enjoyment in and to the Common Areas and such right shall be appurtenant to and shall pass with the interest of every Lot, subject to all of the easements, covenants, conditions, restrictions and other provisions of record or contained in this Declaration, including, without limitation, the following provisions:

9.1.1 the right of the Association to establish reasonable rules and regulations pertaining to the use of the Common Areas;

9.1.2 the right of the Association to borrow money for the purpose of improving, replacing, restoring or expanding the Common Areas or adding new Common Areas and in aid thereof, to mortgage said property, provided that the prior affirmative vote or written approval of a majority of the voting power of each of the Class A Members and the Class B Members has been obtained to mortgage said property, and provided further that the rights of the lender thereunder shall be subordinated to the rights of the Members. In the event of a default upon any such mortgage of the Common Areas, the lender's rights thereunder shall be limited to a right, after taking possession of such properties, to charge admission and other fees as a condition to continued enjoyment by the Members and, if necessary, to open the enjoyment of the Common Areas to a wider public until the mortgage debt is satisfied, whereupon the possession of such properties shall be returned to the Association and all rights of the Members hereunder shall be fully restored;

9.1.3 the rights of the Association to suspend the right of a Member to use the Common Areas or any portion thereof designated by the Board during any time in which any Assessment against his Lot remains unpaid and delinquent for a period not to exceed thirty (30) days for any single infraction of the rules and regulations of the Association; provided, however, any suspension of such right to use such Common Areas, except for failure to pay Assessments, shall be made only by the Association or a duly appointed committee thereof, after notice and hearing given



and held in accordance with the Bylaws. Notwithstanding the foregoing, the Association shall not have the right hereunder to suspend any Member's right to use any portion of the Covered Property necessary for such Member to gain access to his Lot;

9.1.4 the right of the Association subject to the approval rights of Institutional Mortgagees pursuant to the Article hereof entitled "Rights of Lenders," to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility or other entity. No such dedication or transfer, including, without limitation, the conveyance, lease or other transfer of any portion of the Common Areas to a special tax assessment district or to the County, shall be effective unless an instrument signed by Members entitled to cast two-thirds (2/3) of the voting power of the membership has been recorded, agreeing to such dedication or transfer. The certificate of the President and the Secretary of the Association attached to such instrument certifying that the Members signing such instrument represent two-thirds (2/3) of the voting power of the Association shall be deemed conclusive proof thereof;

9.1.5 the right of the Association to establish, in cooperation with the County (or other appropriate governmental authority), a special tax assessment district for the performance of all or a portion of the maintenance and other functions now within the responsibility of the Association, together with the right of the Association to convey, lease or otherwise transfer, subject to the provisions of this Section, all or any portion of the Common Areas to said district; and

9.1.6 the rights of Declarant set forth herein.

9.2 Delegation of Use. Any Member may delegate his right of enjoyment to the Common Areas to his tenants who occupy such Owner's Lot, or to such Owner's guests, subject to this Declaration and to the Association Rules. In the event and for so long as an Owner delegates said rights of enjoyment to his tenants, said Owner shall not be entitled to said rights. Owner shall indemnify and hold harmless the Association for any claims, losses, liabilities, costs and expenses (including reasonable attorneys' fees and costs) suffered by the Owner's delegate pursuant to this Section.

9.3 Waiver of Use. No Member may exempt himself from personal liability for Assessments duly levied by the Association, nor release the Lot owned by him from the liens, charges or other provisions of this Declaration, the Articles, Bylaws, Design Guidelines, and Association Rules, by waiver of the use and enjoyment of the Common Areas, or the abandonment of his Lot.

ARTICLE X. EASEMENTS

10.1 Amendment to Eliminate Easements. This Declaration cannot be amended to modify or eliminate the easements reserved to Declarant without prior written approval of Declarant and any attempt to do so shall have no effect. Any attempt to modify or eliminate this Section shall likewise require the prior written approval of Declarant.

10.2 Nature of Easements. Unless otherwise set forth herein, any easement reserved to Declarant herein shall be nonexclusive.

10.3 Certain Rights and Easements Reserved to Declarant.

10.3.1 Utilities. Easements over the Covered Property for the installation and maintenance of electric, telephone, cable television, water, gas, sanitary sewer lines and drainage facilities as are needed to service the Covered Property are hereby reserved by Declarant, together with the right to grant and transfer the same; provided, however, such easements shall not unreasonably interfere with the use and enjoyment by the Members of their Lots or the Common Areas.



10.3.2 Cable Television. There is hereby reserved to Declarant over the Covered Property, together with the right to grant and transfer the same, the right to place on, under or across the Covered Property, transmission lines and other facilities for a community antenna television system or similar television system as technological changes may permit, and thereafter to own and convey such lines and facilities and the right to enter upon the Covered Property to service, maintain, repair, reconstruct and replace said lines or facilities; provided, however, the exercise of such rights shall not unreasonably interfere with any Owner's reasonable use and enjoyment of his Lot.

10.3.3 Water Rights. There is hereby reserved to Declarant with the full right and power, among others, to transfer or assign to others or to use or utilize on any other property owned or leased by Declarant, any and all water rights or interests in water rights no matter how acquired by Declarant, and owned or used by Declarant in connection with or with respect to the Covered Property, whether such water rights shall be riparian, overlying, appropriative, percolating, prescriptive or contractual; provided, however, the reservation made herein shall not reserve to or for the benefit of Declarant any right to enter upon the surface of the Covered Property in the exercise of such rights.

10.3.4 Rain Water Drainage Easements. There is hereby reserved to Declarant, together with the right to grant and transfer same, easements in and over portions of Lots for the purpose of the installation and placement of drainage devices in order to drain rain water from Lots, including roofs of buildings or other improvements on Lots. No Owner shall interfere with the operation of such drainage devices.

10.3.5 Construction and Sales. For a period of time extending until all improvements have been completed within the Covered Property, a non-exclusive easement in, over, under and through the Covered Property is hereby reserved to Declarant, together with the right to grant and transfer same to builders and Declarant's sales agents and representatives, for ingress and egress and for the purpose of: (1) completing the development of the Covered Property, including without limitation the transportation of development and construction related materials over the private streets, constructing, maintaining, retaining and relocating all improvements on the Covered Property now or hereafter planned to be constructed on the Covered Property by Declarant or any builder, or required to be constructed on the Covered Property by any municipal or governmental agency; (2) marketing, leasing, selling and re-selling the Lots therein; and (3) customer relations and providing post-sale customer service to Owners; and in connection with such easement the right, but not the obligation: (a) to perform any and all architectural, engineering, grading, construction, excavation, landscaping and related work and activities, (b) to erect, maintain and relocate upon the Covered Property storage buildings, storage areas, temporary sewage disposal facilities, water wells and other related facilities, (c) to store and use materials, equipment, vehicles, tools and machines which may be necessary or desirable in connection with such construction, (d) to display signs and erect, maintain and operate, for sales, resales, and administrative purposes, a fully staffed customer relations, customer service, sales, and resales office complex on the Covered Property, (e) to show the Covered Property, unsold Lots and any Lots which are offered for resale to, and to arrange for the use of the Common Areas by, prospective purchasers, (f) to perform maintenance, repair and replacement work on, and to make custom improvements, alterations and additions to improvements, and (g) to construct improvements on any Lot. No such activities shall be deemed to be a nuisance.

10.3.6 General Use and Enjoyment. There is hereby reserved to Declarant, together with the right to grant and transfer same, easements in, on, over and across all Common Areas, Association Maintenance Areas, and the Lots, as necessary or appropriate for the completion, use, maintenance and enjoyment of the Development.

10.3.7 Easement For Benefit of APN 626-330-008. There is hereby reserved to Declarant, together with the right to grant and transfer same, including, without limitation, to the owner of that certain real property commonly described as Assessor's Parcel Number 626-330-008, as more particularly described on Exhibit "H" attached hereto, easements in, on, over and across the Common



Area for purposes of obtaining reciprocal access, ingress and egress to and from the Development and Wildcat Drive.

10.4 Certain Easements for Owners.

10.4.1 Rights and Duties: Utilities and Cable Television. Wherever sanitary sewer house connections, water house connections, electricity, gas, telephone and cable television lines or drainage facilities are installed within the Covered Property, the Owners of any Lot served by said connections, lines or facilities shall have the right and there is hereby reserved to Declarant, together with the right to grant and transfer the same to Owners, an easement to the fullest extent necessary for the full use and enjoyment of such portion of such connections which service his Lot, and to enter upon the Lots owned by others, or to have utility companies enter upon the Lots owned by others, in or upon which said connections, lines or facilities, or any portion thereof lie, to repair, replace and generally maintain said connections as and when the same may be necessary as set forth below, provided that such Owner or utility company shall promptly repair any damage to a Lot caused by such entry as promptly as possible after completion of work thereon.

10.4.2 Ingress, Egress and Recreational Rights. Declarant hereby reserves to itself, its successors and assigns, and hereby grants to all Owners nonexclusive easements for ingress, egress, pedestrian walkway and general recreational purposes over and upon the Common Areas. Such easements shall be subject to the rights of the Association as set forth in this Declaration.

10.4.3 Exclusive Use Common Areas. The Common Areas, both before and after transfer to the Association, are subject to the unilateral right of Declarant to establish easements in, over, upon, under and through the Common Areas in favor of an individual Owner or Owners. Declarant or the Association has the right, from time to time, to grant to any Owner a nonexclusive or an exclusive easement in, over, upon, under and through portions of the Common Areas consisting of unimproved areas adjacent to the specific Owner's Lot for use and enjoyment in connection with such Lot. Declarant or the Association shall have the sole discretion to establish the size and shape of such areas. The conveyance of the portion of the Common Areas to an Owner shall be subject to this Declaration and the Association's rights herein, and the Owner in each case, shall be responsible for maintenance and all liability associated with the use of such easement.

10.4.4 Corrections. Throughout the Development, it is anticipated that over the course of time certain properties may be sold which contain errors in descriptions and/or actual use exceeds boundary lines. To accommodate such situations, Declarant hereby reserves easements over the Common Areas to allow for encroachment, and easements over Lots solely for corrective purposes.

10.5 Certain Easements for Association.

10.5.1 Association Rights. There is hereby reserved to Declarant easements over the Covered Property, which easements are hereby granted to the Association, for the purpose of permitting the Association to discharge its obligations and powers as described in this Declaration.

10.5.2 Rights and Duties: Utilities and Cable Television. Wherever sanitary sewer house connections, water house connections, electricity, gas, telephone and cable television lines or drainage facilities are installed within the Covered Property, and said connections, lines or facilities serve the Common Areas, the Association shall have the right and there is hereby reserved to Declarant, together with the right to grant and transfer the same to the Association an easement to the fullest extent necessary for the full use and enjoyment of such portion of such connections which service the Common Areas and to enter upon the Lots owned by others, or to have utility companies enter upon the Lots owned by others, in or upon which said connections, lines or facilities, or any portion thereof lie, to repair, replace and generally maintain said connections as and when the same may be necessary as set forth



below, provided the Association or utility company shall promptly repair any damage to a Lot caused by such entry as promptly as possible after completion of work thereon.

10.6 Certain Easements for Districts. There is hereby reserved to Declarant easements over the Covered Property, which easements may hereafter be granted to any public service district, for the purpose of permitting such district to discharge its obligations and powers.

10.7 Support, Settlement and Encroachment. There is hereby reserved to Declarant and its assigns the following reciprocal easements, which easements are hereby granted to the Owners, for the purposes set forth below:

10.7.1 an easement appurtenant to each Lot which is contiguous to another Lot or Common Areas which Lot shall be the dominant tenement and the contiguous Lot or Common Areas shall be the servient tenement;

10.7.2 an easement appurtenant to the Common Areas contiguous to a Lot, which Common Areas shall be the dominant tenement and which contiguous Lot shall be the servient tenement;

10.7.3 it is provided, however, that in the event Common Areas are the dominant tenement in an easement described in this Section, Declarant shall have the right to transfer said easement to the Association and not to Owners; and

10.7.4 said easements shall be for the purposes of:

(a) engineering errors, errors in original construction and support and accommodation of the natural settlement or shifting of structures;

(b) encroachment by reason of a roof or eave overhang from improvements on a Lot and for the maintenance of such roof or eave overhang by the Owner of the dominant tenement; and

(c) encroachment of doorsteps, foundation footings, garage doors, utilities and other appurtenances or fixtures and the maintenance thereof by the Owner of the dominant tenement, which, in the construction of the structures upon the dominant tenement or from any reconstruction or modifications of such structures, project beyond the external surface of the outer walls of such structures.

10.8 Driveway/Access Road Easements. Reciprocal driveway/access road easements, are hereby established over all Lots which contain portions of driveways or access roads which service more than one Lot for the purposes of pedestrian and vehicular ingress, egress and access, and for the backing, maneuvering and turning of vehicles, which easements shall be appurtenant to the "Dominant Tenements" and shall burden the "Servient Tenements" as shown on Exhibit "I" attached hereto (or in any Supplemental Declaration). Each of said easements shall be: (a) perpetual; (b) appurtenant to the Dominant Tenement as designated on said Exhibit; and (c) nonexclusive, with each Subject Lot retaining the right to use the "Easement Area" located on such Lot (as shown on Exhibit "I") for the purposes of pedestrian and vehicular ingress, egress and access, for the backing, maneuvering and turning of vehicles. The easement appurtenant to each Dominant Tenement shall be granted by Declarant to the subsequent owner of such Dominant Tenement by making a reference to this Declaration in the grant deed to such Dominant Tenement and the grant deed to the Servient Tenement burdened by the easement appurtenant to such Dominant Tenement. The Easement Areas shall be subject to the following:



10.8.1 no improvement, automobile or other vehicle, wall, curb, fence, grade differential, barrier or physical condition or personal property, shall be constructed, stored, placed or permitted to remain in, on, or upon any Easement Area, which unreasonably interferes with ingress, egress and access, whether by the owner of the Servient Tenement or the Dominant Tenement having an easement over such Easement Area; and

10.8.2 with respect to each Easement Area, the Owner of the Servient Tenement on which such Easement Area is located and the Owners of the Dominant Tenement to which the easement over such Easement Area is appurtenant shall be jointly responsible for repairing and maintaining or causing to be repaired or maintained, such Easement Area at all times in a good, safe and usable condition. The expense of such repair and maintenance shall be shared by such parties in equal proportions. Notwithstanding the foregoing, any repair or maintenance for damage to any portion of such Easement Area, occurring due to causes not constituting normal wear and tear, shall be the sole responsibility of the party, or parties, causing such damage and said party, or parties, shall repair such damage within a reasonable time following the occurrence of such damage. The repair and maintenance required by this Paragraph shall include, but not be limited to:

(a) maintaining paved surfaces in a smooth and evenly covered condition with a type of surfacing material originally installed or a substitute equal in quality, use and durability to such original material;

(b) removing all papers, debris, leaves, and other refuse and sweeping, or washing, to the extent necessary to maintain an orderly condition; and

(c) the repair and reconstruction of any damage resulting from fire, earthquake or other casualty.

10.9 Right to Grant and Transfer Easements. All or any part of each easement reserved to Declarant herein may be granted or transferred by Declarant to an Owner, the Association, a builder, contractor, or any other party. To the extent that all or any part of the easements reserved to Declarant are granted or transferred to a builder or contractor, such easements may be transferred by such builder or contractor to Retail Purchasers.

10.10 Neighbors. Notwithstanding any other provisions herein, Declarant shall have the unilateral right to grant easements over, and/or other rights concerning, the Common Areas, to owners of properties adjacent to the Development, including, without limitation, to use streets, roadways, or infrastructure, and/or to accommodate the provisions of agreements of record between Declarant and neighboring owners, including, without limitation, Del Webb. Nothing herein is intended or shall be applied to reduce or materially affect any Owner's use or enjoyment of such Owner's Lot.

ARTICLE XI. USE RESTRICTIONS

11.1 Uses Permitted. All Lots and improvements constructed thereon shall only be used for purposes of constructing and maintaining commercial, industrial and/or office buildings and related appurtenances, and purposes reasonably incidental thereto. In no event shall more than three (3) business entrances for any building on a Lot, be permitted on any portion of the Covered Property. Each Lot and improvements thereon shall also be used in strict compliance with the zoning and other applicable ordinances of the County and all other governmental and/or quasi-governmental agencies and/or authorities having jurisdiction thereof and any other document recorded against the Covered Property.

11.2 Prohibited Uses. Without limiting any other restrictions herein, in no event shall any improvements be constructed, placed or used on the Covered Property, nor shall the Covered Property in any event be used for, any of the following purposes: (a) hotels and motels; (b) junk yards and recycling



facilities; (c) commercial excavation of building or construction materials, except in the usual course of construction of improvements for the Lots; (d) distillation of bones; (e) dumping, disposal, incineration, or reduction of garbage, sewage, dead animals, or refuse; (f) stockyards and slaughter of animals; (g) refining of petroleum or any of its products; (h) smelting of iron, tin, zinc, or other ores; (i) cemetery; (j) jail or honor farms; (k) labor or migrant work camps; or (l) mobile home park or recreation vehicle campground. Furthermore, no part of the Covered Property shall be used, or caused to be used, or allowed or authorized in any way, directly or indirectly, for any residential or other non-commercial purpose.

11.3 Del Webb Use Restrictions. Without limiting any other restrictions herein, in no event shall any improvements be constructed, placed or used on the Covered Property, nor shall the Covered Property in any event be used for: (i) the operation of a massage parlor; any business primarily engaged in the sale or exhibition of what is commonly referred to as "pornographic," obscene," or "adult," material; bars or taverns (which shall not be construed so as to prohibit any restaurant or other food use which sells alcoholic beverages for on-premises consumption incidental to its permitted primary use as a restaurant or food use); tattoo parlor; flea market; secondhand shop; off-track betting establishment; funeral home or mortuary; escort bureau; labor temple; Turkish bath; a body and fender shop; spray painting shop; equipment rental service; pawn shop; carnival; fair; storage (as opposed to temporary parking) of vehicles and equipment; a junk yard; recycling facility; waste transfer station; or for any use which is not allowed by the zoning ordinances applicable to the Covered Property; or (ii) any heavy industrial use which generates noise or odors which are inconsistent or incompatible with, or offensive to, the Sun City Development.

11.4 Use of Del Webb Name. Each Owner acknowledges that Del Webb is the owner of the trade names and marks for "Sun City," "Del Webb's Sun City" and "Sun City Palm Desert." No Owner shall have the right to use any of such names or the names "Sun," "City" or "Del Webb" in connection with any business conducted on the Covered Property without Del Webb's prior written consent, which may be granted or withheld in Del Webb's sole and absolute discretion.

11.5 Special Zone. No building the primary use of which is the warehousing, storage and distribution of goods, material or equipment shall be located in the Special Zone. The Special Zone shall be reserved for office, research and development, and "flex offices" uses.

11.6 Signs. No sign or billboard of any kind shall be displayed on any portion of the Covered Property or any Lot, except such sign or signs as conform to all of the following: (a) the regulations of the County; and (b) the sign program adopted by the Declarant setting forth general standards for the design and appearance of signs, as may be amended or supplemented from time to time by the Association or Declarant, which sign program shall be incorporated herein by this reference,. In addition, all signs advertising the sale, lease or rent of any Lot must be approved by the Architectural Committee prior to their placement upon any Lot. Declarant, its successors and assigns may erect and maintain such signs and other advertising devices or structures as it may deem necessary or proper in connection with the conduct of its operations for the development, improvement, leasing and sale of the Covered Property.

11.7 Nuisance. No noxious, hazardous or offensive trade or activity shall be carried on upon any Lot, or any part of the Covered Property, nor shall anything be done thereon which may be, or may become, an annoyance, nuisance or danger to the neighborhood, or which shall in any way interfere with the quiet enjoyment of each of the Owners of his respective Lot, or which shall in any way increase the rate of insurance. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes), live bands, noisy or smoky vehicles, large or noisy power equipment or tools, off-road motor vehicles or other items which may unreasonably disturb other Owners, or their tenants or guests, shall be located, used or placed on any portion of the Covered Property without the prior written approval of the Board. Except for special use vehicles operating in areas designated for their use, no vehicles may be operated upon any portion of the Covered Property not improved as a street without the prior written approval of the Board, which approval may be granted or withheld in the Board's sole discretion. Alarm



devices used exclusively to protect the security of a Lot or Common Area, and its contents, shall be permitted, provided that such devices do not produce annoying sounds or conditions as a result of frequently-occurring false alarms. Any use of the Covered Property by any Owner (a) in violation of the terms of this Declaration, or (b) in violation of any applicable law or ordinance, shall be deemed a nuisance.

11.8 Animals. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any Lot.

11.9 Rubbish. All rubbish, trash and garbage shall be regularly removed from the Covered Property and the Lots and shall not be allowed to accumulate thereon. All exterior refuse containers, woodpiles, storage areas, machinery and equipment shall be prohibited upon any Lot without the prior written approval of the Board.

11.10 Hazardous Materials. Each Owner agrees that, to the extent that any hazardous or toxic materials or wastes (as defined by the laws of any local government, the State of California and the United States) are used, stored or disposed of in and/or about any improvements on any Lot or the Common Area, such materials or wastes will be used, stored and disposed of in full and complete compliance with all applicable federal, state and local laws and regulations. Each Owner further agrees that it will not permit any escape of toxic or hazardous fumes or other emissions from any building or any Lot within the Covered Property. Each Owner agrees to and does hereby indemnify, defend and hold harmless the Association, Declarant and the other Owners from and against any and all losses, costs, claims, suits or damages (including, without limitation, attorneys' fees) arising directly or indirectly from any violation of this provision by such Owner or any tenant or occupant of such Lot or improvements thereon.

11.11 Tents, Sheds, or Similar Structures. Except for temporary uses related to a special event approved by the Board, no structure of a temporary character, trailer, basement, tent, shack, barn, storage building or shed or other outbuilding shall hereafter be used on any Lot at any time, either temporarily or permanently.

11.12 Vehicles; Parking.

11.12.1 The Board may adopt rules for the regulation of the admission and parking of vehicles within the Covered Property, including the assessment of charges to Owners who violate or whose invitees violate, such rules. Any charges so assessed shall be Remedial Assessments.

11.12.2 Parking of vehicles of any type shall be restricted to designated parking areas within the Lots, and no employees, agents, business invitees, tenants or customers of any Owner of a Lot shall be permitted to park in areas not so designated, or on any street, public or private, within the Covered Property, except for purposes of loading or unloading passengers or for emergency repairs. All deliveries or loading and unloading of goods or materials shall be restricted to designated loading docks, loading areas, or similar facilities. No repairs or restorations of any motor vehicle, boat, trailer, aircraft or other vehicle or equipment shall be conducted upon any street (public or private) or Lot or elsewhere within any Lot, except wholly within a facility specifically designed for such purpose or within an enclosed garage. The Board shall determine, in its sole discretion, whether there is noncompliance with the parking and vehicular restrictions contained herein. These parking and vehicular restrictions shall not be interpreted in such a manner so as to permit any activity which would be contrary to any ordinance of the County or any other applicable governmental or quasi-governmental agency or authority. These parking and vehicular restrictions shall not apply to any construction activities by any Owner of a Lot.

11.12.3 No conventional passenger vehicle, recreational vehicle or equipment or commercial vehicle or any other motorized vehicle may be dismantled, rebuilt, repaired, abandoned,



stored, disabled, serviced or repainted on a Lot unless performed within a completely enclosed garage or other area located on the Lot which completely screens the sight and sound of such activity from streets, Common Areas and all neighboring Lots; provided, however, such activity within an enclosed garage or such other area as described above may not be undertaken as a business, and provided further that such activity may be prohibited entirely if it is determined by the Board to be a nuisance. In any event, no oil, fuel, lubricant, or other automotive liquid, shall be dumped or spilled on the Covered Property, or disposed of or stored in any way which would permit same to enter any drainage device serving the Covered Property, or leak into the ground of the Covered Property. For purposes of this Section, and without limiting the generality of the foregoing, a vehicle shall be deemed to be in storage if such vehicle is placed on a Lot for the primary purpose of storing such vehicle even if such vehicle is used occasionally. The foregoing restrictions shall not be deemed to prevent temporary parking for loading or unloading of vehicles. As used in this Section, "conventional passenger vehicles" shall be defined to be station wagons, family sedans, coupes, sports cars, convertibles, compacts, subcompacts, sport-utility vehicles, pick-up trucks, pick-up trucks with shell not extending above the cab level beyond one (1) foot, and passenger minivans, passenger vans and passenger vans with extended tops not extending above the top more than six inches (6"). As used in this Section, "recreational vehicles or equipment" shall include, without limitation, trailers, boats, campers, trailer coaches, buses, house cars, camp cars, motor homes (if a size larger than seven feet (7') in height and/or greater than one hundred twenty-four inches (124") in wheel base length), or any other similar type of equipment or vehicle. As used in this Section, "commercial vehicle" shall be defined as a truck of greater than one (1) ton capacity and/or any vehicle with a sign displayed on any part thereof advertising any kind of business or on which racks, materials, and/or tools are visible, or with a body type normally employed as a business vehicle whether or not a sign is displayed on any part thereof, including, without limitation, any dump truck, cement mixer truck, oil or gas truck or delivery truck. The type of motor vehicle license plate shall not be material to the foregoing definition. Temporary parking shall mean parking of vehicles belonging to guests of Owners and commercial vehicles being used in the furnishing of services to the Association or the Owners and parking of vehicles belonging to or being used by Owners for loading and unloading purposes.

11.13 Oil and Mineral Rights. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in the Covered Property nor, subsequent to the recording of this Declaration, shall oil or water wells, tanks, tunnels, or mineral excavations or shafts be installed upon the surface of the Covered Property or with respect to water wells, within fifty (50) feet below the surface of the Covered Property and with respect to all other matters, within five hundred (500) feet below the surface of such properties. No derrick or other structure designed for use in boring for water, oil or natural gas shall be erected, maintained or permitted upon the Covered Property.

11.14 Unightly Items. All weeds, rubbish, debris, or unsightly material or objects of any kind shall be regularly removed from the Lots and shall not be allowed to accumulate thereon. All refuse containers, trash cans, woodpiles, storage areas, machinery and equipment shall be prohibited upon any Lot unless obscured from view of adjoining streets or portions of the Covered Property from a height of six feet (6') or less. Any fence or screen required by this Section shall comply with any standards established pursuant to the Article hereof entitled "Architectural Control" as to size, color or other qualification for permitted fences or screens.

11.15 Antennae and Other Roof Structures. Subject to the provisions of California Civil Code Section 1376, no television, radio, or other electronic towers, aerials, antennae, exterior lines, or device of any type for the reception or transmission of radio or television broadcasts or other means of communication shall hereafter be erected, constructed, placed or permitted to remain on the Covered Property unless and until the same shall have been approved in writing by the Architectural Committee, or unless the same be contained within a building or underground conduits. No appliances or installations on exterior roofs of structures shall be permitted unless they are installed in such a manner that they are not visible from streets, Common Areas or neighboring Lots, except that attic ventilators and solar panels which are architecturally treated in conformity with the Design Guidelines and which have been approved



by the Architectural Committee pursuant to the provisions of the Article hereof entitled "Architectural Committee" shall be permitted.

11.16 Exterior Installations. No exterior air conditioning or heating unit (including any solar heating or other energy saving device or system which was not part of the original construction of the Lots) shall be erected or maintained on any Lot unless it is (a) completely screened from view from any public or private street and from anywhere outside of the Lot in which it is located, and (b) approved in writing by the Architectural Committee. No flag pole shall be erected or maintained on any Lot unless it is approved in writing by the Architectural Committee.

11.17 Entrance Gates. Except for those entrance gates constructed by Declarant, no entrance gate on any Lot or Common Area which is designed to limit entry into a Lot shall be erected, altered or maintained unless first approved by the Architectural Committee.

11.18 Handicapped Rights. Subject to the review rights of the Architectural Committee and applicable law, each Owner shall have the right to modify his Lot and/or the improvements constructed thereon, and the route over such Lot (as applicable and necessary) leading to the entrance of any buildings at such Owner's sole cost and expense, in order to facilitate access by Persons who are blind, visually handicapped, deaf, physically disabled, or suffering from a prolonged illness or similar health condition, or to alter conditions which could be hazardous to such Persons.

11.19 Drainage. All drainage of water from any Lot shall drain or flow into adjacent streets, alleys, or open space areas, or specifically-designed water retention basins or drainage ponds, and shall not be allowed to drain or flow upon, across, or under any other portion of the Covered Property unless an easement for such purpose is granted. An Owner shall not alter the drainage of water which exists pursuant to the drainage plan originally created at the time of the initial sale of his Lot, except through the use of a positive drainage device which does not materially affect the concentration or flow direction of drainage water under said drainage plan; provided, however, there shall be no interference with the rain gutters, downspouts, or drainage or storm drain systems originally installed, or any other interference with the established drainage pattern over any Lot or Common Area within the Covered Property, unless an adequate alternative provision, previously approved in writing by the Board or the Architectural Committee, is made for proper drainage. For purposes hereof, "established drainage" is defined as the drainage pattern and drainage improvements which exist at the time the Lot or Common Area, as the case may be, is conveyed to an Owner or the Association by Declarant, or later grading or drainage improvement changes which are shown on plans approved by the Architectural Committee or the Board. Notwithstanding any approval by the Architectural Committee or the Board, there shall be no violation of the drainage requirements of the County, the State of California, or any other governmental or quasi-governmental agency or authority.

11.20 Drainage Easements. Each of the Lots set forth in Exhibit "K" (each a "Drainage Lot") shall be subject to a drainage easement ("Drainage Easement") in favor of the Association, which Drainage Easement shall be for the purposes of installing and maintaining drainage devices in order to drain nuisance water and rain water from such areas as delineated in Exhibit "K." Owners of Lots which contain Drainage Easements are prohibited from constructing any improvement(s) over or on such Drainage Easement(s), or in any way interfering with the maintenance and repair obligations of the Association with respect to the Drainage Easements. No abandonment of any Drainage Easement shall be permitted without the prior approval of the County or its successor-in-interest.

11.21 Sewage and Water Systems. No individual water supply system, water softener or other water treatment system or sewage disposal system shall be permitted within the Covered Property unless such system is designed, located, constructed and equipped in accordance with the requirements, standards, and recommendations of the Association and the applicable water or sewer district and any applicable governmental health authority having jurisdiction, and is approved by the Architectural Committee.



11.22 Subdivision. Except as expressly authorized in a Supplemental Declaration, no Lot in the Covered Property may be further subdivided (including division into time-share estates or time-share uses) without the prior written approval of the Board; provided, however, nothing in this Section shall be deemed to prevent an Owner from, or require the approval of the Board for: (a) selling a Lot; (b) transferring or selling any Lot to two (2) or more Persons to be held by such Persons as tenants in common, joint tenants, tenants by the entirety or as community property; or (c) the leasing or renting by any Owner of all of such Owner's Lot, provided that any such lease or rental shall be subject to the terms of this Declaration.

11.23 Fireworks; Firearms. No fireworks shall be kept, stored or discharged anywhere within the Covered Property. No skeet shooting, target shooting or any other discharge of firearms shall be permitted within the Covered Property, except as may be permitted by the Board, and only in accordance with all applicable laws, regulations or ordinances of the County or the State of California regulating firearms. No hunting shall be permitted within the Covered Property.

11.24 Maintenance by Owner. The Owner of each Lot shall maintain his Lot (including the improvements which are a part thereof) in a clean and attractive condition. Without limiting the generality of the foregoing, the Owner of each Lot shall: (a) keep his Lot free from rubbish, litter and noxious weeds, (b) maintain, cultivate and keep in good condition and repair, shrubs, trees including without limitation grass, lawns, plantings and other landscaping located or from time to time placed upon his Lot, (c) trim and restrain all trees, shrubs or plantings of any kind so that they shall not be allowed to overhang or otherwise encroach upon, above or below any sidewalk, street or neighboring residence, (d) maintain in good condition and repair and adequately painted or otherwise finished all improvements which are from time to time a part of his Lot, and (e) maintain all paved surfaces and keep them clean, reasonably dry and free of oil and other extraneous matter.

11.25 View Obstruction. It is acknowledged and understood that views will be affected by on-going development activities in the Development, and nothing herein is intended or shall be applied to affect such development activities. However, it is recognized that it is within the jurisdiction of the Architectural Committee to take views into account in its review and approval of any Future Work, including, without limitation, proposed improvements, structures, landscaping or vegetation, including, without limitation, fences, walls, trees, and shrubs. As such, no Owner shall construct, install, or alter any improvement, structure or vegetation in any manner which is determined by the Architectural Committee to unreasonably interfere with the view from a particular Lot of the immediate vicinity or any Lot's access to direct and natural sunlight. Furthermore, Declarant reserves the right, without obligation (and without the approval of any Owner, the Board, or the Architectural Committee), to include in any Supplemental Declaration additional building restrictions applicable to specific Lots, including, without limitation, special height or similar restrictions to create certain view corridors. In connection with the approval of hedges, shrubs and/or trees, the Architectural Committee is expressly authorized to grant approval conditioned on the agreement of the Owner of the Lot upon which the tree is planted (said agreement to be for the benefit of the Association and the Lot with the affected view), to trim, top or prune the hedge, shrub or tree in such manner so that it shall not exceed at any time a stated height deemed acceptable by the Architectural Committee. Notwithstanding the foregoing, Owners acknowledge that nothing in this Section guarantees that any Owner's view will remain unobstructed or unchanged and that any Owner's view is subject to obstruction or change due to future developments. Furthermore, any Architectural Committee approval shall not be construed to be an approval of any violation of the restrictions imposed by this Declaration or other codes and regulations. Each Owner shall indemnify, defend (with counsel reasonably acceptable to the Architectural Committee), and hold harmless the Architectural Committee against any claims, losses, liabilities, costs and expenses (including reasonable attorneys' fees and costs) arising out of any improvements approved by the Architectural Committee under this Section or otherwise.



11.26 Aircraft. No aircraft, including helicopters, shall be permitted anywhere in the Covered Property.

11.27 Mechanical Equipment; Utilities; Storage. All mechanical equipment, utility and storage areas or structures on any Lot or Common Area must be (i) completely concealed from the view of any other Lot or Common Area, and (ii) constructed of such design, materials, configuration and in such location as to be compatible with the improvements on such Lot or Common Area, as well as all other architectural requirements of this Declaration, and of the Architectural Committee.

11.28 Mailboxes. No mailbox or other receptacle for delivery of mail or newspapers to any Lot or Common Area shall be erected, painted, altered or maintained on any Lot or Common Area unless such mailbox or receptacle is approved by the Architectural Committee.

11.29 Landscaping. Landscaping on Lots shall be installed according to the following schedule: With respect to any Lot upon which any Owner other than Declarant constructs a building, landscaping shall be installed within one hundred twenty (120) days after completion of the building on such Lot. Upon installation, the Owners shall thereafter maintain all landscaping on their Lot. Each Owner shall properly maintain and periodically replace when necessary any trees, plants, grass, vegetation or other landscaping located on such Owner's Lot which are not the maintenance responsibility of the Association irrespective of which party initially installed such landscaping. The Architectural Committee may amend or supplement the Design Guidelines to regulate landscaping permitted or required on any Lot. If an Owner fails to install and/or maintain landscaping in conformance with this Declaration or the Design Guidelines, or allows such Owner's Lot or landscaping to deteriorate to a dangerous, unsafe, unsightly or unattractive condition, the Board, upon thirty (30) days' prior written notice to such Owner, shall have the right to seek any remedies at law or in equity which it may have to correct such condition and to enter upon such Owner's Lot for the purpose of doing so, and such Owner shall promptly reimburse the Association correcting such condition for the cost thereof. Such cost shall be a Special Assessment enforceable in the manner set forth in this Declaration.

11.30 Night Lighting. All exterior lighting on any Lot shall require the prior written approval of the Architectural Committee; provided, however, in no event shall any lighting violate any applicable law or policy, including, without limitation, any applicable "black sky" ordinance.

11.31 Structures and Improvements; Design Approval. There shall be no excavation, construction, painting, alteration or erection of any improvement which in any way alters the exterior appearance of any Lot or Common Area, from any public or private street or from any other portion of the Covered Property (excluding minor repairs or rebuilding pursuant to the terms of this Declaration), without the prior approval of the Architectural Committee. There shall be no violation of the setback, sideyard or other requirements of the County or any other local governmental authority, notwithstanding any approval of the Architectural Committee. Unless approved by the Architectural Committee, under no circumstances, shall any Lot be modified to change the existing location of any driveway, or to create any additional driveway, alley, or access road between any Lot and any private or public street, and in no event shall any Person obtain vehicular access to any Lot except over existing or approved driveways abutting public and/or private streets.

11.32 Fences. No fence, wall, hedge or other dividing device shall be erected, painted, altered or maintained on any Lot or Common Area which borders or is visible from any public or private street, any other portion of the Covered Property, unless such fence or wall is first approved by the Architectural Committee.

11.33 Compliance With Laws. Nothing shall be done or kept in, on, or about the Covered Property, or any Lot or improvement thereon, except in compliance with all applicable laws, regulations and ordinances of any governmental authority or agency having jurisdiction over the Covered Property.



11.34 Exceptions. The restrictions set forth in Article shall not and do not apply to any of the following:

11.34.1 any part of the Covered Property which is owned by any public body;

11.34.2 any act done or proposed to be done upon the Covered Property, or any condition created thereon, by any governmental agency or entity, or the agents or employees of any governmental entity acting in the scope of their authority as such agents or employees;

11.34.3 any act done or proposed to be done upon the Covered Property, or any condition created thereon, by any utility company (including, but not limited to, companies furnishing electric, gas, water, telephone, cable television and/or sewer service to all or parts of the Covered Property) or the agents or employees of any such company, which act could be done by such company were this Declaration not made;

11.34.4 any act done or proposed to be done upon the Covered Property, or any condition created thereon, by the Declarant, for any reason, including, without limitation, in connection with the marketing and sales by Declarant of the Lots, in the course of planning for, preparing the Covered Property for and/or construction upon the Covered Property or any Lot of streets, utilities, recreational and residential buildings, and all other original improvements, and/or in connection with the exercise of any easement and/or other right reserved to Declarant in the Article hereof entitled "Easements" or in any conveyance document. The foregoing rights of Declarant shall also be assignable by Declarant, in whole or in part, in its sole and absolute discretion, and Declarant shall have the right to create variances to any of the use restrictions set forth in this Declaration, including, without limitation, any such use restriction set forth in this Article XI, in connection with the sale or transfer of any Lot by Declarant; or

11.34.5 any act done or proposed to be done upon the Covered Property, or any condition created thereon, by any Person pursuant to court order, or the order of any public officer or public agency; provided, however, the orders contemplated in this subparagraph are only those which are the result of action initiated by public officers or agencies and which embody mandatory requirements with penalties for non-performance, and are not those orders which result from the application of private parties or are merely permissive.

ARTICLE XII. INSURANCE

12.1 Duty to Obtain Insurance; Types. The Board shall obtain and continue in effect adequate blanket public liability insurance in an amount not less than Two Million Dollars (\$2,000,000), combined single-limit coverage, or in such greater amount as the Board may from time to time determine, covering all claims for personal injury and property damage arising out of a single occurrence on the Common Area. The Board shall also obtain and continue in effect fire insurance with extended coverage in an amount as near as possible to the full replacement value of the Common Area, without deduction for depreciation. Such insurance shall be maintained by the Association as named insured for the benefit of the Association, the Owners and the encumbrances upon the respective Lots or any part thereof as their interests may appear, subject, however, to loss payment requirements as set forth herein. The Board shall purchase such other insurance as the Board deems necessary, including, without limitation, errors and omissions, medical payments, malicious mischief, and vandalism insurance, fidelity bonds, workers' compensation and such other risks as shall customarily be covered with respect to planned developments similar in construction, location and use of the Covered Property.

12.2 Right and Duty of Owners to Insure. Each Owner shall obtain (i) "All-Risk" casualty and fire insurance in an amount as near as possible to the full replacement value, without deduction for depreciation or coinsurance, of all of the structural portions of the improvements on the Lot owned by such Owner in the Covered Property, and (ii) public liability insurance to cover the Owner's individual



liability for damage to person or property occurring upon the Owner's Lot or elsewhere upon the Covered Property and arising out of the use of the Owner's Lot. All such policies as may be carried by Owners shall, to the maximum extent possible, contain waivers of subrogation of claims against Declarant, the Association, the Board, the officers of the Association and all other Owners. Each Owner shall review annually the limits of the Owner's insurance coverage and shall increase such limits as appropriate. Notwithstanding the requirement for annual review, the insurance policies carried by each Owner shall, to the maximum extent possible, provide for automatic adjustments of coverage levels to reflect the changes in costs resulting from inflation. Each Owner shall designate the Association as a named insured on all policies of insurance carried by such Owner, and shall furnish the Association with a current certificate of such insurance at all times. Such policies shall not adversely affect or diminish any liability under any insurance obtained by the Association, and duplicate copies of such other policies shall be deposited with the Board. If any loss intended to be covered by insurance carried by the Association shall occur and the proceeds payable thereunder shall be reduced by reason of insurance carried by any Owner, such Owner shall assign the proceeds of such insurance carried by the Owner to the Association, to the extent of such reduction, for application by the Board to the same purposes as the reduced proceeds are to be applied.

12.3 Notice of Expiration Requirements. All of the policies of insurance maintained by the Association shall contain a provision that said policy or policies shall not be cancelled or terminated, nor expire by their terms, without thirty (30) days' prior written notice to the Board, Declarant, and Owners and their respective first Mortgagees (provided that such Mortgagees have filed written requests with the carrier for such notice) and every other person in interest who shall have requested such notice of the insurer.

12.4 Insurance Premiums. Insurance premiums for any such blanket insurance coverage obtained by the Association and any other insurance deemed necessary by the Board shall be a Common Expense to be included in the Regular Assessments levied by the Association and collected from the Owners.

12.5 Trustee for Policies. The Association, acting through its Board, is hereby appointed and shall be deemed trustee of the following rights, to the extent that the respective insurers would have the right without such waivers: (a) subrogation of claims against tenants of the Owners; (b) any defense based on co-insurance; (c) any right of set-off, counter-claim, apportionment, proration or contribution by reason of other insurance not carried by the Association; (d) any invalidity, other adverse effect or defense on account of any breach of warranty or condition caused by the Association, any Owner or any tenant of any Owner, or arising from any act, neglect, or omission of any named insured or the respective agents, contractors and employees of any insured; (e) any right of the insurer to repair, rebuild or replace, and, if the building is not repaired rebuilt or replaced following loss, any right to pay under the insurance, an amount less than the replacement value of the improvements insured or the fair market value thereof; (f) notice of the assignment of any Owner of its interest in the insurance by virtue of a Conveyance of any Lot; and (g) any right to require any assignment of any Mortgage to the insurer. As to each policy of insurance maintained by the Association which will not be voided or impaired thereby, the Association hereby waives and releases all claims against the Board, the Owners, Declarant, and the agents and employees of each of the fore-going, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by said persons, but only to the extent that insurance proceeds are received in compensation for such loss.

ARTICLE XIII. DESTRUCTION OF IMPROVEMENTS

13.1 Duty of Association. In the event of partial or total destruction of improvements upon the Common Areas, it shall be the duty of the Association to restore and repair same as promptly as practical pursuant to this Article. The proceeds of any casualty insurance maintained pursuant to this Declaration shall be used for such purpose, subject to the prior rights of Mortgagees whose interest may be protected by said policies.



13.2 Automatic Reconstruction. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be at least eighty-five percent (85%) of the estimated cost of restoration and repair, a Reconstruction Assessment, with each Owner contributing a like sum, may be levied by the Association to provide the necessary funds for such reconstruction, over and above the amount of any insurance proceeds available for such purpose, and the Board shall cause the damaged or destroyed Common Areas to be restored as closely as practical to its condition prior to the destruction or damage.

13.3 Vote of Members. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be less than eighty-five percent (85%) of the estimated cost of restoration and repair, the improvements shall be replaced or restored unless twenty-five percent (25%) of the voting power of the Association objects in writing to such replacement or restoration or votes against the same at a meeting duly called therefor. Such written objections or vote must include at least twenty-five percent (25%) of the Class A Members. If the Members do not disapprove such replacement or restoration, the Board shall levy a Reconstruction Assessment, with each Owner contributing a like sum, in order to provide the necessary funds for such reconstruction, over and above the amount of any insurance proceeds available for such purpose, and the Board shall cause the damaged or destroyed Common Areas to be restored as closely as practical to its former condition prior to the destruction or damage. In the event of a determination, as provided above, not to replace or restore the improvements on the Common Areas, the Common Areas shall be cleared and landscaped for community park use and the costs thereof shall be paid for with the insurance proceeds, and any deficiency may be raised by Reconstruction Assessments in an amount determined by the Board.

13.4 Excess Insurance Proceeds. In the event any excess insurance proceeds remain, after any reconstruction by the Association pursuant to this Article, the Board, in its sole discretion, shall distribute such sums pro-rata equally to the Owners subject to the prior rights of Mortgagees whose interest may be protected by insurance policies carried by the Association. In the absence of such prior rights, the rights of an Owner and the Mortgagee of his Lot as to such pro-rata distribution shall be governed by the provisions of the Mortgage encumbering such Lot.

13.5 Use of Reconstruction Assessments. All amounts collected as Reconstruction Assessments shall only be used for the purposes set forth in this Article and shall be deposited by the Board in a separate bank account to be held in trust for such purposes. Such funds shall not be commingled with any other funds of the Association and shall be deemed a contribution to the capital account of the Association by the Members. Any excess amounts which are so collected shall be treated in the same manner as set forth in Section 13.4 above.

ARTICLE XIV. EMINENT DOMAIN

14.1 Definition of Taking. The term "taking" as used in this Article shall mean condemnation by eminent domain or sale under threat of condemnation of all or any portion of the Common Areas.

14.2 Representation by Board in Condemnation Proceedings. In the event of a threatened taking of all or any portion of the Common Areas, the Members hereby appoint the Board and such Persons as the Board may delegate to represent all of the Members in connection with the taking. The Board shall act in its sole discretion with respect to any awards being made in connection with the taking and shall be entitled to make a voluntary sale to the condemnor in lieu of engaging in a condemnation action.

14.3 Inverse Condemnation. The Board is authorized to bring an action in inverse condemnation. In such event, the provisions of this Article shall apply with equal force.

14.4 Award for Common Areas. Any awards received on account of the taking of Common Areas shall be paid to the Association. The Board may in its sole discretion retain any award in the



general funds of the Association or distribute pro-rata all or a portion thereof to the Members. The rights of an Owner and the Mortgagee of his Lot as to any pro-rata distribution shall be governed by the provisions of the Mortgage encumbering such Lot.

ARTICLE XV. RIGHTS OF LENDERS

15.1 Filing Notice; Notices and Approvals. A Mortgagee shall not be entitled to receive any notice which this Declaration requires the Association to deliver to Mortgagees unless and until such Mortgagee, or its mortgage servicing contractor, has delivered to the Board a written notice stating that such Mortgagee is the holder of a Mortgage encumbering a Lot within the Covered Property. Such notice need not state which Lot or Lots are encumbered by such Mortgage, but shall state whether such Mortgagee is a First Mortgagee. Wherever the approval of all or a specified percentage of Mortgagees is required pursuant to this Declaration, it shall be deemed to mean the vote or approval of all or a specified percentage only of those Mortgagees which have delivered such notice to the Board. Notwithstanding the foregoing, if any right of a Mortgagee under this Declaration is conditioned on a specific written request to the Association, in addition to having delivered the notice provided in this Section, a Mortgagee must also make such request, either in a separate writing delivered to the Association or in the notice provided above in this Section, in order to be entitled to such right. Except as provided in this Section, a Mortgagee's rights pursuant to this Declaration, including, without limitation, the priority of the lien of Mortgagees over the lien of Assessments levied by the Association hereunder shall not be affected by the failure to deliver a notice to the Board. Any notice or request delivered to the Board by a Mortgagee shall remain effective without any further action by such Mortgagee for so long as the facts set forth in such notice or request remain unchanged.

15.2 Priority of Mortgage Lien. No breach of the covenants, conditions or restrictions herein contained, nor the enforcement of any lien provisions herein, shall affect, impair, defeat or render invalid the lien or charge of any First Mortgage made in good faith and for value encumbering any Lot, but all of said covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is derived through foreclosure or trustee's sale, or otherwise, with respect to a Lot except as otherwise provided in this Article.

15.3 Curing Defaults. A Mortgagee or the immediate transferee of such Mortgagee, who acquires title by judicial foreclosure, deed in lieu of foreclosure or trustee's sale shall not be obligated to cure any breach of the provisions of this Declaration which is non-curable or of a type which is not practical or feasible to cure. The determination of the Board made in good faith as to whether a breach is non-curable or not feasible to cure shall be final and binding on all Mortgagees.

15.4 Resale. It is intended that any loan to facilitate the resale of any Lot after judicial foreclosure, deed in lieu of foreclosure or trustee's sale is a loan made in good faith and for value and entitled to all of the rights and protections afforded to other Mortgagees.

15.5 Relationship with Assessment Liens.

15.5.1 The lien provided for in the Article hereof entitled "Nonpayment of Assessments" for the payment of Assessments (excepting Remedial Assessments) shall be subordinate to the lien or any First Mortgage which was recorded prior to the date any such Assessment becomes due.

15.5.2 If any Lot subject to a monetary lien created by any provision hereof shall be subject to the lien of a First Mortgage: (1) the foreclosure of any lien created by anything set forth in this Declaration shall not operate to affect or impair the lien of such First Mortgage; and (2) the foreclosure of the lien of said First Mortgage or the acceptance of a deed in lieu thereof (such events being hereinafter referred to as "Events of Foreclosure") shall not operate to affect or impair the lien hereof, except that any persons who obtain an interest through any of the Events of Foreclosure,



and their successors in interest, shall take title free of the lien hereof or any personal obligation for said charges as shall have accrued up to the time of any of the Events of Foreclosure, but subject to the lien hereof for all said charges that shall accrue subsequent to the Events of Foreclosure.

15.5.3 Any Mortgagee who obtains title to a Lot by reason of any of the Events of Foreclosure, or any purchaser at a private or judicial foreclosure sale, shall take title to such Lot free of any lien or claim for unpaid Assessments against such Lot which accrue prior to the time such Mortgagee or purchaser takes title to such Lot, except for liens or claims for a share of such Assessments resulting from a pro-rata reallocation of such Assessments to all Lots within the Covered Property.

15.5.4 Nothing in this Section shall be construed to release any Owner from his obligations to pay for any Assessment levied pursuant to this Declaration.

15.6 Seventy-Five Percent (75%) Vote of Institutional Mortgagees. Except upon the prior written approval of at least seventy-five percent (75%) of Institutional Mortgagees, based on one (1) vote for each First Mortgage held, neither the Association nor the Members shall be entitled to do any of the following:

15.6.1 dissolve the Association or abandon or terminate the maintenance of the Common Areas by the Association; and

15.6.2 amend a material provision of this Declaration or the Bylaws, provided that "material amendment" shall mean amendments governing the following subjects:

- (a) the fundamental purpose for which the Development was created (such as a change from industrial use to a different use);
- (b) voting;
- (c) Assessments, Assessment liens, and subordination thereof;
- (d) the reserve for repair and replacement of the Common Areas;
- (e) property maintenance obligations;
- (f) casualty, fidelity and liability insurance;
- (g) reconstruction in the event of damage or destruction;
- (h) rights to use the Common Areas;
- (i) annexation;
- (j) any provision, which by its terms is specifically for the benefit of First Mortgagees or specifically confers rights of First Mortgagees;
- (k) restrictions on the leasing of Lots;
- (l) decisions to terminate professional management and assume self-management of the Covered Property; or



(m) Abandon, partition, sell, alienate, subdivide, release, transfer, hypothecate or otherwise encumber the Common Areas; provided, however, the granting of easements for public utilities or other public purposes consistent with the intended use of the Common Areas shall not require such approval.

15.7 Other Rights of Institutional Mortgagees. Any Institutional Mortgagee or its mortgage servicing contractor shall, upon written request to the Association, be entitled to:

15.7.1 inspect the books and records of the Association during normal business hours;

15.7.2 receive the annual audited financial statements of the Association one hundred and twenty (120) days following the end of the Association's fiscal year;

15.7.3 receive written notice of all annual and special meetings of the Members of the Board, and Institutional Mortgagees shall further be entitled to designate a representative to attend all such meetings in order to, among other things, draw attention to violations of this Declaration which have not been corrected or made the subject of remedial action by the Association; provided, however, nothing contained in this Section shall give an Institutional Mortgagee the right to call a meeting of the Board or of the Members for any purpose or to vote at any such meeting; and

15.7.4 receive written notification from the Association of any default in the performance of the obligations imposed by this Declaration by the Owner whose Lot is encumbered by such Institutional Mortgagee's Mortgage, which default has not been cured within sixty (60) days of a request therefor by the Association; provided, however, the Association shall only be obligated to provide such notice to Institutional Mortgagees who have delivered a written request therefor to the Association specifying the Lot or Lots to which such request relates.

15.8 Mortgagees Furnishing Information. Mortgagees are hereby authorized to furnish information to the Board concerning the status of any Mortgage.

15.9 Right of First Refusal. In the event this Declaration is amended to provide for any right of first refusal to purchase or lease a Lot in the Association, a Mortgagee who comes into possession of a Lot pursuant to a judicial foreclosure, a deed in lieu of foreclosure or a trustee's sale shall be exempt therefrom. In addition, conveyances to and from third party foreclosure purchasers and mortgage insurers and guarantors shall also be exempt.

15.10 Conflicts. In the event of any conflict between any of the provisions of this Article and any of the other provisions of this Declaration, the provisions of this Article shall control.

15.11 Voting Rights of Institutional Mortgagees. In the event of a default by an Owner in any payment due under the terms of any Institutional Mortgage held by an Institutional Mortgagee or the promissory note secured thereby, the Institutional Mortgagee or its representative shall have the right, upon giving written notice to such defaulting Owner and the Association and placing of record a notice of default, to exercise the voting rights of such defaulting Owner attributable to such Lot at any regular or special meeting of the Members held during such time as such default may continue. Any such Owner's voting rights shall be restored to him at such time as such default is cured.

15.12 Notice of Destruction or Taking. In the event that any Common Areas, or any portion thereof, is substantially damaged or is made the subject of any condemnation proceeding in eminent domain or is otherwise sought to be acquired by a condemning authority, the Board shall promptly notify any Institutional Mortgagee affected by such destruction, taking or threatened taking. As used herein, "substantially damaged" or "taking" shall mean damage or taking exceeding Ten Thousand Dollars



(\$10,000). If requested in writing by an Institutional Mortgagee, the Association shall evidence its obligations under this Section in a written agreement in favor of such Institutional Mortgagee.

15.13 Payment of Taxes or Premiums by Institutional Mortgagees. Institutional Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Areas, unless such taxes or charges are separately assessed against the Owners, in which case the rights of Institutional Mortgagees shall be governed by the provisions of their Mortgages. Institutional Mortgagees may, jointly or singly, also pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for the Common Areas and Institutional Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association. Entitlement to such reimbursement shall be reflected in an agreement in favor of any Institutional Mortgagee which requests the same to be executed by the Association.

ARTICLE XVI. INTEGRATED NATURE OF THE COVERED PROPERTY

16.1 Development of the Covered Property. Declarant intends to sequentially develop the Annexation Property on a phased basis; provided, however, Declarant may elect not to develop all or any part of such real property, to annex such real property to this Declaration in increments of any size whatsoever, or to develop more than one such increment at any given time and in any given order. Moreover, Declarant reserves the right to subject all or any portion of the Annexation Property to the plan of this Declaration or one or more separate declarations of covenants, conditions and restrictions which subjects said property to the jurisdiction and powers of an association or other entity with powers and obligations similar to the Association and which is not subject to the provisions of this Declaration. Although Declarant shall have the ability to annex the Annexation Property as provided in this Article, Declarant shall not be obligated to annex all or any portion of such property, and such property shall not become subject to this Declaration unless and until a Supplemental Declaration shall have been so executed and recorded. The Owners of any property annexed to this Declaration shall have the right to the same access, use, and enjoyment of the Common Areas, including all easement rights thereto, as if such annexed property was part of the Phase I Property. Notwithstanding any other provision herein, Declarant shall have the unilateral right to annex neighboring properties into this Declaration and/or establish reciprocal easements and/or other rights for such properties and the owners thereof. Nothing herein is intended or shall be applied to reduce or materially affect any Owner's use or enjoyment of such Owner's Lot.

16.2 Supplemental Declarations. A Supplemental Declaration shall be a writing in recordable form which annexes real property to the plan of this Declaration and which incorporates by reference some or all of the covenants, conditions, restrictions, easements and other provisions of this Declaration and shall contain such other provisions as set forth in this Declaration relating to Supplemental Declarations. Such Supplemental Declarations contemplated above may contain such complementary additions and modifications of the covenants, conditions and restrictions contained in this Declaration (i) as may be necessary to reflect the different character, if any, of the Annexation Property, (ii) as may be required by any governmental authorities, (iii) as deemed appropriate by Declarant, or (iv) as may be appropriate in the development of the Annexation Property. Notwithstanding the foregoing, in the event of any direct conflict between the terms of any Supplemental Declaration and the terms of this Declaration, the terms of this Declaration shall control.

16.3 Annexation Without Approval and Pursuant to General Plan. All or any part of the Annexation Property may be annexed to and become subject to this Declaration and subject to the jurisdiction of the Association without the approval, assent or vote of the Association or its Members, provided that a Supplemental Declaration covering the portion of the Annexation Property to be annexed, shall be executed and recorded by Declarant in the Official Records. The recordation of said Supplemental Declaration shall constitute and effectuate the annexation of the said real property described therein, making said real property subject to this Declaration and subject to the functions, powers and jurisdiction of the Association, and thereafter said annexed real property shall be part of the



Covered Property and all of the Owners of Lots in said annexed real property shall automatically be Members.

16.4 Annexation Pursuant to Approval. Upon approval in writing of the Association, pursuant to a two-thirds (2/3) majority of the voting power of the Association residing in Members other than Declarant, any person who desires to add real property, other than the Annexation Property to the plan of this Declaration and to subject such property to the jurisdiction of the Association, may file of record a Supplemental Declaration. The provisions of this Section shall also apply to the Annexation Property subsequent to the expiration of the power of Declarant to annex such property without the approval of the Members as provided in this Article. The certificate of the President and the Secretary of the Association attached to any Supplemental Declaration recorded pursuant to this Section certifying that the required two-thirds (2/3) majority of the voting power of the Association residing in Members other than Declarant has approved the recordation of such Supplemental Declaration shall be deemed conclusive proof thereof.

16.5 Mergers or Consolidations. Upon a merger or consolidation of the Association with another association which merger or consolidation must be approved by two-thirds (2/3) of each class of Members, the Association's properties, rights and obligations may, by operation of law, be transferred to the surviving or consolidated association, or, alternatively, the properties, rights and obligations of another association may, by operation of the law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants, conditions and restrictions established by this Declaration within the Covered Property, together with the covenants, conditions and restrictions established upon any other property as one plan.

16.6 De-Annexation. Any portion of the Phase I Property or any property annexed to the Covered Property by the Declarant, in accordance with the provisions of this Declaration, may be removed by Declarant as a portion of the Covered Property and from the jurisdiction of this Declaration and the Association at any time by the recordation in the Official Records of an appropriate Declaration of Removal, provided that such removal shall take place before any Lot within the Phase I Property, or any Lot in the annexed parcel, as applicable, has been sold to a Retail Purchaser. Any property which is removed by Declarant may be annexed, at a future date, to the Covered Property in accordance with the provisions of this Declaration.

ARTICLE XVII. GENERAL PROVISIONS

17.1 Enforcement. The Association, or any Owner, shall have the right to enforce by proceedings at law or in equity, all restrictions, conditions, covenants and reservations, now or hereafter imposed by the provisions of this Declaration or any amendment thereto, including the right to prevent the violation of any such restrictions, conditions, covenants, or reservations and the right to recover damages or Assessments for such violation. The Association, or any Owner, shall also have the right to enforce by proceedings at law or in equity the provisions of the Articles or Bylaws and any amendments thereto. With respect to architectural control and Association Rules, the Association shall have the exclusive right to the enforcement thereof unless the Association refuses or is unable to effectuate such enforcement, in which case any Owner who otherwise has standing shall have the right to undertake such enforcement. With respect to Assessment liens, the Association shall have the exclusive right to the enforcement thereof.

17.2 No Waiver. Failure by the Association or by any Member to enforce any covenant, condition, or restriction herein contained, or the Articles, Bylaws or Association Rules, in any certain instance or on any particular occasion shall not be deemed a waiver of such right on any such future breach of the same or any other covenant, condition or restriction.



17.3 Cumulative Remedies. All rights, options and remedies of Declarant, the Association, Owners, or Mortgagees under this Declaration are cumulative, and not one of them shall be exclusive of any other, and Declarant, the Association, Owners, and Mortgagees shall have the right to pursue any one or all of such rights, options and remedies or any other remedy or relief which may be provided by law, whether or not stated in this Declaration.

17.4 Severability. Invalidation of any one or a portion of these covenants, conditions or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

17.5 Covenants to Run with the Land; Term. The covenants, conditions and restrictions of this Declaration shall run with and bind the Covered Property and shall inure to the benefit of and be enforceable by the Association or any Owner, their respective legal representatives, heirs, successors and assigns, for a term of sixty (60) years from the date this Declaration is recorded, after which time said covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years, unless an instrument, signed by a majority of the then Owners and seventy-five percent (75%) of the Institutional Mortgagees, based on one (1) vote for each First Mortgage held, has been recorded at least one (1) year prior to the end of any such period, agreeing to terminate said covenants, conditions and restrictions in whole or in part.

17.6 Sale or Title Transfer. Any Owner, prior to the sale or transfer of his interest, must provide the prospective purchaser with a copy of (1) this Declaration, (2) the Bylaws, (3) the Articles, (4) the most recent financial statements, and (5) a statement from an authorized representative of the Association listing all unpaid Assessments and charges against the interest being sold. The Association shall provide any Owner with a copy of the items listed in the preceding sentence within ten (10) days of receiving a written request. The Association's fee for this service shall not exceed the cost of providing these items. The Association shall not collect any fee in connection with any transfer of title except the Association's actual costs to change records.

17.7 Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a plan for the development of an industrial/commercial community or tract and for the maintenance of the Covered Property. The Article and Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.

17.8 Singular Includes Plural. Whenever the context of this Declaration requires same, the singular shall include the plural and the masculine shall include the feminine and the neuter.

17.9 Nuisance. The result of every act or omission, whereby any provision, condition, restriction, covenant, easement, or reservation contained in this Declaration is violated in whole or in part, is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance, either public or private, shall be applicable against every such result, and may be exercised by the Association or any Member. Such remedy shall be deemed cumulative and not exclusive.

17.10 Attorneys' Fees. In the event action is instituted to enforce any of the provisions contained in this Declaration, the party prevailing in such action shall be entitled to recover from the other party thereto as part of the judgment, reasonable attorneys' fees and costs of such suit (including post-judgment attorneys' fees and costs).

17.11 Notices. Any notice to be given to an Owner, the Association, or a Mortgagee or mortgage servicing contractor under the provisions of this Declaration shall be in writing and shall be deemed to have been given upon (i) hand delivery, (ii) one (1) Business Day after being deposited with Federal Express or another reliable overnight courier service for next day delivery, (iii) upon facsimile transmission (except that if the date of such transmission is not a Business Day, then such notice shall be



deemed to be given on the first Business Day following such transmission), or (iv) two (2) Business Days after being deposited in the United States mail, registered or certified mail, postage prepaid, return-receipt requested, and addressed as follows:

17.11.1 If to an Owner: to the most recent address furnished by such Owner in writing to the Association for the purpose of giving notice, or if no such address shall have been furnished, then to the street address of such Owner's Lot. In the case of co-Owners, any such notice may be delivered or sent to any one (1) of the co-Owners on behalf of all co-Owners and shall be deemed delivery on all such co-Owners;

17.11.2 If to the Association: to the address furnished by the Association or the address of its principal place of business;

17.11.3 If to a Mortgagee or its mortgage servicing contractor: to the address furnished to the Association by such Mortgagee or such contractor for the purposes of notice or, if no such address is furnished, to any office of the Mortgagee in the County, or if no such office is located in the County, to any office of such Mortgagee; and

17.11.4 If to Declarant: to Desert Business Park, L.L.C., c/o Investco Financial Corporation, 1302 Puyallup Street, Suite A, Sumner, WA 98390, or to such other address furnished by Declarant in writing to the Association for the purpose of giving notice.

The affidavit of an Officer or authorized agent of the Association declaring under penalty of perjury that a notice has been mailed to any Owner or Owners, to any Mortgagee or Mortgagees shown on the records of the Association, shall be deemed conclusive proof of such mailing, whether or not such notices are actually received.

17.12 Obligations of Declarant. So long as Declarant owns any portion of the Development, Declarant shall not be subject to the provisions of the Article entitled "Architectural Control" or the provisions of the Article entitled "Use Restrictions" to the extent necessary to exercise Declarant's rights and fulfill Declarant's duties with regard to the development and disposal of the Covered Property.

17.13 Effect of Declaration. This Declaration is made for the purposes set forth in the Recitals to this Declaration and Declarant makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portion of this Declaration, or as to the compliance of any of these provisions with public laws, ordinances and regulations applicable thereto.

17.14 Personal Covenant. To the extent the acceptance of a conveyance of a Lot creates a personal covenant between the Owner of such Lot and Declarant or other Owners, such personal covenant shall terminate and be of no further force or effect from and after the date when a person or entity ceases to be an Owner except to the extent this Declaration may provide otherwise with respect to the payment of money to the Association.

17.15 Non-liability of Officials. To the fullest extent permitted by law, neither the Board, the Architectural Committee, any other committees of the Association, or any member of such Board or committee, shall be liable to any Member of the Association for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval of plans or specifications (whether or not defective), course of action, act, omission, error, negligence or the like, made in good faith within which such Board, committees or persons reasonably believed to be the scope of their duties.

17.16 Leases. Any agreement for the leasing or rental of a Lot (hereinafter in this Section referred to as a "Lease") shall provide that the terms of such Lease shall be subject in all respects to the provisions of this Declaration, the Articles, the Bylaws, and the Association Rules. Said Lease shall further provide that any failure by the lessee thereunder to comply with the terms of the foregoing



documents shall be a default under the Lease. All Leases shall be in writing. Any Owner who shall lease his Lot shall be responsible for assuring compliance by such Owner's lessee with this Declaration, the Articles, the Bylaws and the Association Rules. Notwithstanding the failure of an Owner either to include such provisions in the Lease or to enter into a written lease, the tenant shall be deemed to have entered into such tenancy subject to the provisions of this Section. No Lot shall be leased for transient purposes, which shall be defined as rental for any period less than thirty (30) days.

17.17 Construction by Declarant. Nothing in this Declaration shall limit the right of Declarant to alter the Common Areas or Lots, or to construct such additional improvements as Declarant deems advisable prior to completion of improvements upon and the sale of the entire Development. Such right shall include but shall not be limited to erecting, constructing and maintaining on the Covered Property such structures and displays as may be reasonably necessary for the conduct of the business of completing the work and disposing of the same by sale, lease or otherwise. This Declaration shall not limit the right of Declarant at any time prior to acquisition of title by a purchaser from Declarant to establish on the Covered Property additional licenses, reservations and rights-of-way to itself, to utility companies, or to others as may from time to time be reasonably necessary to the proper development and disposal of the Development. Declarant reserves the right to alter its construction plans and designs as it deems appropriate. The rights of Declarant hereunder may be assigned to any successor or successors to all or part of said entity's respective interest in the Development, by an express assignment incorporated in a recorded deed, lease, or other instrument, as the case may be, transferring such interest to such successor.

17.18 Right to Cure Alleged Defects. It is the Declarant's intent that the Common Area, each Lot, and all improvements constructed on the Covered Property, be built in compliance with all applicable building codes and ordinances and that they be of a quality that is consistent with good construction and development practices for production housing of the type contemplated for the Development. Nevertheless, due to the complex nature of construction and the subjectivity involved in evaluating such quality, disputes may arise as to whether a defect exists and the Declarant's responsibility therefor. It is the Declarant's intent to resolve all disputes and claims regarding "Alleged Defects" (as defined below) amicably, and without the necessity of time consuming and costly litigation. Accordingly, the Association, the Board and all Owners shall be bound by the following claim resolution procedure:

17.18.1 Right to Cure. In the event that the Association, Board or any Owner or Owners (collectively, "Claimant") claims, contends or alleges that any portion of the Common Area, any Lot, and/or any improvements constructed on the Covered Property by Declarant are defective or that Declarant was negligent in the planning, design, engineering, grading, construction or other development thereof (collectively, an "Alleged Defect"), Declarant hereby reserves the right to inspect, repair and/or replace such Alleged Defect as set forth herein; provided, however, nothing herein is intended nor shall be applied to create any obligation of Declarant.

17.18.2 Notice. In the event that a Claimant discovers any Alleged Defect, Claimant shall notify the Declarant, in writing, within fifteen (15) days of discovery of the Alleged Defect, of the specific nature of such Alleged Defect and such other matters as required by applicable law ("Notice of Alleged Defect").

17.18.3 Right to Enter, Inspect, Repair, and/or Replace. Within a reasonable time after the receipt by Declarant of a Notice of Alleged Defect or the independent discovery of any Alleged Defect by Declarant, as part of Declarant's reservation of rights, Declarant shall have the right, upon reasonable notice to Claimant and during normal business hours, to enter onto or into, as applicable, the Common Area, any Lot, including any structures, warehouses, units, or other improvements constructed thereon, for the purposes of inspecting and, if deemed necessary by Declarant, repairing and/or replacing such Alleged Defect. In conducting such inspection, repairs and/or replacement, the Declarant shall be entitled to take any actions as it shall deem reasonable and necessary under the circumstances. In the event Declarant elects to repair or replace such Alleged Defect, such shall serve as the Claimant's sole and exclusive remedy for such Alleged Defect.



17.18.4 Legal Actions. All legal actions initiated by a Claimant shall be brought in accordance with and subject to the express terms of this Declaration. In the event a Claimant initiates any legal action, cause of action, proceeding, reference or arbitration against Declarant alleging damages (1) for the costs of repairing or the replacement of any Alleged Defect, (2) for the diminution in value of any real or personal property resulting from such Alleged Defect, or (3) for any consequential damages resulting from such Alleged Defect, any judgment or award in connection therewith shall first be used to correct and or repair such Alleged Defect or to reimburse the Claimant for any costs actually incurred by such Claimant in correcting and/or repairing the Alleged Defect. In the event the Claimant is the Association, the Association must provide written notice to all Members of its intent to pursue any legal action, cause of action, proceeding, reference or arbitration against Declarant. Thereafter, prior to initiating any legal action, cause of action, proceeding, reference or arbitration against Declarant, such action must be approved by a majority of the voting power of the Association. The foregoing notice shall, at a minimum, include (1) a description of the Alleged Defect, (2) a description of the attempts of the Declarant to correct such Alleged Defect and the opportunities provided to Declarant to correct such Alleged Defect, (3) a certification from an engineer licensed in the State of California that such Alleged Defect exists along with a description of the scope of work necessary to cure such Alleged Defect and a resume of such engineer, (4) the estimated cost to repair such Alleged Defect, (5) the name and professional background of the attorney retained by the Association to pursue the claim against Declarant and a description of the relationship between such attorney and any members of the Board (if any), (6) a description of the fee arrangement between such attorney and the Association, (7) the estimated attorneys' fees and expert fees and costs necessary to pursue the claim against Declarant and the source of the funds which will be used to pay such fees and expenses, (8) the estimated time necessary to conclude the action against Declarant, and (9) an affirmative statement from the Board that the action is in the best interests of the Association and its Members. In the event the Association recovers any funds from Declarant (or any other Person) to repair an Alleged Defect, any excess funds remaining after repair of such Alleged Defect shall be paid into the Association's reserve fund.

17.18.5 No Additional Obligations; Irrevocability and Waiver of Right. Nothing set forth in this Section shall be construed to impose any obligation on Declarant to inspect, repair or replace any item or Alleged Defect for which Declarant is not otherwise obligated to do under applicable law or any limited warranty provided by Declarant in connection with the sale of the Lots and/or the improvements constructed thereon. The right of Declarant reserved hereby to enter, inspect, repair, and/or replace, shall be irrevocable and may not be waived or otherwise terminated except by a writing, in recordable form, executed and recorded by Declarant in the Official Records.

17.18.6 Scope of Duties. The duties of the Owners and the Association set forth in this Section shall be in addition to all duties imposed by California Civil Code Sections 1368.4 and 1375, as the same may be amended from time to time.

17.19 Amendments. This Declaration may be amended as follows:

17.19.1 notwithstanding any other provisions of this Declaration, but subject to Section 17.28.1 below, Declarant reserves the right at any time to unilaterally make certain amendments to this Declaration, including any exhibits attached hereto, to amend same to add any necessary easements and/or use rights consistent with the overall development of the Covered Property, and to make technical corrections, correct errors or omissions, or more precisely describe the actual sizes and locations of the areas or improvements described herein including, without limitation, such adjustments to Lot lines, Common Area boundaries and/or any other matters as necessary to accommodate minor encroachments of improvements in, to, over, or across any Lot or Common Area, and each Owner by acceptance of a grant deed to its Lot, acknowledges, accepts, and takes subject to the possibility of such possible adjustments. Declarant shall effect such changes by preparing or causing to be prepared, and recording or causing to be recorded, a declaration in a form determined by Declarant or as part of any Supplemental Declaration;



17.19.2 notwithstanding any other provisions of this Declaration, but subject to Section 17.28.1 below, at any time prior to the third (3rd) anniversary of the Initial Sale Date, Declarant may unilaterally amend this Declaration by recording a written instrument which effects the amendment and is signed and acknowledged by Declarant. Notwithstanding any other provisions of this Declaration, at any time prior to the first (1st) anniversary of the recordation of a particular Supplemental Declaration, Declarant may unilaterally amend such Supplemental Declaration by recording a written instrument which effects the amendment and is signed and acknowledged by Declarant;

17.19.3 until such time as there is a Class A membership pursuant to this Declaration, amendments or modifications shall be effective when executed by Declarant and when recorded in the Official Records of the County. Thereafter, subject to Declarant's rights to unilaterally amend this Declaration as provided herein, as long as there is a Class B membership, any amendments shall require the affirmative written consent or vote of a majority of a quorum of the voting power of the Association. After the Class B membership has been converted to Class A membership, amendments to this Declaration may be enacted only by the vote or written assent of Members representing both a majority of a quorum of the voting power of the Association and a majority of a quorum of the voting power of the Association residing in Members other than the Declarant;

17.19.4 in addition to the foregoing, any amendment or modification of the Articles hereof entitled "Covenant for Maintenance Assessments," "Nonpayment of Assessments," "Architectural Control," "Repair and Maintenance," "Destruction of Improvements" and "Eminent Domain" shall additionally require the prior written approval of not less than sixty-seven percent (67%) of a quorum of the Class A Members;

17.19.5 an amendment or modification that requires the vote and written assent of the Members as hereinabove provided shall be effective when executed by the President and Secretary of the Association who shall certify that the amendment or modification has been approved as hereinabove provided, and when recorded in the Official Records. The notarized signature of the Members shall not be required to effectuate an amendment of this Declaration;

17.19.6 notwithstanding the foregoing, any provisions of this Declaration, or the Articles, Bylaws or Association Rules which expressly requires the approval of a specified percentage of the voting power of the Association for action to be taken under said provision can be amended only with the affirmative vote or written assent of not less than the same percentage of the voting power of the Association;

17.19.7 notwithstanding the foregoing, any amendment or modification which impacts any of the rights of Declarant contained herein shall not be effective unless approved by Declarant; and

17.19.8 the Association, or any Owner, may petition the County superior court for an order reducing the percentage of the affirmative votes necessary to amend this Declaration. The petition shall describe the effort that has been made to solicit approval of the Association members in the manner provided in this Declaration. The Petition shall also describe the number of affirmative and negative votes actually received, the percentage of affirmative votes required to effect the amendment in accordance with this Declaration, and other matters the petitioner considers relevant to the court's determination. The petition shall also contain as exhibits thereto, copies of all of the following: (1) the governing documents, (2) a complete text of the amendment, (3) copies of solicitation and notice materials utilized in the solicitation of owner approvals, (4) a short explanation of the reason for the amendment, and (5) any other documentation relevant to the court's determination.



17.20 Alternative Dispute Resolution. In the event of a dispute between or among (a) Declarant and any Owner(s) or the Association, or (b) any Owner and another Owner, or (c) the Association and any Owner, regarding any controversy or claim between the parties, including, without limitation, any claim based on contract, tort, or statute, arising out of or relating to the rights or duties of the parties under this Declaration or the design or construction of the Development (excluding disputes relating to the payment of any type of Assessments), the matter will be heard by a referee pursuant to the provisions of the California Code of Civil Procedure, Sections 638-645, inclusive.

17.21 Limitation on Expenditures. The Association shall not incur litigation expenses, including, without limitation, attorneys' fees, where the Association initiates legal proceedings or is joined as a plaintiff in legal proceeding, without the approval of a majority of the voting power of the Association, excluding the voting power of any Owner who would be a defendant in such proceedings. Such approval shall not be necessary if the legal proceedings are initiated to (i) enforce the restrictions contained in Article XI hereof, (ii) enforce the architectural control provisions contained in Article V hereof, or (iii) collect any unpaid Assessments levied pursuant to this Declaration.

17.22 Limitation on Damages. Any judgment for money damages entered pursuant to this Declaration shall be strictly limited to compensatory damages for injury to Persons and property, which compensatory damages shall exclude all damages for pain, suffering, and other non-economic damages. In addition, under no circumstances shall punitive damages be permitted. Any provision of this Declaration to the contrary notwithstanding, no portion of this Section may be amended or deleted at any time without Declarant's prior written consent.

17.23 No Representations or Warranties. No representations or warranties of any kind, express or implied, have been given or made by Declarant in connection with the Covered Property, or any portion thereof, its physical condition, zoning, compliance with applicable laws, fitness for intended use, or in connection with the subdivision, sale, operation, maintenance, cost of maintenance, or taxes or regulation thereof, except as expressly set forth in this Declaration.

17.24 Enforcement by County of Riverside. The covenants, conditions and restrictions of this Declaration shall run to the County insofar as they shall apply to the maintenance of the Common Area. In the event the Association or other legally responsible person(s) fail to maintain the Common Area in such a manner as to cause the Common Area to constitute a public nuisance, the County may, upon proper notice and hearing, institute summary abatement procedures and impose a lien for the costs of such abatement upon the Common Area, individual Lots or the whole thereof as provided by law.

17.25 Applicability of Governmental Regulation. The covenants, conditions and restrictions contained herein are separate and distinct from any zoning building or other law, ordinance rule or regulation of the County or any other governmental authority having jurisdiction over the Covered Property, which law, ordinance, rule or regulation now or in the future may contain different requirements from or in addition to those contained herein or which may prohibit uses permitted herein or permit uses prohibited herein. In the event of any conflict between the provisions hereof and the provisions of any such law, ordinance, rule or regulation, the Owner must first comply with all governmental laws, ordinances, rules or regulations and then, to the extent same are not in conflict with such governmental laws, ordinances, rules or regulations, the Owner must comply with those covenants, conditions and restrictions. Upon a finding that compliance herewith would result in such a violation, the Architectural Committee shall waive any such covenant, condition or restrictions to the extent that compliance therewith would result in such a violation, and, in connection therewith, the Architectural Committee may impose such conditional, additional, or alternative non-conflicting covenants, conditions and restrictions as may be necessary to carry out the intent of this Declaration.

17.26 Compliance With Del Webb Restrictions. Each Owner, by acceptance of a deed to such Owner's Lot, acknowledges that, in addition to being subject and bound by the restrictions and obligations contained in this Declaration, all Owners are subject to and bound by the restrictions and obligations



contained in the Del Webb Restrictions, and that each Owner's compliance with or performance of the restrictions and obligations contained herein will not be in lieu of complying with or performing the restrictions and obligations contained in the Del Webb Restrictions. In the event of any conflict between the terms of this Declaration and the terms of the Del Webb Restrictions, the terms of the Del Webb Restrictions shall control.

17.27 No Third Parties Benefited. No Owner (other than Declarant) nor any of the tenants or other occupants of the Covered Property shall have the right to authorize, license or permit the use of the Common Areas for the benefit of any real property other than the Covered Property. Nothing herein contained shall be deemed to be a gift or dedication of any portion of the Covered Property to the general public or for the general public or for any public purposes whatsoever, it being the intention of Declarant that this Declaration shall be strictly limited to and for the purposes herein expressed. The right of the public or any person to make any use whatsoever of the Covered Property or of any portion or portions thereof is by permission, and subject to control of the Owners. Notwithstanding any other provisions herein to the contrary, Declarant may periodically restrict ingress to and egress from the Covered Property as may reasonably be required to prevent a prescriptive easement from arising by reason of continued public use, so long as such restriction does not materially and adversely impact any access, ingress and egress to and from any Lot(s) within the Covered Property.

17.28 Riverside County Conditions. The following provisions for the express benefit of the County are required to be contained herein pursuant to those certain conditions of approval issued by the County. In the event of any conflict between the following provisions and any similar provisions contained elsewhere in this Declaration, the following provisions shall control:

17.28.1 Notwithstanding any provision in this Declaration to the contrary, the following provisions shall apply:

(a) The Association established herein shall manage and continuously maintain the Common Area more particularly described on Exhibit "C" attached hereto, and shall not sell or transfer the Common Area or any part thereof, absent the prior written consent of the Planning Department of the County of Riverside or the County's successor-in-interest.

(b) The Association shall have the right to assess the Owners of each individual parcel for the reasonable cost of maintaining such Common Area, and shall have the right to lien the property of any such Owner who defaults in the payment of a maintenance assessment. An assessment lien, once created, shall be prior to all other liens recorded subsequent to the notice of assessment or other document creating the assessment lien.

(c) This Declaration shall not be terminated, "substantially" amended, or property deannexed therefrom absent prior written consent of the Planning Director of the County of Riverside or the County's successor-in-interest. A proposed amendment shall be considered "substantial" if it affects the extent, usage, or maintenance of the Common Area or any reciprocal easement established pursuant to this Declaration.

(d) In the event of any conflict between this Declaration and the Articles, Bylaws or the Association Rules, if any, this Declaration shall control.

ARTICLE XVIII. ANNUAL INSPECTION

18.1 Duty to Inspect. It shall be the duty of the Board to have the Common Areas inspected at least once every three (3) years.

18.2 Purpose of Inspection. The purpose of the inspection shall be to (i) determine whether the Common Areas are being maintained adequately in accordance with the standards of maintenance



established herein, (ii) identify the condition of the Common Areas and any improvements thereon including the existence of any hazards or defects, and the need for performing additional maintenance, refurbishment, replacement, or repair, and (iii) recommend preventive actions which may be taken to reduce potential maintenance costs to be incurred in the future.

18.3 Scope of Inspection. All of the Common Areas and improvements thereon including, but not limited to, the exterior and structural integrity of all structures, gates, walls, walkways, irrigation systems, landscaping, and drainage devices shall be inspected.

18.4 Experts and Consultants. The Board may employ such experts and consultants as are necessary to perform the inspection and make the report required by this Article.

18.5 Report to Owners. The Board shall have a report of the results of the inspection of the Common Areas required by this Article prepared. The report shall be furnished to Owners within a reasonable time after same is completed. The report shall, at a minimum, include the following:

18.5.1 a description of the condition of the Common Areas, including a list of items inspected, and the status of maintenance, repair and need for replacement of all such items;

18.5.2 a description of all maintenance, repair and replacement planned for the ensuing fiscal year;

18.5.3 if any maintenance, repair or replacement is to be deferred, the reason for such deferral;

18.5.4 a summary of all reports of inspections performed by any expert or consultant employed by the Board to perform inspections;

18.5.5 a report of the status of compliance with the maintenance, replacement and repair needs set forth in the inspection report for preceding years; and

18.5.6 such other matters as the Board deems appropriate.

ARTICLE XIX. DECLARANT RIGHTS

19.1 Power of Attorney. Each Owner (including the Association), by accepting a deed to any Lot, shall be deemed to have constituted and irrevocably appointed, for himself (itself) and each of his Mortgagees, optionees, grantees, licensees, trustees, receivers, lessees, tenants, judgment creditors, heirs, legatees, devisees, administrators, executors, legal representatives, successors and assigns, whether voluntary or involuntary, for a period of ten (10) years from the date of the recording of this Declaration, Declarant as his Attorney-in-Fact and thereby to have conveyed a Power of Attorney coupled with an interest to Declarant as his (its) Attorney-in-Fact to do the following:

19.1.1 To prepare or cause to be prepared, execute, acknowledge, file or cause to be filed for approval and file or record or cause to be filed or recorded any map, certificate or record of survey or amendment to an existing map, certificate or record of survey required or permitted by the provisions of the Subdivision Map Act of the State of California in effect on the date of recordation of this Declaration and as thereafter amended and any ordinances, rules and regulations of any governmental entities and authorities having jurisdiction over the Development in effect on the date of recordation of this Declaration and as thereafter enacted or amended, or which may be required or permitted by any title insurer and in connection therewith, to perform all conditions, undertake any obligations and execute all agreements and documentation required or permitted by any federal, state and local governmental entities and authorities; to appear before any such



governmental entities and authorities; and execute, acknowledge and deliver any improvement agreements and bonds and post deposits securing the performance of any such conditions and obligations.

19.1.2 To prepare or cause to be prepared, execute, acknowledge and file or cause to be filed for approval, any application for zoning or setback changes or variance or special use permits or any other permits and/or reports required or permitted by laws of the State of California in effect on the date of recordation of this Declaration and as thereafter enacted or amended and any ordinances, rules and regulations of any governmental entities and authorities having jurisdiction over the Development in effect on the date of recordation of this Declaration and as thereafter enacted or amended and, in connection therewith, to perform all conditions, undertake any obligations and execute all agreements and documentation required or permitted by any federal, state and local governmental entities and authorities; to appear before any such governmental entities and authorities; and to execute and deliver any improvement agreements and bonds and post deposits securing the performance of any such conditions and obligations.

19.1.3 To make application for any property reports or public reports or amendments thereto or exceptions from the requirements therefor required or permitted in order to comply with federal and state statutes, rules and regulations relating to the sale, lease, transfer or other disposition of subdivided lands to the public and, in connection therewith, to perform all conditions, undertake any obligations and execute all agreements and documentation required or permitted by any federal, state and local governmental entities and authorities; to appear before any such governmental entities and authorities; and to execute and deliver any agreements and bonds securing the performance of the obligations contained therein.

19.1.4 To deliver any public reports or property reports, or amendments thereto, obtain receipts and offer and administer rescission rights required by law.

19.1.5 To prepare or cause to be prepared, execute, acknowledge, file or cause to be filed for approval, any registration or any application for any permit, approval, exemption, ruling or entitlement required or permitted pursuant to any law or regulation in effect as of the date of the recording of this Declaration and as thereafter enacted or amended by any federal, state and local governmental entities and authorities, and in connection therewith to perform all conditions, undertake any obligations and execute all agreements and documentation required or permitted by such governmental body and by any such laws and regulations; to appear before any such governmental bodies and to execute and deliver any agreement and bonds and post-deposits securing the performance of any such conditions and obligations; and do all other things now or hereafter permitted or required by any such governmental body and any such laws and regulations.

19.1.6 To prepare or cause to be prepared, execute, acknowledge and record or cause to be recorded any deeds, waivers, releases, reconveyances or other documentation which may be permitted or required to clear title to any Lots in the Development.

19.1.7 To prepare or cause to be prepared, execute, acknowledge and record or cause to be recorded in the Official Records any deeds, waivers, releases, reconveyances or other documentation which may be permitted or required to clear title to any property conveyed as provided herein, including, without limitation, to correct any errors or omissions in any deed or other instrument the purpose of which is to convey property as Common Area to the Association or any applicable public district.

19.1.8 To do any and all things necessary or desirable under the circumstances to effect and accomplish the purposes of this Article.



19.1.9 To (i) form and establish any district(s), and (ii) consent by vote or any other means to the formation, establishment, and/or operation of any such district(s) for the acquisition, maintenance, repair and/or ownership of all or any portion of the Common Areas. In connection therewith, Declarant may take the following actions with respect to such district(s):

- (a) The adoption of additional purposes or powers for such district(s);
- (b) The designation and/or redesignation of members of the Board of Directors of such district(s) upon such an office becoming vacant and an increase in the number of members of said Board of Directors;
- (c) The incurring of bonded indebtedness by the district(s) (subject to maximum limitations imposed by any lender), including, without limitation, the type of bonds, amount of bonded indebtedness, area of property taxed to repay such bonded indebtedness, and the issuance of new bonds to refund any or all outstanding district bonds;
- (d) The formation of improvement districts within such district(s) and the issuance of improvement bonds therefor;
- (e) Any annexation of territory to, or exclusion of territory from, an established improvement district within such district(s) where confirmation is required;
- (f) The establishment and determination of water standby or availability assessments, and delinquency charges for non-payment of such assessments or charges; and
- (g) The establishment and determination of zones within such district(s) of varying benefit (subject to maximum limitations imposed by any lender), including the establishment of different levels of taxation for properties within such zones, the issuance of bonded indebtedness on behalf of such zones, and the annexation to or exclusion from such zones of territories within such district(s).

19.1.10 To (i) convey or cause the conveyance of any Common Areas (including any Common Areas previously conveyed to the Association) to a district, (ii) negotiate for the option, sale, lease, transfer, or other disposition of all or any portion of any Common Areas, (iii) consummate agreements and execute and acknowledge any and all other documentation necessary or convenient to effect such transfer of disposition, (iv) add and/or modify any reserved rights, easements, and/or other interests affecting any conveyed Common Areas, and (v) receive and retain any and all direct and/or indirect consideration for such Common Areas.

19.2 Mortgage Interests to Take Subject to Power of Attorney. The acceptance or creation of any Mortgage whether voluntarily or involuntarily, and whether or not created in good faith and whether or not given for value, shall be deemed to be accepted and/or created subject to each of the terms and conditions of the Power of Attorney described in this Article.

19.3 Power of Attorney Binding on Successors in Interest. Each and all Owners and each of their respective mortgagees, grantees, licensees, trustees, receivers, lessees, tenants, judgment creditors, heirs, legatees, devisees, administrators, executors, legal representatives, successors and assigns, whether voluntary or involuntary, shall be deemed to have expressly agreed, assented and consented to each and all of the provisions of this Declaration and shall be deemed to have constituted and irrevocably appointed Declarant as his Attorney-in-Fact to carry out the powers described herein, and such Power of Attorney shall be deemed to continue to be coupled with an interest.



19.4 Assignment of Powers.

Declarant shall have the right, without obligation, to assign the non-exclusive rights to use all or any of the powers and privileges granted to Declarant hereunder. Such assignment shall be in writing, and may be on such terms and conditions as Declarant determines as to the powers and privileges assigned, their duration, and any other limitations on their use. In any event, no such assignment shall prevent Declarant from exercising any such powers or assigning such powers to additional Persons.

[Signatures on Following Page]



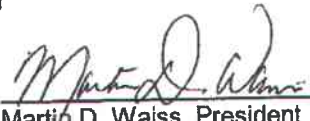
IN WITNESS WHEREOF, Declarant has caused this Declaration to be duly executed as of the day and year first above written.

DECLARANT:

Desert Business Park II L.L.C.,
DBP Investments, L.L.C.
DBP Partners L.L.C.
DBP Ventures, a California Partnership

By: Investco Financial Corporation, a
Washington corporation
Manager

By:



Martin D. Weiss, President

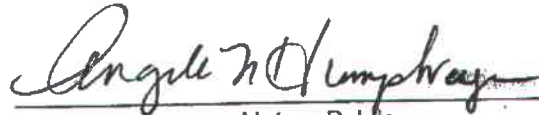


2006-0347510
05/12/2008 08:08A
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STATE OF Washington)
)
COUNTY OF Pierce) ss:

On May 11, 2006, before me, the undersigned, a Notary Public in and for said County and State, personally appeared **MARTIN D. WAISS**, personally known to me (or 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.

WITNESS my hand and official seal.



Notary Public



2006-0347510
05/12/2006 08:08A
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LIST OF EXHIBITS

Exhibit A-	Description of Covered Property
Exhibit B-	Voting Allocation Schedule
Exhibit C-	Description of Common Areas
Exhibit D-1	Intentionally Deleted
Exhibit D-2	Intentionally Deleted
Exhibit E-1-	Description of Frontage Zone
Exhibit E-2-	Depiction of Frontage Zone
Exhibit F-1-	Description of Special Zone
Exhibit F-2-	Depiction of Special Zone
Exhibit G-	Best Management Practices
Exhibit G-1	Location of Catch Basins
Exhibit G-2	Location of Water Quality Inlets
Exhibit H-	Wildcat Drive Access Easement
Exhibit I-	Driveway/Access Road Easements
Exhibit J-	Intentionally Deleted
Exhibit K-	Drainage Lots
Exhibit L-	Association Maintenance Areas



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05/12/2006 08:00A
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EXHIBIT "A"

DESCRIPTION OF COVERED PROPERTY

Tract No. 29715-1 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on July 9, 2002, in Map Book 202 at Pages 35 through 39, inclusive of Parcel Maps.

Tract No. 29715 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on May 13, 2004, in Map Book 208 at Pages 96 through 99, inclusive of Parcel Maps.



EXHIBIT A-1

SHEET 3 OF 5 SHEETS

IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

PARCEL MAP NO. 29715-1

BEING A DIVISION OF PARCELS 1 AND 2, ALONG WITH LOTS "A" AND "B" AS SHOWN ON PARCEL MAP 722, ON FILE IN BOOK 25, PAGES 28 AND 29 OF PARCELS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 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994, 995, 996, 997, 998, 999, 1000.

MAINIERO, SMITH AND ASSOCIATES, INC. MARCH 2001

ENVIRONMENTAL CONSTRAINT NOTE:
 ENVIRONMENTAL CONSTRAINTS AFFECTING THIS PARCEL MAP
 AS SHOWN ON THIS OFFICE OF THE RIVERSIDE COUNTY SURVEYOR
 IN S.C.S. BOOK PAGE



TO 1" U.S. FLUSH TAGGED
 REC. 2254, NO. 807
 PARCEL 1 OF PM 23/28-29
 REC. 2294

TO 1" U.S. FLUSH TAGGED
 REC. 2254, NO. 807
 PARCEL 1 OF PM 23/28-29
 REC. 2294

TO 1" U.S. FLUSH TAGGED
 REC. 2254, NO. 807
 PARCEL 1 OF PM 23/28-29
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TO 1" U.S. FLUSH TAGGED
 REC. 2254, NO. 807
 PARCEL 1 OF PM 23/28-29
 REC. 2294

ENGINEER'S NOTES

THE BASIS OF BEARING FOR THIS MAP IS THE CENTERLINE OF WASHINGTON STREET, TAKEN AS N 0°16'00" E PER TRACT MAP NO. 27090, ON FILE IN BOOK 23A, PAGES 27 THROUGH 36, OF MAPS, O.R.

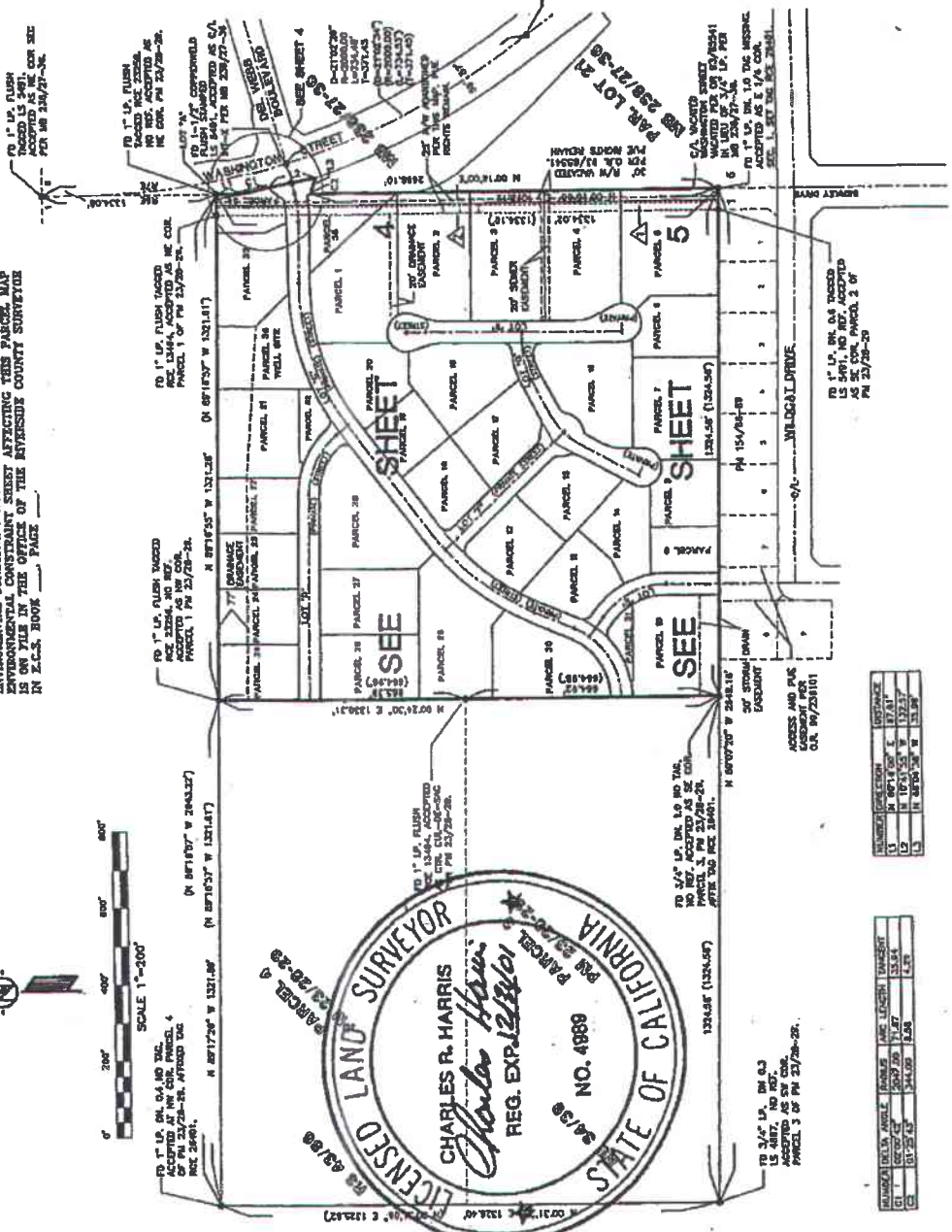
- INDICATES FOUND MONUMENT AS NOTED
- INDICATES SET 1" I.P. FLUSH TAGGED REC 26401, UNLESS NOTED OTHERWISE
- △ INDICATES SET 1-1/2" COPPERWELD MONUMENT STAMPED REC 26401, FLUSH COUNTY STD. TYPE "B" MONUMENT.
- (-) INDICATES RECORD DATA PER PM 23/28-29, UNLESS NOTED OTHERWISE.
- PUE INDICATES PUBLIC UTILITY EASEMENT
- C/L INDICATES CENTERLINE

SET LEAD AND TAC IN PERMANENT CONCRETE CURB AT PROLONGATION OF SIDE LOT LINES PROJECTED FRONTING ON PUBLIC AND PRIVATE STREETS. AT ALL BEAR CORNERS AND ANGLE POINTS SET PERMANENT CONCRETE LEAD AND TAG IN CONE. FOOTING OR FENCING IMPROVEMENTS TO BE SET PER REC. 26401. ALL MONUMENTS SET PER RIVERSIDE COUNTY STD 461.9

TOTAL GROSS AREA = 40.55 AC.

EASEMENT NOTES

- △ AN EASEMENT OF UNDEVELOPED WIDTH IN FAVOR OF SOUTHERN CALIFORNIA EDISON COMPANY INTEREST TO CALIFORNIA HELIX CORPORATION FOR POLE LINE PURPOSES PER INST. REC. 8/28/40 IN BK 47A, PG. 128, O.R.
- △ AN EASEMENT 25' X 50' IN FAVOR OF VERDON, SUCCESSOR TO GTE CALIFORNIA INCORPORATION PER INST. NO. 24718, REC. 6/27/2004, O.R.



CHARLES R. HARRIS
 LICENSED LAND SURVEYOR
 REG. EXP. 12/31/01
 NO. 4988
 STATE OF CALIFORNIA

PARCEL	AREA	PERCENTAGE
1	1.00	2.47
2	1.00	2.47
3	1.00	2.47
4	1.00	2.47
5	1.00	2.47
6	1.00	2.47
7	1.00	2.47
8	1.00	2.47
9	1.00	2.47
10	1.00	2.47
11	1.00	2.47
12	1.00	2.47
13	1.00	2.47
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15	1.00	2.47
16	1.00	2.47
17	1.00	2.47
18	1.00	2.47
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21	1.00	2.47
22	1.00	2.47
23	1.00	2.47
24	1.00	2.47
25	1.00	2.47
26	1.00	2.47
27	1.00	2.47
28	1.00	2.47
29	1.00	2.47
30	1.00	2.47

PARCEL	AREA	PERCENTAGE
1	1.00	2.47
2	1.00	2.47
3	1.00	2.47
4	1.00	2.47
5	1.00	2.47
6	1.00	2.47
7	1.00	2.47
8	1.00	2.47
9	1.00	2.47
10	1.00	2.47
11	1.00	2.47
12	1.00	2.47
13	1.00	2.47
14	1.00	2.47
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28	1.00	2.47
29	1.00	2.47
30	1.00	2.47

EXHIBIT "B"
VOTING ALLOCATION SCHEDULE



EXHIBIT B

**DESERT BUSINESS PARK & DESIGN CENTER
VOTING ALLOCATION SCHEDULE
As of May 11, 2006**

Lot Size (Net Useable Sq Ft)	No. of Votes
0 to 40,000	1
40,001- 80,000	2
80,001- 120,000	3
120,001 +	4

Parcel Map 29715-1 recorded July 2002

LOT #	PARCEL GROSS SF	COMMON AREA/ EASEMENTS	NET USABLE SQUARE FEET	VOTES
1	1	65,356	7,156	2
2	2	65,267	10,899	2
3	3	66,978	13,169	2
4	4	64,981	14,304	2
5	5A	75,118	13,957	2
6	7B	47,237	-	2
7	8	29,433	-	1
8	9	21,174	-	1
9	10A	65,734	13,192	2
10	11	33,395	-	1
11	12	37,001	-	1
12	13	34,130	-	1
13	14	32,149	-	1
14	15A	73,101	-	2
15	16	49,088	-	2
16	17	36,707	-	1
17	18	31,141	-	1
18	19	26,860	-	1
19	20	37,770	-	1
20	21B	101,964	35,503	2
21	22	31,151	11,165	1
22	23	31,087	11,165	1
23	24	31,091	11,165	1
24	25	31,217	11,253	1
25	26	45,474	-	2
26	27	45,313	-	2
27	28	64,603	-	2
28	29	65,104	-	2
29	30	51,610	-	2



EXHIBIT B

DESERT BUSINESS PARK & DESIGN CENTER VOTING ALLOCATION SCHEDULE As of May 11, 2006

Parcel Map 29715 recorded May 2004

LOT #	PARCEL GROSS SF	COMMON AREA/ EASEMENTS	NET USABLE SQUARE FEET	VOTES	
30	1	36,485	13,073	23,413	1
31	2	36,456	13,090	23,366	1
32	3	149,578	17,148	132,430	4
33	4	147,606	16,920	130,686	4
34	5	230,864	70,832	160,033	4
35	6	234,441	58,344	176,097	4
36	7	151,034	7,331	143,703	4
37	8	153,197	7,357	145,841	4
38	9	81,746	11,734	70,011	2
39	10	50,880	-	50,880	2
40	11	47,653	-	47,653	2
41	12	130,578	-	130,578	4
42	13	47,653	-	47,653	2
43	14	50,212	-	50,212	2

TOTAL VOTES 84



EXHIBIT "C"

DESCRIPTION OF COMMON AREAS

Lots "B" through "G" and Lots 33-35 of Tract No. 29715-1 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on July 9, 2002, in Map Book 202 at Pages 35 through 39, inclusive of Parcel Maps.



EXHIBIT "E-1"

DESCRIPTION OF FRONTAGE ZONE

The easterly one hundred fifty (150) feet of Tract No. 29715-1 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on July 9, 2002, in Map Book 202 at Pages 35 through 39, inclusive of Parcel Maps.



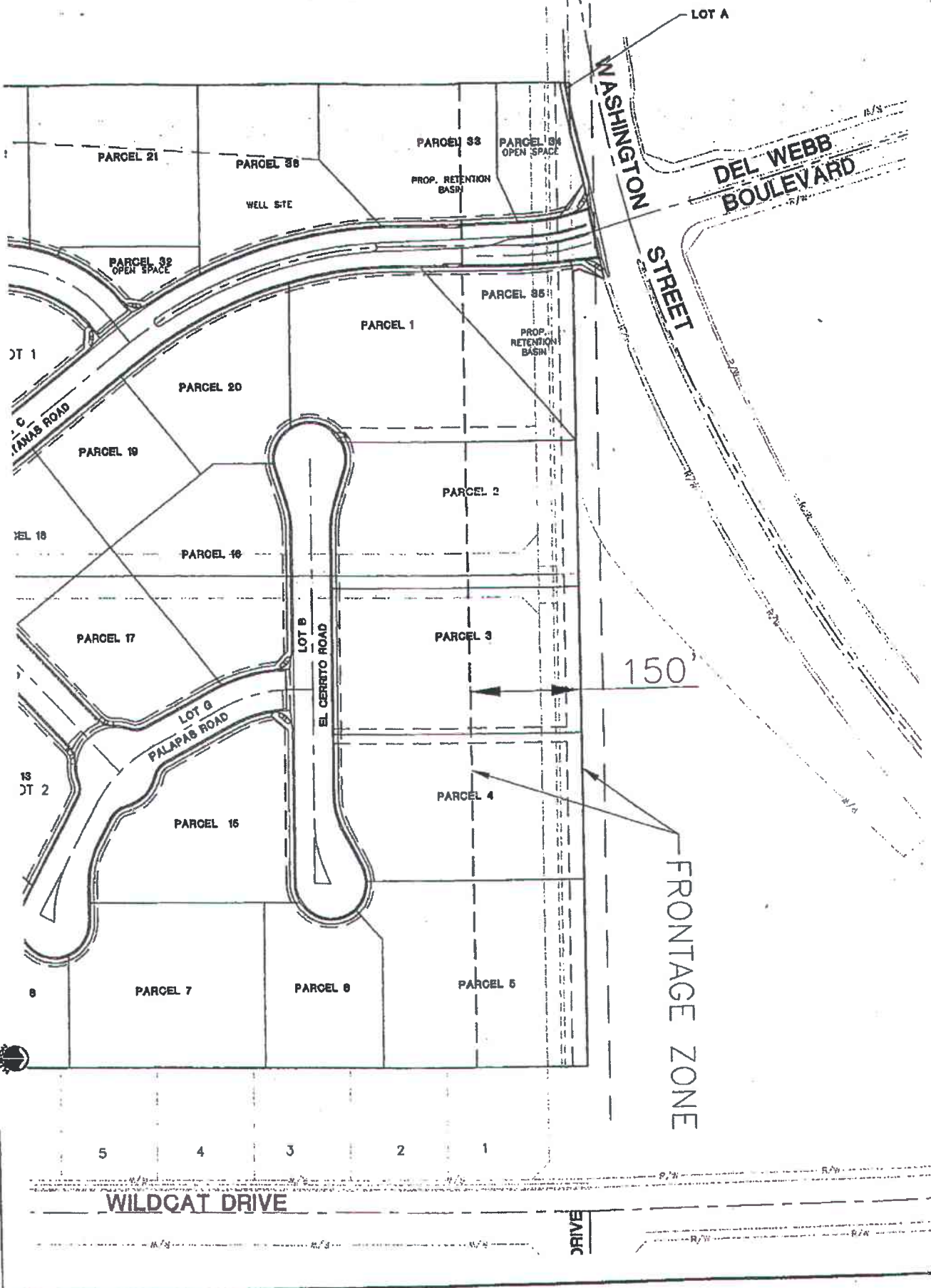
EXHIBIT "E-2"

DEPICTION OF FRONTAGE ZONE





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WILDCAT DRIVE

DRIVE

EXHIBIT "F-1"

DESCRIPTION OF SPECIAL ZONE

The easterly two hundred (200) feet of Tract No. 29715-1 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on July 9, 2002, in Map Book 202 at Pages 35 through 39, inclusive of Parcel Maps.



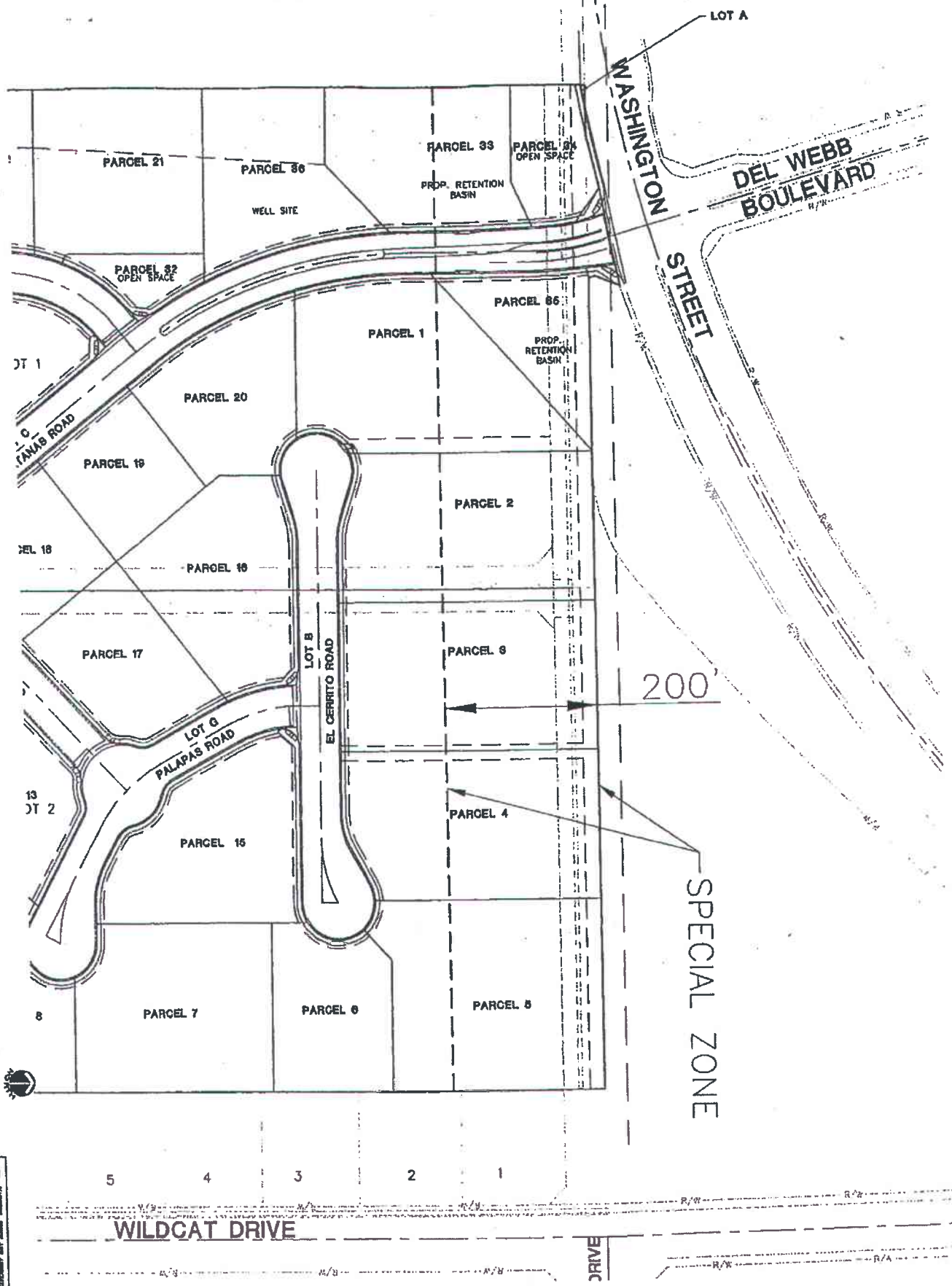
EXHIBIT "F-2"

DEPICTION OF SPECIAL ZONE





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 76 of 108



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WILDCAT DRIVE

DRIVE

SPECIAL ZONE

200

DT 1

DEL 18

DT 2

8

5

4

3

2

1

LOT A

PARCEL 21

PARCEL 36

PARCEL 33

PARCEL 34
OPEN SPACE

WELL SITE

PROP. RETENTION
BASIN

PARCEL 32
OPEN SPACE

PARCEL 35

PROP. RETENTION
BASIN

PARCEL 1

PARCEL 20

PARCEL 19

PARCEL 2

PARCEL 18

PARCEL 17

PARCEL 9

PARCEL 15

PARCEL 4

PARCEL 7

PARCEL 6

PARCEL 8

OT 1
PALAPAS ROAD

LOT 6
PALAPAS ROAD

LOT 8
EL CERRITO ROAD

WASHINGTON STREET

DEL WEBB BOULEVARD

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EXHIBIT "G"

COUNTY OF RIVERSIDE

BEST MANAGEMENT PRACTICES

1. Initial residents, occupants, or tenants of this Property shall receive educational materials on good housekeeping practices which contribute to the protection of storm water quality. These educational materials shall be provided by the Riverside County Flood Control and Water Conservation District and shall be distributed by the Property Owners' Association. These materials shall address good housekeeping practices associated with the Property's land use or uses (e.g., good housekeeping practices for office commercial, retail commercial, vehicle-related commercial, or industrial land use). Employers at this Property shall adapt these materials for training their employees in good housekeeping practices (BMP N1 & N13);
2. Only pesticide applicators who are certified by the State of California as a Qualified Applicator or who are directly supervised by a Qualified Applicator shall apply pesticides to common area landscaping. The applicator shall apply all pesticides in strict accordance with pesticide application law as stated in the California Food and Agricultural Code. Fertilizer shall be applied to the common area landscaping in accordance with the manufacturer's recommendations. Application to hardscape surfaces shall be avoided (BMP N3);
3. The "catch basin(s)" more particularly described on Exhibit "G-1" attached to this Exhibit "G" shall be inspected and, if necessary, cleaned by the Property Owners' Association no later than October 15th of each year. The stencils 'ONLY RAIN IN THE DRAIN' and 'NO DUMPING' shall be repainted as necessary to maintain legibility (BMP N4 & S12);
4. The "water quality inlet(s)" more particularly described on Exhibit "G-1" attached to this Exhibit "G" shall be inspected and, if necessary, cleaned by the Property Owners' Association no later than October 15th of each year (BMP S4 & S13);
5. The Property Owners' Association shall keep the common area(s) free of litter. Litter shall be removed from the common area, and litter receptacles shall be emptied at least once a month. Where improper disposal of trash has occurred, the Property Owners' Association shall take corrective action within forty-eight (48) hours of discovery (BMP N5);
6. The private street(s), and any common area parking lot(s) more particularly described on Exhibit "C" shall be swept by the Property Owners' Association at least once a year and shall be swept no later than October 15th of each year (BMP N6);
7. The Property Owners' Association shall keep loading docks in a clean and orderly condition through a regular program of sweeping, litter control, and the immediate cleanup of spills and broken containers. In accordance with Riverside County Ordinance No. 754, Establishing Storm Water/Urban Runoff Management and Discharge Controls, illicit discharges and non-storm water discharges (e.g., wash water) from loading docks to storm drains shall not be allowed (BMP N12); and
8. The Property Owners' Association shall maintain an up-to-date list identifying the party or parties responsible for the implementation and maintenance of each of the BMPs described herein. The list shall include the party's name, organization, address, a phone number at which the party may be reached 24 hours a day, and a description of the party's responsibility for implementation and maintenance of a particular BMP (BMP N14).

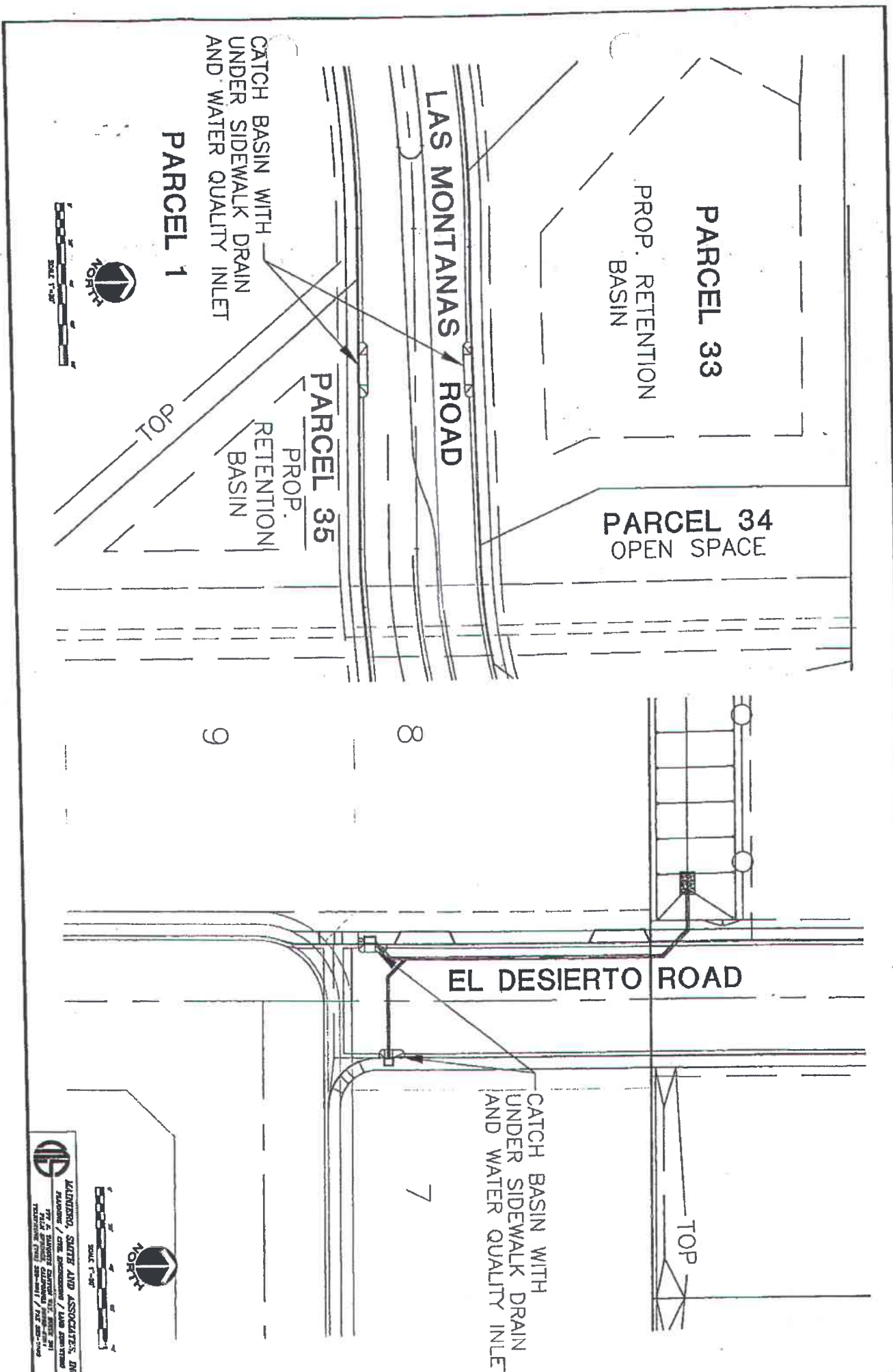


EXHIBIT "G-1"

LOCATION OF CATCH BASINS



EXHIBIT G-1



KALINBERG, SAGRE AND ASSOCIATES, INC.
PLANNING / CIVIL ENGINEERING / LAND ADMINISTRATION
10000 W. SANDHURST GARDENS, SUITE 201
DALLAS, TEXAS 75243-4601 / TEL: 972-251-0000



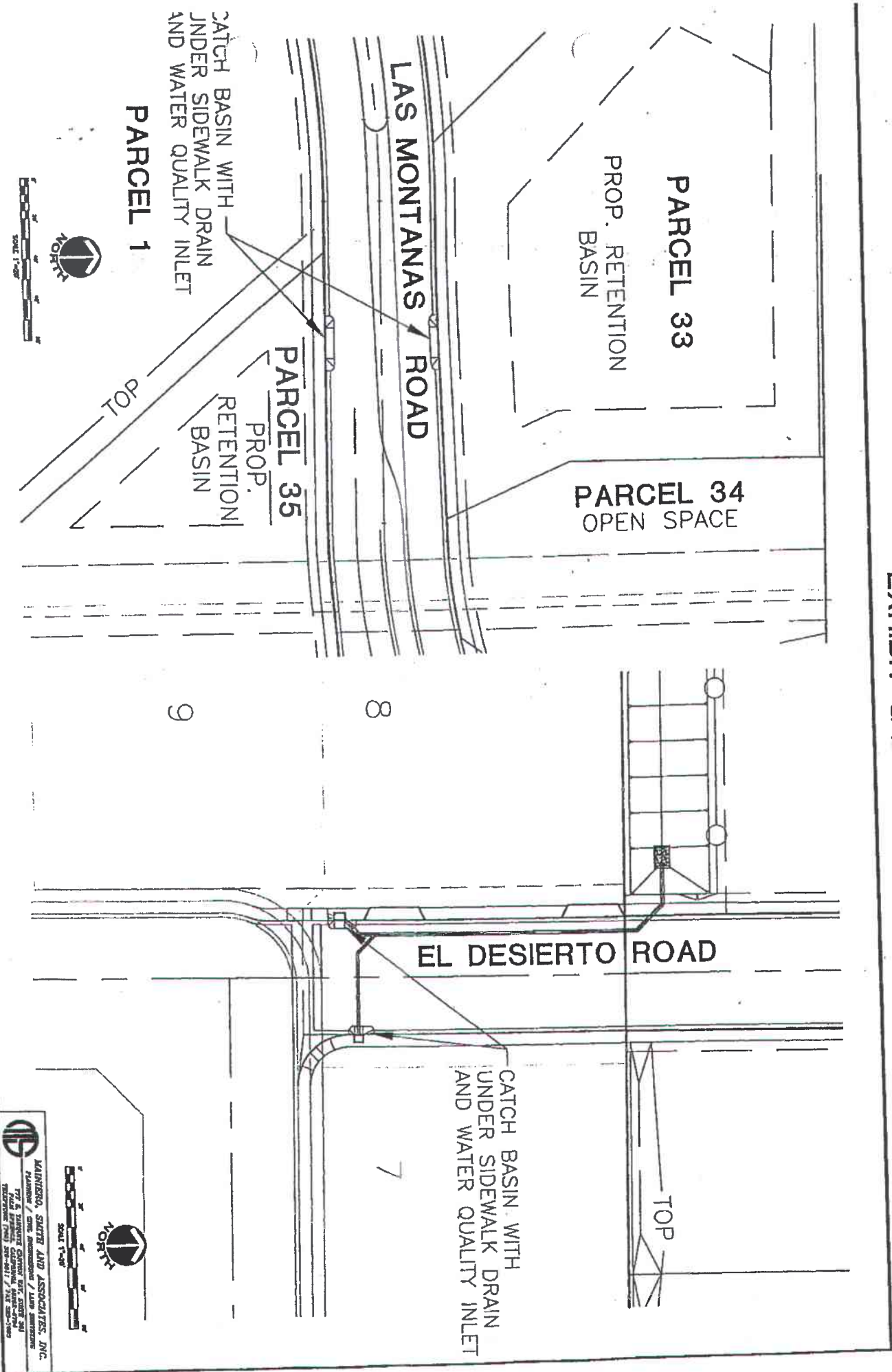
2906-0347518
95/12/2906 89:09H
29 of 108

EXHIBIT "G-2"

LOCATION OF WATER QUALITY INLETS



EXHIBIT G-2



KLING STUBBINS
PLANNING / CIVIL / SURVEYING AND ASSOCIATES, INC.
7700 WILSON AVENUE, SUITE 200
DENVER, COLORADO 80231
TELEPHONE (303) 733-4111 / FAX (303) 733-4110



2906-0347510
05/12/2006 09:09A
81 of 108

EXHIBIT "H"

WILDCAT DRIVE ACCESS EASEMENT

That portion of Parcel 8 of Parcel Map 23118 recorded in Book 154 of Parcel Maps, at Pages 86-89, inclusive, Records of Riverside County, California more particularly described in the Easement Deed recorded in Official Records of County of Riverside as Document No. 1999-236101.



EXHIBIT "I"

DRIVEWAY/ACCESS ROAD EASEMENTS



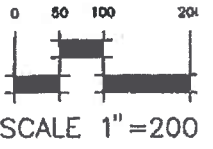
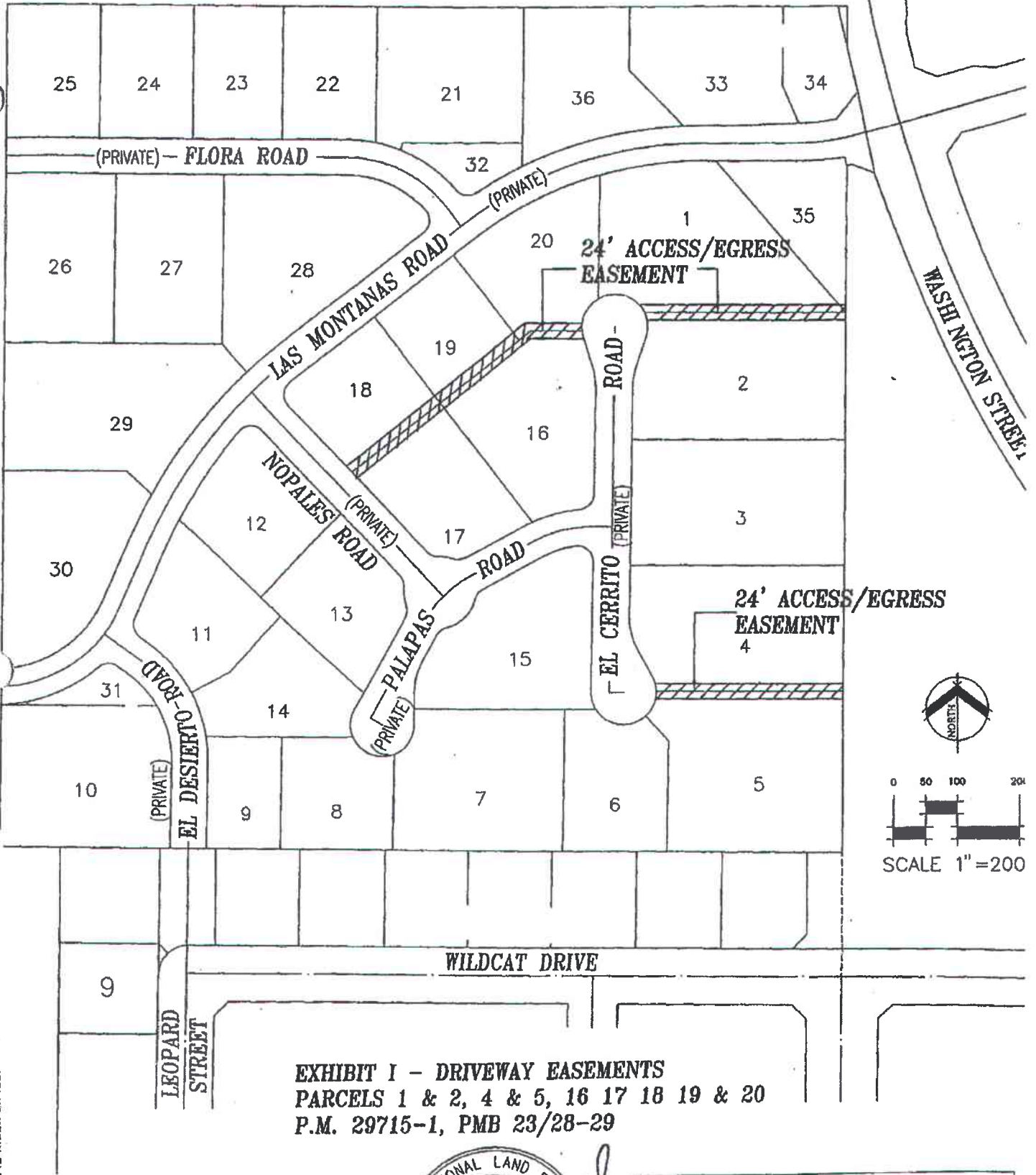


EXHIBIT I - DRIVEWAY EASEMENTS
PARCELS 1 & 2, 4 & 5, 16 17 18 19 & 20
P.M. 29715-1, PMB 23/28-29



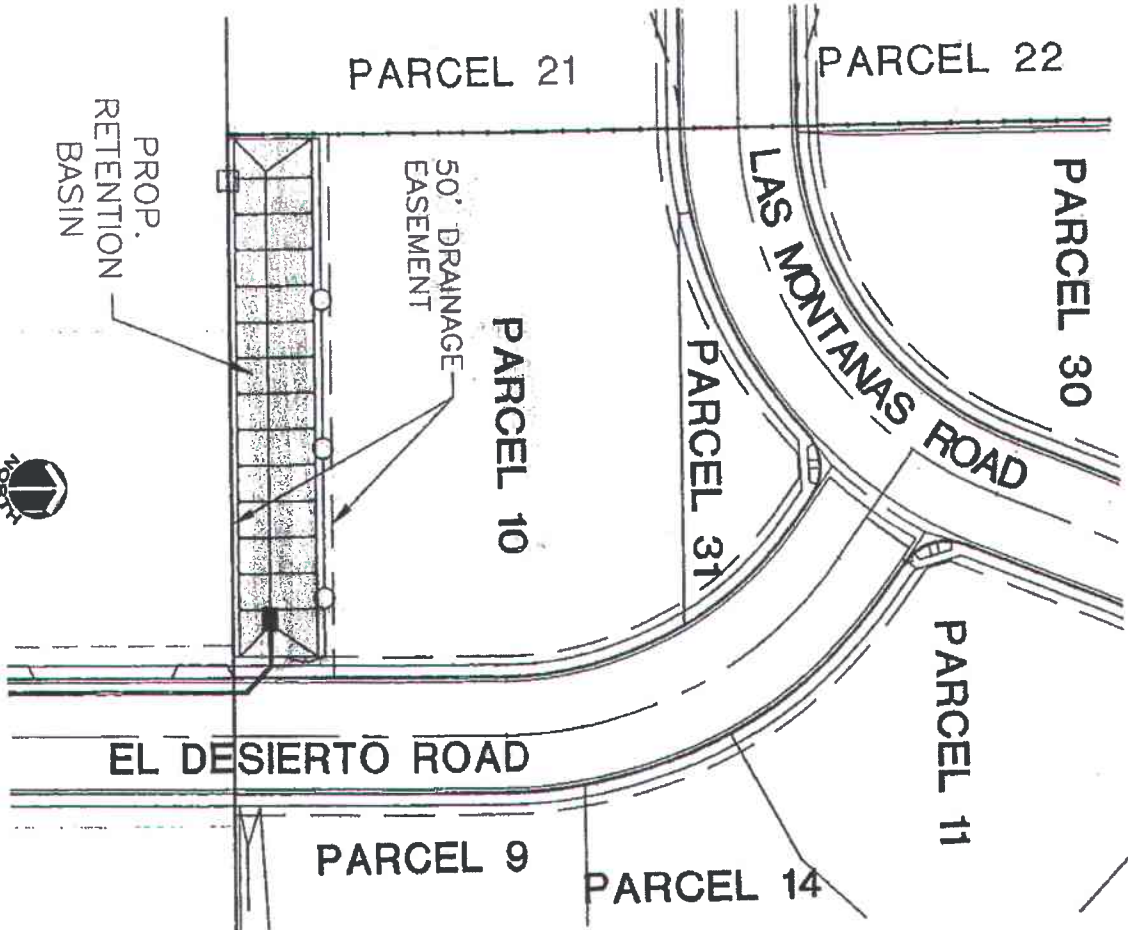
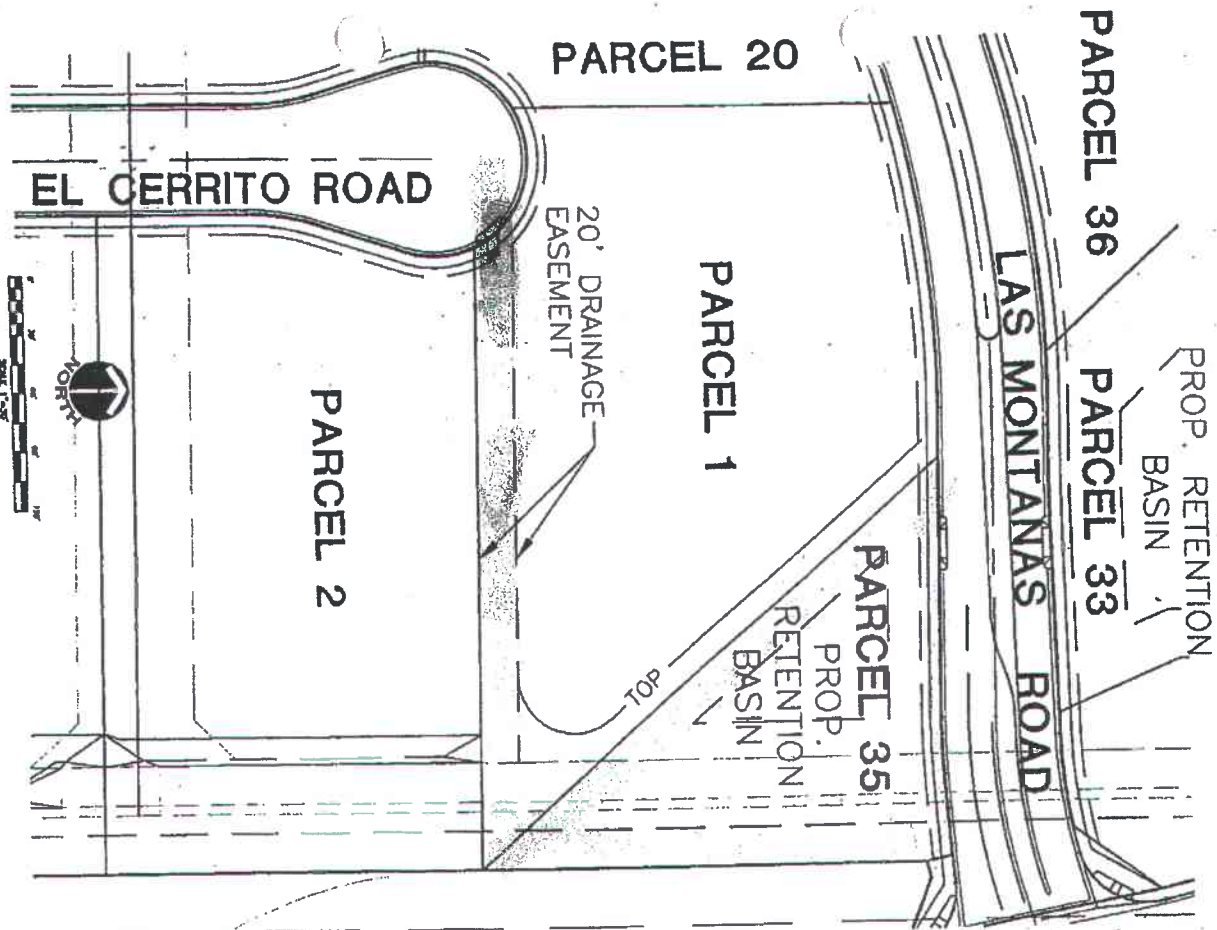
MDS CONSULTING	MORSE	78-900 Avenue 47 Suite 208 La Quinta, CA 92253
	BOXICH	Voice: 760-771-4013 FAX: 760-771-4073
	SCHULTZ	mdequin@mdsconsulting.com
PLANNERS ENGINEERS SURVEYORS		

2906-0347510
 05/12/2005 03:09:09

EXHIBIT "K"
DRAINAGE LOTS



EXHIBIT K



MADRISO, SMITH AND ASSOCIATES, INC.
PLANNING / CIVIL ENGINEERING / LAND MANAGEMENT
377 S. TERRACE CENTER, SUITE 2000 SAN
JUAN, CALIFORNIA 92037
TEL: 951-261-1111 FAX: 951-261-1112



2006-0347510
05/12/2006 09:09A
86 of 198

EXHIBIT "A"

DRAINAGE EASEMENT-RETENTION BASIN "A"

LEGAL DESCRIPTION:

A PORTION OF PARCEL 20, AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 202, PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF PARCEL 20 OF SAID MAP; THENCE SOUTH ALONG THE EAST LINE OF SAID PARCEL, SOUTH 0°42'34" WEST 10.22 FEET; THENCE LEAVING SAID EAST LINE, NORTH 89°17'26" WEST 1.00 FOOT TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 0°42'34" WEST 135.06 FEET; THENCE NORTH 30°27'59" WEST 94.44 FEET; THENCE NORTH 59°32'01" EAST 4.48 FEET; THENCE NORTH 30°27'59" WEST 34.29 FEET; THENCE NORTH 70°55'27" EAST 66.75 FEET TO THE EAST LINE OF PARCEL 20 AND THE TRUE POINT OF BEGINNING.

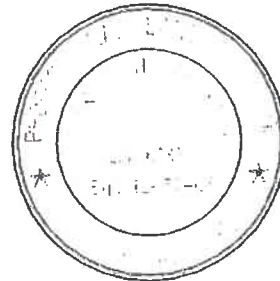
AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 18, 19 AND 20 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

Chris J. Bergh
CHRIS J. BERGH, P.L.S. 6688
EXPIRATION DATE: 12/31/03

3/25/02
DATE



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87 of 108

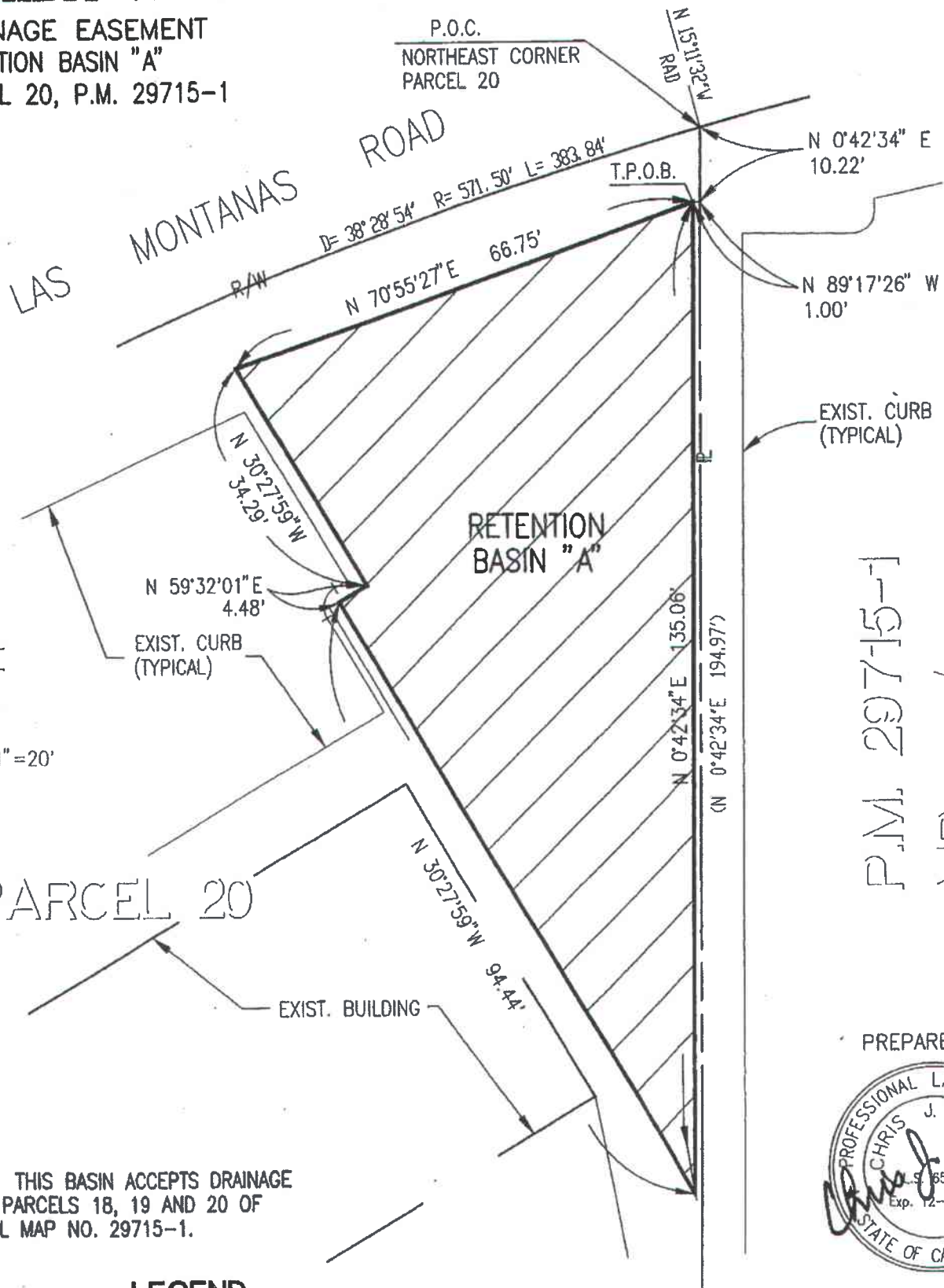
EXHIBIT "B"



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88 of 100

SHEET 1 OF 1 SHEET

DRAINAGE EASEMENT
RETENTION BASIN "A"
PARCEL 20, P.M. 29715-1



SCALE 1" = 20'

P.M. 29715-1
MB

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 18, 19 AND 20 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB

PREPARED BY:



<h1>MDS</h1> <p>CONSULTING</p>	MORSE	79-799 Old Avenue 52 La Quinta, CA 92253
	DOKICH	Voice: 760-771-4013
	SCHULTZ	FAX: 760-771-4073
<p>PLANNERS ENGINEERS SURVEYORS</p>		

EXHIBIT "C"

DRAINAGE EASEMENT-RETENTION BASIN "B"

LEGAL DESCRIPTION:

A PORTION OF PARCEL 18, AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 202, PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

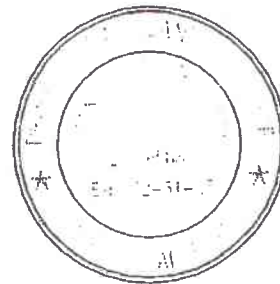
COMMENCING AT THE SOUTHWEST CORNER OF PARCEL 18 OF SAID MAP; THENCE NORTHWESTERLY ALONG THE WEST LINE OF SAID PARCEL, NORTH 43°05'17" EAST 41.41 FEET; THENCE LEAVING SAID WEST LINE, NORTH 46°54'43" EAST 10.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 43°05'17" WEST 105.18 FEET; THENCE NORTH 4°34'11" EAST 17.73 FEET; THENCE NORTH 52°13'39" EAST 5.16 FEET; THENCE SOUTH 37°46'21" EAST 31.50 FEET; THENCE NORTH 52°13'44" EAST 4.00 FEET; THENCE SOUTH 37°46'20" EAST 26.00 FEET; THENCE SOUTH 52°13'40" WEST 2.26 FEET; THENCE SOUTH 37°46'20" EAST 56.08 FEET; THENCE SOUTH 52°13'36" WEST 2.33 FEET; THENCE SOUTH 37°46'20" EAST 13.91 FEET; THENCE NORTH 72°49'41" WEST 11.79 FEET TO THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCEL 18 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

Chris J. Bergh 3/25/02
CHRIS J. BERGH, P.L.S. 6588 DATE
EXPIRATION DATE: 12/31/03

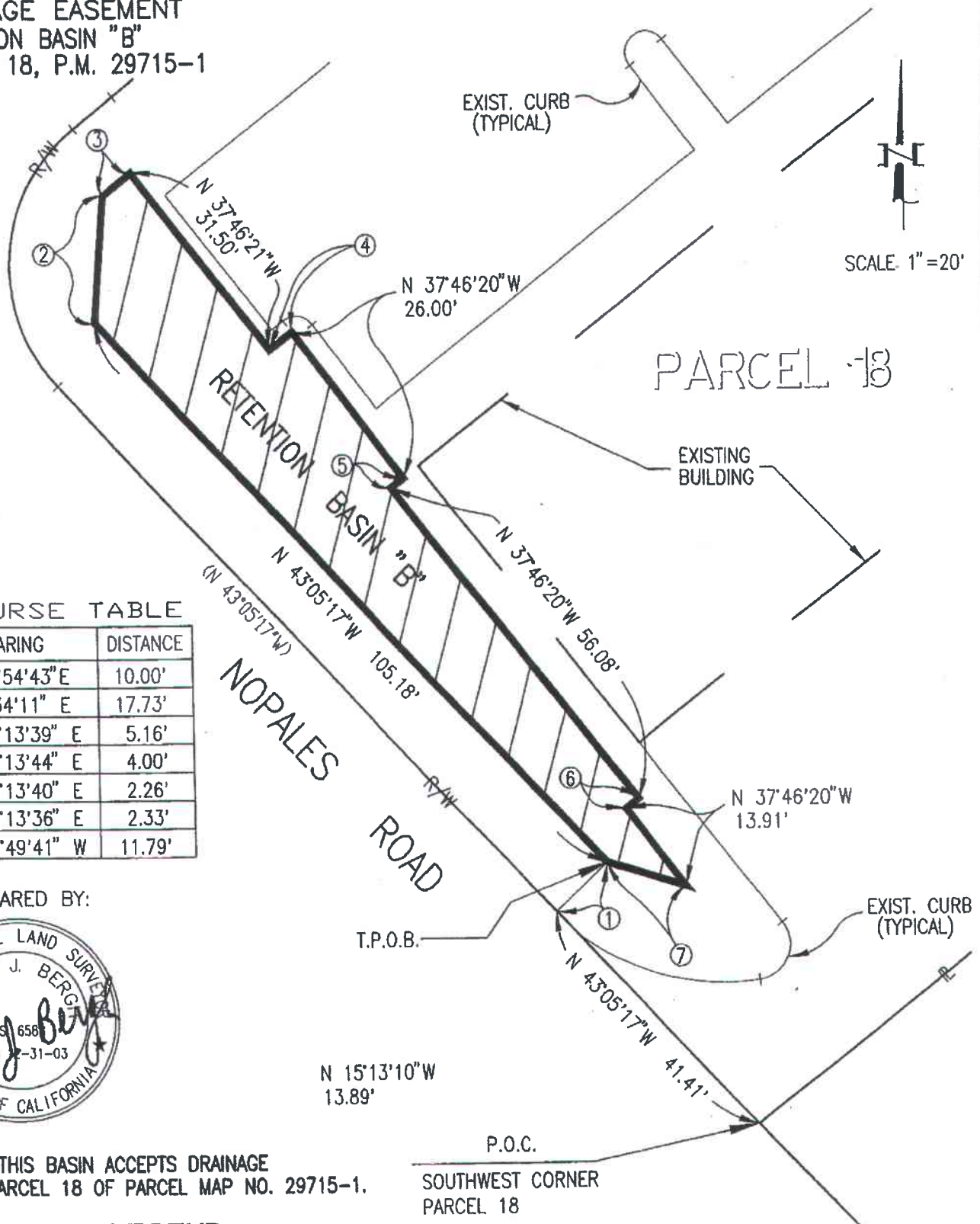


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EXHIBIT "D"

SHEET 1 OF 1 SHEET

DRAINAGE EASEMENT
RETENTION BASIN "B"
PARCEL 18, P.M. 29715-1



COURSE TABLE

No.	BEARING	DISTANCE
①	N 46°54'43" E	10.00'
②	N 4°34'11" E	17.73'
③	N 52°13'39" E	5.16'
④	N 52°13'44" E	4.00'
⑤	N 52°13'40" E	2.26'
⑥	N 52°13'36" E	2.33'
⑦	N 72°49'41" W	11.79'

PREPARED BY:



NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCEL 18 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB

MDS

CONSULTING

MORSE 79-799 Old Avenue 52
La Quinta, CA 92253

DOKICH Voice: 760-771-4013

SCHULTZ FAX: 760-771-4073

PLANNERS ENGINEERS SURVEYORS

EXHIBIT "E"

DRAINAGE EASEMENT-RETENTION BASIN "D", "E" & "F"

LEGAL DESCRIPTION:

A PORTION OF PARCEL 16, AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 22, PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF PARCEL 16 OF SAID MAP; THENCE NORTHERLY ALONG THE WEST LINE OF SAID PARCEL, NORTH 37°46'20" WEST 37.35 FEET; THENCE LEAVING SAID WEST LINE, NORTH 52°13'40" EAST 14.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING, NORTH 52°13'40" EAST 122.09 FEET; THENCE NORTH 0°42'34" EAST 38.53 FEET; THENCE NORTH 37°46'21" WEST 15.84 FEET; THENCE SOUTH 52°13'37" WEST 3.73 FEET; THENCE NORTH 37°46'21" WEST 21.00 FEET; THENCE NORTH 52°13'40" EAST 26.66 FEET; THENCE NORTH 37°46'20" WEST 80.00 FEET; THENCE NORTH 52°13'36" EAST 2.33 FEET; THENCE NORTH 37°46'24" WEST 24.25 FEET; THENCE NORTH 61°43'47" EAST 7.75 FEET; THENCE SOUTH 89°17'26" EAST 35.49 FEET; THENCE SOUTH 9°44'22" WEST 6.04 FEET; THENCE SOUTH 46°14'25" EAST 26.94 FEET; THENCE SOUTH 16°30'02" EAST 18.63 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 238.50 FEET; THENCE SOUTHERLY ALONG SAID CURVE, AN ARC DISTANCE OF 71.95 FEET THROUGH A CENTRAL ANGLE OF 17°17'09"; THENCE TANGENT, SOUTH 0°42'34" WEST 169.44 FEET; THENCE SOUTH 42°57'12" WEST 14.40 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 100.50 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 3°58'34" WEST; THENCE SOUTHWESTERLY ALONG SAID CURVE AN ARC DISTANCE OF 30.19 FEET THROUGH A CENTRAL ANGLE OF 17°12'35" TO A POINT, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 21° 15'43" WEST; THENCE NORTH 37°46'20" WEST 30.77 FEET TO THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 16 THROUGH 20 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

Chris J. Bergh
CHRIS J. BERGH, P.L.S. 6588
EXPIRATION DATE: 12/31/03

3/25/02
DATE

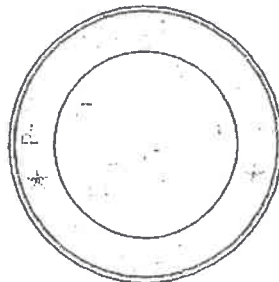


EXHIBIT "F"

DRAINAGE EASEMENT
RETENTION BASINS "D", "E" & "F"
PARCEL 16, P.M. 29715-1

SHEET 1 OF 1 SHEET

CURVE TABLE

No.	DELTA	RADIUS	ARC LGT
(A)	17°17'09"	238.50'	71.95'
(B)	17°12'35"	100.50'	30.19'

COURSE TABLE

No.	BEARING	DISTANCE
①	N 52°13'37" E	3.73'
②	N 52°13'36" E	2.33'
③	N 61°43'47" E	7.75'
④	N 89°17'26" E	35.49'
⑤	N 9°44'22" E	6.04'
⑥	N 46°14'25" W	26.94'
⑦	N 16°30'02" W	18.63'
⑧	N 42°57'12" E	14.40'
⑨	N 37°46'20" W	30.77'



SCALE 1"=40'

PARCEL 16

PARCEL 17

PREPARED BY:



NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 16 THROUGH 20 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB

P.O.C.
SOUTHWEST CORNER
PARCEL 16

N 24°09'35" W
RAD

MDS

CONSULTING

MORSE 79-799 Old Avenue 52
La Quinta, CA 92253

BOKICH Voice: 760-771-4013

SCHULTZ FAX: 760-771-4073

PLANNERS ENGINEERS SURVEYORS

EXHIBIT "G"

DRAINAGE EASEMENT-RETENTION BASIN "H"

LEGAL DESCRIPTION:

A PORTION OF PARCEL 11, AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 202, PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF PARCEL 11 OF SAID MAP; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID PARCEL, SOUTH 46°46'21" EAST 55.93 FEET; THENCE LEAVING SAID EAST LINE, SOUTH 43°13'39" WEST 17.13 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING, SOUTH 43°13'39" WEST 24.91 FEET; THENCE SOUTH 46°46'21" EAST 5.33 FEET; THENCE SOUTH 43°13'40" WEST 11.89 FEET; THENCE NORTH 46°46'21" WEST 2.50 FEET; THENCE SOUTH 43°13'39" WEST 55.02 FEET; THENCE SOUTH 46°58'31" EAST 20.33 FEET; THENCE SOUTH 43°13'39" WEST 25.57 FEET; THENCE NORTH 46°46'21" WEST 5.00 FEET; THENCE SOUTH 43°13'39" WEST 35.56 FEET; THENCE NORTH 15°13'10" WEST 13.89 FEET; THENCE NORTH 23°13'54" WEST 106.32 FEET; THENCE NORTH 52°56'13" EAST 30.46 FEET; THENCE NORTH 1°11'29" EAST 5.45 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHWEST AND HAVING A RADIUS OF 33.00 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 2°55'40" EAST; THENCE SOUTHEASTERLY ALONG SAID CURVE AN ARC DISTANCE OF 26.42 FEET THROUGH A CENTRAL ANGLE OF 45°52'21" TO THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 11 AND 12 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

Chris J. Bergh
CHRIS J. BERGH, P.L.S. 5588
EXPIRATION DATE: 12/31/03

3/25/02
DATE

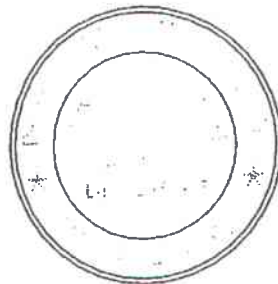


EXHIBIT "H"



2896-8347518
65/12 8 98 00A
of 188

SHEET 1 OF 1 SHEET

DRAINAGE EASEMENT
RETENTION BASIN "H"
PARCEL 11, P.M. 29715-1

COURSE TABLE

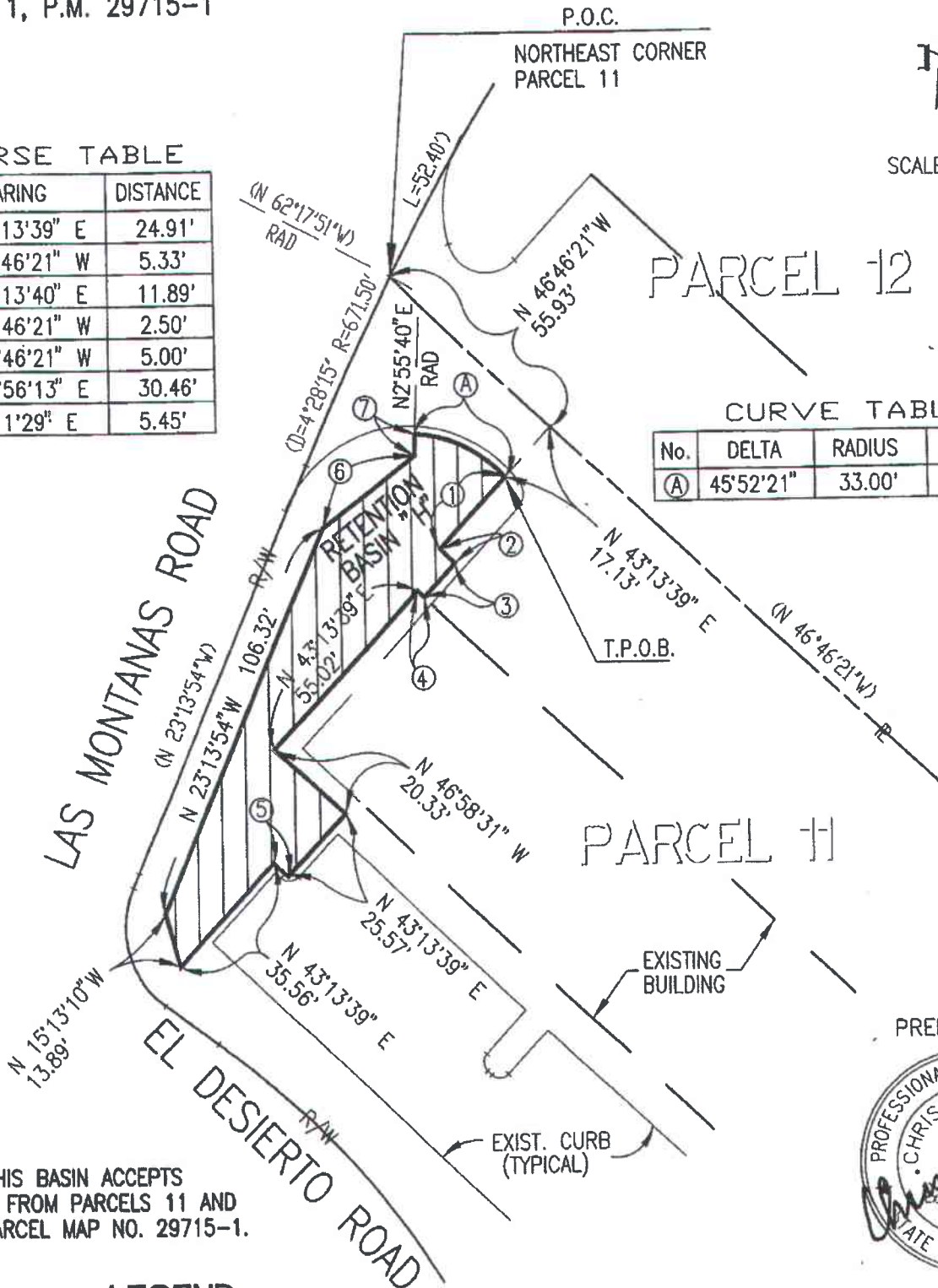
No.	BEARING	DISTANCE
①	N 43°13'39" E	24.91'
②	N 46°46'21" W	5.33'
③	N 43°13'40" E	11.89'
④	N 46°46'21" W	2.50'
⑤	N 46°46'21" W	5.00'
⑥	N 52°56'13" E	30.46'
⑦	N 1°11'29" E	5.45'



SCALE 1"=40'

CURVE TABLE

No.	DELTA	RADIUS	ARC LGT
(A)	45°52'21"	33.00'	26.42'



NOTE: THIS BASIN ACCEPTS
DRAINAGE FROM PARCELS 11 AND
12 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB

PREPARED BY:



MDS

CONSULTING

PLANNERS ENGINEERS SURVEYORS

MORSE 79-799 Old Avenue 52
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DOKICH Voice: 760-771-4013

SCHULTZ FAX: 760-771-4073



2006-0347510
05/12/2006 09:00A
95 of 108

EXHIBIT "I"

DRAINAGE EASEMENT-RETENTION BASIN "K"

LEGAL DESCRIPTION:

A PORTION OF PARCELS 8, 9, AND 14 AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 202, PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF PARCEL 9 OF SAID MAP; THENCE SOUTH ALONG THE EAST LINE OF SAID PARCEL, SOUTH 0°42'34" WEST 27.32 FEET TO THE TRUE POINT OF BEGINNING; THENCE LEAVING SAID EAST LINE OF SAID PARCEL, NORTH 89°20'56" WEST 102.50 FEET; THENCE NORTH 34°00'59" WEST 14.46 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHEAST AND HAVING A RADIUS OF 238.50', A RADIAL LINE THROUGH SAID POINT BEARS NORTH 85°05'42" EAST; THENCE NORTHWESTERLY ALONG SAID CURVE AN ARC DISTANCE OF 67.13 FEET THROUGH A CENTRAL ANGLE OF 16° 07'39", A RADIAL LINE THROUGH SAID POINT BEARS NORTH 70°11'32" EAST; THENCE NORTH 43° 13'39" EAST 12.14 FEET; THENCE SOUTH 46°46'21" EAST 78.50 FEET; THENCE NORTH 43°13'39" EAST 18.00 FEET; THENCE SOUTH 46°46'21" EAST 16.11 FEET; THENCE SOUTH 89°17'26" EAST 6.27 FEET; THENCE NORTH 43°13'39" EAST 37.76 FEET; THENCE SOUTH 46°46'21" EAST 35.53 FEET; THENCE NORTH 43°13'39" EAST 11.07 FEET; THENCE SOUTH 46°35'07" EAST 25.00 FEET; THENCE NORTH 43°13'39" EAST 63.34 FEET; THENCE SOUTH 46°35'07" EAST 2.33 FEET; THENCE NORTH 43°13'39" EAST 14.29 FEET; THENCE SOUTH 7°36'01" EAST 21.02 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHEAST AND HAVING A RADIUS OF 57.50 FEET, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 76°37'56" WEST; THENCE SOUTHEASTERLY ALONG SAID CURVE AN ARC DISTANCE OF 69.40 FEET THROUGH A CENTRAL ANGLE OF 69°09'08", A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 34°12'56" WEST; THENCE NORTH 89°20'56" WEST 124.46 FEET TO THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 8, 9 AND 14 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

Chris J. Berg 3/25/02
CHRIS J. BERG, P.L.S. 6588 DATE
EXPIRATION DATE: 12/31/03

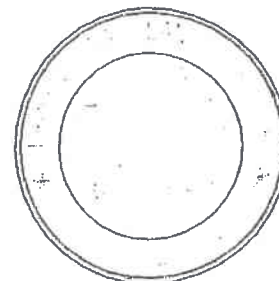


EXHIBIT "J"



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05/12/2008 08:08A
96 of 108

SHEET 1 OF 1 SHEET

DRAINAGE EASEMENT RETENTION BASIN "K"

PARCELS 8, 9 & 14, P.M. 29715-1



SCALE 1"=40'

COURSE TABLE

No.	BEARING	DISTANCE
①	N 34°00'59" W	14.46'
②	N 89°17'26" W	6.27'
③	N 43°13'39" E	11.07'
④	N 46°46'21" W	2.33'
⑤	N 43°13'39" E	14.29'
⑥	N 7°36'01" W	21.02'

EXIST. CURB
(TYPICAL)

PARCEL 8

CURVE TABLE

NO	DELTA	RADIUS	ARC LGT
Ⓐ	14°54'10"	238.50'	62.03'
Ⓑ	69°09'08"	57.50'	69.40'

PARCEL 14

P.O.C.
N.E. CORNER
PARCEL 9

N 0°42'34"E
27.32'

(N 0°42'34"E)

T.P.O.B.

PARCEL 9

EXIST. CURB
(TYPICAL)

PREPARED BY:



NOTE: THIS BASIN ACCEPTS
DRAINAGE FROM PARCELS 8, 9
AND 14 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB

MDS

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PLANNERS ENGINEERS SURVEYORS

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2006 . 7510
05/12/2008 08:00A
97 of 108

EXHIBIT "K"

DRAINAGE EASEMENT-RETENTION BASIN "M"

LEGAL DESCRIPTION:

A PORTION OF PARCEL 13, AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 202, PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST NORTHERLY CORNER OF SAID PARCEL 13; THENCE ALONG THE NORTHWESTERLY LINE OF SAID PARCEL, SOUTH 43°13'39" WEST 10.92 FEET; THENCE LEAVING SAID NORTHWESTERLY LINE, SOUTH 46°46'21" EAST 14.00 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 43°05'17" EAST 128.99 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 66.50 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 78°27'53" WEST; THENCE SOUTHERLY ALONG SAID CURVE AN ARC DISTANCE OF 43.18 FEET THROUGH A CENTRAL ANGLE OF 37°12'19" TO A POINT, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 64°19'48" WEST; THENCE SOUTH 28°57'13" WEST 82.78 FEET; THENCE SOUTH 58°39'31" WEST 29.21 FEET; THENCE SOUTH 6°27'10" WEST 4.37 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 33.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE AN ARC DISTANCE OF 20.18 FEET THROUGH A CENTRAL ANGLE OF 35°02'15"; THENCE NORTH 46°46'21" WEST 4.34 FEET; THENCE NORTH 43°13'39" EAST 23.95 FEET; THENCE NORTH 46°46'21" WEST 4.83 FEET; THENCE NORTH 43°13'39" EAST 13.05 FEET; THENCE SOUTH 46°46'21" EAST 2.50 FEET; THENCE NORTH 43°13'39" EAST 55.00 FEET; THENCE NORTH 46°46'22" WEST 25.00 FEET; THENCE NORTH 43°13'39" EAST 7.00 FEET; THENCE NORTH 46°46'19" WEST 8.21 FEET; THENCE NORTH 43°13'39" EAST 14.00 FEET; THENCE SOUTH 46°46'27" EAST 5.00 FEET; THENCE NORTH 43°13'39" EAST 28.00 FEET; THENCE NORTH 46°46'21" WEST 114.79 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 8.00 FEET; THENCE NORTHERLY ALONG SAID CURVE AN ARC DISTANCE OF 12.57 FEET THROUGH A CENTRAL ANGLE OF 90°00'00"; THENCE NORTH 43°13'39" EAST 4.25 FEET TO THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 11 THROUGH 14 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

Chris J. Bergh 3/25/02
CHRIS J. BERGH, P.L.S. 6588 DATE
EXPIRATION DATE: 12/31/03

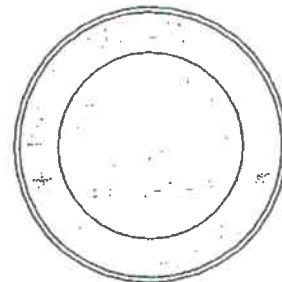


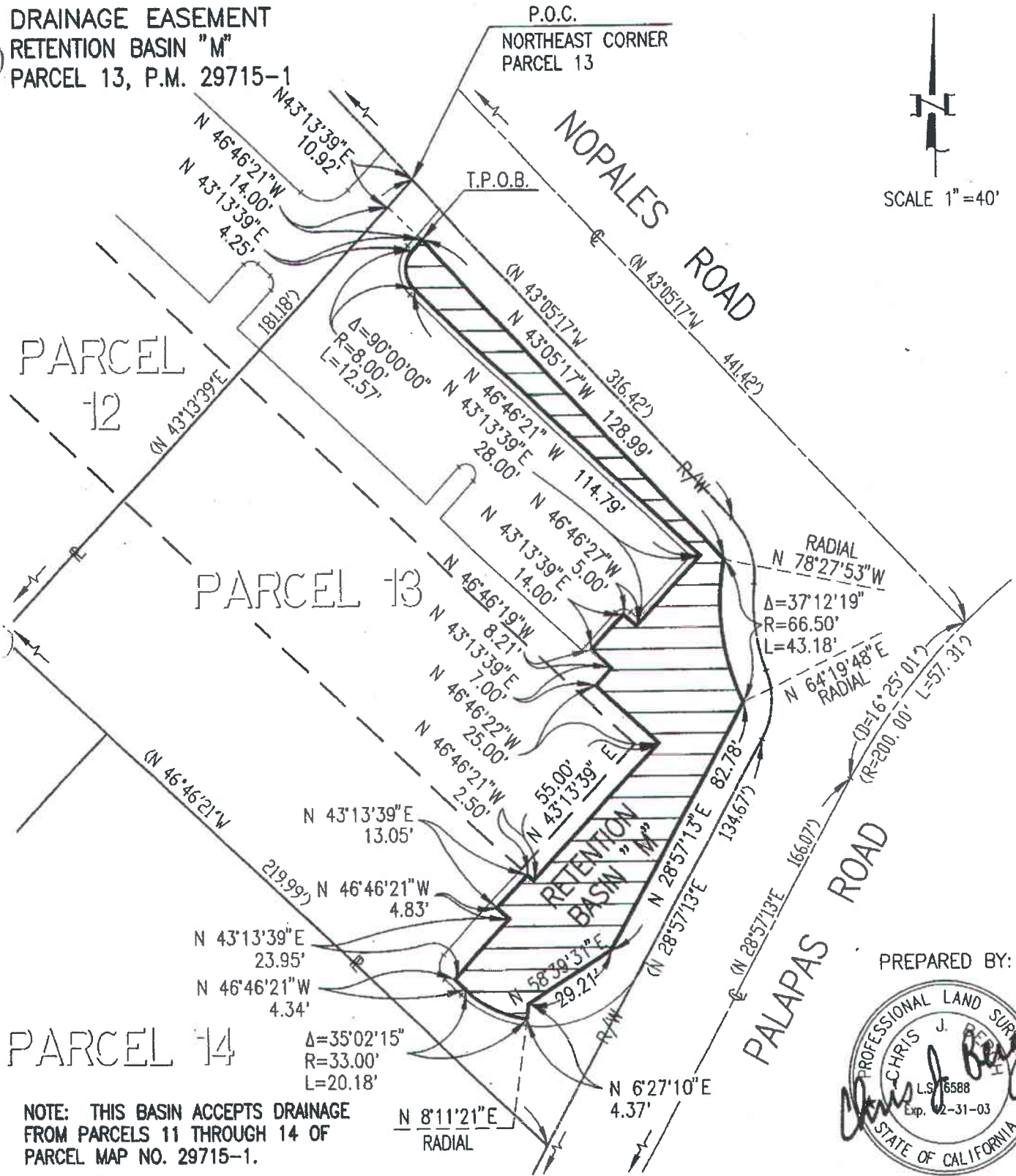
EXHIBIT "L"



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98 of 108

SHEET 1 OF 1 SHEET

DRAINAGE EASEMENT
RETENTION BASIN "M"
PARCEL 13, P.M. 29715-1



SCALE 1"=40'

PARCEL 12

PARCEL 13

PARCEL 14

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 11 THROUGH 14 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB

PREPARED BY:

MDS CONSULTING

MORSE 79-799 Old Avenue 52
La Quinta, CA 92253

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SCHULTZ FAX: 760-771-4073

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2006-0347510
05/12/2006 08:08A
99 of 102

EXHIBIT "M"

DRAINAGE EASEMENT-RETENTION BASIN "S"

LEGAL DESCRIPTION:

A PORTION OF PARCEL 29, AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 702, PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF PARCEL 27 OF SAID MAP; THENCE LEAVING SAID SOUTHEAST CORNER, SOUTH 48°07'35" WEST 38.71 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 43°05'17" EAST 35.19 FEET; THENCE SOUTH 13°33'39" WEST 27.90 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 739.50 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 46°36' 03" WEST; THENCE SOUTHWESTERLY ALONG SAID CURVE AN ARC DISTANCE OF 134.80 FEET THROUGH A CENTRAL ANGLE OF 10°26'39" TO A POINT, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 57°02'42" WEST; THENCE NORTH 0°42'34" EAST 56.66 FEET; THENCE SOUTH 89°17'26" EAST 30.76 FEET; THENCE NORTH 0°42'34" EAST 75.00; THENCE NORTH 89°17'26" WEST 2.50 FEET; THENCE NORTH 0°42'34" EAST 15.50 FEET; THENCE SOUTH 89°17'26" EAST 4.83 FEET; THENCE NORTH 0°42'34" EAST 23.97 FEET; THENCE SOUTH 89°17'26" EAST 19.44 FEET; THENCE SOUTH 43°05'17" EAST 16.20 FEET TO THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCEL 29 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

Chris J. Bergh 3/25/02
CHRIS J. BERGH, P.L.S. 6588 DATE
EXPIRATION DATE: 12/31/03

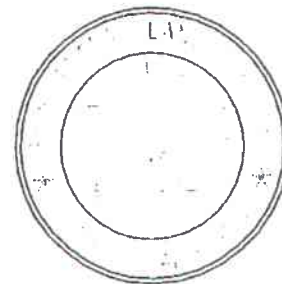


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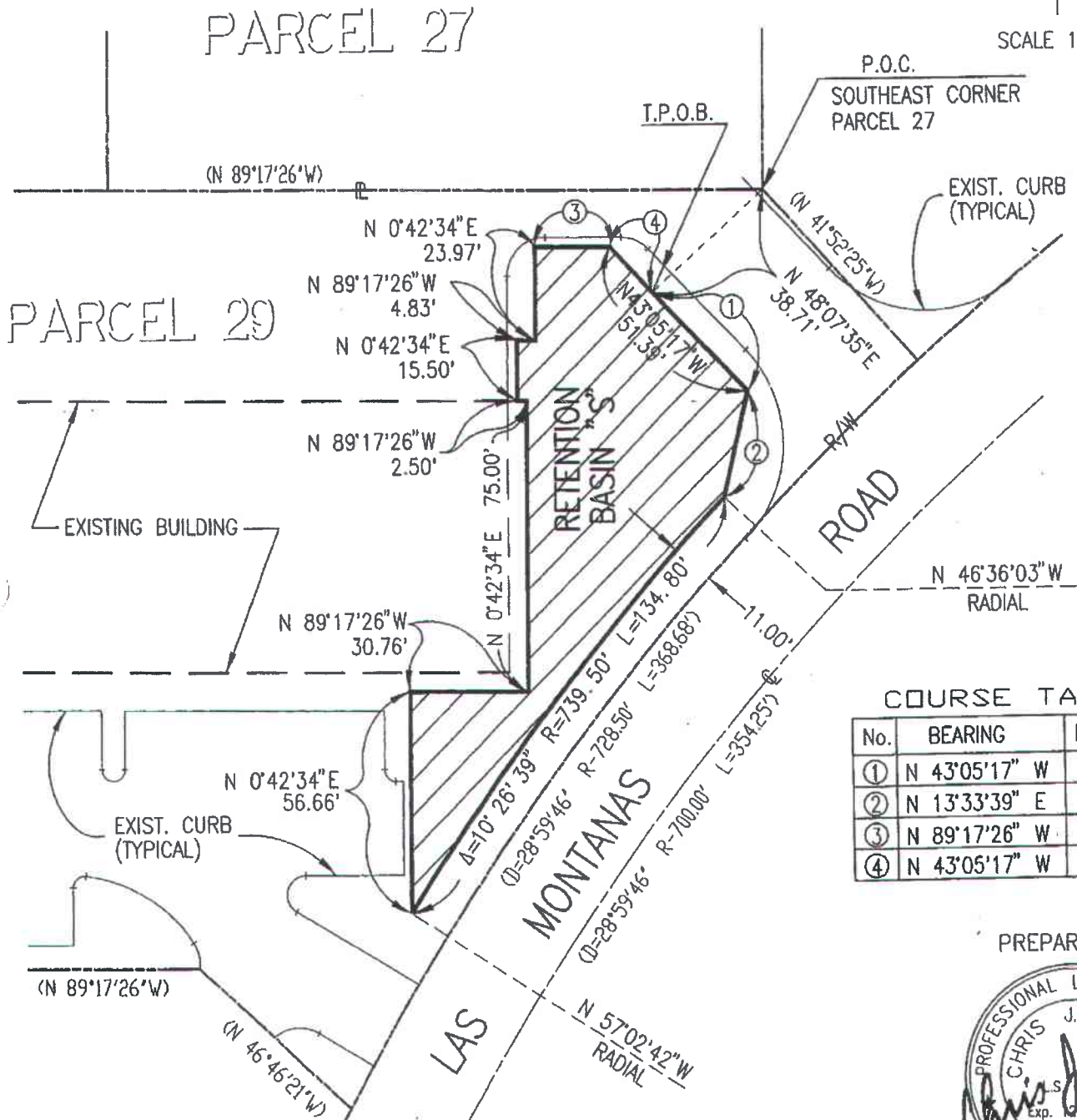
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05/12/2006 08:09A
100 of 100

SHEET 1 OF 1 SHEET

DRAINAGE EASEMENT
RETENTION BASIN "S"
PARCEL 29, P.M. 29715-1



SCALE 1"=40'



COURSE TABLE

No.	BEARING	DISTANCE
①	N 43°05'17" W	35.19'
②	N 13°33'39" E	27.90'
③	N 89°17'26" W	19.44'
④	N 43°05'17" W	16.20'

PREPARED BY:



NOTE: THIS BASIN ACCEPTS DRAINAGE FROM
PARCEL 29 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB

MDS

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MORSE 79-799 Old Avenue 52
La Quinta, CA 92253

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SCHULTZ FAX: 760-771-4073

PLANNERS ENGINEERS SURVEYORS



2006-0347510
05/12/2006 08:00A
181 of 188

EXHIBIT "O"

DRAINAGE EASEMENT-RETENTION BASIN "T"

LEGAL DESCRIPTION:

A PORTION OF PARCEL 27, PARCEL 28, AND PARCEL 29, AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 262, PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF PARCEL 27 OF SAID MAP; THENCE SOUTH ALONG THE EAST LINE OF SAID PARCEL, SOUTH 0°42'34" WEST 74.50 FEET TO THE TRUE POINT OF BEGINNING; THENCE LEAVING SAID EAST LINE, SOUTH 89°17'26" EAST 26.87 FEET; THENCE SOUTH 37°46'20" EAST 37.59 FEET; THENCE SOUTH 52°13'40" WEST 58.79 FEET; THENCE SOUTH 37°46'20" EAST 18.00 FEET; THENCE SOUTH 52°13'40" WEST 6.76 FEET; THENCE SOUTH 37°46'20" EAST 28.00 FEET; THENCE NORTH 52°13'40" EAST 5.00 FEET; THENCE SOUTH 37°46'20" EAST 20.00 FEET; THENCE SOUTH 52°13'40" WEST 36.00 FEET; THENCE SOUTH 37°46'20" EAST 18.00 FEET; THENCE SOUTH 52°13'40" WEST 5.00 FEET; THENCE SOUTH 37°46'20" EAST 28.00 FEET; THENCE NORTH 52°13'40" EAST 5.00 FEET; THENCE SOUTH 37°46'20" EAST 19.56 FEET; THENCE SOUTH 9°44'14" EAST 11.50 FEET; THENCE SOUTH 50°43'14" WEST 5.26 FEET; THENCE SOUTH 80°15'46" WEST 34.27 FEET; THENCE NORTH 43°05'17" WEST 37.16 FEET; THENCE NORTH 0°47'34" WEST 55.30 FEET; THENCE SOUTH 89°12'26" WEST 2.75 FEET; THENCE NORTH 0°42'59" EAST 107.38 FEET; THENCE SOUTH 89°17'26" WEST 11.00 FEET; THENCE NORTH 0°42'34" EAST 24.00 FEET; THENCE SOUTH 89°17'26" EAST 20.00 FEET TO THE EAST LINE OF PARCEL 27 AND THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 27 THROUGH 29 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

Chris J. Bergh 3/25/02
CHRIS J. BERGH, P.L.S. 6588 DATE
EXPIRATION DATE: 12/31/03

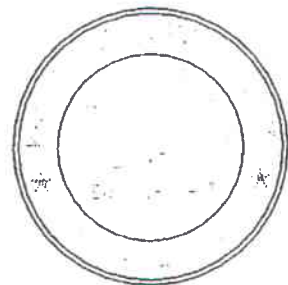


EXHIBIT "P"

DRAINAGE EASEMENT RETENTION BASIN "T"

PARCELS 27, 28 & 29, P.M. 29715-1

P.O.C.
NORTHEAST CORNER
PARCEL 27
FLORA ROAD
(N 89°17'26"W)



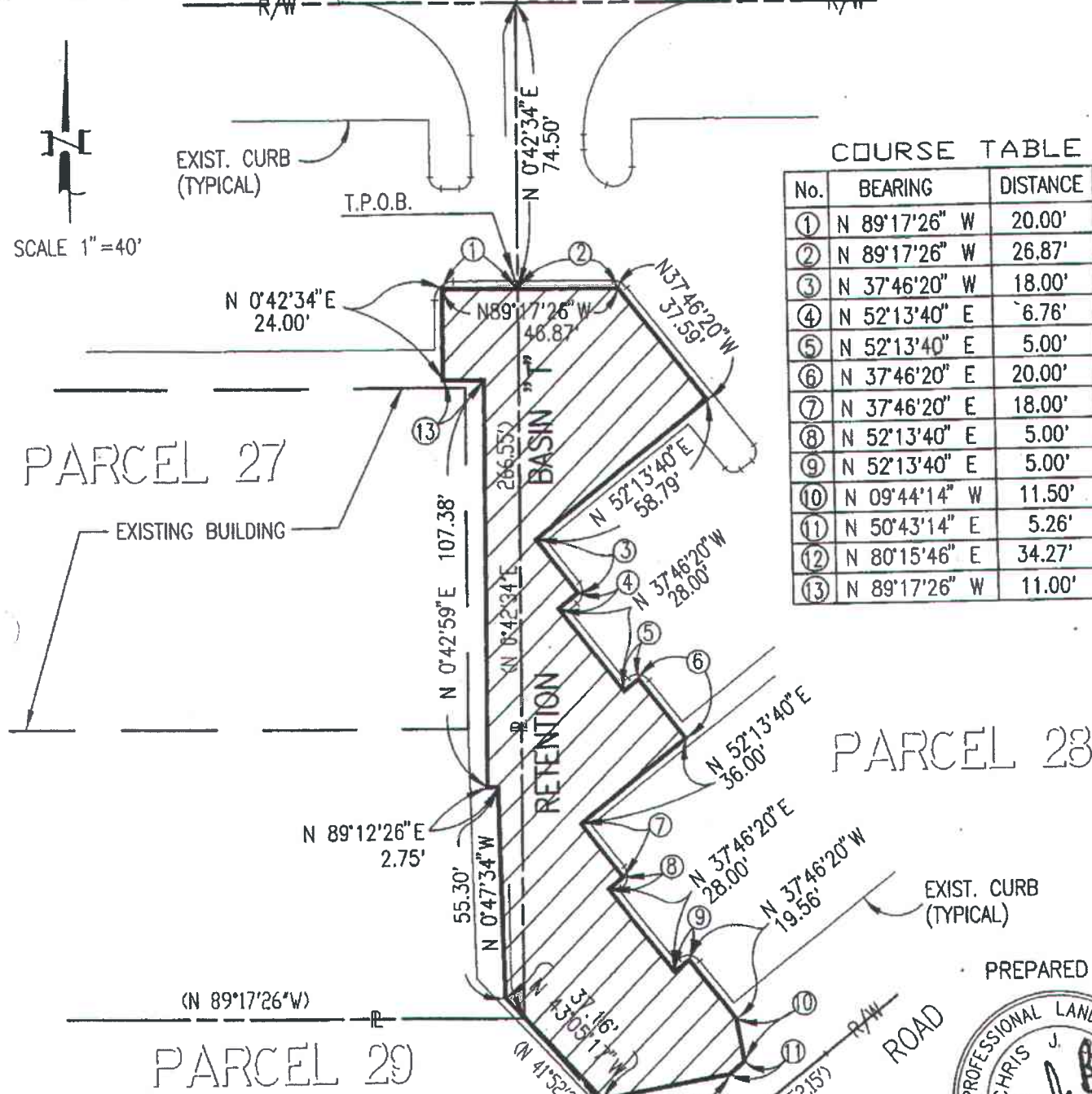
SCALE 1" = 40'

EXIST. CURB
(TYPICAL)

T.P.O.B.

COURSE TABLE

No.	BEARING	DISTANCE
①	N 89°17'26" W	20.00'
②	N 89°17'26" W	26.87'
③	N 37°46'20" W	18.00'
④	N 52°13'40" E	6.76'
⑤	N 52°13'40" E	5.00'
⑥	N 37°46'20" E	20.00'
⑦	N 37°46'20" E	18.00'
⑧	N 52°13'40" E	5.00'
⑨	N 52°13'40" E	5.00'
⑩	N 09°44'14" W	11.50'
⑪	N 50°43'14" E	5.26'
⑫	N 80°15'46" E	34.27'
⑬	N 89°17'26" W	11.00'



PARCEL 27

EXISTING BUILDING

RETENTION BASIN "T"

PARCEL 28

PARCEL 29

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 27, 28 AND 29 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB

PREPARED BY:



MDS

CONSULTING

MORSE 79-799 Old Avenue 52
La Quinto, CA 92253

DOKICH Voice: 760-771-4013

SCHULTZ FAX: 760-771-4073

PLANNERS ENGINEERS SURVEYORS

2006-0347510
05/12/2006 08:08A



2006-0347510
05/12/2008 08:00A
103 of 108

EXHIBIT "Q"

DRAINAGE EASEMENT-RETENTION BASIN "V"

LEGAL DESCRIPTION:

A PORTION OF PARCEL 28, AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 202, PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF PARCEL 28 OF SAID MAP; THENCE EAST ALONG THE NORTH LINE OF SAID PARCEL, SOUTH 89°17'26" EAST 154.16 FEET; THENCE LEAVING SAID NORTH LINE, SOUTH 0°42'34" WEST 10.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING, SOUTH 0°42'34" WEST 13.67 FEET; THENCE NORTH 89°17'26" WEST 35.91 FEET; THENCE SOUTH 52°13'23" WEST 37.03 FEET; THENCE NORTH 87°20'17" WEST 7.27 FEET; THENCE NORTH 0°42'34" EAST 17.96 FEET; THENCE NORTH 89°17'26" WEST 47.96 FEET; THENCE NORTH 0°42'34" WEST 8.32 FEET; THENCE NORTH 59°57'18" EAST 19.91 FEET; THENCE SOUTH 89°17'26" EAST 103.01 FEET TO THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 27 AND 28 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

Chris J. Berg 3/25/02
CHRIS J. BERG, P.L.S. 6588 DATE
EXPIRATION DATE: 12/31/03

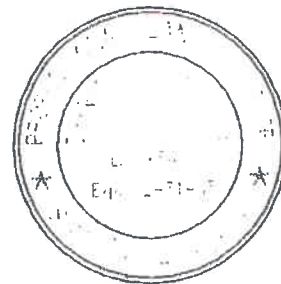
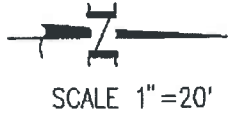


EXHIBIT "R"

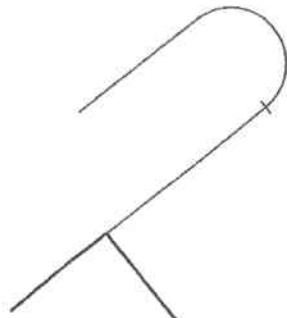
DRAINAGE EASEMENT
RETENTION BASIN "V"
PARCEL 28, P.M. 29715-1



COURSE TABLE

No.	BEARING	DISTANCE
①	N 87°20'17" W	7.27'
②	N 00°42'34" E	17.96'
③	N 00°42'34" W	8.32'
④	N 59°57'18" E	19.91'

PARCEL 28



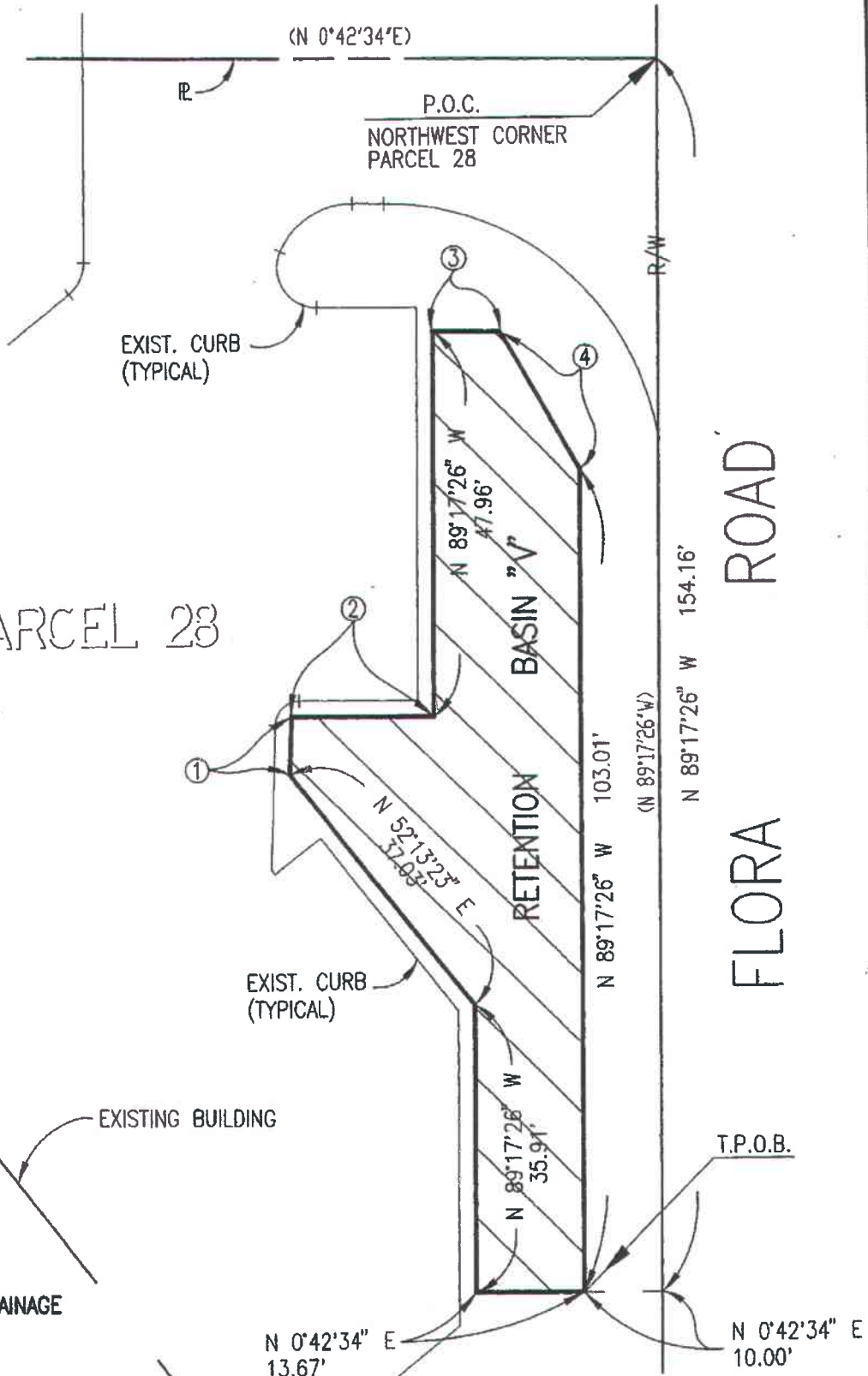
PREPARED BY:



NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 27 AND 28 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB



2006-0347510
85/12/2006 08:08R

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PLANNERS ENGINEERS SURVEYORS



2006-0347510
05/12/2006 08:00A
105 of 108

EXHIBIT "S"

DRAINAGE EASEMENT-RETENTION BASIN "W"

LEGAL DESCRIPTION:

A PORTION OF PARCEL 26 AND PARCEL 27, AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 202, PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF PARCEL 26 OF SAID MAP; THENCE SOUTH ALONG THE EAST LINE OF SAID PARCEL, SOUTH 0°42'34" WEST 10.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE LEAVING SAID EAST LINE, SOUTH 89°17'26" EAST 124.83 FEET; THENCE SOUTH 58°34'53" EAST 25.78 FEET; THENCE SOUTH 0°42'34" EAST 5.34 FEET; THENCE NORTH 89°17'26" WEST 288.00 FEET; THENCE NORTH 0°42'59" EAST 18.50 FEET; THENCE SOUTH 89°17'26" EAST 141.00 FEET TO THE EAST LINE OF PARCEL 26 AND THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 26 AND 27 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

Chris J. Bergh 3/25/02
CHRIS J. BERGH P.L.S. 6588 DATE
EXPIRATION DATE: 12/31/03

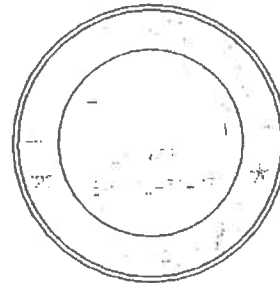


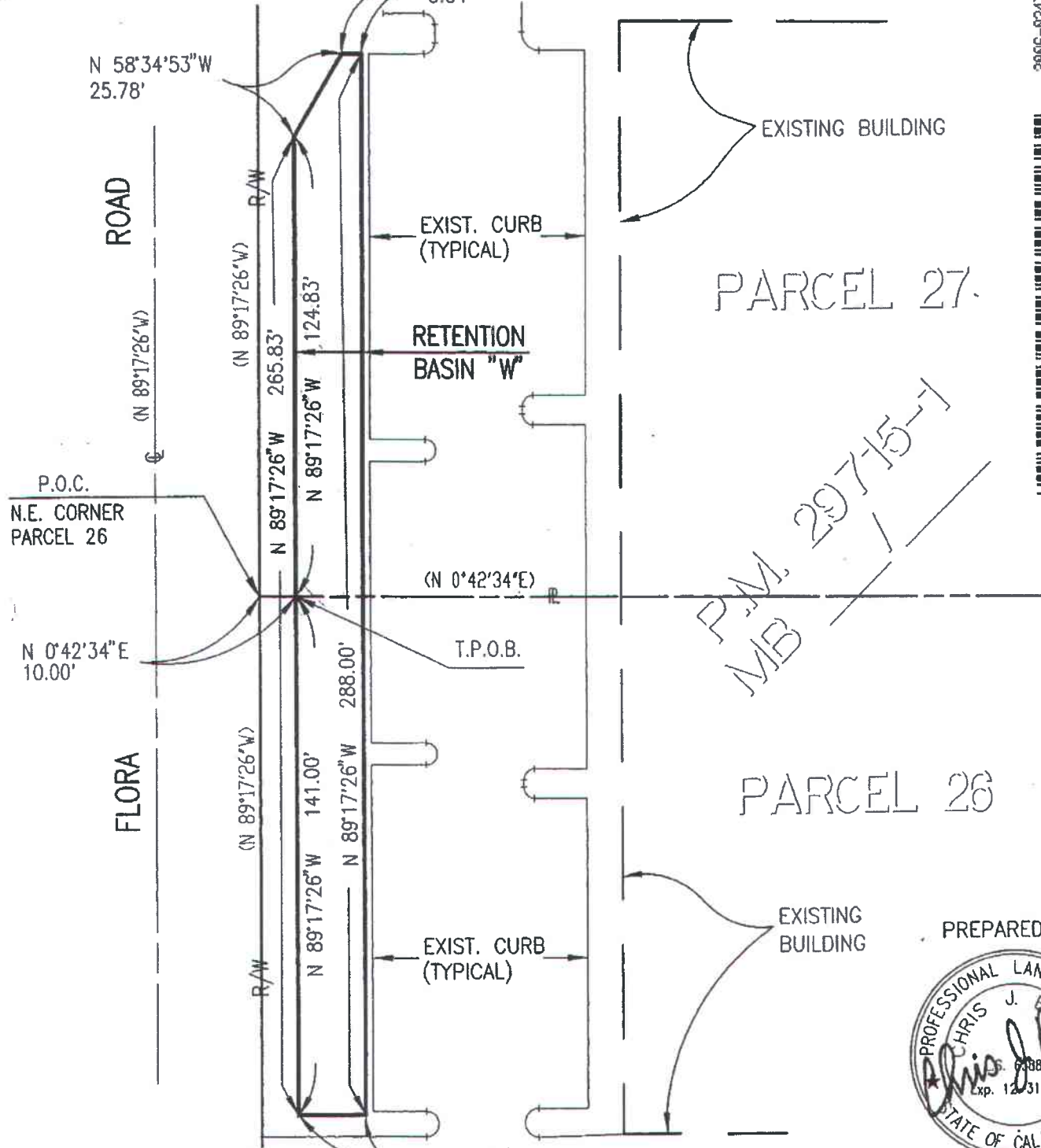
EXHIBIT "T"

DRAINAGE EASEMENT RETENTION BASIN "W"

PARCELS 26 & 27, P.M. 29715-1



2006-0347519
05/12/2006 08:00P
106 of 108



P.M. 29715-1
MB

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 26 AND 27 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB

PREPARED BY:



MDS

CONSULTING

MORSE 79-799 Old Avenue 52
La Quinta, CA 92253

DOKICH Voice: 760-771-4013

SCHULTZ FAX: 760-771-4073

PLANNERS ENGINEERS SURVEYORS

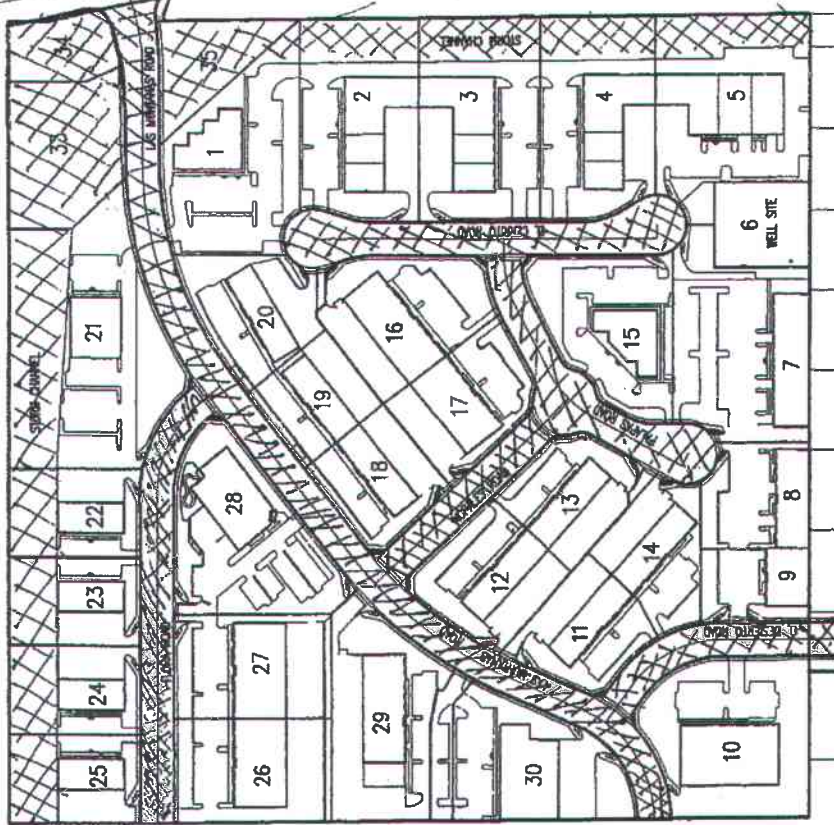
EXHIBIT "L"

ASSOCIATION MAINTENANCE AREAS



DESERT BUSINESS PARK

PARCEL MAP NO. 29715-1



SOLD PARCELS: 11, 12, 13, 14
 XXXX POA MAINTAINS



PHASE 1

PAR. NO.	ZONING	TOTAL AREA	NET ACRES	TOTAL ACRES	BLDG. SF
1	I-P	65,356 SF	1.50	1.50	17,000
2	I-P	65,267 SF	1.18	1.18	15,672
3	I-P	68,978 SF	1.22	1.22	15,672
4	I-P	64,961 SF	1.50	1.50	15,672
5	I-P	71,967 SF	1.24	1.24	18,254
6	I-P	21,780 SF	0.50	0.50	WELL SITE
7	I-P	21,780 SF	1.15	1.15	13,115
8	I-P	28,478 SF	0.68	0.68	9,000
9	I-P	21,174 SF	0.48	0.48	6,752
10	I-P	30,534 SF	1.34	1.34	15,892
11	I-P	30,428 SF	0.77	0.77	8,000
12	I-P	35,861 SF	0.85	0.85	8,000
13	I-P	35,238 SF	0.78	0.78	8,000
14	I-P	35,000 SF	0.74	0.74	8,000
15	I-P	70,567 SF	1.62	1.62	16,522
16	I-P	48,268 SF	1.13	1.13	13,350
17	I-P	35,683 SF	0.84	0.84	11,100
18	I-P	51,135 SF	0.71	0.71	7,800
19	I-P	28,860 SF	0.62	0.62	7,400
20	I-P	37,857 SF	0.87	0.87	8,000
21	I-P	81,971 SF	2.11	2.11	8,500
22	I-P	31,162 SF	0.46	0.46	5,500
23	I-P	31,095 SF	0.46	0.46	5,500
24	I-P	19,922 SF	0.46	0.46	5,500
25	I-P	19,926 SF	0.46	0.46	5,500
26	I-P	31,218 SF	0.72	0.72	5,500
27	I-P	45,313 SF	1.04	1.04	13,140
28	I-P	45,313 SF	1.04	1.04	14,040
29	I-P	64,608 SF	1.48	1.48	12,574
30	I-P	64,608 SF	1.48	1.48	15,118
21, 32, 23, 6	I-P	101,981 SF	1.53	1.18	14,330
10, 4, 31	I-P	65,754 SF	1.53	1.15	16,254
PAR 'A' (5)	I-P	75,117 SF	1.30	1.72	16,254
PAR 'B' (6)	I-P	21,780 SF	0.50	0.50	WELL SITE
PAR 'C' (7)	I-P	67,082 SF	1.54	1.54	13,115

** INDICATES TWO-STORY BUILDING
 M-SC MANUFACTURING - SERVICE COMMERCIAL
 I-P INDUSTRIAL PARK
 * INDICATES ADJUSTED PARCELS PER LOT LINE ADJUSTMENT NO. 4529

MDS
 CONSULTING
 PLANNERS ENGINEERS SURVEYORS
 7575 Old Avenue Dr.
 La Brea, CA 90048
 (310) 797-7777
 FAX (310) 797-7777

54000-DWGR-MD-PR-1 04-97-000

2006-0347510
 05/12/2006 09:06A
 102 of 103



Exhibit "L"

APPROVED

RECORDING REQUESTED BY

WHEN RECORDED RETURN TO
INVESTCO FINANCIAL CORPORATION
1302 PUYALLUP STREET
SUMNER, WA 98380
ATTN: ANGELA L. HUMPHREYS, ESQ.

DOC # 2007-0328619
05/17/2007

Conformed Copy

Has not been compared with original

Larry W Ward
County of Riverside
Assessor, County Clerk & Recorder

THE AREA ABOVE IS RESERVED FOR RECORDER'S USE

FIRST AMENDMENT
TO
AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS AND
RESERVATION OF EASEMENTS
FOR
DESERT BUSINESS PARK

NOTE: AS MORE FULLY DESCRIBED IN SECTION 17.20 OF THIS DECLARATION, IN THE EVENT OF ANY DISPUTES ARISING HEREUNDER, OR RELATING TO THE DESIGN AND/OR CONSTRUCTION OF THE PROJECT GOVERNED HEREBY, SUCH DISPUTE SHALL BE SUBMITTED TO JUDICIAL REFERENCE, A FORM OF ALTERNATIVE DISPUTE RESOLUTION.

FIRST AMENDMENT
TO
AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
AND RESERVATION OF EASEMENTS
FOR
DESERT BUSINESS PARK

THIS FIRST AMENDMENT (this "Amendment") is made as of the 5TH day of January, 2007, by Desert Business Park II L.L.C., a Washington limited liability company ("Declarant").

RECITALS

A. Declarant is the owner of that certain real property located in the County of Riverside, State of California and commonly known as Desert Business Park Center which is subject to that certain Amended and Restated Declaration of Covenants, Conditions and Restrictions and Reservation of Easements dated May 11, 2006, and recorded on May 12, 2006, as Instrument No. 2006-0347510 (the "Declaration").

B. Declarant has the authority under Section 17.19 of the Declaration to executed amendments to the Declaration and Declarant desire to amend the Declaration.

C. Declarant is currently in the process of re-subdividing Parcels 9, 10, 11, 12, 13 and 14 of Tract No. 29715 under Tentative Parcel Map 32544 (the "32544 Subdivision") and now desires to amend the Declaration in order to accommodate the 32544 Subdivision as required by the County of Riverside:

Tract 29715 "Old" Parcel Numbers	Tract 32544 "New" Parcel Numbers
9	11, 12, 13, 14
10	9,10
11	7,8
12	5,6
13	3,4
14	1,2

NOW, THEREFORE, Declarant hereby amends the Declaration as follows:

1. Exhibit "A" (Covered Property) shall be deleted in its entirety and the "Revised Exhibit A" (attached hereto) shall be inserted in lieu thereof.

2. Exhibit "B" (Voting Allocation Schedule) shall be deleted in its entirety and the "Revised Exhibit B" (attached hereto) shall be inserted in lieu thereof.

3. Exhibit "C" (Description of Common Areas) shall be deleted in its entirety and the "Revised Exhibit C" (attached hereto) shall be inserted in lieu thereof.

4. A new Exhibit "G-1" (County of Riverside Best Management Practices) shall be incorporated into the Declaration *but shall apply solely to Tract 32544*. The existing Exhibit G shall apply to the remaining Covered Property.

5. Exhibit "L" (Association Maintenance Areas) shall be deleted in its entirety and the "Revised Exhibit L" (attached hereto) shall be inserted in lieu thereof.


6. A new Exhibit "M" and "Exhibit M-1" shall be incorporated into the Declaration *but shall apply solely to Tract 32544* and shall describe the obligations of the Association and Owner responsibilities with respect to maintenance and repair of the Lots in accordance with Article 8.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be duly executed as of the day and year first above written.

DECLARANT:

Desert Business Park II L.L.C.,
a Washington limited liability company

By: Investco Financial Corporation, a
Washington corporation, its Manager

By: 
Martin D. Waiss, President

STATE OF WASHINGTON

)

)

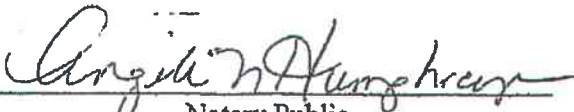
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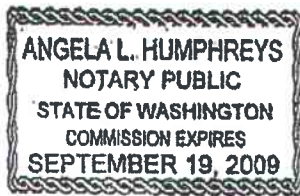
COUNTY OF PIERCE

)

On January 27th 2007, before me, the undersigned, a Notary Public in and for said County and State, personally appeared MARTIN D. WAISS, personally known to me (or 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.

WITNESS my hand and official seal.


Notary Public



REVISED EXHIBIT "A"

DESCRIPTION OF COVERED PROPERTY

Tract No. 29715-1 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on July 9, 2002, in Map Book 202 at Pages 35 through 39, inclusive of Parcel Maps.

Tract No. 29715 (except Parcels 9 through 14 which are subdivided and re-numbered as Tract No. 32544) in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on May 13, 2004, in Map Book 208 at Pages 96 through 99, inclusive of Parcel Maps.

Tract No. 32544 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on 5-17-07, in Map Book 221 at Pages 65 through 68, inclusive of Parcel Maps.

REVISED EXHIBIT "B"
VOTING ALLOCATION SCHEDULE

[Inserted behind this page]

REVISED EXHIBIT B
 DESERT BUSINESS PARK
 VOTING ALLOCATION SCHEDULE

Lot Size (Net Useable Sq Ft)	No. of Votes
0 to 40,000	1
40,001- 80,000	2
80,001- 120,000	3
120,001 +	4

LOT #	PARCEL GROSS SF	COMMON AREA/ EASEMENTS	NET USABLE SQUARE FEET	VOTES
-------	-----------------	------------------------	------------------------	-------

Parcel Map 29715-1

1	1	65,356	7,156	58,200	2
2	2	65,267	10,899	54,368	2
3	3	66,978	13,169	53,810	2
4	4	64,981	14,304	50,677	2
5	6A	75,118	13,957	61,161	2
6	7B	47,237	-	47,237	2
7	8	29,433	-	29,433	1
8	9	21,174	-	21,174	1
9	10A	65,734	13,192	52,542	2
10	11	33,395	-	33,395	1
11	12	37,001	-	37,001	1
12	13	34,130	-	34,130	1
13	14	32,149	-	32,149	1
14	15A	73,101	-	73,101	2
15	16	49,088	-	49,088	2
16	17	36,707	-	36,707	1
17	18	31,141	-	31,141	1
18	19	26,860	-	26,860	1
19	20	37,770	-	37,770	1
20	21B	101,964	35,503	66,460	2
21	22	31,161	11,165	19,986	1
22	23	31,087	11,165	19,923	1
23	24	31,091	11,165	19,926	1
24	25	31,217	11,253	19,964	1
25	26	45,474	-	45,474	2
26	27	45,313	-	45,313	2
27	28	64,603	-	64,603	2
28	29	65,104	-	65,104	2
29	30	51,610	-	51,610	2

REVISED EXHIBIT "C"

DESCRIPTION OF COMMON AREAS

Association Owned and Maintained:

1. Private streets known as Lots "A" through "D" of Tract No. 29715 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County May 13, 2004, in Map Book 208 at Pages 96 through 99, inclusive of Parcel Maps.
2. Private streets known as Lots "B" through "G" of Tract No. 29715-1 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on July 9, 2002, in Map Book 202 at Pages 35 through 39, inclusive of Parcel Maps.
3. Retention Basin and open space areas known as Lots 33, 34 and 35 of Tract No. 29715-1 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on July 9, 2002, in Map Book 202 at Pages 35 through 39, inclusive of Parcel Maps.

Association Maintained by not Owned:

1. Drainage Retention Basin located on Lot 10 of Tract No. 29715-1.
2. Storm Channel along the north and western boundaries of the Project.

LOT #	PARCEL GROSS SF	COMMON AREA/ EASEMENTS	NET USABLE SQUARE FEET	VOTES
-------	-----------------	------------------------	------------------------	-------

Parcel Map 29715

30	1	36,485	13,073	23,413	1
31	2	36,456	13,090	23,366	1
32	3	149,578	17,148	132,430	4
33	4	147,606	16,920	130,686	4
34	5	230,864	70,832	160,033	4
35	6	234,441	58,344	176,097	4
36	7	151,034	7,331	143,703	4
37	8	153,197	7,357	145,841	4

Parcel Map 32544

38	1	29,173		29,173	1
39	2	21,040		21,040	1
40	3	21,040		21,040	1
41	4	26,614		26,614	1
42	5	65,226		65,226	2
43	6	65,352		65,352	2
44	7	21,040		21,040	1
45	8	26,614		26,614	1
46	9	29,841		29,841	1
47	10	21,040		21,040	1
48	11	19,506		19,506	1
49	12	16,844		16,844	1
50	13	16,867		16,867	1
51	14	16,891		16,891	1

TOTAL VOTES 86

EXHIBIT "G-1"

COUNTY OF RIVERSIDE
BEST MANAGEMENT PRACTICES

FOR TRACT 32544

The management and maintenance of the 'common area' shall include the following best management practices (BMPs) to reduce storm water pollution:

Initial residents, occupants, or tenants of this site shall receive educational materials on good housekeeping practices which contribute to the protection of storm water quality. These educational materials shall be provided by the Riverside County Flood Control and Water Conservation District and shall be distributed by the Property Owners' Association. These materials shall address good housekeeping practices associated with the site's land use or uses (e.g., good housekeeping practices for office commercial, retail commercial, vehicle-related commercial, or industrial land use). Employers at this site shall adapt these materials for training their employees in good housekeeping practices (BMP N1 & N13);

Only pesticide applicators who are certified by the State of California as Qualified Applicators or who are directly supervised by a Qualified Applicator shall apply pesticides to common area landscaping. The applicator shall apply all pesticides in strict accordance with pesticide application laws as stated in the California Food and Agricultural Code. Fertilizer shall be applied to common area landscaping in accordance with the manufacturer's recommendations. Application to hardscape surfaces shall be avoided (BMP N3);

The 'catch basin(s)' shall be inspected and, if necessary, cleaned by the Property Owners' Association no later than October 15th of each year. 'ONLY RAIN IN THE DRAIN' and 'NO DUMPING' stencils shall be repainted as necessary to maintain legibility (BMP N4 & S12);

The 'water quality inlet(s), oil/water separator(s) and trash rack(s) shall be inspected and, if necessary, cleaned by the Property Owners' Association no later than October 15th of each year (BMP S4 & S13);

The Property Owners' Association shall keep the common area(s) free of litter. Litter shall be removed from the common area, and litter receptacles shall be emptied at least once a month. Where improper disposal of trash has occurred, the Property Owners' Association shall take corrective action within forty-eight hours of discovery (BMP N5);

The street(s) and parking lot(s) shall be swept by the Property Owners' Association at least once a year and shall be swept no later than October 15th of each year (BMP N6);

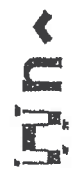
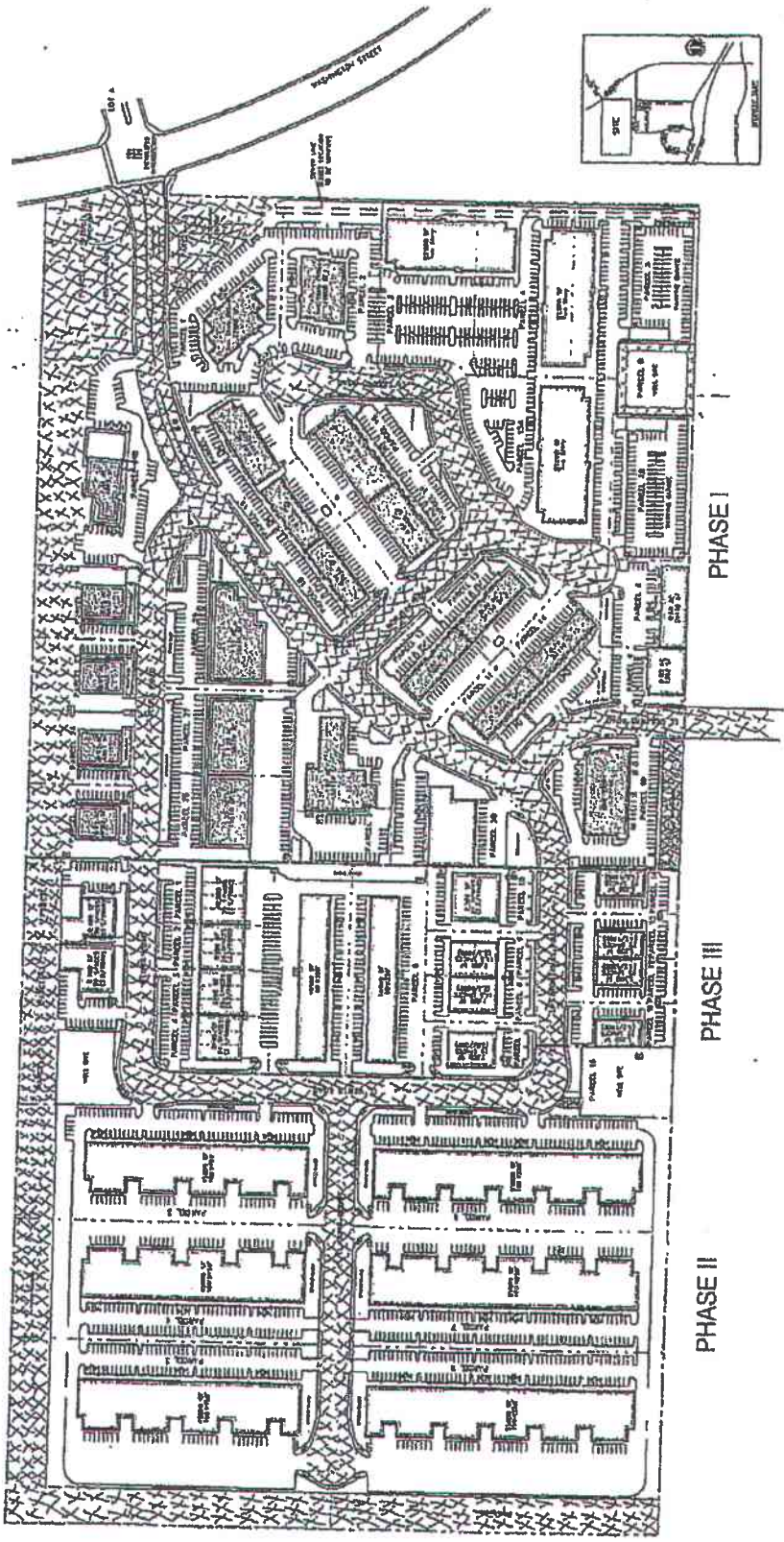
The Property Owners' Association shall keep loading docks in a clean and orderly condition through a regular program of sweeping, litter control, and the immediate cleanup of spills and broken containers. In accordance with Riverside County Ordinance No. 754, Establishing Storm Water/Urban Runoff Management and Discharge Controls, illicit discharges and non-storm water discharges (e.g., wash water) from loading docks to storm drains shall not be allowed (BMP N12);

The Property Owners' Association shall maintain an up-to-date list identifying the party or parties responsible for the implementation and maintenance of each of the BMPs described herein. The list shall include the party's name, organization, address, a phone number at which the party may be reached 24 hours a day, and a description of the party's responsibility for implementation and maintenance of a particular BMP (BMP N14)."

REVISED EXHIBIT "L"

ASSOCIATION MAINTENANCE AREAS

[Drawing inserted behind this page]



XXX POA MANTANIS Exhibit "L"

DESERT BUSINESS PARK

MASTER SITE PLAN

INVESTCO
1300 Phoenician Blvd
Scottsdale, Washington 98770
(253) 853-4200

Smith Consulting Architects
1728 Broadway
Seattle, WA 98101
206.461.1877
FAX 206.461.1878
AUGUST 08, 2006

EXHIBIT "M"

OWNER AND ASSOCIATION MAINTENANCE AREAS

FOR TRACT 32544

Maintenance and repair of each retention basin and the storm water flow paths on each Lot located within Tract 32544, more particularly described on Exhibit "M-1" attached hereto, shall be the responsibility of the Owner, or as otherwise approved by the County of Riverside Transportation Department. All maintenance and repair of such retention basins and storm water facilities shall be subject to the Best Management Practices outlined on Exhibit "G-1". The County of Riverside shall not be responsible for the maintenance and repair of retention basins and/or storm water flow paths.

RECORDING REQUESTED BY

WHEN RECORDED RETURN TO
INVESTCO FINANCIAL CORPORATION
1302 PUYALLUP STREET
SUMNER, WA 98390
ATTN: ANGELA L. HUMPHREYS

2017-0021331

01/18/2017 01:55 PM Fee: \$ 43.00

Page 1 of 7

Recorded in Official Records
County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder



139					R	A	Exam: 554			
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56-50

SECOND AMENDMENT
TO
THE AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS AND
RESERVATION OF EASEMENTS
FOR
DESERT BUSINESS PARK

NOTE: AS MORE FULLY DESCRIBED IN SECTION 17.20 OF THIS DECLARATION, IN THE EVENT OF ANY DISPUTES ARISING HEREUNDER, OR RELATING TO THE DESIGN AND/OR CONSTRUCTION OF THE PROJECT GOVERNED HEREBY, SUCH DISPUTE SHALL BE SUBMITTED TO JUDICIAL REFERENCE, A FORM OF ALTERNATIVE DISPUTE RESOLUTION.

**SECOND AMENDMENT
TO
THE AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND
RESERVATION OF EASEMENTS
FOR
DESERT BUSINESS PARK**

This Second Amendment to the Amended and Restated Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Desert Business Park ("Amendment") is made this 6th day of January, 2017 ("Effective Date"), by DESERT BUSINESS PARK II L.L.C., a Washington limited liability company ("Declarant") and Desert Park Property Owner's Association, a California nonprofit mutual benefit corporation ("Association").

RECITALS

A. Declarant is the owner of real property located in the County of Riverside, State of California and commonly known as Desert Business Park Center which is subject to that certain Amended and Restated Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Desert Business Park, recorded as Instrument Number 20060347510, as amended by that certain First Amendment to Amended and Restated Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Desert Business Park, recorded as Instrument Number 20070328619 (collectively, "Declaration").

B. Less than 75% of the Lots for the Development have been sold to Retail Purchasers, accordingly, Declarant is entitled to Class B Member voting rights under Section 2.3.2 of the Declaration.

C. The Declaration can be amended with the affirmative written consent or a vote of a majority of a quorum of the voting power of the Association under Section 17.19.3 of the Declaration.

D. Declarant, and its affiliates, hold a majority of the voting power of the Association.

E. Declarant wishes to amend the Declaration to prohibit the growth, processing or sale of marijuana at the Development.

NOW, THEREFORE, in consideration of the above recitals and of the covenants herein contained Declarant and Association hereby covenant and agree to amend the Declaration as follows:

1. All capitalized but undefined terms herein shall have the meanings ascribed to them in the Declaration.

2. Section 11.2 of the Declaration shall be deleted in its entirety and replaced by the following:

Prohibited Uses. Without limiting any other restrictions herein, in no event shall any improvements be constructed, placed or used on the Covered Property, nor shall the Covered Property in any event be used for, any of the following purposes: (a) hotels and motels; (b) junk yards and recycling facilities; (c) commercial excavation of building or construction materials, except in the usual course of

construction of improvements for the Lots; (d) distillation of bones; (e) dumping, disposal, incineration, or reduction of garbage, sewage, dead animals or refuse; (f) stockyards and slaughter of animals; (g) refining of petroleum or any of its products; (h) smelting of iron, tin, zinc, or other ores; (i) cemetery; (j) jail or honor farms; (k) labor or migrant work camps; (l) mobile home park or recreation vehicle campground; (k) growth, processing or sale of marijuana or products containing marijuana. Furthermore, no part of the Covered Property shall be used, or caused to be used, or allowed or authorized in any way, directly or indirectly, for any residential or other non-commercial purpose.

3. The Association certifies that this Amendment has been approved as required under the Declaration.

4. Except as expressly amended by this Amendment, the terms and provisions of the Declaration shall remain in full force and effect.

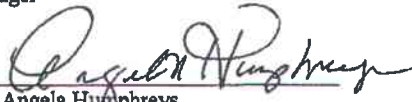
[Signatures on following pages]

IN WITNESS WHEREOF, Declarant and Association have executed this Amendment on the Effective Date.

DECLARANT:

DESERT BUSINESS PARK II L.L.C.,
a Washington limited liability company,

By: IFC California Corporation
Its: Manager

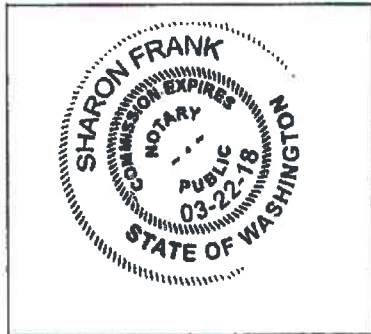

By: Angela Humphreys
Its: Secretary

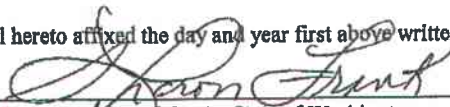
STATE OF WASHINGTON)
COUNTY OF Pierce) ss.

I certify that I know or have satisfactory evidence that the person appearing before me and making this acknowledgment is the person whose true signature appears on this document.

On this 6th day of January, 2017, before me personally appeared Angela Humphreys, to me known to be the Secretary of IFC California Corporation, the Manager of DESERT BUSINESS PARK II L.L.C., the limited liability company that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said limited liability company, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.




Notary Public in and for the State of Washington, residing at Summer WA
My commission expires: 3-22-2018
Sharon Frank
[Type or Print Notary Name]

(Use This Space for Notarial Seal Stamp)

ASSOCIATION:

DESERT PARK PROPERTY OWNER'S ASSOCIATION,
a California nonprofit mutual benefit corporation

Marsha Vincelette
By: Marsha Vincelette See Attached Notary
Its: President

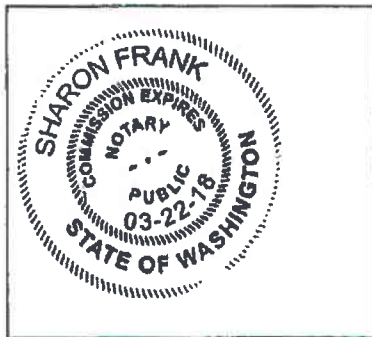
Angela Humphreys
By: Angela Humphreys
Its: Secretary SEE Attached Notary

STATE OF Washington)
COUNTY OF Spokane) ss.

I certify that I know or have satisfactory evidence that the person appearing before me and making this acknowledgment is the person whose true signature appears on this document.

On this 6th day of January, 2017, before me personally appeared Marsha Vincelette, to me known to be the President of DESERT PARK PROPERTY OWNER'S ASSOCIATION, the nonprofit mutual benefit corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said limited liability company, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Sharon Frank
Notary Public in and for the State of Washington
residing at Sumner WA
My commission expires: 3-22-2018
Sharon Frank
[Type or Print Notary Name]

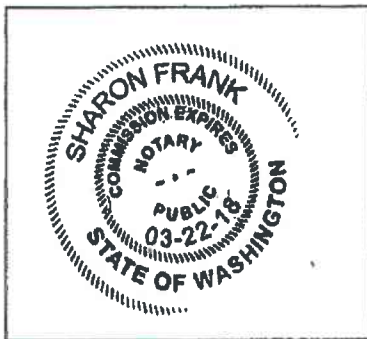
(Use This Space for Notarial Seal Stamp)

STATE OF WASHINGTON)
)
COUNTY OF Spokane) ss.

I certify that I know or have satisfactory evidence that the person appearing before me and making this acknowledgment is the person whose true signature appears on this document.

On this 6th day of January, 2017, before me personally appeared Angela Humphreys, to me known to be the Secretary of DESERT PARK PROPERTY OWNER'S ASSOCIATION, the nonprofit mutual benefit corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said limited liability company, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Sharon Frank
Notary Public in and for the State of Washington, residing at Sumner WA
My commission expires: 3-22-2018
Sharon Frank
[Type or Print Notary Name]

(Use This Space for Notarial Seal Stamp)

California All-Purpose Certificate of 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 Riverside } s.s.

On January 11, 2017 before me, Crystal Rodgers, Notary Public
Name of Notary Public, Title

personally appeared Marsha Vincelette
Name of Signer (1)

Name of Signer (2)

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.

Crystal Rodgers
Signature of Notary Public



Seal

OPTIONAL INFORMATION

Although the information in this section is not required by law, it could prevent fraudulent removal and reattachment of this acknowledgment to an unauthorized document and may prove useful to persons relying on the attached document.

Description of Attached Document

The preceding Certificate of Acknowledgment is attached to a document titled/for the purpose of Second Amendment to the Amended and Restated Declaration...

containing 10 pages, and dated _____

The signer(s) capacity or authority is/are as:

- Individual(s)
- Attorney-in-fact
- Corporate Officer(s) President
Title(s)

- Guardian/Conservator
- Partner - Limited/General
- Trustee(s)
- Other: _____

representing: _____
Name(s) of Person(s) Entity of Signer is Representing

Additional Information	
Method of Signer Identification	
Proved to me on the basis of satisfactory evidence: <input checked="" type="checkbox"/> form(s) of identification <input type="checkbox"/> credible witness(es)	
Notarial event is detailed in notary journal on: Page # <u>61</u> Entry # <u>7</u>	
Notary contact: <u>(760) 772-4499</u>	
Other: _____	
<input type="checkbox"/> Additional Signer	<input type="checkbox"/> Signer(s) Thumbprints(s)

**CONSENT OF MEMBERS
OF
DESERT BUSINESS PARK PROPERTY OWNER'S ASSOCIATION**

The undersigned members, of the Desert Business Park Property Owner's Association, a California Mutual Benefit Corporation (the "Association"), constituting a majority of the members of the Desert Business Park Property Owner's Association, DO HEREBY CONSENT to the taking of the action set forth herein.

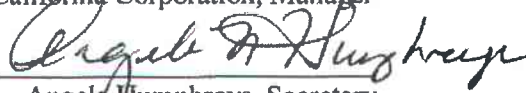
RESOLVED: The Second Amendment to the Amended and Restated Declaration of Covenants, Conditions, Restrictions and Reservation of Easements, attached hereto as Addendum A, is approved and shall be executed and recorded.

Executed on this 21st day of November, 2016.

MEMBERS:

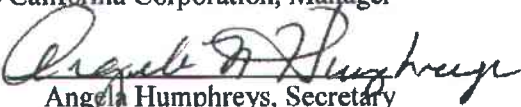
Desert Business Park II, LLC

By: IFC California Corporation, Manager

By: 
Angela Humphreys, Secretary

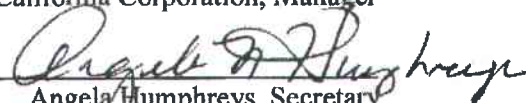
DBP Partners L.L.C.

By: IFC California Corporation, Manager

By: 
Angela Humphreys, Secretary

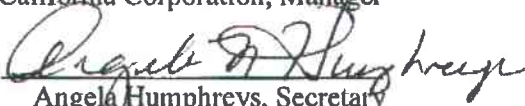
DBP Holdings I L.L.C.

By: IFC California Corporation, Manager

By: 
Angela Humphreys, Secretary

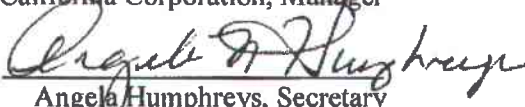
Grinnell Properties LLC

By: IFC California Corporation, Manager

By: 
Angela Humphreys, Secretary

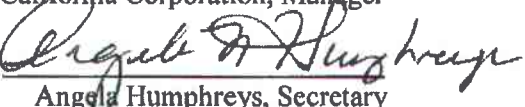
DBP Chaparral L.L.C.

By: IFC California Corporation, Manager

By: 
Angela Humphreys, Secretary

DBP Ventures L.L.C.

By: IFC California Corporation, Manager

By: 
Angela Humphreys, Secretary

DZIDA, CAREY & STEINMAN

A LAW CORPORATION

Christine E. Dunfey
Direct Dial: (949) 399-0378
E-mail: cdunfey@dcsllaw.com
Matter: 30935-0001

MEMORANDUM

TO: File

FROM: Christine E. Dunfey

DATE: June 29, 2020

CLIENT: Flora Road, LLC

MATTER: Desert Business Park Cannabis Prohibition

SUBJECT: Summary of History re Flora Road Cannabis Prohibition

In September 2019, Mr. Lizarraga received and reviewed the Amended and Restated Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Desert Business Park ("*Declaration*"), the First Amendment to the Declaration and the Second Amendment to the Declaration ("*Second Amendment*") which apply to Desert Business Park

(“*Project*”), of which the Property is a part. The Second Amendment was recorded January 18, 2017 and prohibits the “growth, processing or sale of marijuana or products containing marijuana.” The members of the Company had not previously realized that such a prohibition existed. Mr. Lizarraga requested that we review the Declaration and Second Amendment in order to confirm whether this prohibition would be applicable and enforceable as to the Property and, if so, what options might be available to the Company to challenge it.

Our review of the Declaration (as amended) indicated that Section 2.3 of the Declaration states that “Declarant” (defined in the Declaration as Desert Business Park II, L.L.C., DBP Investments, L.L.C., DBP Partners L.L.C. and DBP Ventures) gets a weighted vote for each lot owned by Declarant equal to 3 votes for each vote otherwise associated with such lot for so long as Declarant holds Class B membership in the Desert Business Park Property Owner’s Association (“*Association*”). The Declaration provides that Declarant shall be the Class B member until 5/13/2014 if 75% of the lots have been sold at that time, and if not, then the Class B membership shall continue to extend in 2 year increments until 75% of the lots have been sold. Section 17.19.3 of the Declaration states that, as long as there is Class B membership, amendments to the Declaration require approval by a majority of a quorum of the voting power of the Association. The Second Amendment states that, at the time of its execution, fewer than 75% of the lots had been sold, so Declarant was the Class B member (and thus had a triple-weighted vote). The Second Amendment further states that, at the time of its execution, Declarant and its affiliates held a majority of voting power in the Association, so Declarant and its affiliates were able to approve the amendment without the votes of any other member of the Association. Additionally, Section 2.3.4 of the Declaration states that, in order to properly conduct a vote, the Association must either vote at a duly called and noticed meeting or collect written consents from Owners constituting a majority of a quorum.

At the time, we explained to Mr. Lizarraga the results of our analysis and indicated that we would need additional information in order to determine (a) whether the required formalities for a vote regarding the Second Amendment were satisfied and (b) whether Declarant actually had sufficient voting power at the time in order to unilaterally approve the Second Amendment. In particular, we questioned whether the Association had complied with the required formalities for approving the Second Amendment, in light of the fact that the Association’s board of directors consists entirely of Declarant appointees. We also noted that the Second Amendment’s references to “Declarant and its affiliates” raised the question of whether Declarant was inappropriately claiming a triple-weighted vote for lots owned by Declarant’s affiliates who were not specifically named Declarant in the Declaration. Therefore, we recommended that Mr. Lizarraga reach out to the property management company for the Association to request documentation relating to the approval of the Second Amendment.

Mr. Lizarraga attended the annual meeting of the Association on February 6, 2020 in order to obtain an introduction to the board of directors of the Association and in an effort to gauge the overall personality and approach of the Association. Mr. Lizarraga indicated that he got the impression that Declarant’s appointees were accustomed to unilaterally making decisions for the Association without much input or participation from other owners.

On March 30, 2020, Mr. Lizarraga provided us with a copy of the letter dated March 26, 2020 that had been sent to Mr. Boggs from Marsha Vincelette on behalf of the Association, which emphasized that the Second Amendment prohibits cannabis-related business and thus requested that the Company withdraw its application for the conditional use permit for cannabis business at the Property. Mr. Lizarraga later learned that around this time Ms. Vincelette contacted the County regarding the Company's conditional use permit application, which caused the County to pause its processing of the application. Our online investigation indicated that Ms. Vincelette is also a vice president of Declarant, and her approach to this matter and the tone of her communications raised the question of whether she was acting in the case on behalf of the Association with consideration for the interest of the Company as a member of the Association, or if she was neglecting her duty to the Association and instead being driven by her priorities on behalf of Declarant. Mr. Lizarraga responded with an email to Ms. Vincelette, requesting the opportunity to meet with the Association board to discuss the proposed project for the Property and also requesting that she provide the count of votes cast in favor of the Second Amendment, the total number of outstanding votes at the time of the approval of the Second Amendment and copies of the meeting notices sent to the owners regarding the Second Amendment. Ms. Vincelette responded on March 31, 2020 with an email which referred Mr. Lizarraga to the recitals of the Second Amendment, ignored his requests for information and reiterated that marijuana is prohibited in the Project. Mr. Lizarraga replied by renewing his request for the actual voting records, and he also requested that she provide mailing addresses for each of the board members so that he could send them documentation regarding the Company's proposed plan for the Property. On March 3, 2020, Ms. Vincelette responded with a list of votes by owner, a copy of the 2016 Association meeting packet and the consent to the Second Amendment which was executed by Declarant and its affiliates. She still did not respond to Mr. Lizarraga's request for contact information of the board members.

We reviewed the voting information from Ms. Vincelette and found that they attributed a triple-weighted vote to Declarant affiliates which were not actually identified as Declarant under the Declaration. We recomputed the vote controlled by Declarant after correcting the number of votes attributable to such Declarant affiliates. Nevertheless, even after such adjustment, Declarant would still have controlled sufficient votes to unilaterally approve the Second Amendment – and Declarant currently controls sufficient votes to unilaterally approve an amendment to the Declaration even if the weighted vote is reserved to the Declarant affiliates named in the Declaration. As a result, we notified Mr. Lizarraga that the Second Amendment apparently was apparently approved properly. Furthermore, given that Declarant continues to control the vote, even if we were able to identify an error in the voting procedure sufficient to invalidate the Second Amendment, Declarant could again unilaterally consent to it. Because there did not appear to be a way to invalidate or block the Second Amendment, we advised Mr. Lizarraga that he should continue to attempt to convince the Association's board of directors to reconsider the cannabis prohibition. In addition, we suggested that he reach out to other owners within the Project to attempt to gather support for the Company's business plan for the Project. The Civil Code requires an association's board to call a special meeting in response to a petition of 5% of the voting power of the Association, so we suggested that this might be an opportunity for the cannabis issue to be raised for discussion among the owners of the Project.

The Company received a letter dated April 14, 2020 from counsel for the Association, Matt Morris, which threatened legal action to shut down any cannabis-related activity on the Property. We replied with a letter which questioned the appropriateness of the Association's retaining of counsel when no cannabis-related uses are currently occurring on the Property and without attempting prior discussion with the Company regarding its proposed use of the Property. Our letter also raised our concern about Ms. Vincelette's unwillingness to facilitate communication between Mr. Lizarraga and the Association board and her hesitancy to provide the basic Association documents which the Company had requested. We also formally requested that the Association provide documents which it is required to retain and provide to Association members upon request: (i) 2020 Association budget; (ii) 2019 Association income statement; (iii) Association balance sheet as of December 31, 2019; (iv) the notice of meeting of members for the consideration of the Second Amendment; (v) the record of the votes cast for, against and abstaining on the question of adopting the Second Amendment; (vi) any other documents in the Association's possession dealing with the preparation and adoption of the Second Amendment; and (vii) a list of the name and contact information for each Association member.

On April 21, 2020, Mr. Johnson's assistant mailed to each of the Association board members (at mailing addresses which Mr. Lizarraga was able to track down through online research) a copy of the presentation regarding the Company's business plan for the Property.

We received no response to our April 20 letter, so we sent a follow-up letter on May 4, 2020, which reiterated the document request and pointed out that the Association's bylaws require such documents to be provided within 10 days after such request. On May 6, 2020, Ms. Humphreys (another director on the Association's board, as well as an employee of Declarant) provided by email a letter which acknowledged the business plan for the Property but declined to remove the cannabis prohibition. In addition, she provided the 2016 annual Association meeting minutes, notice regarding Second Amendment, 2019-20 Association budget comparison, and 2020 Association budget. Her response did not include the contact information for all owners within the Project, so Mr. Lizarraga followed up to request that documentation again. He also attached to that follow-up email a letter which emphasized the careful planning of the Company's business plan and the Company's willingness with work with the Association to reach a reasonable solution, and which also attempted to address stereotypes and concerns which may be the source of the board's hesitation. On May 19, 2020, Ms. Humphreys emailed Mr. Lizarraga with the owner contact information.

Our review of the additional documents provided by Ms. Humphreys suggest that the Second Amendment was validly approved and executed. Therefore, we advised Mr. Lizarraga that the Company's best option for getting the cannabis prohibition removed (or revised, sufficient to allow the Company's intended use) would be to convince Declarant to agree to a new amendment to the Declaration. We suggested that he reach out to the owners within the Project which are not affiliated with Declarant in order to attempt to gather support from them, since Declarant may be better persuaded by multiple owners rather than just by the Company. Mr. Lizarraga indicated that the Company would also seek counsel to discuss filing suit against the Association and/or Declarant.

Law Offices of Roger Jon Diamond
2530 Wilshire Boulevard, Second Floor
Santa Monica CA 90403
310-452-6642

October 30, 2020

Riverside County Planning Department
Attn: Gabriel Villalobos
P.O. Box 1409
Riverside, Ca 92502-1409
email: Gvillalo@rivco.org

Re: CUP No. 190040

Dear Planning Commission Members and Staff:

I represent the applicant for Conditional Use Permit No. 190040. I just received by email a letter dated October 29, 2020 from the Desert Business Park Property Owners Association to the Commission. The Planning Department has thoroughly reviewed this matter and has recommended the granting of the permit. The Business Park threatens the County with litigation but this is entirely inappropriate. The Planning Commission should not get involved in any issue of the CC&R's. Marsha Vincelette is the President and Director of Desert Business Park Property Owners Association. She does not indicate her authority or expertise. It does not appear that Ms. Vincelette is legal counsel or is acting as an attorney on behalf of the park. She does have a conflict of interest (as a Board member).

The issue before the Commission and the County is a land use issue subject to the jurisdiction of County government. By the enactment of various ordinances the County has clearly indicated an intent to allow some limited cannabis use under strict zoning controls. Riverside County is a governmental entity exercising sovereignty over the property in question. The Desert Business Park cannot ask the County Planning Commission or the County Board of Supervisors to preempt land use issues already resolved by County government. The simple fact is that the Business Park has no jurisdiction to preempt County law by enacting CC&R's. The CC&R's mentioned by the Business Park Association cannot be used by the Association to preempt County authority. The issue is a zoning and land use issue and the issues are under the jurisdiction of the Planning Commission and the County Board of Supervisors.

The applicant will indemnify the County. It is a recommended condition for the granting of the CUP and the applicant will defend the County against any threat. There is no reason for the Property Owners Association to threaten legal action against the County. If it believes the CC&R's are valid it can sue the applicant directly and need not affect the County Planning Department.

I have extensive experience in land use law and have handled a number of cases where cities and counties have made land use mistakes. See, e.g., Woody's Wharf v. City of Newport Beach; Haas v. County of San Bernardino (Supreme Court); Nightlife Partners v. City of Beverly Hills; California Cannabis Coalition v. City of Upland (Supreme Court).

The Desert Business Park cites no legal authority for its position nor does it provide its experience. My recommendation is that the Planning Department and Planning Commission follow the advice of the County Counsel. The County Counsel will tell the Planning Department and Planning Commissioners that the applicant has every right to rely on County law and the decision of the Board of Supervisors respect to legislation regarding cannabis. The County had every right to establish land use policy for the property in question. The County zoning law takes priority over the CC&R's. If the Association wants to bring a lawsuit it can pick its fight with the applicant. I will not pretend to advise the Association as to what it

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should do. It knows where to find the applicant and can take whatever legal action it believes is appropriate. The Association should leave the County government alone.

If the County Counsel would like to discuss this matter further I would welcome the opportunity to do so.

Because of the political situation in the country regarding the upcoming election I am respectfully requesting the opportunity to appear by telephonic conferencing. Please contact me by phone today or Monday to discuss the logistics of participating by remote involvement. Please let me know when I can call by telephone the Planning Commissioners.

Please confirm that I will be able to participate by teleconferencing.

I anticipate that other persons will be able to attend in person and present the case. Among other things my client retained a real estate expert to provide a legal opinion regarding the CC& R issue. Please take the time to review the opinion. My client will submit a copy of the CC&R analysis prepared by his real estate attorney.

The County has decided that the property may be used for cannabis. The Association may not supercede County law.

Thank you.

Sincerely,

ROGER JON DIAMOND
RJD:jb



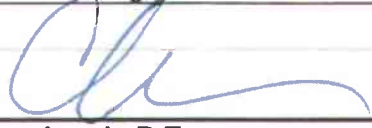
**COUNTY OF RIVERSIDE
PLANNING DEPARTMENT
STAFF REPORT**

Agenda Item No.

4 . 1

Planning Commission Hearing: November 4, 2020

PROPOSED PROJECT

Case Number(s):	CUP190040 & DA1900030	Applicant(s):	
CEQA Exempt	Section 15061(b)(3), Section 15301, & Section 15303	Applicant(s):	DJK Group, Inc.
Area Plan:	Western Coachella Valley	Representative(s):	
Zoning Area/District:	Bermuda Dunes District	Representative(s):	Infrastructure Engineers
Supervisory District:	Fourth District	 <hr/> Charissa Leach, P.E. Assistant TLMA Director	
Project Planner:	Gabriel Villalobos		
Project APN(s):	626-420-025		

PROJECT DESCRIPTION AND LOCATION

Conditional Use Permit No. 190040 (CUP190040) proposes to use an existing 5,920 sq.ft. tilt-up concrete building as a cannabis microbusiness location and will include tenant improvements to the existing building ("Project").

Development Agreement No. 1900030 (DA1900030) will impose a lifespan of 10 years on the proposed cannabis project, will grant the applicant vesting rights to develop the Project in accordance with the terms established through CUP190040 and this development agreement, and provide community benefit to the Bermuda Dunes district.

The project site is located north of Flora Rd, east of I-10, south of 38th Ave, and west of Washington St.

PROJECT RECOMMENDATION

STAFF RECOMMENDATIONS:

THAT THE PLANNING COMMISSION RECOMMEND THAT THE BOARD OF SUPERVISORS TAKE THE FOLLOWING ACTIONS:

FIND that the project is **EXEMPT** from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15301 (Existing Facilities), Section 15303 (New Construction or Conversion of Small Structures), and Section 15061(b)(3) (Common Sense Exemption), based on the findings and conclusions in the staff report; and,

TENTATIVELY APPROVE Development Agreement No. 1900030, based upon the findings in this staff report, pending final adoption of the Development Agreement ordinance by the Board of Supervisors; and,

APPROVE Conditional Use Permit No. 190040, subject to the attached Advisory Notification Document, Conditions of Approval, and based upon the findings and conclusions provided in this staff report, subject to final approval of the Development Agreement.

PROJECT DATA

Land Use and Zoning:

Existing General Plan Foundation Component:	Community Development
Existing General Plan Land Use Designation:	Light Industrial (LI)
Surrounding General Plan Land Uses	
North:	Medium Density Residential (MDR)
East:	Light Industrial (LI)
South:	Light Industrial (LI)
West:	Light Industrial (LI)
Existing Zoning Classification:	Industrial Park (I-P)
Surrounding Zoning Classifications	
North:	Controlled Development Area – 10 Acre Minimum (W-2-10)
East:	Industrial Park (I-P)
South:	Manufacturing – Service Commercial (M-SC)
West:	Industrial Park (I-P)
Existing Use:	Commercial
Surrounding Uses	
North:	Vacant
South:	Commercial
East:	Commercial
West:	Commercial

Project Details:

<i>Item</i>	<i>Value</i>	<i>Min./Max. Development Standard</i>
Project Site (Acres):	0.71 acres	N/A
Existing Building Area (SQFT):	5,920 sq. ft.	N/A
Building Height (FT):	28 ft.	35 ft.

Parking:

<i>Type of Use</i>	<i>Building Area (in SF)</i>	<i>Parking Ratio</i>	<i>Spaces Required</i>	<i>Spaces Provided</i>
Microbusiness with Retail Sales	2,494	1 space/200 sq.ft. of gross floor area for Retail	13	13

Type of Use	Building Area (in SF)	Parking Ratio	Spaces Required	Spaces Provided
Distributor	1,530	2 spaces/3 employees for Distribution	1	1
Manufacturing	1,896	2 space/3 employees for Manufacturing	1	1
TOTAL:	5,290		15	15

Located Within:

City's Sphere of Influence:	Yes – City of Palm Desert
Community Service Area ("CSA"):	Yes – CSA #152
Special Flood Hazard Zone:	No
Agricultural Preserve:	No
Liquefaction Area:	Yes – Moderate
Subsidence Area:	Yes – Susceptible
Fault Zone:	No
Fire Zone:	No
Mount Palomar Observatory Lighting Zone:	Yes – Zone B
WRCMSHCP Criteria Cell:	No
CVMSHCP Conservation Boundary:	No
Stephens Kangaroo Rat ("SKR") Fee Area:	No
Airport Influence Area ("AIA"):	Yes – Bermuda Dunes

PROJECT LOCATION MAP



Figure 1: Project Location Map

PROJECT BACKGROUND AND ANALYSIS

Background:

On October 23, 2018, the Board of Supervisors adopted Ordinance No. 348.4898 which established the permitting process and regulations for commercial cannabis activities.

Applicants requesting to establish commercial cannabis retail, microbusinesses, and/or cultivation uses were required to submit a request for proposal ("RFP") cannabis package. Applicants who ranked highest were allowed to proceed forward with the Conditional Use Permit process. On July 2, 2019, the Board of Supervisors accepted the Cannabis RFP response package rankings list, which allowed the highest ranking applicants to begin the land use review process for their proposed project. In the first year of implementation, 50 cannabis cultivation applications and 19 cannabis retail applications began the land use review process.

The project was assigned an RFP Cannabis File No. CAN190007. Pursuant to the Board of Supervisors approved ranking list, this application was not ranked due to a lack of other cannabis retailers in the immediate area and the low number of cannabis microbusiness RFPs submitted. As a result, the applicant may proceed forward to the Conditional Use Permit ("CUP") process.

Project Details

The proposed Cannabis Microbusiness would occupy an approximately 5,920-square-foot existing warehouse building to be used as a retail storefront, packing/distribution, and manufacturing facility, otherwise referred to as a Cannabis Microbusiness, in the Bermuda Dunes district of Riverside County. The establishment of the existing building was approved as part of Plot Plan No. 19431, an application for the construction of four (4) industrial/warehouse buildings, which was approved by the Riverside County Planning Director on September 2, 2004.

The proposed Cannabis Microbusiness would operate between the hours of 7 AM to 10 PM daily in accordance with the County of Riverside Ordinance No. 348 Section 19.505.I. The cannabis retail component of the proposed project will have five (5) employees on site, which includes three (3) salespeople, one (1) manager, and one (1) inventory stocker. Both cannabis distribution and manufacturing components of the proposed project will have one (1) employee each for a total of two (2) additional employees. In total, there shall be seven (7) employees on-site overall at any given point during normal business operating hours, as well as security personnel.

The parking ratio of 1 space/200 square feet of gross floor area equals approximately 13 parking spaces as a requirement for the proposed Cannabis Retail use, as the gross floor area is equal to 2,494 square feet. In addition, the parking ratio of 2 spaces for every 3 employees for both distribution and manufacturing uses add on 2 additional parking spaces to the total parking requirement as both uses propose only 1 employee for each use. As a result, the total amount of required parking spaces for the proposed project is 15 spaces. The total number of parking spaces to be provided through the proposed development will be 15 spaces total. The proposed project site can feasibly accommodate only 12 parking spaces total. The additional 3 spaces acquired by the applicant are from the neighboring business sharing the same driveway. On August 21, 2020, Brian Orr, owner of the property located at 77738 Flora Road, signed a shared parking agreement allowing for three (3) shared parking spaces to be provided for the applicants at 77704 Flora Road. The shared parking agreement provides an additional 3 spaces to the 12 already provided by the project and ensures adherence to the parking requirement established for the

proposed use(s). The shared spaces are within 150 feet of the proposed use's entrance and meet all other requirements as established in Section 18.12 of Ordinance No. 348.

As part of the approval process for cannabis retail facilities, a development agreement between the County of Riverside and the applicant was applied for under Development Agreement No. 1900030 (DA1900030).

General Plan Consistency

The project site has a General Plan Foundation Component and Land Use Designation of Community Development: Light Industrial (CD: LI). The Community Development General Plan Foundation Component depicts areas where urban and suburban development is appropriate. It is the intent of this Foundation Component to provide a breadth of land uses that foster variety and choice, accommodate a range of life styles, living and working conditions, and accommodate diverse community settings. The goal is to accommodate a balance of jobs, housing, and services within communities to help achieve other aspects of the RCIP Vision, such as mobility, open space, and air quality goals.

The Light Industrial (LI) land use designation provides for industrial and related uses including warehousing/distribution, assembly and light manufacturing, repair facilities, and supporting retail uses. The project is consistent with the Community Development General Plan Foundation Component and Light Industrial Land Use Designation as the proposed project includes distribution, manufacturing, and has a retail use that are all allowed uses.

Zoning Consistency

The project site has a zoning classification of Industrial Park (I-P). Pursuant to Ordinance No. 348, Article XIXh, Section 19.522, Cannabis Microbusinesses are allowed in the I-P Zone with an approved conditional use permit. The applicant has submitted this CUP application to ensure compliance with all applicable development standards and regulations. As further described in the findings section, the project meets all the applicable development standards for the I-P Zone and those set forth in Section 19.523 of Ordinance No. 348, including design, height, setbacks, and parking requirements.

Development Agreement No. 1900030 and Conditional Use Permit No. 190040 were submitted to the County of Riverside on October 24, 2019.

ENVIRONMENTAL REVIEW / ENVIRONMENTAL FINDINGS

This proposed project is exempt from CEQA review pursuant to Article 19 - Categorical Exemptions, Section 15301 (Existing Facilities), which states: Class I consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. The key consideration is whether the project involves negligible or no expansion of an existing use. The existing site has already been established and designated for commercial/industrial uses. Interior or exterior alterations involving such things as interior partitions, plumbing, and electrical conveyance shall be required, which would not significantly expand the capability of the site or substantively increase the proposed use of the site beyond what already occurs. In this case, the proposed project will not expand the existing structures and has not proposed any significant construction or improvements for the project site. Therefore, the project as proposed would not expand upon the existing permitted buildings, would not expand the use of the site beyond those uses that

already occur, and therefore the Project is exempt from CEQA under the Section 15301 Class 1, Existing Facilities exemption.

Furthermore, this project is exempt from CEQA review pursuant to Article 19 - Categorical Exemptions, Section 15303 (New Construction or Conversion of Small Structures). This section specifically exempts construction and location of new, small facilities or structures; and the conversion of existing small structures for one use or another where only minor modifications are made in the exterior of the structure. The Project does not include the construction of any new structures, would only propose minor modifications to the exterior of the structure such as paint and signage, and would only re-entitle the existing Light Industrial facility and convert the existing small structure to this specific proposed cannabis microbusiness use. Additionally, the surrounding area has been determined to not be environmentally sensitive as the proposed project has gone through the necessary steps to prove there would be minimal environmental impacts on the surrounding area, one example being the review and approval of the proposed project by the Airport Land Use Commission (ALUC). Therefore, the project as proposed is exempt from CEQA under the Section 15303 (New Construction or Conversion of Small Structures) exemption.

Additionally, this proposed project is also exempt from CEQA review pursuant to Article 5 - Preliminary Review of Projects and Conduct of Initial Study, Section 15061(b)(3), which states: Once a lead agency has determined that an activity is a project subject to CEQA, a lead agency shall determine whether the project is exempt from CEQA. The Project is deemed to be a "project" pursuant to CEQA. The Project is a retail business (cannabis microbusiness) and will be occupying an existing permitted retail building or structure for the purpose of manufacturing, distributing and selling cannabis products. The Project is EXEMPT under State CEQA Guidelines Section 15061 because Section (b)(3) states: The activity is covered by the general rule that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The proposed Project will operate within the restrictions of the existing land use regulations and zoning ordinances established for the subject parcel. The Project will not result in any additional impacts related to traffic, air quality, or public safety, beyond what already occurs at the existing commercial retail establishment. Given the site has already been developed for such uses and only minimal façade and tenant improvements would be required, no substantial construction impacts would occur. As the land is already developed, there are no potential impacts related to aesthetics, biological and cultural resources, hydrology, or other similar potential impacts. Lastly, as the State has created various rules and regulations as they relate to cannabis waste, particularly for cannabis cultivators, the potential impacts related to cannabis related hazardous substances shall be minimal as the project shall be regulated and subject to state requirements for managing waste. Therefore, the project meets the requirements for CEQA exemption per Section 15061(b)(3) as there is no potential that the Project as proposed would have a significant physical impact on the environment.

FINDINGS AND CONCLUSIONS

In order for the County to approve a proposed project, the following findings are required to be made:

Land Use Findings:

1. The project site has a General Plan Land Use Designation of Light Industrial (LI). The proposed project is consistent with the land use designation as the project meets the Light Industrial floor area ratio

(FAR) requirement of 0.25 to 0.60 FAR. The project will utilize an existing 5,920 square foot building located within a 31,217 square foot parcel, which equals a FAR of 0.19. Land Use Policy LU 30.9 allows for a FAR that is less intense in order to encourage good project design and efficient site utilization. The project also supports Land Use Policy LU 30.1 which seeks to accommodate the continuation of existing and development of new industrial, manufacturing, research and development, and professional offices in areas appropriately designated by General Plan and area plan land use maps.

2. The project site has a Zoning Classification of Industrial Park (I-P), which is consistent with the applicable Riverside County General Plan Land Use Designation because the I-P zone supports the development of new industrial, manufacturing, research and development, and professional office land uses. The proposed use of a cannabis microbusiness is conditionally permitted pursuant to Ordinance No. 348, Article XIXh, Section 19.522.
3. The proposed use, a Cannabis Microbusiness, is consistent with Ordinance No. 348 and is allowed within the Industrial Park (I-P) Zoning Classification, subject to Conditional Use Permit approval.
4. The uses surrounding the project site include commercial land uses to the east, west and south and vacant land to the north. The adjacent commercial use to the east is located on a parcel zoned I-P and has a commercial use of a printing business. The business to the west is also zoned I-P and is also used commercially as a beverage distribution business. The existing building is not subject to any setback requirements as it is not located adjacent to any residentially zoned parcels. As such, the project use is compatible with the surrounding uses as it meets the minimum development standards as defined through Ordinance No. 348.

Conditional Use Permit Findings:

1. The proposed use conforms to all the requirements of the General Plan and with all applicable requirements of State law and the ordinances of Riverside County as the proposed project is consistent with the General Plan and development standards set forth for the Industrial Park (I-P) zoning classification. The proposed project upholds Land Use Policies LU 30.1 and 30.9 and does not require any variances for the requirements established through Ordinance No. 348.
2. Based on the findings included in this staff report, advisory notification document and conditions of approval, the proposed project will not be detrimental to the health, safety or general welfare of the community.
3. The proposed project conforms to the logical development of the land and is compatible with the present and future logical development of the surrounding property, as the project site is surrounded by properties which are designated Light Industrial (LI) to the east, west and south which encourage commercial/industrial land uses. The proposed use, a cannabis microbusiness, would provide community benefits and retail services within the surrounding community. Additionally, the project complies with the development standards of the I-P Zone. Therefore, the proposed project conforms to the logical development of the land and to be compatible with the present and future logical development of the surrounding property.
4. The proposed project has considered the location and need for dedication and improvement of necessary streets and sidewalks, including the avoidance of traffic congestion; and has taken into account topographical and drainage conditions, including the need for dedication improvements of

necessary structures as a part thereof. As such, the proposed project has been determined to not require any additional improvements as the proposed project involves the utilization of an existing structure with street dedications and drainage features already implemented in the design. No further requirements were conditioned by any county department.

5. All use permits which permit the construction of more than one structure on a single legally divided parcel shall, in addition to all other requirements, be subject to a condition which prohibits the sale of any existing or subsequently constructed structures on the parcel until the parcel is divided and a final map recorded in accordance with Ordinance No. 460 in such a manner that each building is located on a separate legally divided parcel. Under the current CUP application, this requirement does not apply as there are no additional structures being proposed, as such no condition is required.

Permit Requirements for All Commercial Cannabis Activities:

1. Section 19.505 of Ordinance No. 348 sets forth requirements that all Commercial Cannabis Activities, must comply with, including, among others, submitting an appropriate application, obtaining and maintaining a state license, being sited and operated in such a way that controls odors, being limited in hours of operation, and implementing sufficient security measures. All of these requirements have either already been met or are required in the attached project's Conditions of Approval or Advisory Notification Document which are incorporated herein by this reference. Specifically, Planning. 21, Planning. 24, Planning. 29 and 30 of the Advisory Notification Document address odor, hours of operation and security.
2. While security has been raised as a concern relating to cannabis-related activities, a standard condition of approval or requirement of the advisory notification document (Planning. 29 and 30) requires sufficient security measures to deter and prevent the unauthorized entrance into areas containing Cannabis or Cannabis Products, to deter and prevent theft of Cannabis or Cannabis Produces, and to ensure emergency access in accordance with applicable Fire Code standards. These requirements include, but are not limited to, the following:
 - a) A plan to prevent individuals from loitering on the lot if they are not engaging in activity expressly related to the Commercial Cannabis Activity.
 - b) 24 hour emergency contact information for the owner or an on-site employee which shall be provided to the County.
 - c) A professionally installed, maintained, and monitored alarm system.
 - d) Except for Live Cannabis Plants being cultivated at a cultivation facility and limited amounts of Cannabis for display purposes, all Cannabis and Cannabis Products shall be stored in a secured and locked structure and in a secured and locked safe room, safe, or vault, and in a manner as to prevent diversion, theft, and loss.
 - e) 24 hour security surveillance cameras to monitor all entrances and exits to a Commercial Cannabis Activity, all interior spaces within the Commercial Cannabis Activity that are open and accessible to the public, and all interior spaces where Cannabis, cash or currency is being stored for any period of time on a regular basis. The permittee for a Commercial Cannabis Activity shall be responsible for ensuring that the security surveillance camera's footage is accessible. Video recordings shall be maintained for a minimum of 90 days, and shall be made available to the County upon request.

With implementation of these required measures, security concerns relating to the Commercial Cannabis Activity have been fully addressed.

Cannabis Microbusiness Facilities Standards:

General Location

1. *Cannabis Microbusiness Facilities shall not be located within 600 feet from any Child Day Care Center, K-12 school, public park, or Youth Center. Distance shall be measured from the nearest point of the respective lot lines using a direct straight-line measurement. A new adjacent use will not affect the continuation of an existing legal use that has been established under this Article and continuously operating in compliance with the conditional use permit, and local and State laws and regulations. The project is not located within 600 feet from any Child Day Care Center, K-12 school, public park, or Youth Center. This is met because a radius map buffering 1,000 feet from the subject site was prepared by Riverside County and has not identified any Child Day Care Center, K-12 school, public park, or Youth Centers within 600 feet of the site.*
2. *Cannabis Microbusiness Facilities that include a Cannabis retail competent shall not be located within 1,000 feet from any Child Day Care Center, K-12 school, public park, or Youth Center. Distance shall be measured from the nearest point of the respective lot lines using a direct straight-line measurement. A new adjacent use will not affect the continuation of an existing legal use that has been established under this Article and continuously operating in compliance with the conditional use permit, and local and State laws and regulations. This location requirement may be modified with the approval of a variance pursuant to Section 18.27 of this ordinance. In no case shall the distance be less than allowed by State law. The project is not located within 1,000 feet from any Child Day Care Center, K-12 school, public park, or Youth Center. This is met because a radius map buffering 1,000 feet from the subject site was prepared by Riverside County and has not identified any Child Day Care Center, K-12 school, public park, or Youth Centers within 1,000 feet of the site.*

Setbacks

3. *All Cannabis Microbusiness Facilities shall comply with the setback standards for the zone classification they are located in, except when adjacent to a residential zone where the minimum setback from the residentially zoned lot lines shall be 25 feet. In the event that a Cannabis Microbusiness Facility includes retail sales of Cannabis, then the minimum setback from residentially zoned lot lines shall be 40 feet. As detailed in the following section addressing the development standards of the I-P zone, the project meets all applicable setback standards of the I-P zone. The project is not located adjacent to any residential zone, so the additional provision setbacks to such properties does not apply.*
4. *Setbacks may be modified with an approved setback adjustment in accordance with Section 18.33 of this ordinance. In no case shall a setback be less than setbacks required by the State of California Bureau of Cannabis Control, the California Building Code or Ordinance No. 457. No setback adjustments are applicable.*

Activities

5. *Cannabis Microbusiness Facilities shall not transport or store non-cannabis goods. The project has been conditioned to meet this standard. (Planning, 11 – Cannabis Microbusiness Operations – 1)*
6. *Cannabis Microbusiness Facilities may distribute, manufacture (without volatile solvents) and dispense Cannabis under a single Cannabis Microbusiness Facilities license issued by the State. The*

project does propose a Microbusiness that includes distribution, manufacturing, and retail components. The manufacturing component does not propose any volatile solvents to be utilized. The project has been conditioned to meet this standard. (Planning. 12 – Cannabis Microbusiness Operations – 2)

7. *Cannabis Microbusiness Facilities may cultivate Cannabis indoors in an area less than 10,000 square feet.* The project does not include any indoor cannabis cultivation, as such, this requirement is not applicable.
8. *Cannabis Microbusiness Facilities shall include at least three of the following Commercial Cannabis Activities, which shall be set forth in the conditional use permit; Indoor Cultivation up to 10,000 square feet, Manufacturing (with non-volatile solvents), Distribution, and Retail sales.* The proposed Project includes all three of the four uses (retail, manufacturing, and distribution) and complies with this standard.

Operations

9. *Cannabis Microbusiness Facilities shall comply with the operational requirements set forth in this Article that apply to the specified uses authorized by the approved conditional use permits, and the water and energy conservation standards as applicable to Cannabis Microbusiness Facilities that includes cultivation.* The proposed Cannabis Microbusiness includes retail, manufacturing, and distribution. The operational requirements for each separate use are included in the following sections with the applicable findings for each.

Retail Operational Requirements:

1. The project complies with the operational requirements set forth in Ordinance No. 348 Section 19.519.C. as shown below:
 - A. *Entrances into the retail location of the Cannabis Retailer shall be separate from the reception area and locked at all times with entry strictly controlled. An electronic or mechanical entry system shall be utilized to limit access and entry to the retail location.* As provided by the floor plan, Exhibit C, all retail, reception, employee offices, and inventory areas shall have electronic or mechanical secured access. The project has been conditioned to meet this standard. (Planning-All. 1 – Cannabis Retail Operations – 1)
 - B. *Cannabis Retailers may include the sale of Medical Cannabis, requiring an M-License from the State. Cannabis Retailers selling only Medical Cannabis shall verify consumers who enter the Premises are at least 18 years of age and that they hold a valid Physician's Recommendation.* The project owner and management shall provide adequate training and education at the location as to these matters and require all customers to provide proper Identification to very consumers are of appropriate age. The project has been conditioned to meet this standard. (Planning-All. 7 – Cannabis Retail Operations – 2)
 - C. *Cannabis Retailers may include the sale of Adult Use Cannabis, requiring an A-license from the State. Cannabis Retailers selling only Adult Use Cannabis shall verify that consumers who enter the Premises are at least 21 years of age.* The project owner and management shall provide adequate training and education at the location as to these matters and require all customers to

- provide proper Identification to very consumers are at least 21 years of age. The project has been conditioned to meet this standard. (Planning-All. 8 – Cannabis Retail Operations – 3)
- D. *A Cannabis Retailers may include the sale of both Medical and Adult use Cannabis requiring both an A-License and an M-License from the State. All Cannabis Retailers selling both Medical and Adult Use Cannabis shall verify that consumers who enter the premises are at least 18 years of age and that they hold a valid Physician's Recommendation or are at least 21 years of age. The project owner and management shall provide adequate training and education at the location as to these matters and require all customers to provide proper Identification to very consumers are of appropriate age. The project has been conditioned to meet this standard. (Planning-All. 9 – Cannabis Retail Operations – 4)*
- E. *Display areas shall include the smallest amount of Cannabis and Cannabis Products reasonably anticipated to meet sales during operating hours. The project has been conditioned to meet this standard. (Planning-All. 10 – Cannabis Retail Operations – 5)*
- F. *Cannabis and Cannabis Products not in the display area shall be maintained in a locked secure area. The project has been conditioned to meet this standard. (Planning-All. 11 – Cannabis Retail Operations – 6)*
- G. *Not more than 10% of the Cannabis Retailer floor area, up to a maximum of 50 square feet, shall be used for the sale of incidental goods such as, but not limited to, clothing, posters, or non-cannabis goods. The project meets this standard because the provided floor plan, Exhibit C shows the maximum of 50 square feet for incidental goods that will be displayed at the sales counter only. It has been conditioned that not more than 10% of the Cannabis Retailer floor area, up to a maximum of 50 square feet, shall be used for the sale of incidental goods such as, but not limited to, clothing, posters, or non-cannabis goods. The project has been conditioned to meet this standard. (Planning-All. 12 – Cannabis Retail Operations – 7)*
- H. *Restroom facilities shall be locked and under the control of the Cannabis Retailer. As provided by the floor plan of the project, Exhibit C, the restroom facilities have a locking door to the designated room. The project has been conditioned to meet this standard. (Planning-All. 13 – Cannabis Retail Operations – 8)*
- I. *Cannabis Retailers shall ensure that all Cannabis and Cannabis Products held for sale by the Cannabis Retailer are cultivated, manufactured, transported, distributed, and tested by California licensed and permitted facilities that are in full conformance with State and local laws and regulations. The project has been conditioned to meet this standard. (Planning-All. 14 – Cannabis Retail Operations – 9)*
- J. *Cannabis Retailers shall not distribute any Cannabis or Cannabis Product unless such products are labeled and in a tamper-evident package in compliance with the California Business and Professions Code and any additional rules promulgated by a licensing authority. The project has been conditioned to meet this standard. (Planning-All. 2 – Cannabis Retail Operations – 10)*
- K. *Cannabis Retailers shall not provide free samples of any type, including Cannabis Products, to any person and shall not allow any person to provide free samples on the Cannabis Retailer's lot. It has been conditioned the Cannabis Retailer shall not provide free samples of any type, including Cannabis Products, to any person and shall not allow any person to provide free samples on the*

Cannabis Retailer's lot. The project has been conditioned to meet this standard. (Planning-All. 3 – Cannabis Retail Operations – 11)

- L. *Deliveries shall be conducted in accordance with California Business and Professions Code Section 26090 or as may be amended and all state regulations pertaining to delivery of Cannabis Products.* The project has been conditioned to meet this standard. (Planning-All. 4 – Cannabis Retail Operations – 12)
- M. *Cannabis or Cannabis Products shall not be sold or delivered by any means or method to any person within a motor vehicle.* The project has been conditioned to meet this standard. (Planning-All. 5 – Cannabis Retail Operations – 13)
- N. *Cannabis Retailers shall not include a drive-in, drive-through or walk up window where retail sales of Cannabis or Cannabis Products are sold to persons or persons within or about a motor vehicle.* The project is not designed with a drive-in, drive-through, or walk up window and has further been conditioned to meet this standard. (Planning-All. 6 – Cannabis Retail Operations – 14)

Manufacturing Operational Requirements

- 1. The project complies with the Manufacturing operational requirements set forth in Ordinance No. 348 Section 19.515.E. as shown below:
 - a. *Any compressed gases used in the manufacturing process shall not be stored on any lot within in containers that exceeds the amount which is approved by the Riverside County Fire Department and authorized by the conditional use permit.* The project has been conditioned to meet this standard. (Planning. 8 – Cannabis Manufacturing Operations – 1)
 - b. *Closed loop systems for compressed gas extraction systems must be commercially manufactured, bear a permanently affixed and visible serial number and certified by an engineer licensed by the State of California that the system was commercially manufactured, is safe for its intended use, and was built to codes of recognized and generally accepted good engineering practices.* The project has been conditioned to meet this standard. (Planning. 9 – Cannabis Manufacturing Operations – 2)
 - c. *Cannabis Manufacturing Facilities shall have a training program for persons using solvents or gases in a closed looped system to create cannabis extracts on how to use the system, to access applicable material safety data sheets and to handle and store the solvents and gases safely.* The project has been conditioned to meet this standard. (Planning. 10 – Cannabis Manufacturing Operations – 3)

Distribution Operational Requirements

- 1. The project complies with the Distribution operational requirements set forth in Ordinance No. 348 Section 19.521.C. as shown below:
 - a. *Cannabis and Cannabis Products shall only be transported between permitted and licensed Commercial Cannabis Activities.* The project has been conditioned to meet this standard. (Planning. 3 – Cannabis Distribution Operations – 1)

- b. *In addition to the requirements of Ordinance No. 348 Section 19.505.Q. the following record keeping measures are required to be implemented for all Cannabis Distribution Facilities:*
- i. *Prior to transporting Cannabis or Cannabis Products, a shipping manifest shall be completed as required by state law and regulations. The project has been conditioned to meet this standard. (Planning. 4 – Cannabis Distribution Operations – 2)*
 - ii. *A copy of the shipping manifest shall be maintained during transportation and shall be made available upon request to law enforcement or any agents of the State or County charged with enforcement. The project has been conditioned to meet this standard. (Planning. 4 – Cannabis Distribution Operations – 2)*
 - iii. *Cannabis Distribution Facilities shall maintain appropriate records of transactions and shipping manifests that demonstrate an organized method of storing and transporting Cannabis and Cannabis Products to maintain a clear chain of custody. The project has been conditioned to meet this standard. (Planning. 4 – Cannabis Distribution Operations – 2)*
- c. *Cannabis Distribution Facilities shall ensure that appropriate samples of Cannabis or Cannabis Products are tested by a permitted and licensed testing facility prior to distribution and shall maintain a copy of the test results in its files. The project has been conditioned to meet this standard. (Planning. 5 – Cannabis Distribution Operations – 3)*
- d. *Cannabis Distribution Facilities shall not be open to the public. The Distribution component of the project is located on the second floor of the building and is not readily accessible to any public areas of the retail component of the project. The project has been conditioned to meet this standard. (Planning. 6 – Cannabis Distribution Operations – 4)*
- e. *Cannabis Distribution Facilities shall not transport or store non-cannabis goods. The project has been conditioned to meet this standard. (Planning. 7 – Cannabis Distribution Operations – 5)*

Cannabis Microbusiness Findings:

1. *The project complies with all the requirements of the State and County for a Cannabis Microbusiness facility. This is met because the project has been designed and conditioned to meet these requirements.*
2. *The Cannabis Microbusiness Facility's operating plan demonstrates proper protocols and procedures that address enforcement priorities for Cannabis activities including restricting access to minors, and ensuring that Cannabis and Cannabis Products are obtained from and supplied only to other permitted and licensed sources within the State and not distributed out of State. The Project's Operating Plan addressing Safety and Security Protocols notes that minors will not be allowed on the premises, even if accompanied by a parent or guardian. The operating plan also includes a variety of measures and protocols regarding verification of licensing for product obtained or distributed.*
3. *The Cannabis Microbusiness Facility is not located within 1,000 feet from any Child Day Care Center, K-12 school, public park, or Youth Center or a variance has been approved allowing a shorter distance but not less than recommended by State law. The project is not located within 1,000 feet from any Child Day Care Center, K-12 school, public park, or Youth Center. This is met because a radius map*

buffering 1,000 feet from the subject site was prepared by Riverside County and has not identified any Child Day Care Center, K-12 school, public park, or Youth Centers within 1,000 feet of the site.

4. *For Cannabis Microbusiness Facility lots with verified cannabis-related violations within the last 12 months prior to the adoption date of Ordinance No. 348.4898, the use will not contribute to repeat violation on the site and all applicable fees have been paid.* This is met because no record of any cannabis-related violations within the last 12 months exist at the project site.

Industrial Park (I-P) Zone Development Standards Findings:

1. The development standards of the I-P Zoning Classification are as follows:

- A. *The minimum lot size shall be 20,000 square feet with a minimum average lot width of 100 feet.* This project meets this standard as the existing parcel is 31,217 square feet or 0.71 acres and has a street frontage width of approximately 145 feet.
- B. *The maximum height of all structures, including buildings, shall be 35 feet at the yard setback line.* This project meets this standard as the existing building has a listed height of 28 feet from the finish grade to the top of the parapet.
- C. *A minimum of 15 percent of the site shall be landscaped and automatic irrigation shall be installed.* The proposed project has a listed landscape coverage of 6.75 percent as 2,110 square feet of the 0.71 acre parcel is currently landscaped. As the facility is already existing, no new landscaping is proposed under this CUP application. In addition, a 77 foot easement occupies the northern portion of the parcel which greatly reduces the available space on the parcel for such implementations and reduces the developable area from 31,807 square feet to 20,932 square feet.

The original entitlement of Plot Plan No. 19431 (PP19431), which established the existing building, included a proposal for 4 buildings, with the drainage easement included within the landscape coverage for a total of 13,790 square feet or 44% landscape coverage. The original approval did not include a variance application and Planning is not requesting one for this project as additional landscaping is unfeasible.

- D. *A minimum 25 foot setback shall be required on any street. A minimum ten foot strip adjacent to the street line shall be appropriately landscaped and maintained, except for designated pedestrian and vehicular access ways. The remainder of the setback may be used for off-street automobile parking, driveways or landscaping.* This project meets this standard as the existing building is setback approximately 25 feet from the property line and had an existing landscape strip along the street frontage which is wider than the required 10 feet.
- E. *The minimum sideyard setback shall equal not less than ten feet for the two side lot areas combined.* This project meets this standard as the combined side yard areas are equal to approximately 77 feet.
- F. *The minimum rear yard setback shall be 15 feet.* This project meets this standard as the existing rear setback is listed as approximately 23 feet from the rear wall, in addition to, the additional 77 foot easement buffering the project site from the northern property line.

- G. *A minimum 50 foot setback shall be required on any boundary where the industrial property abuts a residential or commercially zoned property. A minimum of 20 feet of the setback shall be landscaped, unless a tree screen is approved, in which case the setback area may be used for automobile parking, driveways or landscaping. Block walls or other fencing may be required. This project meets this standard as only the parcels to the north are zoned W-2, which allow for residential and commercial uses. The existing building is located outside of the required 50 foot setback.*
- H. *Parking, loading, trash and service areas shall be screened by structures or landscaping. They shall be located in such a manner as to minimize noise or odor nuisance. Block walls or other fencing may be required. This project meets this standard as the proposed loading area and additional parking is located to the rear of the building and is screened from the public by the existing building itself and the block wall along the perimeter of the parcel.*
- I. *Outside storage shall be screened with structures or landscaping. Landscaping shall be placed in a manner adjacent to the exterior boundaries of the area so that materials stored are screened from view. If a non-screened exhibit of products is proposed, it shall be part of the industrial park plot plan, and shall be set back at least ten feet from the street line. This project meets this standard as no outside storage is being proposed as part of the CUP application, all storage per Ordinance No. 348 is to be secured within an interior storage area.*
- J. *Automobile parking shall be provided as required by Section 18.12. of Ordinance No. 348. This project meets this standard as the required number of spaces are 12 spaces and the project provides for 21 spaces.*
- K. *All new utilities shall be underground. All utilities to the building are existing and no new utility connections are proposed under this CUP application.*
- L. *All roof mounted mechanical equipment shall be screened from the ground elevation view to a minimum sight distance of 1,320 feet. This project meets this standard as no new roof mounted mechanical equipment is proposed under the CUP application.*
- M. *All signs shall be in conformance with Article XIX of Ordinance No. 348. The proposed signage is consistent with Article XIX of Ordinance No. 348 and only includes stainless steel lettering affixed to the façade of the existing building.*
- N. *All lighting, including spotlights, floodlights, electrical reflectors and other means of illumination for signs, structures, landscaping, parking, loading, unloading and similar areas shall be focused, directed, and arranged to prevent glare or direct illumination on streets or adjoining property. All lighting fixtures on site are currently existing and are hooded/shielded to mitigate any possible impacts on adjoining properties.*

Other Findings:

1. The project site is not located within a conservation boundary of the Coachella Valley Multiple -Species Habitat Conservation Plan (CVMSHCP).

2. The project site is located within the **City of Palm Desert** Sphere of Influence. This project was provided to **City of Palm Desert** for review and comment. No comments were received either in favor or opposition of the project.
3. The project site is located within the Bermuda Dunes Airport Influence Area ("AIA") boundary and is therefore subject to the Airport Land Use Commission ("ALUC") review. This project was submitted to ALUC for review and on June 29, 2020, was found to be consistent with the 2004 Bermuda Dunes Airport Land Use Compatibility Plan, provided that the County of Riverside applies the following recommended conditions (Planning. 2 – Airport Land Use Commission (ALUC) Conditions):
 - a. Any new outdoor lighting that is installed shall be hooded or shielded so as to prevent either the spillage of lumens or reflection into the sky, and shall comply with the requirements of Riverside County Ordinance No. 655, as applicable.
 - b. The following uses are not included in the project and shall be prohibited on this site:
 - i. Any use which would direct a steady light or flashing light of red, white green, or amber colors associated with airport operations toward an aircraft engaged in an initial straight climb following takeoff or toward an aircraft engaged in a straight final approach toward a landing at an airport, other than an FAA-approved navigational signal light or visual approach slope indicator.
 - ii. Any use which would cause sunlight to be reflected towards an aircraft engaged in an initial straight climb following takeoff or towards an aircraft engaged in a straight final approach towards a landing at an airport.
 - iii. Any use which would generate smoke or water vapor or which would attract large concentrations of birds, or which may otherwise affect safe air navigation within the area.
 - iv. Any use which would generate electrical interference that may be detrimental to the operation of aircraft and/or aircraft instrumentation.
 - v. Highly noise-sensitive outdoor nonresidential uses.
 - c. The notice attached to the ALUC letter shall be given to all prospective purchasers and/or tenants of the property, and shall be recorded as a deed notice.
 - d. Any ground-level or above ground water detention basin or facilities shall be designed so as to provide for a detention period for the design storm that does not exceed 48 hours and to remain totally dry between rainfalls. Vegetation around such facilities that would provide food or cover for bird species that would be incompatible with airport operations shall not be utilized in project landscaping. Trees shall be spaced so as to prevent large expanses of contiguous canopy, when mature.
4. The project site is located within Zone B of the Mount Palomar Observatory Lighting Zone boundary, as identified by Ordinance No. 655 (Mt. Palomar). The project is required to comply with all lighting standards specified within Ordinance No. 655, pursuant to Zone B (Advisory Notification. 5 – AND – Federal, State & Local Regulation Compliance).

Fire Findings:

The project site is not located within a Cal Fire State Responsibility Area ("SRA") or a Local Responsibility Area ("LRA") and is also not located within a high or moderate hazard severity zone.

Approval Requirements and Conclusion:

Based on the findings provided in this staff report and conditions of approval, the project is consistent with the General Plan and any applicable specific plan, complies with the development standards of the I-P zoning classification, complies with the permit requirements for all Commercial Cannabis Activities, complies with the minimum standard requirements and will not be detrimental to the public health, safety or general welfare. Additionally, the project complies with all applicable requirements of State law and ordinances of Riverside County.

PUBLIC HEARING NOTIFICATION AND COMMUNITY OUTREACH

This project was advertised in the Press Enterprise Newspaper. Additionally, public hearing notices were mailed to property owners within 1,200 feet of the project site. As of the writing of this report, Planning Staff has not received written communication or phone calls indicating support or opposition to the proposed project.

RIVERSIDE COUNTY PLANNING DEPARTMENT
CUP190040 DA1900030
VICINITY/POLICY AREAS

Supervisor: Perez
 District 4

Date Drawn: 07/21/2020
 Vicinity Map



Author: Vinnie Nguyen



Zoning Dist: Bermuda Dunes

DISCLAIMER: On October 7, 2009, the County of Riverside adopted a new General Plan. The new General Plan may contain different types of land uses than are provided for under existing zoning. For further information, please contact the Riverside County Planning Department directly at Riverside, at (951)935-5200. Website: Riverside County or its Public Portal at (http://ppl.riversidecounty.gov/). © 2010.

RIVERSIDE COUNTY PLANNING DEPARTMENT
CUP190040 DA1900030

Supervisor: Perez
District 4

Date Drawn: 07/21/2020
Exhibit 1

LAND USE



Zoning Dist: Bermuda Dunes

Author: Vinnie Nguyen



DISCLAIMER: On October 7, 2003, the County of Riverside adopted a new General Plan providing new land use designations for unincorporated Riverside County parcels. The new General Plan may contain different type of land use than is provided for under existing zoning. For further information, please contact the Riverside County Planning Department offices in Riverside at (951)955-3200 (Western County) or in Palm Desert at (760)863-8277 (Eastern County) or Website <http://planning.riverside.ca.gov>

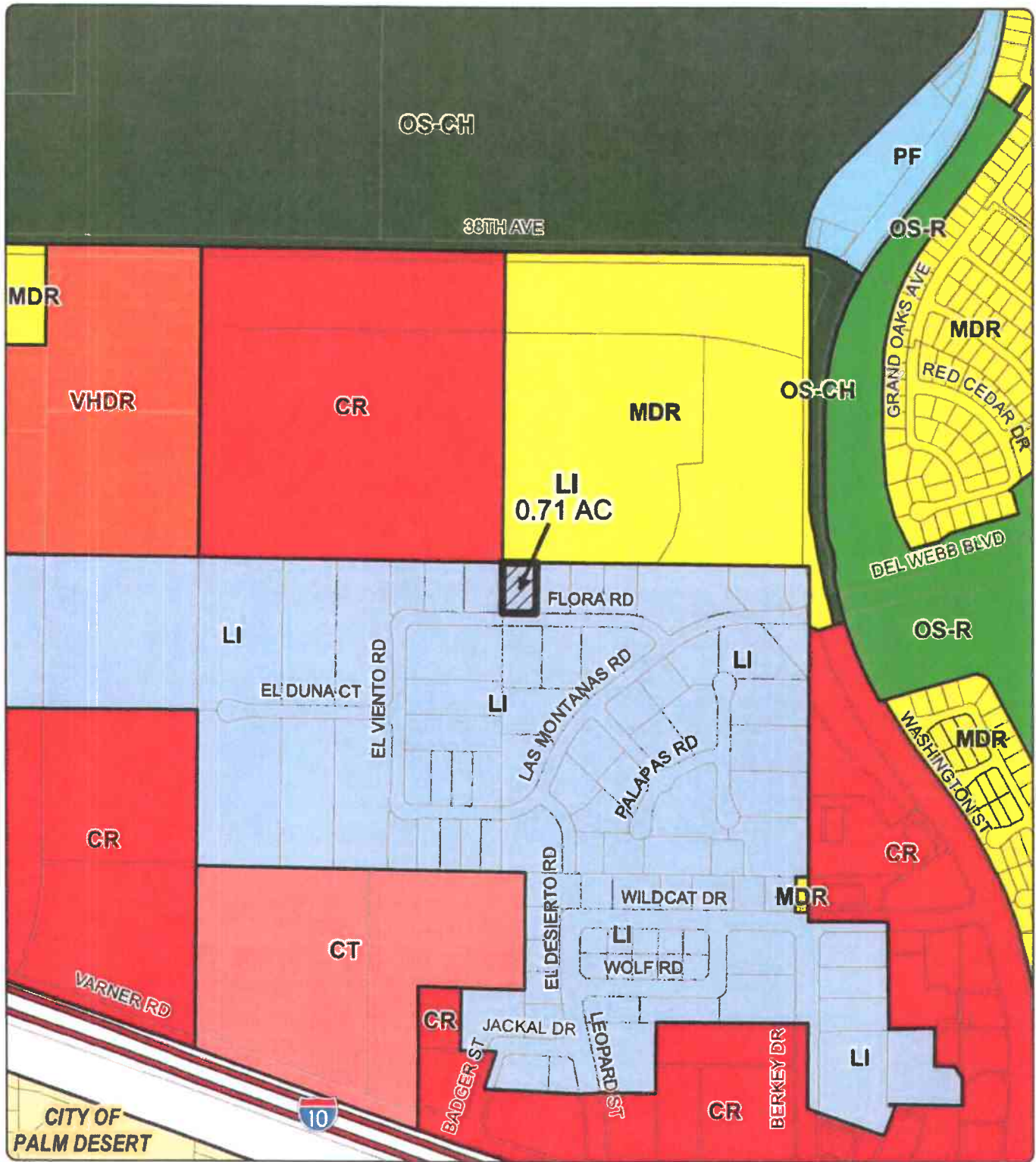
RIVERSIDE COUNTY PLANNING DEPARTMENT

CUP190040 DA1900030

EXISTING GENERAL PLAN

Supervisor: Perez
District 4

Date Drawn: 07/21/2020
Exhibit 5



Zoning Dist: Bermuda Dunes

Author: Vinnie Nguyen



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RIVERSIDE COUNTY PLANNING DEPARTMENT

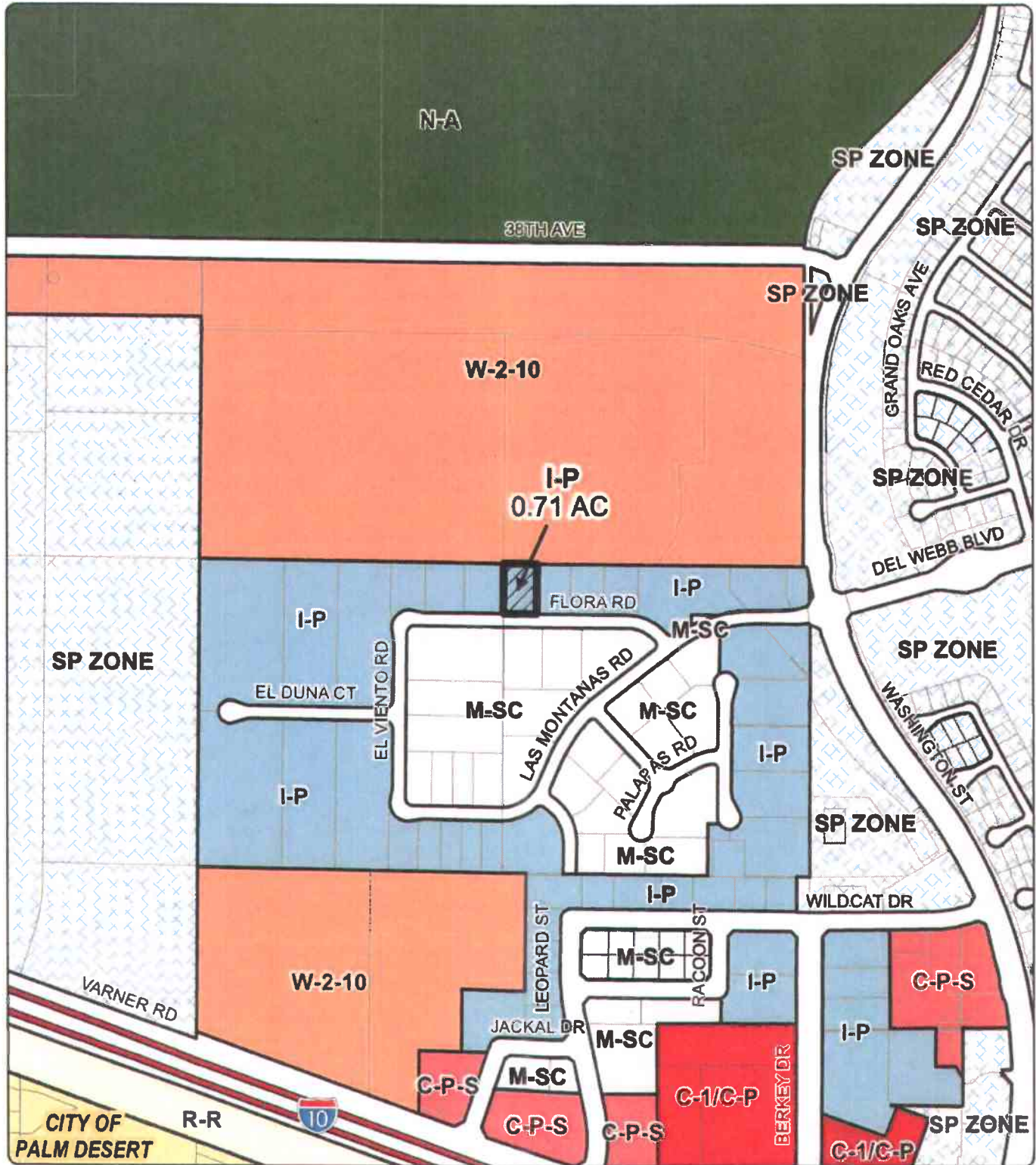
CUP190040 DA1900030

Date Drawn: 07/21/2020

Supervisor: Perez
District 4

EXISTING ZONING

Exhibit 2



Zoning Dist: Bermuda Dunes

Author: Vinnie Nguyen



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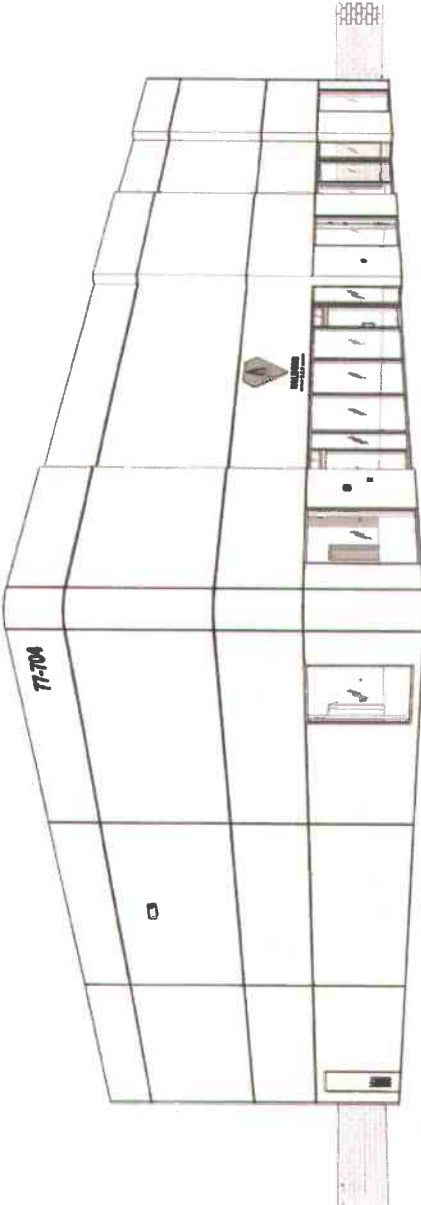
SHEET INDEX

NO.	DESCRIPTION	DATE
1	PROJECT SHEET	02/17/10
2	PROPOSED SITE PLAN	02/17/10
3	PROPOSED SITE PLAN	02/17/10
4	PROPOSED SITE PLAN	02/17/10
5	PROPOSED SITE PLAN	02/17/10
6	PROPOSED SITE PLAN	02/17/10
7	PROPOSED SITE PLAN	02/17/10
8	PROPOSED SITE PLAN	02/17/10
9	PROPOSED SITE PLAN	02/17/10
10	PROPOSED SITE PLAN	02/17/10
11	PROPOSED SITE PLAN	02/17/10
12	PROPOSED SITE PLAN	02/17/10
13	PROPOSED SITE PLAN	02/17/10
14	PROPOSED SITE PLAN	02/17/10
15	PROPOSED SITE PLAN	02/17/10
16	PROPOSED SITE PLAN	02/17/10
17	PROPOSED SITE PLAN	02/17/10
18	PROPOSED SITE PLAN	02/17/10
19	PROPOSED SITE PLAN	02/17/10
20	PROPOSED SITE PLAN	02/17/10

GENERAL PROJECT DATA

BUILDING DEPARTMENT: COUNTY OF PALMER
COUNCIL: 14 INDUSTRIAL PARK
LAND USE DESIGNATION: LIGHT INDUSTRIAL
ASSessor'S PACEPLAN NO.: 08-01-025
ASSESSOR'S CLASSIFICATION: FOR OCCUPANCY 1, M, P, AND D-1
REGULATORY REQUIREMENTS: PER EXISTING SUELL AND ASSOCIATES PREPARED
TYPE OF CONSTRUCTION: PER OCCUPANCY SECTION 100 - VS EXISTING
APPROVALS: YES
NUMBER OF STORIES: 1 STORY
PROJECT SCOPE: SCOPE OF WORK SHALL BE AS SHOWN ON DRAWINGS AND SHALL BE LIMITED TO THE WORK DESCRIBED IN THE PROJECT DESCRIPTION.
APPLICANT: DKJ GROUP INC.
APPROVED PROFESSIONAL: SEE SEAL AND SIGNATURE
DATE OF APPROVAL: 02/17/10
ARCHITECT: ENGINEERS

- SCHOOL DISTRICT:** DESERT SANDS UNIFIED PK (PH) 774-6800
- UTILITY PURVEYORS:**
 - INTERNET / PHONE: PROVIDER COMMUNICATIONS PK (PH) 774-8973
 - CABLE: SBC COMM PK (PH) 214-699
 - WATER PROVIDER: COACHELLA VALLEY WATER DISTRICT PK (PH) 368-3881
 - SEWER: COACHELLA VALLEY WATER DISTRICT PK (PH) 368-3881
 - TRASH: SHERBORN WASTE & RECYCLING SERVICES PK (PH) 368-3125
 - GAS PROVIDER: SOCAL GAS PK (PH) 452-1344
 - ELECTRICITY PROVIDER: SOUTHERN CALIFORNIA Edison PK (PH) 582-3276



**DIAMOND SAP (DKJ GROUP)
 APPLICATION # CAN 190007
 77704 FLORA RD.
 PALM DESERT, CA 92211**

BUSINESS OPERATION:

THE BUSINESS OPERATION OF THIS PROJECT SHALL BE LIMITED TO THE BUSINESS OPERATION AS SHOWN ON THE DRAWINGS AND SHALL BE LIMITED TO THE BUSINESS OPERATION AS SHOWN ON THE DRAWINGS AND SHALL BE LIMITED TO THE BUSINESS OPERATION AS SHOWN ON THE DRAWINGS.

GENERAL NOTES:

1. THE APPLICANT SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL APPLICABLE AGENCIES AND SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL APPLICABLE AGENCIES AND SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL APPLICABLE AGENCIES.
2. THE APPLICANT SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL APPLICABLE AGENCIES AND SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL APPLICABLE AGENCIES.

CABLE

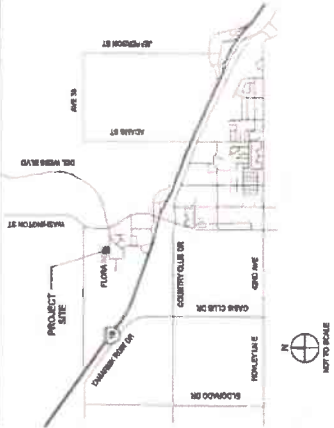
WATER PROVIDER

SEWER

TRASH

GAS PROVIDER

ELECTRICITY PROVIDER



ENGINEERS
 222 S. HARBOR BLVD., SUITE 300
 ANAHEIM, CA 92805
 PH: (714) 771-7777
 FX: (714) 771-7777

TITLE SHEET
 DIAMOND SAP
 77704 FLORA RD.
 PALM DESERT, CA 92211

CONDITIONAL USE PERMIT

PROJECT NUMBER: 2004-01
DATE: 02/17/10

PROJECT NUMBER: 2004-01
DATE: 02/17/10

PROJECT NUMBER: 2004-01
DATE: 02/17/10

PROJECT NUMBER: 2004-01
DATE: 02/17/10

PROJECT NUMBER: 2004-01
DATE: 02/17/10

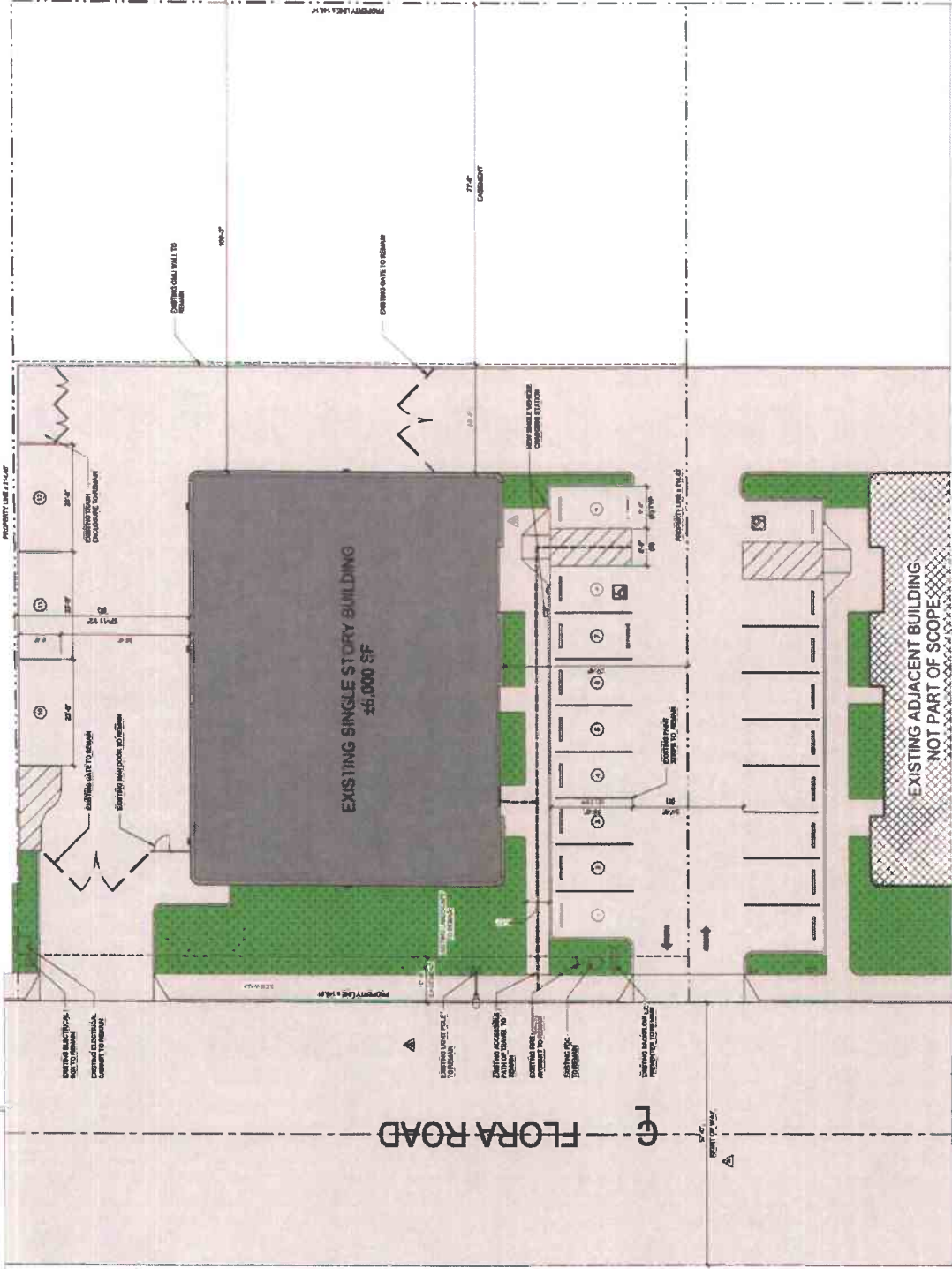
PROJECT NUMBER: 2004-01
DATE: 02/17/10

SITE DATA

LOT AREA: 31,270 SF = 0.71 ACRES
 BUILDING SUBMITTED FOR THE PROPOSED AREA OF WORK: 46,000 SF
 LOT COVERAGE: 45,991 SF = 14.7%
 LANDSCAPE EXAMINER: 2,719 FLORIDA A.S. & S.V.S.
 PROPOSED LANDSCAPE: 2,719 FLORIDA A.S. & S.V.S.
 LOCAL JURISDICTION: ...
 NOTES: ...

PARKING DATA

CONFORMANCE REQUIREMENTS:
 1 PER 100 SQUARE FEET
 2 PER 1,000 SQUARE FEET
 3 PER 1,000 SQUARE FEET
 4 PER 1,000 SQUARE FEET
 5 PER 1,000 SQUARE FEET
 6 PER 1,000 SQUARE FEET
 7 PER 1,000 SQUARE FEET
 8 PER 1,000 SQUARE FEET
 9 PER 1,000 SQUARE FEET
 10 PER 1,000 SQUARE FEET
 11 PER 1,000 SQUARE FEET
 12 PER 1,000 SQUARE FEET
 13 PER 1,000 SQUARE FEET
 14 PER 1,000 SQUARE FEET
 15 PER 1,000 SQUARE FEET



PROPOSED SITE PLAN
 DIMENSION GAP
 FROM FLORIDA RD.
 PALM COUNTY, FLORIDA

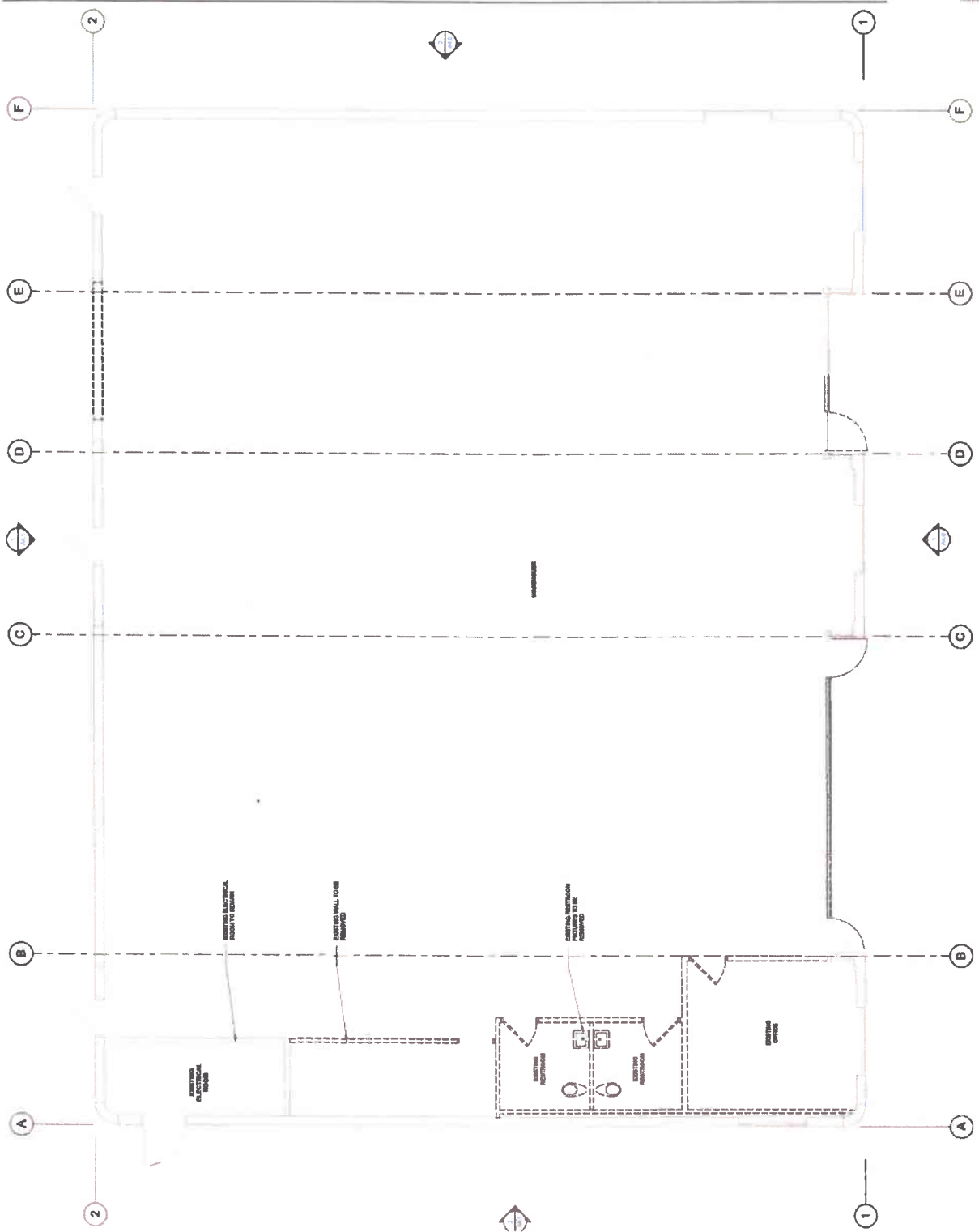
CONDITIONAL USE PERMIT



ENGINEERS
 PROJECT NUMBER: 201411
 DATE: 08/08/2014
 SHEET: A1.1

WALL LEGEND

- EXISTING WALL TO REMAIN
- EXISTING WALL TO BE DEMOLISHED



EXISTING FLOOR PLAN
DIAMOND BAR
777th FLOOR RD.
PALM BEACH, FL 33411

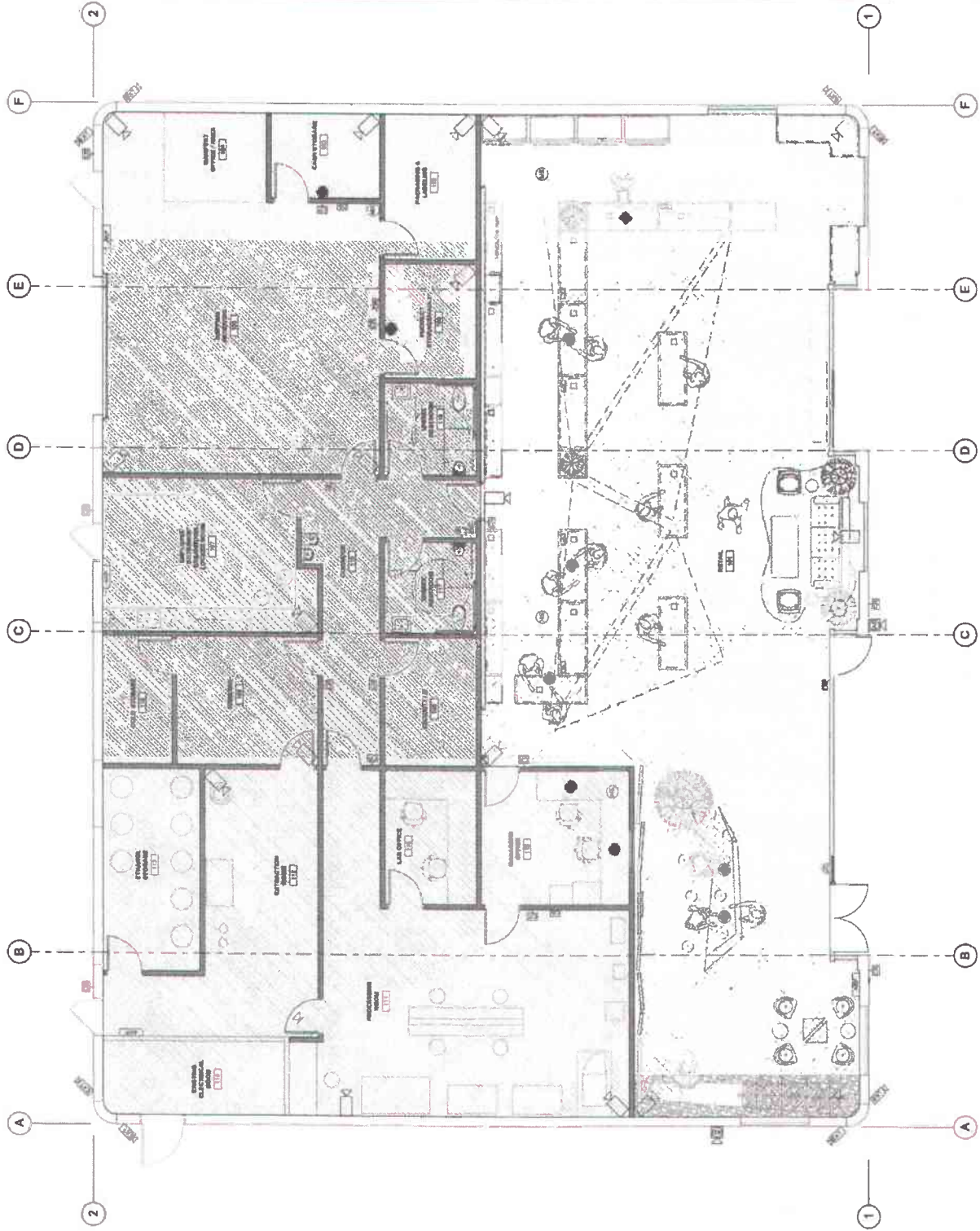
CONDITIONAL USE PERMIT



ENGINEERS
PROJECT NUMBER: 201414
DATE: 08/20/2014
SHEET: A2.0

LEGEND

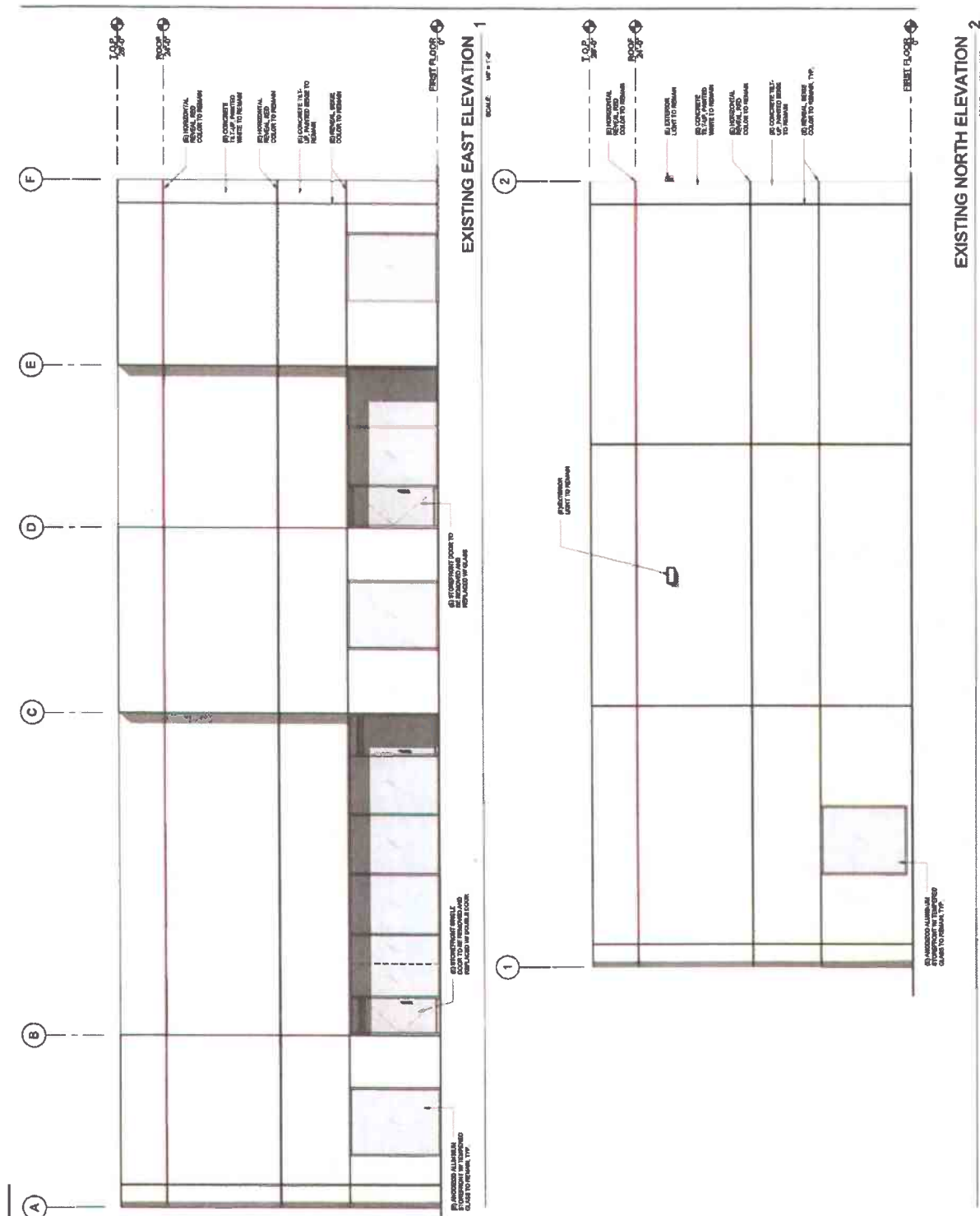
-  INTERNAL CAMERA
-  EXTERNAL CAMERA
-  MOTION DETECTOR
-  DOOR STRIKE
-  ALARM KEYPAD
-  CARD READER
-  LOCKED ACCESS
-  RESTRICTED ACCESS
-  PERIMETER
-  ALARM POINT



SECURITY PLAN
 DANFORD BAY
 1770N FLORIDA RD.
 PALM BEACH, CA 92271

CONDITIONAL USE PERMIT

ENGINEERS
 PROJECT NUMBER: 2014-01
 DATE: 02/28/2014
 SHEET: A3.0



EXISTING EAST ELEVATION
SCALE: 1/8" = 1'-0"

EXISTING NORTH ELEVATION
SCALE: 1/8" = 1'-0"

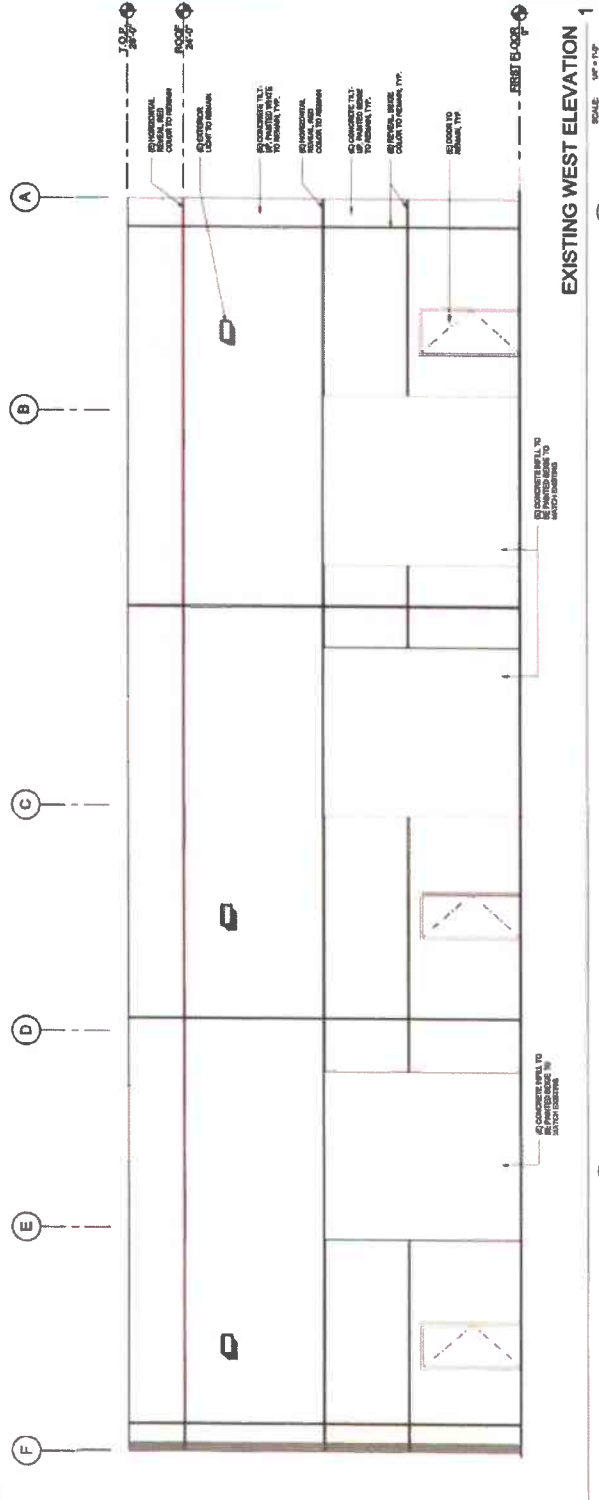
1/8" = 1'-0"
0 2 4 6 8 10

CONDITIONAL USE PERMIT

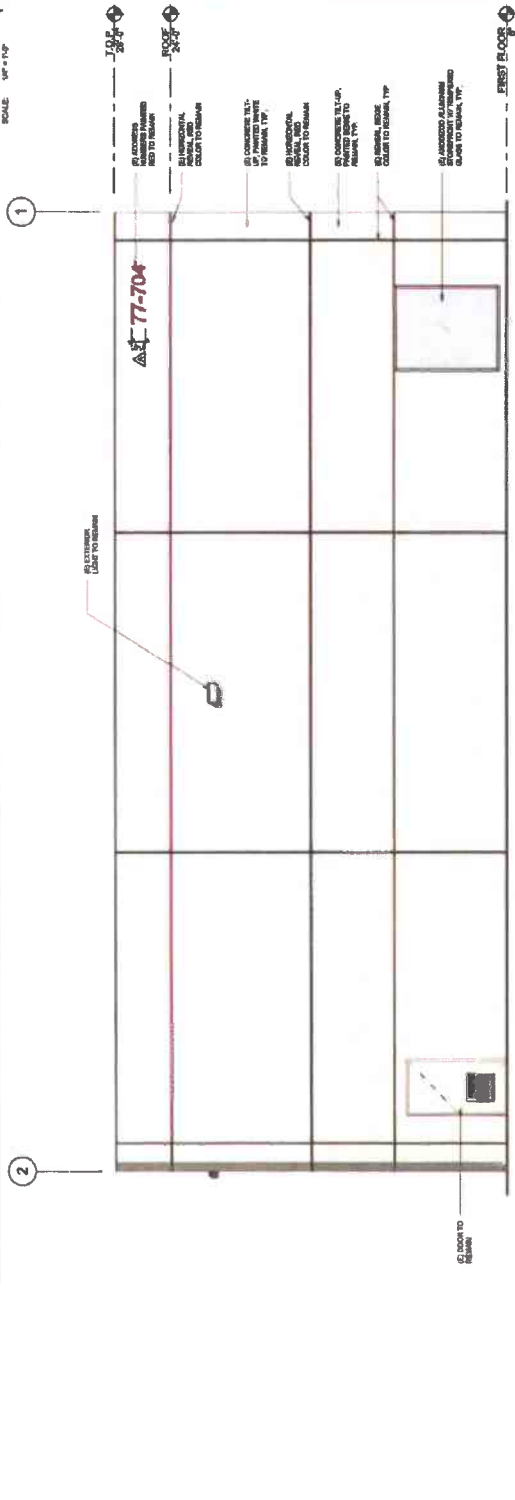
EXISTING EXTERIOR ELEVATIONS
DIAMOND GAP
7770A FLORA RD.
PALMDALE, CA 92311

ENGINEERS
DANIEL J. BROWN, P.E.
DANIEL J. BROWN & ASSOCIATES, INC.
1000 S. PALMDALE BLVD., SUITE 200
PALMDALE, CA 92369
PH: 909.785.1234
WWW.DJBENGINEERS.COM

PROJECT NUMBER: 2018-09
SHEET: A4.0
DATE: 08/08/2018



EXISTING WEST ELEVATION 1
SCALE: 1/4" = 1'-0"



EXISTING SOUTH ELEVATION 2
SCALE: 1/4" = 1'-0"



EXISTING EXTERIOR ELEVATIONS
DIMENSIONED GAP
FOR FINISHES
PALM DESERT, CA 92271

CONDITIONAL USE PERMIT

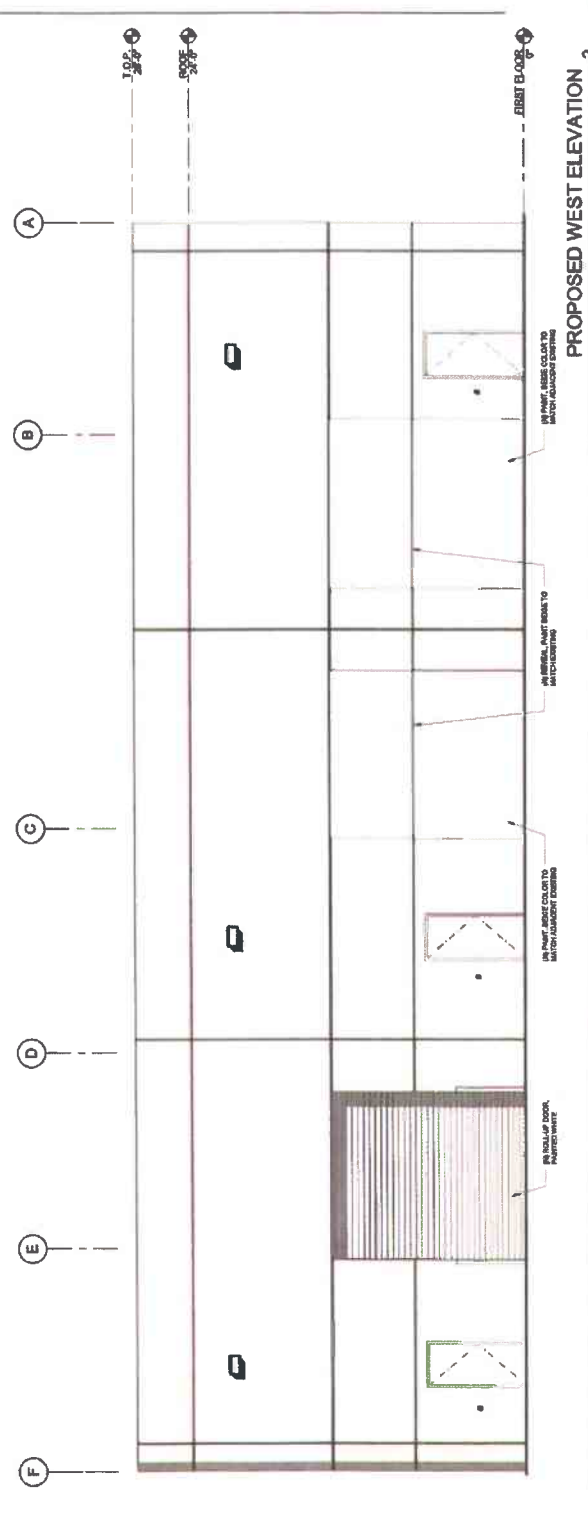
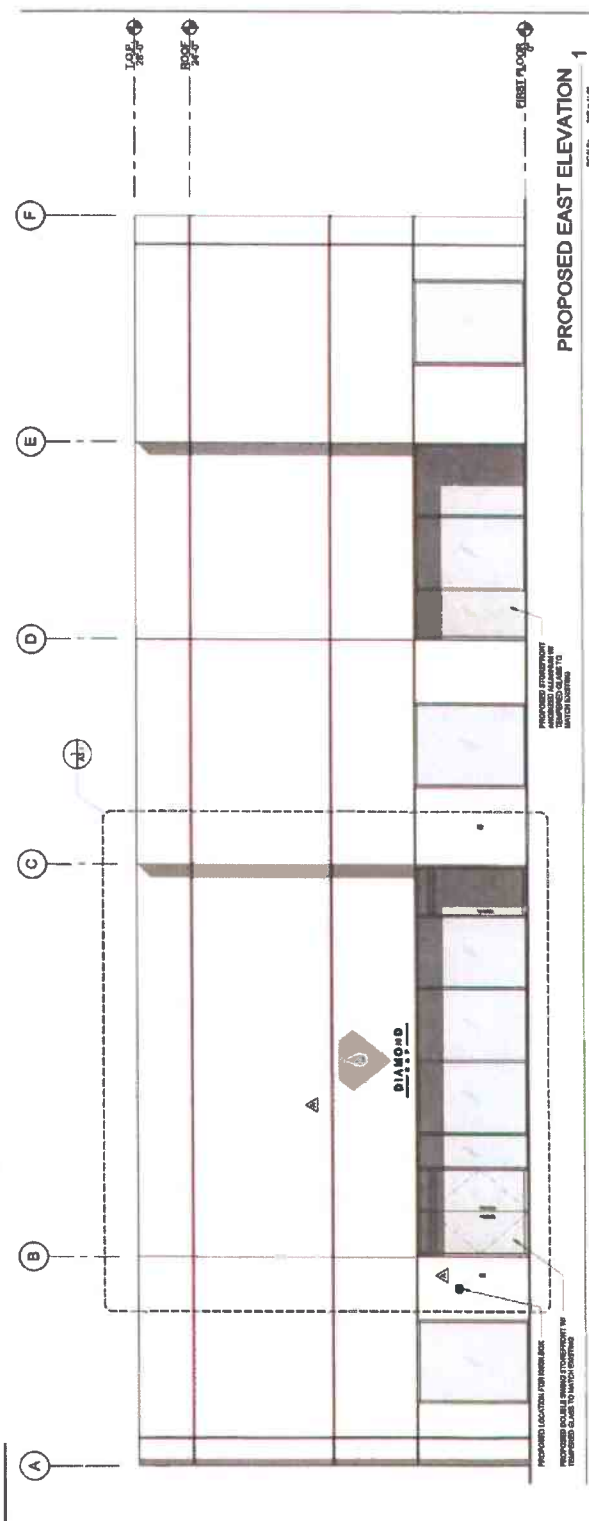
PROJECT NUMBER: 20441
DATE: 08/20/2014



ENGINEERS & ARCHITECTS
1000 N. GARDEN AVENUE
PALM DESERT, CA 92271

PROJECT NUMBER: 20441
DATE: 08/20/2014

SHEET
AA.1



PROPOSED EXTERIOR ELEVATIONS
DIAMOND RAP
7700 S. UNIVERSITY
PALM DESERT, CA 92211

CONDITIONAL USE PERMIT

ENGINEERS
 1000 S. UNIVERSITY
 PALM DESERT, CA 92211
 (760) 325-1111
 www.diamondrap.com

PROJECT NUMBER: 20417
 DATE: 08/28/2018
 SHEET: AM.2



- 1 -



- 2 -

EXISTING CONDITIONS & ADJACENT SITES
DIAMOND SMP
779517 CORN RD.
PALM BEACH, FL 33411

CONDITIONAL USE PERMIT

ENGINEERS

PROJECT NUMBER: 201411
DATE: 10/20/2014
SHEET: A5.0

7



EXISTING PROJECT SITE



ADJACENT VACANT LOTS

ADJACENT BUSINESS PROPERTIES

EXISTING PROJECT SITE

ADJACENT BUSINESS PROPERTIES



EXISTING PALM TREE TO REMAIN, PROTECT IN PLACE



EXISTING TREE TO REMAIN, PROTECT IN PLACE

STREET VIEW OF PROJECT SITE



THE PROPOSED PLANTING SHALL MIMIC THE EXISTING LANDSCAPE AT THE ADJACENT PROPERTIES

STREET VIEW OF PROJECT SITE

STREET VIEW OF PROJECT SITE

Colleen M. Nolan
 Landscape Architect #40649
 10000 S. MESA BLVD. SUITE 100
 PALM DESERT, CA 92260
 760.377.9700

DATE	DESCRIPTION
11/11/2019	P. 001 (SUBMITTAL 1)
11/11/2019	P. 001 (SUBMITTAL 1)

APN# 025-420-005

PROJECT NUMBER: 2004-01
 DATE: 03/09/2020 - CAP
 RESUBMITTAL: 1

INTEGRITY ENGINEERS
 10000 S. MESA BLVD. SUITE 100
 PALM DESERT, CA 92260
 760.377.9700

EXISTING SITE PHOTOS
 DIAMOND SAP
 77-704 FLORA RD.
 PALM DESERT, CA 92211

CONDITIONAL USE PERMIT

PROJECT ADDRESS:
 627 7600 THE
 4011 TAMARCA
 92252-3000



**COUNTY OF RIVERSIDE
TRANSPORTATION AND LAND MANAGEMENT AGENCY**

Juan C. Perez
Agency Director



10/14/20, 1:09 pm

CUP190040

ADVISORY NOTIFICATION DOCUMENT

The following notifications are included as part of the recommendation of approval for CUP190040. They are intended to advise the applicant of various Federal, State and County regulations applicable to this entitlement and the subsequent development of the subject property.

Advisory Notification

Advisory Notification. 1 AND - Preamble

This Advisory Notification Document is included as part of the justification for the recommendation of approval of this Plan CUP190040 and is intended to advise the applicant of various Federal, State and County regulations applicable to this entitlement and the subsequent development of the subject property in accordance with approval of that entitlement and are in addition to the applied conditions of approval.

Advisory Notification. 2 AND - Project Description & Operational Limits

Conditional Use Permit No. 190040 (CUP190040) proposes to use an existing 5,920 sq.ft. tilt-up concrete building as a cannabis microbusiness location and will include tenant improvements to the existing building ("Project").

Development Agreement No. 1900030 (DA1900030) will impose a lifespan of 10 years on the proposed cannabis project, will grant the applicant vesting rights to develop the Project in accordance with the terms established through CUP190040 and this development agreement, and provide community benefit to the Bermuda Dunes district.

The project is located north of Flora Rd, east of I-10, south of 38th Ave, and west of Washington St.

Advisory Notification. 3 AND - Design Guidelines

Compliance with applicable Design Guidelines:
1. County Wide Design Guidelines and Standards

Advisory Notification. 4 AND - Exhibits

The development of the premises shall conform substantially with that as shown on APPROVED EXHIBIT(S)

Exhibit A (Site Plan), dated February 6, 2020.

Exhibit B (Elevations), dated February 6, 2020.

Exhibit C (Floor Plans), dated February 6, 2020.

Exhibit L (Conceptual Landscaping and Irrigation Plans), dated February 6, 2020.

Exhibit S (Sign Plan), dated February 6, 2020.

ADVISORY NOTIFICATION DOCUMENT

Advisory Notification

Advisory Notification. 5 AND - Federal, State & Local Regulation Compliance (cont.)

Advisory Notification. 5 AND - Federal, State & Local Regulation Compliance

1. Compliance with applicable Federal Regulations, including, but not limited to:
 - National Pollutant Discharge Elimination System (NPDES)
 - Clean Water Act
 - Migratory Bird Treaty Act (MBTA)

2. Compliance with applicable State Regulations, including, but not limited to:
 - The current Water Quality Management Plan (WQMP) Permit issued by the applicable Regional Water Quality Control Board (RWQCB.)
 - Government Code Section 66020 (90 Days to Protest)
 - Government Code Section 66499.37 (Hold Harmless)
 - State Subdivision Map Act
 - Native American Cultural Resources, and Human Remains (Inadvertent Find)
 - School District Impact Compliance

3. Compliance with applicable County Regulations, including, but not limited to:
 - Ord. No. 348 (Land Use Planning and Zoning Regulations)
 - Ord. No. 413 (Regulating Vehicle Parking)
 - Ord. No. 457 (Building Requirements)
 - Ord. No. 458 (Regulating Flood Hazard Areas & Implementing National Flood Insurance Program)
 - Ord. No. 655 (Regulating Light Pollution)
 - Ord. No. 671 (Consolidated Fees)
 - Ord. No. 742 (Fugitive Dust/PM10 Emissions in Coachella Valley)
 - Ord. No. 787 (Fire Code)
 - Ord. No. 847 (Regulating Noise)
 - Ord. No. 857 (Business Licensing)
 - Ord. No. 859 (Water Efficient Landscape Requirements)
 - Ord. No. 915 (Regulating Outdoor Lighting)
 - Ord. No. 925 (Prohibiting Marijuana Cultivating)
 - Ord. No. 928 (Clarifying County Prohibition on Mobile Marijuana Dispensaries and Deliveries)

4. Mitigation Fee Ordinances
 - Ord. No. 659 Development Impact Fees (DIF)
 - Ord. No. 673 Coachella Valley Transportation Uniform Mitigation Fee (CV TUMF)
 - Ord. No. 875 Coachella Valley Multiple Species Habitat Conservation Plan (CV MSHCP)

BS-Plan Check

BS-Plan Check. 1 Gen - Custom

NOTIFICATIONS:

CODE/ORDINANCE REQUIREMENTS:

The applicant shall obtain the required building permit(s) from the building department prior to any

ADVISORY NOTIFICATION DOCUMENT

BS-Plan Check

BS-Plan Check. 1

Gen - Custom (cont.)

construction on the property. All building plans and supporting documentation shall comply with current adopted California Building Codes, Riverside County Ordinances regulations in effect at the time of building plan submittal and fee payment to the Building Department. All Building Department plan submittal and fee requirements shall apply.

NOTE: The new updated 2019 California Building Codes will be in effect as of January 1st 2020, as mandated by the state of California. Any building plan and fee payment submitted to the building department on or after January 1st, 2020 will be subject to the new updated California Building Code(s).

PERMIT ISSUANCE:

Per section 105.1 (2016 California Building Code, CBC): Where any owner or authorized agent intends to construct, enlarge, alter, repair, move, demolish or change the occupancy of a building or structure, or to erect, install, enlarge, alter, repair, remove, convert, or replace any electrical, gas, mechanical, or plumbing system, the regulation of which is governed by this code, or to cause any such work to be done, shall first make application to the building official and obtain the required permit.

The applicant shall obtain the required building permit(s) from the building department prior to any construction or placement of any building, structure or equipment on the property.

The applicant shall obtain an approved final building inspection and certificate of occupancy from the building department prior to any use or occupancy of the building, or structure.

At no time shall the approval of the planning case exhibit allow for the construction or use of any building, structure, or equipment. In residential applications, each separate structure will require a separate building permit.

PERMITTED BUILDINGS:

CWP:

Where any building, structure, equipment, alteration, use, change of use, or utility has been fully or partially constructed, placed or installed on a property without permit, the applicant shall comply with current Building Department policies and procedures with regards to construction without permit (CWP).

The applicant may obtain a demolition permit to remove the CWP item from the property, or may begin the process to obtain the required building permit(s). Due to public safety concerns, time frames have been reduced to ensure that all minimum code and safety requirements per all applicable departments have been satisfied. Building plans and supporting documents and required verification documents shall be submitted to the building department with fee payment for review prior to any approval of the current planning case.

NOTE: Where a building and/or structure has been constructed, altered, or placed on the property without permit, the applicable building/structure shall not be occupied or in use until a final approved building inspection has been received. If the non-permitted/non-approved use and/or occupancy persists without full approval from applicable county departments, the applicant/owner is doing so at their own risk.

ADVISORY NOTIFICATION DOCUMENT

BS-Plan Check

BS-Plan Check. 1

Gen - Custom (cont.)

Plan Info

Plans prepared, stamped and signed by a design professional (California licensed Architect, or California Licensed Engineer) may not be altered with hand drawn information. The jurisdictional plan review and/or inspection staff is unable to determine when such information has been placed, and if in fact either the design professional or applicable park authority has in fact approved the added information.

All added structural components, cabinets/counter, or utility additions shall be included within the printed designed plans.

ACCESSIBLE PATH OF TRAVEL:

1- Please provide a revised site plan to indicate the required continuous accessible paved path of travel.

The accessible path of travel details shall include;

1. Accessible path construction type (Asphalt or concrete).
2. Accessible path width.
3. Accessible path directional slope % and cross slope %.
4. All accessible ramp and curb cut-out locations and details where applicable.

The Accessible path of travel shall:

1. Connect to the public R.O.W.
2. Connect to all building(s).
3. Connect to all accessible parking loading/unloading areas.
4. Connect to accessible sanitary facilities.
5. Connect to areas of public accommodation.

Please be aware that the approved site plan with accessibility requirements should be included with any building plan submittals. The plan review staff may have additional comments depending on the additional information or revisions provided during the plan review process. Additional accessible requirements within the structure shall be reviewed during the building plan review.

2- Relocate the ADA parking to comply with the following:

Parking spaces complying with 11B- 502 (Parking Spaces) that serve a particular building or facility shall be located on the shortest accessible route from parking to an entrance

3-Where parking serves more than one accessible entrance, parking spaces complying with 11B-502 (Parking Spaces) shall be dispersed and located on the shortest accessible route to the accessible entrances.

EV PARKING:

Revise the site plan to show the required designated EV parking per CGC.

DISABLED ACCESS GUIDELINE:

EVCS are not considered parking spaces by the code. In addition, the required accessible parking spaces shall not double as required EVCS. 11B-208.1.

Required Number of Accessible EVCS

Where EVCS are provided for public use or common use, accessible EVCS shall be provided in accordance with the table below. (11B-228.3.1) (11B-228.3.2) (11B-228.3.2.1)

Electric Vehicle Charging Stations for Public Use and Common Use

ADVISORY NOTIFICATION DOCUMENT

BS-Plan Check

BS-Plan Check. 1

Gen - Custom (cont.)

Total Number of EVCS at a Facility ¹		Minimum Number (by type) of Accessible EVCS Required	
Van	Accessible Standard	Accessible	Ambulatory
1 to 4	1	0	0
5 to 25	1	0	
26 to 50	1	1	1
51 to 75	1	2	2
76 to 100	1	3	3
101 and over	1, plus 1 for each 300, or fraction thereof, over 100		3, plus 1 for each 60, or fraction thereof, over 100

EV PARKING:

Revise the site plan to show the required designated EV parking per CGC.

DISABLED ACCESS :

EVCS are not considered parking spaces by the code. In addition, the required accessible parking spaces shall not double as required EVCS. 11B-208.1.

Required Number of Accessible EVCS

Where EVCS are provided for public use or common use, accessible EVCS shall be provided in accordance with the table below. (11B-228.3.1) (11B-228.3.2) (11B-228.3.2.1)

Electric Vehicle Charging Stations for Public Use and Common Use

EVCS Locations

Accessible EVCS that serve a particular building or facility shall be located on an accessible route to an accessible entrance. (11B-812.5.1) (11B-812.5.1)

Where EVCS do not serve a particular building or facility, accessible EVCS shall be located on an accessible route to an accessible pedestrian entrance of the EV charging facility. (11B-812.5.1) (11B-812.5.1)

Vehicle spaces and access aisles shall be designed so that persons using them are not required to travel behind vehicle spaces or parking spaces other than the vehicle space in which their vehicle has been left to charge. (11B-812.5.4)

GREEN BUILDING CODE WASTE REDUCTION (Non Residential):

Included within the building plan submittal documents to the Building Department for plan review, the applicant shall provide a copy of the approved construction waste management plan by the Riverside County Waste Management Department that:

1. Identifies the materials to be diverted from disposal by efficient usage, reuse on the project, or salvage for future use or sales.
2. Determines if materials will be sorted on site or mixed.
3. Identifies diversion facilities where material collected will be taken.
4. Specifies that the amount of materials diverted shall be calculated by weight or volume, but not both.

For information regarding compliance with the above provision and requirements, please contact the Waste Management Department @ (951) 486-3200.

E Health

ADVISORY NOTIFICATION DOCUMENT**E Health****E Health. 1** **ECP COMMENTS (cont.)****E Health. 1** **ECP COMMENTS**

If contamination or the presence of a naturally occurring hazardous material is discovered at the site, assessment, investigation, and/or cleanup may be required. Contact Riverside County Environmental Health - Environmental Cleanup Programs at (951) 955-8980, for further information.

Fire**Fire. 1** **Fire Conditions**

Planning Case Conditions

Date: 12/16/19

Plot Plan Number: CUP190040

Project Name: Cannabis Business T.I.

Planner: Jay Olivas

Reviewed By: Chris Cox, Assistant Fire Marshal

East Office of the Fire Marshal Responsibility

With respect to the conditions of approval for the referenced project, the Fire Department requires the following fire protection measures be provided in accordance with Riverside County Ordinances and/or recognized fire protection standards:

1. Construction Permits Fire Department Review: Submittal of construction plans to the Office of the Fire Marshal for development, construction, installation and operational use permitting will be required. Final fire and life safety conditions will be addressed when the Office of the Fire Marshal reviews these plans.
2. Cannabis Facilities: Deferred submittals shall be required for Carbon Dioxide Gas Enrichments Systems and Plant Processing/Extraction Systems. Refer to the Riverside County Office of the Fire Marshal Technical Policy #TP16-004 and #TP16-005.
3. Prior to the issuance of the building permit, a hazardous materials inventory statement shall be submitted to the fire department for review and approval. The inventory shall be in an approved format as specified in the Riverside County Chemical Classification packet and include material safety data sheets. (CFC 5001.5.2)
4. A Knox box shall be provided on the building next to the main building entrance. (CFC 506.1)
5. Fire protection systems shall be maintained operational. Reports of periodic service shall be provided to the inspector upon request. (CFC 901.6)
6. Addressing: All commercial buildings shall display street numbers in a prominent location on the address side and additional locations as required. Ref. CFC 505.1 and County of Riverside Office of the Fire

ADVISORY NOTIFICATION DOCUMENT

General

General. 4

General – Hold Harmless (cont.)

(b) any claim, action or proceeding against the COUNTY to attack, set aside, void or annul any other decision made by the COUNTY concerning the project, including, but not limited to, decisions made in response to California Public Records Act requests; and

(a) and (b) above are hereinafter collectively referred to as "LITIGATION."

The COUNTY shall promptly notify the applicant/permittee of any LITIGATION and shall cooperate fully in the defense. If the COUNTY fails to promptly notify the applicant/permittee of any such LITIGATION or fails to cooperate fully in the defense, the applicant/permittee shall not, thereafter, be responsible to defend, indemnify or hold harmless the COUNTY.

The obligations imposed by this condition include, but are not limited to, the following: the applicant/permittee shall pay all legal services expenses the COUNTY incurs in connection with any such LITIGATION, whether it incurs such expenses directly, whether it is ordered by a court to pay such expenses, or whether it incurs such expenses by providing legal services through its Office of County Counsel.

Payment for COUNTY's costs related to the LITIGATION shall be made on a deposit basis. Within thirty (30) days of receipt of notice from COUNTY that LITIGATION has been initiated against the Project, applicant/permittee shall initially deposit with the COUNTY's Planning Department the total amount of Twenty Thousand Dollars (\$20,000). Applicant/permittee shall deposit with COUNTY such additional amounts as COUNTY reasonably and in good faith determines, from time to time, are necessary to cover costs and expenses incurred by the COUNTY, including but not limited to, the Office of County Counsel, Riverside County Planning Department and the Riverside County Clerk of the Board associated with the LITIGATION. To the extent such costs are not recoverable under the California Public Records Act from the records requestor, applicant/permittee agrees that deposits under this section may also be used to cover staff time incurred by the COUNTY to compile, review, and redact records in response to a Public Records Act request made by a petitioner in any legal challenge to the Project when the petitioner is using the Public Records Act request as a means of obtaining the administrative record for LITIGATION purposes. Within ten (10) days of written notice from COUNTY, applicant/permittee shall make such additional deposits.

General. 5

General – Human Remains

If human remains are found on this site, the developer/permit holder or any successor in interest shall comply with State Health and Safety Code Section 7050.5.

General. 6

General – Review Fees

Any subsequent submittals required by these conditions of approval, including but not limited to grading plan, building plan, or mitigation and monitoring review, shall be reviewed on an hourly basis (research fee), or other such review fee as may be in effect at the time of submittal, as required by Ordinance No. 671. Each submittal shall be accompanied with a letter clearly indicating which condition or conditions the submittal is intended to comply with.

ADVISORY NOTIFICATION DOCUMENT

Planning

Planning. 4 Cannabis Distribution Operations – 2 (cont.)

iii. Cannabis Distribution Facilities shall maintain appropriate records of transactions and shipping manifests that demonstrate an organized method of storing and transporting Cannabis and Cannabis Products to maintain a clear chain of custody.

Planning. 5 Cannabis Distribution Operations – 3

Cannabis Distribution Facilities shall ensure that appropriate samples of Cannabis or Cannabis Products are tested by a permitted and licensed testing facility prior to distribution and shall maintain a copy of the test results in its files.

Planning. 6 Cannabis Distribution Operations – 4

Cannabis Distribution Facilities shall not be open to the public. The Distribution component of the project is located on the second floor of the building and is not readily accessible to any public areas of the retail component of the project.

Planning. 7 Cannabis Distribution Operations – 5

Cannabis Distribution Facilities shall not transport or store non-cannabis goods, excluding any non-cannabis goods associated with a retail component that may include up to 10% of its floor area for non-cannabis goods.

Planning. 8 Cannabis Manufacturing Operations - 1

Any compressed gasses used in the manufacturing process shall not be stored on any lot in containers that exceeds the amount which is approved by the Riverside County Fire Department and authorized by the Conditional Use Permit.

Planning. 9 Cannabis Manufacturing Operations - 2

Closed loop systems for compressed gas extraction systems must be commercially manufactured, bear a permanently affixed and visible serial number, be certified by an engineer licensed by the State of California that the system was commercially manufactured, is safe for its intended use, and was built to codes of recognized and generally accepted good engineering practices.

Planning. 10 Cannabis Manufacturing Operations - 3

Cannabis manufacturing facilities shall have a training program for persons using solvents or gasses in a closed looped system to create cannabis extracts on how to use the system, to access applicable material safety data sheets, and to handle and store solvent and gasses safely.

Planning. 11 Cannabis Microbusiness Operations – 1

Cannabis Microbusiness Facilities shall not transport or store non-cannabis goods, excluding any non-cannabis goods associated with a retail component that may include up to 10% of its floor area for non-cannabis goods.

ADVISORY NOTIFICATION DOCUMENT

Planning

Planning. 29

General - N. Security - Part 1 (cont.)

following:

1. A plan to prevent individuals from loitering on the lot if they are not engaging in activity expressly related to the Commercial Cannabis Activity.
2. 24 hour emergency contact information for the owner or an on-site employee which shall be provided to the County.
3. A professionally installed, maintained, and monitored alarm system.
4. Except for Live Cannabis Plants being cultivated at a cultivation facility and limited amounts of Cannabis for display purposes, all Cannabis and Cannabis Products shall be stored in a secured and locked structure and in a secured and locked safe room, safe, or vault, and in a manner as to prevent diversion, theft, and loss.
5. 24 hour security surveillance cameras to monitor all entrances and exits to a Commercial Cannabis Activity, all interior spaces within the Commercial Cannabis Activity that are open and accessible to the public, and all interior spaces where Cannabis, cash or currency is being stored for any period of time on a regular basis. The permittee for a Commercial Cannabis Activity shall be responsible for ensuring that the security surveillance camera's footage is accessible. Video recordings shall be maintained for a minimum of 90 days, and shall be made available to the County upon request.

Planning. 30

General - N. Security - Part 2

6. Sensors shall be installed to detect entry and exit from all secure areas.
7. Panic buttons shall be installed in all Commercial Cannabis Activities.
8. Any bars installed on the windows or the doors of a Commercial Cannabis Activity shall be installed only on the interior of the building.
9. Security personnel must be licensed by the State of California Bureau of Security and Investigative Services.
10. A Commercial Cannabis Activity shall have the capability to remain secure during a power outage and all access doors shall not be solely controlled by an electronic access panel to ensure locks are not released during a power outage.
11. A Commercial Cannabis Activity shall cooperate with the County and, upon reasonable notice to the Commercial Cannabis Activity, allow the County to inspect or audit the effectiveness of the security plan for the Commercial Cannabis Activity.
12. The permittee for a Commercial Cannabis Activity shall notify the Riverside County Sheriff's Department immediately after discovering any of the following:

ADVISORY NOTIFICATION DOCUMENT

Planning

Planning. 30

General - N. Security - Part 2 (cont.)

- a. Significant discrepancies identified during inventory.
 - b. Diversion, theft, loss, or any criminal activity involving the Commercial Cannabis Activity or any agent or employee of the Commercial Cannabis Activity.
 - c. The loss or unauthorized alteration of records related to Cannabis, registering qualifying patients, primary caregivers, or employees or agents of the Commercial Cannabis Activity.
 - d. Any other breach of security.
13. Firearms shall not be permitted at a Commercial Cannabis Activity by an owner, manager, employee, volunteer or vendor other than those individuals authorized as a State Licensed Security Personnel.
14. Cannabis or Cannabis Products shall not be stored outside at any time.

Planning. 31

General - O. Permit and License Posting

The permittee shall post or cause to be posted at the Commercial Cannabis Activity all required County and State permits and licenses to operate. Such posting shall be in a central location, visible to the patrons, and in all vehicles that deliver or transport Cannabis.

Planning. 32

General - P. Signage

Signage for a Commercial Cannabis Activity shall comply with the following:

1. In addition to the requirements set forth in this section and California Business and Professions Code section 26152 as may be amended, business identification signage for a Commercial Cannabis Activity shall comply with Section 19.4 of this ordinance.
2. No Commercial Cannabis Activity shall advertise by having a person or device holding a sign or an air dancer sign advertising the activity to passersby, whether such person, device or air dancer is on the lot of the Commercial Cannabis Activity or elsewhere including, but not limited to, the public right-of-way.
3. No Commercial Cannabis Activity shall publish or distribute advertising or marketing that is attractive to children.
4. No Commercial Cannabis shall advertise or market Cannabis or Cannabis Products on motor vehicles.
5. Except for advertising signs inside a licensed Premises and provided that such advertising signs do not advertise or market Cannabis or Cannabis Products in a manner intended to encourage persons under 21 years of age to consume Cannabis or Cannabis Products, no Commercial Cannabis Activity shall advertise or market Cannabis or Cannabis Products on an advertising sign within 1,000 feet of a Child Day Care Center, a K-12 school, a public park or a Youth Center.

ADVISORY NOTIFICATION DOCUMENT

Planning-PAL

Planning-PAL. 1

LOW PALEO POTENTIAL (cont.)

According to the County's General Plan, this site has been mapped as having a "Low Potential" for paleontological resources. This category encompasses lands for which previous field surveys and documentation demonstrates a low potential for containing significant paleontological resources subject to adverse impacts. As such, this project is not anticipated to require any direct mitigation for paleontological resources. However, should fossil remains be encountered during site development:

1. All site earthmoving shall be ceased in the area of where the fossil remains are encountered. Earthmoving activities may be diverted to other areas of the site.
2. The owner of the property shall be immediately notified of the fossil discovery who will in turn immediately notify the County Geologist of the discovery.
3. The applicant shall retain a qualified paleontologist approved by the County of Riverside.
4. The paleontologist shall determine the significance of the encountered fossil remains.
5. Paleontological monitoring of earthmoving activities will continue thereafter on an as-needed basis by the paleontologist during all earthmoving activities that may expose sensitive strata. Earthmoving activities in areas of the project area where previously undisturbed strata will be buried but not otherwise disturbed will not be monitored. The supervising paleontologist will have the authority to reduce monitoring once he/she determines the probability of encountering any additional fossils has dropped below an acceptable level.
6. If fossil remains are encountered by earthmoving activities when the paleontologist is not onsite, these activities will be diverted around the fossil site and the paleontologist called to the site immediately to recover the remains.
7. Any recovered fossil remains will be prepared to the point of identification and identified to the lowest taxonomic level possible by knowledgeable paleontologists. The remains then will be curated (assigned and labeled with museum* repository fossil specimen numbers and corresponding fossil site numbers, as appropriate; places in specimen trays and, if necessary, vials with completed specimen data cards) and catalogued, an associated specimen data and corresponding geologic and geographic site data will be archived (specimen and site numbers and corresponding data entered into appropriate museum repository catalogs and computerized data bases) at the museum repository by a laboratory technician. The remains will then be accessioned into the museum repository fossil collection, where they will be permanently stored, maintained, and, along with associated specimen and site data, made available for future study by qualified scientific investigators. * Per the County of Riverside "SABER Policy", paleontological fossils found in the County of Riverside should, by preference, be directed to the Western Science Center in the City of Hemet.
8. The property owner and/or applicant on whose land the paleontological fossils are discovered shall provide appropriate funding for monitoring, reporting, delivery and curating the fossils at the institution where the fossils will be placed, and will provide confirmation to the County that such funding has been paid to the institution.

Plan: CUP190040

Parcel: 626420025

80. Prior To Building Permit Issuance

E Health

080 - E Health. 1 E Health Clearance Not Satisfied

Prior to issuance of the building permit, clearance must be obtained from the Department of Environmental Health.

080 - E Health. 2 Hazmat Clearance Not Satisfied

Obtain clearance from the Hazardous Materials Management Division.

080 - E Health. 3 Sewer Will Serve Not Satisfied

A "Will Serve" letter is required from the sewer agency serving the project.

080 - E Health. 4 Water Will Serve Not Satisfied

A "Will-Serve" letter is required from the appropriate water agency.

Planning

080 - Planning. 1 80 TRANSPORTATION Landscape Inspection Deposit Requi Not Satisfied

Landscape Inspection Deposit Required

This condition applies to both onsite and offsite (ROW) landscaping:

The developer/ permit holder shall:

Prior to building permit issuance, the developer/permit holder shall verify all plan check fees have been paid and deposit sufficient funds to cover the costs of the required landscape inspections associated with the approved landscape plans. The deposit required for landscape inspections shall be determined by the Transportation Department, Landscape Section. The Transportation Department, Landscape Section shall clear this condition upon determination of compliance.

080 - Planning. 2 80 TRANSPORTATION Landscape Plot Plan/Permit Requir Not Satisfied

Landscape Plot Plan/Permit Required

This condition applies to both onsite and offsite (ROW) landscaping:

The developer/ permit holder shall:

Prior to issuance of building permits, the developer/permit holder shall apply for a Plot Plan (Administrative/PPA) Landscape Permit (LSP) or Landscape Plot Plan (LPP) from TLMA Land Use along with applicable deposit (plan check and inspection are DBF fees).

Provide construction level landscape plans in PDF (all sheets compiled in 1 PDF file), along with an electronic transmittal memo in PDF (include Owner contact, Developer, if not the same as the owner, Project manager, person or persons most likely to inquire about the status of the plans, Landscape Architect, Principal or LA signing the plans, Landscape Architect, Project Manager, person responsible for making the corrections, if different from above), and a current set of grading plans in PDF, and submit all three PDF files on a CD (compact Disc) with application. The landscape plans shall be prepared in a professional manner by a California Licensed/Registered Landscape Architect and signed/stamped by such.

Plan: CUP190040

Parcel: 626420025

80. Prior To Building Permit Issuance

Planning

080 - Planning. 2 80 TRANSPORTATION Landscape Plot Plan/Permit Requir Not Satisfied

Drawings shall be completed on County standard Transportation Department title block, plan sheet format (24" x 36"), 1:20 scale, north arrow, limit of work lines, hardscape features, graphic scale, and street names, etc. The landscaping plans shall be in conformance with the APPROVED EXHIBITS; in compliance with Ordinance No. 348, Section 18.12; Ordinance No. 859; and, be prepared consistent with the County of Riverside Guide to California Friendly Landscaping. At minimum, plans shall include the following components:

- 1) Landscape and irrigation working drawings "stamped" by a California certified/registered landscape architect;
- 2) Weather-based controllers and necessary components to eliminate water waste;
- 3) A copy of the "stamped" approved grading plans; and,
- 4) Emphasis on native and drought tolerant species.

When applicable, plans shall include the following components:

- 1) Identification of all common/open space areas;
- 2) Natural open space areas and those regulated/conserved by the prevailing MSHCP and or ALUC;
- 3) Shading plans for projects that include parking lots/areas;
- 4) The use of canopy trees (24" box or greater) within the parking areas;
- 5) Landscaping plans for slopes exceeding 3 feet in height;
- 6) Landscaping and irrigation plans associated with entry monuments. All monument locations shall be located outside of the ROW and dimensions shall be provided on the plan; and/or,
- 7) If this is a phased development, then a copy of the approved phasing plan shall be submitted for reference.

Please reference Landscape Plan Checklists available online at RCTLMA.org.

NOTE: When the Landscaping Plot Plan is located within a special district such as LMD/CSA/CFD or Valleywide, the developer/permit holder shall submit plans for review to the appropriate special district for simultaneous review. The permit holder shall show evidence to the Transportation Department, Landscape Section that the subject district has approved said plans. Water Districts such as CVWD, TVWD, and EMWD may be required to approve plans prior to County approval.

Upon verification of compliance with this condition and the APPROVED EXHIBITS, the Transportation Department, Landscape Section shall clear this condition.

Waste Resources

080 - Waste Resources. 1 Gen - Recyclables Collection and Loading Area Not Satisfied

Prior to issuance of a building permit, the applicant shall submit one electronic (1) copy of a Recyclables Collection and Loading Area plot plan to the Riverside County Department of Waste Resources for review and approval. The plot plan shall conform to Design Guidelines for Recyclables Collection and Loading Areas, provided by the Department of Waste Resources, and shall show the location of and access to the collection area for recyclable materials, shall demonstrate space allocation for trash and recyclable materials and have the adequate signage indicating the location of each bin in the trash enclosure.

The project applicant is advised that clearance of the Recyclables Collection and Loading Area plot

Plan: CUP190040

Parcel: 626420025

80. Prior To Building Permit Issuance

Waste Resources

080 - Waste Resources. 1 Gen - Recyclables Collection and Loading Area (cont.) Not Satisfied
plan only satisfies the Waste Resources' conditions for Recyclables Collection and Loading Areas space allocation and other Recyclables Collection and Loading Area Guideline items. Detailed drawings of the Trash Enclosure and its particular construction details, e.g., building materials, location, construction methods etc., should be included as part of the Project plan submittal to the Riverside County Department of Building and Safety.

080 - Waste Resources. 2 Gen - Waste Recycling Plan Not Satisfied

Prior to issuance of a building permit, a Waste Recycling Plan (WRP) shall be submitted to the Riverside County Department of Waste Resources for approval. At a minimum, the WRP must identify the materials (i.e., concrete, asphalt, wood, etc.) that will be generated by construction and development, the projected amounts, the measures/methods that will be taken to recycle, reuse, and/or reduce the amount of materials, the facilities and/or haulers that will be utilized, and the targeted recycling or reduction rate. During project construction, the project site shall have, at a minimum, two (2) bins: one for waste disposal and the other for the recycling of Construction and Demolition (C&D) materials. Additional bins are encouraged to be used for further source separation of C&D recyclable materials. Accurate record keeping (receipts) for recycling of C&D recyclable materials and solid waste disposal must be kept. Arrangements can be made through the franchise hauler.

90. Prior to Building Final Inspection

E Health

090 - E Health. 1 E Health Clearance Not Satisfied

Prior to building permit final, clearance must be obtained from the Department of Environmental Health.

090 - E Health. 2 Hazmat BUS Plan Not Satisfied

The facility will require a business emergency plan for the storage of hazardous materials greater than 55 gallons, 200 cubic feet or 500 pounds, or any acutely hazardous materials or extremely hazardous substances.

090 - E Health. 3 Hazmat Clearance Not Satisfied

Obtain clearance from the Hazardous Materials Management Division.

090 - E Health. 4 Hazmat Review Not Satisfied

If further review of the site indicates additional environmental health issues, the Hazardous Materials Management Division reserves the right to regulate the business in accordance with applicable County Ordinances.

Planning

090 - Planning. 1 90 TRANSPORTATION Landscape Inspection and Drought Not Satisfied

Landscape Inspection and Drought Compliance

This condition applies to both onsite and offsite (ROW) landscaping:

Plan: CUP190040

Parcel: 626420025

90. Prior to Building Final Inspection

Planning

090 - Planning. 1 90 TRANSPORTATION Landscape Inspection and Drought Not Satisfied

The developer/ permit holder shall:

The developer/permit holder shall coordinate with their designated landscape representative and the Transportation Department landscape inspector to ensure all landscape planting and irrigation systems have been installed in accordance with APPROVED EXHIBITS, landscaping, irrigation, and shading plans. The Transportation Department will ensure that all landscaping is healthy, free of weeds, disease and pests; and, irrigation systems are properly constructed and determined to be in good working order. The developer/permit holder's designated landscape representative and the Transportation Department landscape inspector shall determine compliance with this condition and execute a Landscape Certificate of Completion. All landscape inspection deposits and plan check fees shall be paid.

Upon determination of compliance, the Transportation Department, Landscape Section shall clear this condition.

Waste Resources

090 - Waste Resources. 1 Form D – Mandatory Commercial Recycling and Organics Re Not Satisfied

Form D – Mandatory Commercial Recycling and Organics Recycling

Prior to final building inspection, applicants shall complete a Mandatory Commercial Recycling and Organics Recycling Compliance form (Form D). Form D requires applicants to identify programs or plans that address commercial and organics recycling, in compliance with State legislation/regulation. Once completed, Form D shall be submitted to the Recycling Section of the Department of Waste Resources for approval. To obtain Form D, please contact the Recycling Section at 951-486-3200, or email to: Waste-CompostingRecycling@rivco.org

090 - Waste Resources. 2 Gen - Recyclables Collection and Loading Area Inspection Not Satisfied

Trash Enclosures – prior to final inspection

Prior to final building inspection, the applicant shall construct the recyclables collection and loading area in compliance with the Recyclables Collection and Loading Area plot plan, as approved and verified through an on-site inspection by the Riverside County Department of Waste Resources.

090 - Waste Resources. 3 Gen - Waste Reporting Form and Receipts Not Satisfied

Prior to final building inspection, evidence (i.e., waste reporting form along with receipts or other types of verification) to demonstrate project compliance with the approved Waste Recycling Plan (WRP) shall be presented by the project proponent to the Planning Division of the Riverside County Department of Waste Resources. Receipts must clearly identify the amount of waste disposed and Construction and Demolition (C&D) materials recycled.



AIRPORT LAND USE COMMISSION RIVERSIDE COUNTY

June 29, 2020

CHAIR

Russell Betts
Desert Hot Springs

VICE CHAIR

Steven Stewart
Palm Springs

COMMISSIONERS

Arthur Butler
Riverside

John Lyon
Riverside

Steve Manos
Lake Elsinore

Richard Stewart
Moreno Valley

Gary Youmans
Temecula

STAFF

Director

Simon A. Housman

John Guerin

Paul Rull

Barbara Santos

County Administrative Center
4080 Lemon St., 14th Floor
Riverside, CA 92501
(951) 955-5132

www.rcaluc.org

Mr. Gabriel Villalobos, Project Planner
Riverside County Planning Department
4080 Lemon Street, 12th Floor
Riverside CA 92501
(VIA HAND DELIVERY)

**RE: AIRPORT LAND USE COMMISSION (ALUC) DEVELOPMENT REVIEW –
DIRECTOR’S DETERMINATION**

File No.: ZAP1082BD20
Related File No.: CUP190040 (Conditional Use Permit)
APN: 626-420-025

Dear Mr. Villalobos:

Under the delegation of the Riverside County Airport Land Use Commission (ALUC), staff reviewed Riverside County Case No. CUP190040 (Conditional Use Permit), a proposal to establish a cannabis retail facility/dispensary with distribution and cultivation/manufacturing areas within an existing 6,000 square foot building on a 0.71 acre parcel located at 77704 Flora Road (on the northerly side of Flora Road, easterly of El Viento Road, and westerly of Las Montanas Road and Washington Street) in the unincorporated area northwesterly of Bermuda Dunes Airport.

The site is located within Airport Compatibility Zone D of the Bermuda Dunes Airport Influence Area (AIA), which restricts non-residential intensity to an average of 100 people per acre and a maximum of 300 people in any given single-acre area (for properties of three or more acres). The proposed project, with 2,380 square feet of retail space, 1,435 square feet of storage/distribution area, and 1,400 square feet of manufacturing area, accommodates a total of 51 people, resulting in an average intensity of 72 persons per acre, which is consistent with the Zone D intensity criterion.

The elevation of Runway 10-28 at its westerly terminus is approximately 73 feet above mean sea level (AMSL). At a distance of approximately 9,700 feet from the runway, FAA review would be required for any structures with top of roof exceeding 170 feet AMSL. The site elevation is approximately 116 feet AMSL, with an existing building height of 28 feet, resulting in a top point elevation of 144 feet AMSL. No new buildings or structures are proposed. Therefore, review of buildings by the FAA Obstruction Evaluation Service is not required.

As ALUC Director, I hereby find the above-referenced project **CONSISTENT** with the 2004 Bermuda Dunes Airport Land Use Compatibility Plan, provided that the County of Riverside applies the following recommended conditions:

CONDITIONS:

1. Any new outdoor lighting that is installed shall be hooded or shielded so as to prevent either the spillage of lumens or reflection into the sky, and shall comply with the requirements of Riverside County Ordinance No. 655, as applicable.
2. The following uses are not included in the project and shall be prohibited on this site:
 - (a) Any use which would direct a steady light or flashing light of red, white, green, or amber colors associated with airport operations toward an aircraft engaged in an initial straight climb following takeoff or toward an aircraft engaged in a straight final approach toward a landing at an airport, other than an FAA-approved navigational signal light or visual approach slope indicator.
 - (b) Any use which would cause sunlight to be reflected towards an aircraft engaged in an initial straight climb following takeoff or towards an aircraft engaged in a straight final approach towards a landing at an airport.
 - (c) Any use which would generate smoke or water vapor or which would attract large concentrations of birds, or which may otherwise affect safe air navigation within the area.
 - (d) Any use which would generate electrical interference that may be detrimental to the operation of aircraft and/or aircraft instrumentation.
 - (e) Highly noise-sensitive outdoor nonresidential uses.
3. The attached notice shall be given to all prospective purchasers and/or tenants of the property, and shall be recorded as a deed notice.
4. Any ground-level or aboveground water detention basin or facilities shall be designed so as to provide for a detention period for the design storm that does not exceed 48 hours and to remain totally dry between rainfalls. Vegetation around such facilities that would provide food or cover for bird species that would be incompatible with airport operations shall not be utilized in project landscaping. Trees shall be spaced so as to prevent large expanses of contiguous canopy, when mature.

If you have any questions, please contact Paul Rull, ALUC Principal Planner, at (951) 955-6893.

Sincerely,
RIVERSIDE COUNTY AIRPORT LAND USE COMMISSION



Simon A. Housman, ALUC Director

Attachments: Notice of Airport in Vicinity

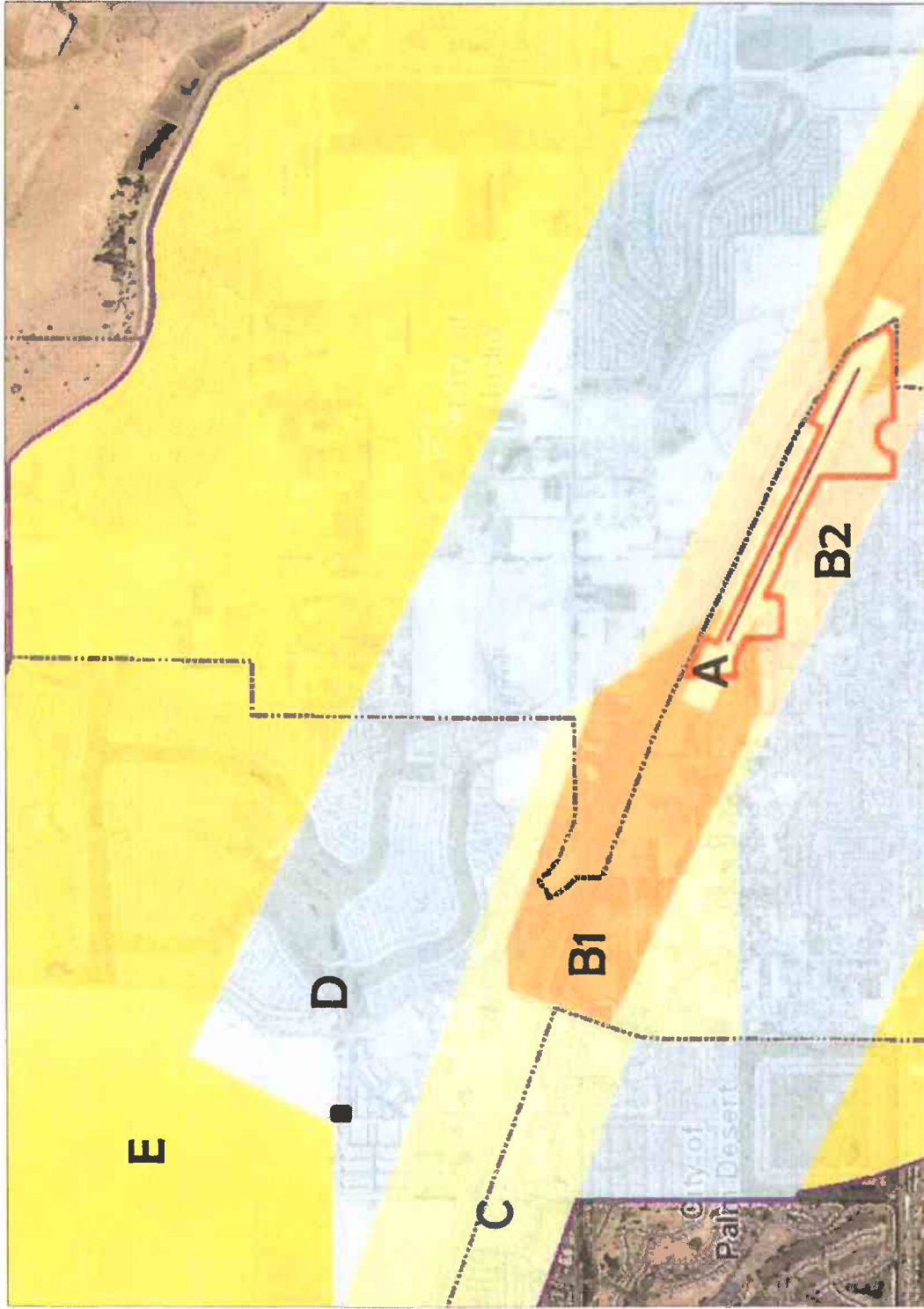
cc: DJK Group, Joe Lizarraga (applicant/representative)
Dave Boggs (property owner)
Ann Goodwyn, Airport Manager, Bermuda Dunes Executive Airport
ALUC Case File

Y:\AIRPORT CASE FILES\Bermuda Dunes\ZAP1082BD20\ZAP1082BD20.LTR.doc

NOTICE OF AIRPORT IN VICINITY

This property is presently located in the vicinity of an airport, within what is known as an airport influent area. For that reason, the property may be subject to some of the annoyances or inconveniences associated with proximity to airport operations (for example: noise, vibration, or odors). Individual sensitivities to those annoyances [can vary from person to person. You may wish to consider what airport annoyances], if any, are associated with the property before you complete your purchase and determine whether they are acceptable to you. Business & Professions Code Section 11010 (b) (13)(A)

Map My County Map



Los Angeles



San Diego

Tijuana

Mexico

Legend

Runways

Airports

Airport Influence Areas

Airport Compatibility Zones

OTHER COMPATIBILITY ZONE

A

A-EXC1

B1

B1-APZ I

B1-APZ I-EXC1

B1-APZ II

B1-APZ II-EXC1

B1-EXC1

B2

B2-EXC1

C

C1

C1-EXC1

C1-EXC3

C1-EXC4

C1-HIGHT

C2

C2-EXC1

C2-EXC2

C2-EXC3

C2-EXC5

C2-EXC6

Notes

IMPORTANT Maps and data are to be used for reference purposes only. Map features are approximate, and are not necessarily accurate to surveying or engineering standards. The County of Riverside makes no warranty or guarantee as to the content (the source is often third party), accuracy, timeliness, or completeness of any of the data provided, and assumes no legal responsibility for the information contained on this map. Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user.



0 3 6,157 Feet

REPORT PRINTED ON... 6/17/2020 2:02:30 PM

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Map My County Map

Los Angeles



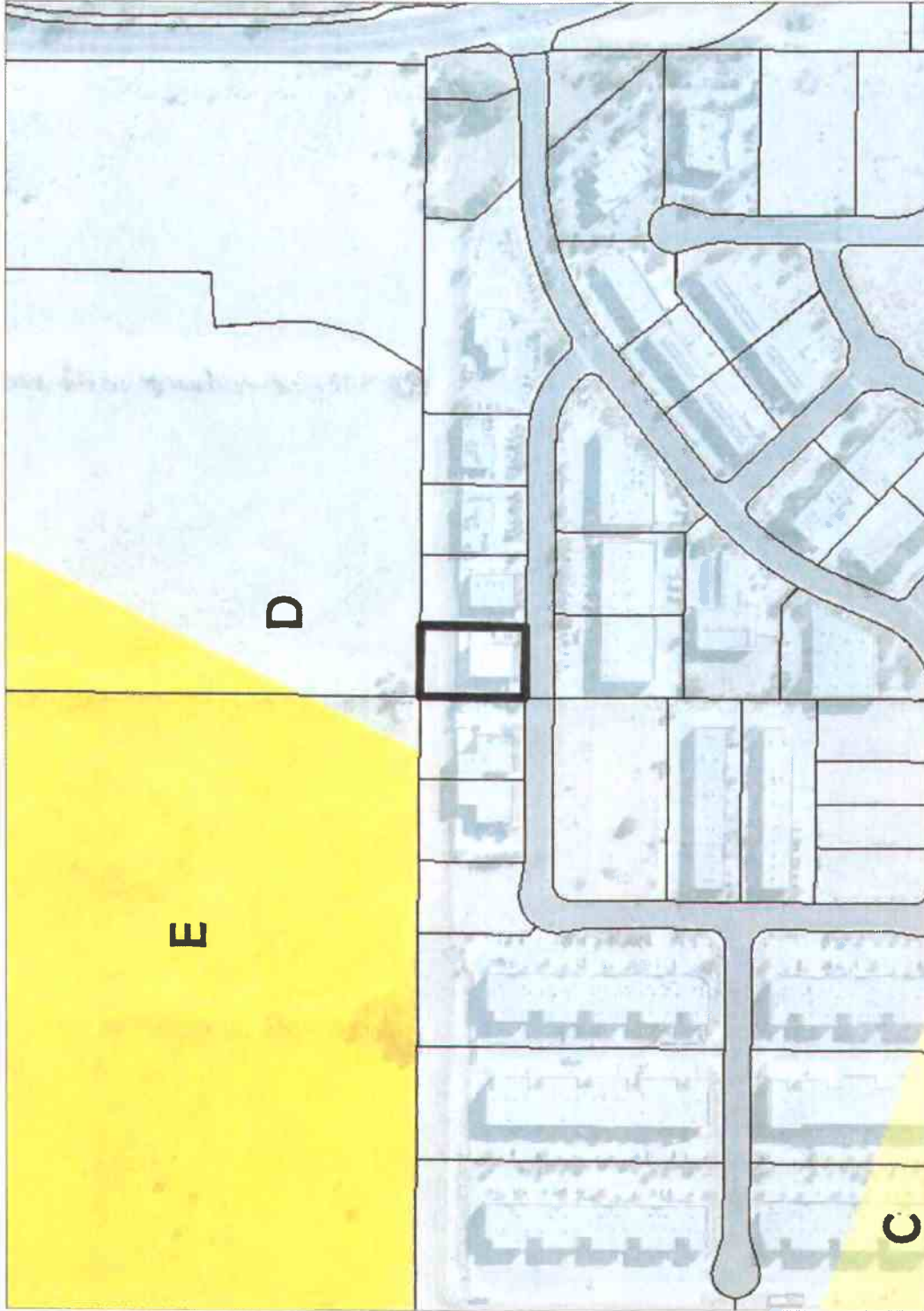
San Diego



Legend

- Parcels
- Runways
- Airports
- Airport Influence Areas
- Airport Compatibility Zones
- OTHER COMPATIBILITY ZONE

- A
 - A-EXC1
- B1
 - B1-APZ I
 - B1-APZ I-EXC1
 - B1-APZ II
 - B1-APZ II-EXC1
 - B1-EXC1
- B2
 - B2-EXC1
- C
 - C1
 - C1-EXC1
 - C1-EXC3
 - C1-EXC4
 - C1-HIGHT
- C2
 - C2-EXC1
 - C2-EXC2
 - C2-EXC3
 - C2-EXC5



Notes

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770 Feet

385

0



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Map My County Map



Los Angeles



San Diego

Tijuana

Mexico

Legend

- Blue Line Streams
- City Areas
- World Street Map



0 3 6.157 Feet
079

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Map My County Map



Los Angeles

San Diego

Tijuana

Mexicali



Legend

- Blue Line Streams
- City Areas
- World Street Map

Notes

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0 770 1,539 Feet

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Map My County Map



- Legend**
- Parcels
 - Blueline Streams
 - City Areas
 - World Street Map

Notes

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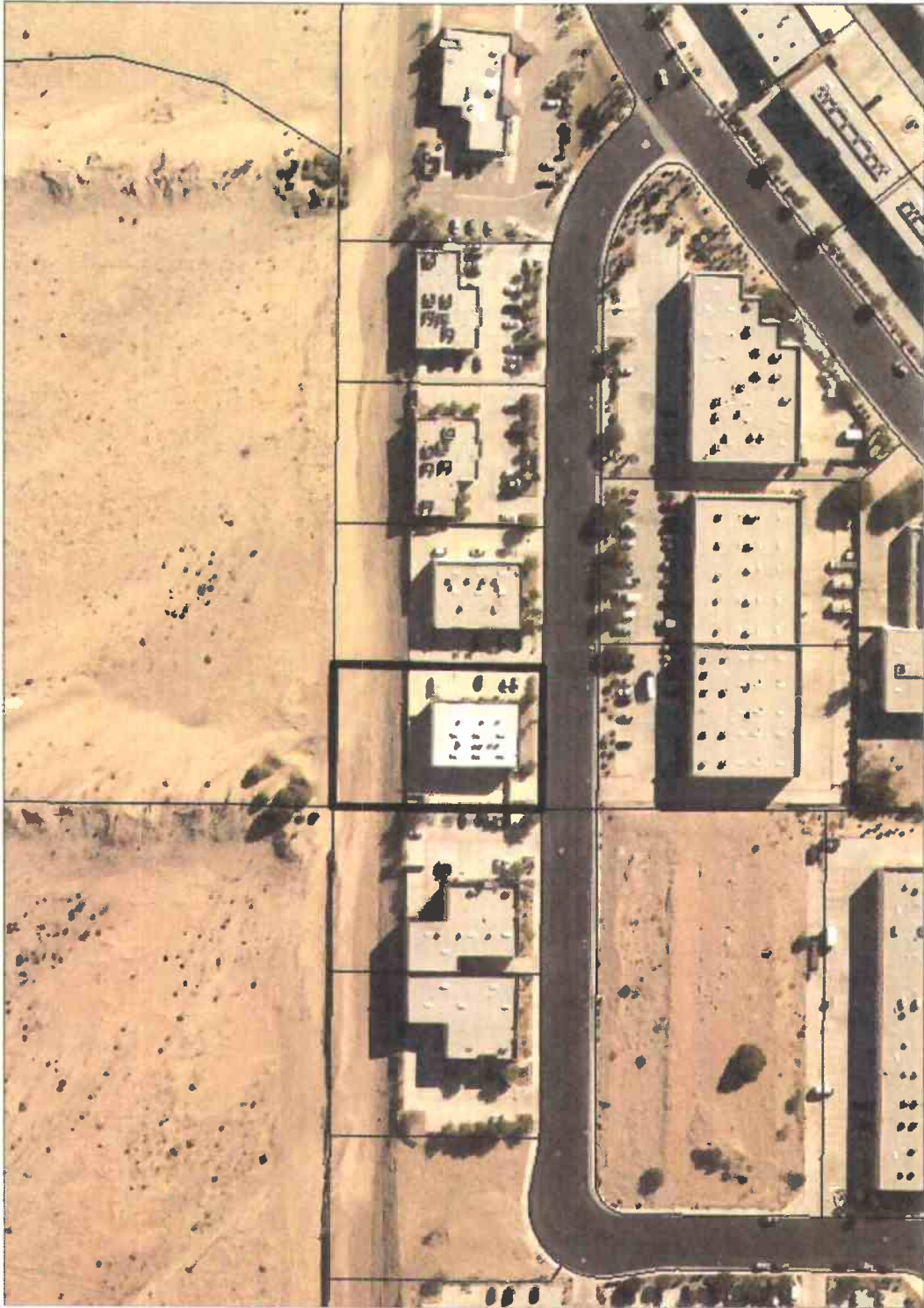


0 385 770 Feet

REPORT PRINTED ON... 6/17/2020 2:01:15 PM

© Riverside County GIS

Map My County Map



Los Angeles

San Diego
or
Tijuana
Mexico

Legend

- Parcels
- Blue line Streams
- City Areas
- World Street Map



0 192 385 Feet



IMPORTANT Maps and data are to be used for reference purposes only. Map features are approximate, and are not necessarily accurate to surveying or engineering standards. The County of Riverside makes no warranty or guarantee as to the content (the source is often third party), accuracy, timeliness, or completeness of any of the data provided, and assumes no legal responsibility for the information contained on this map. Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user.

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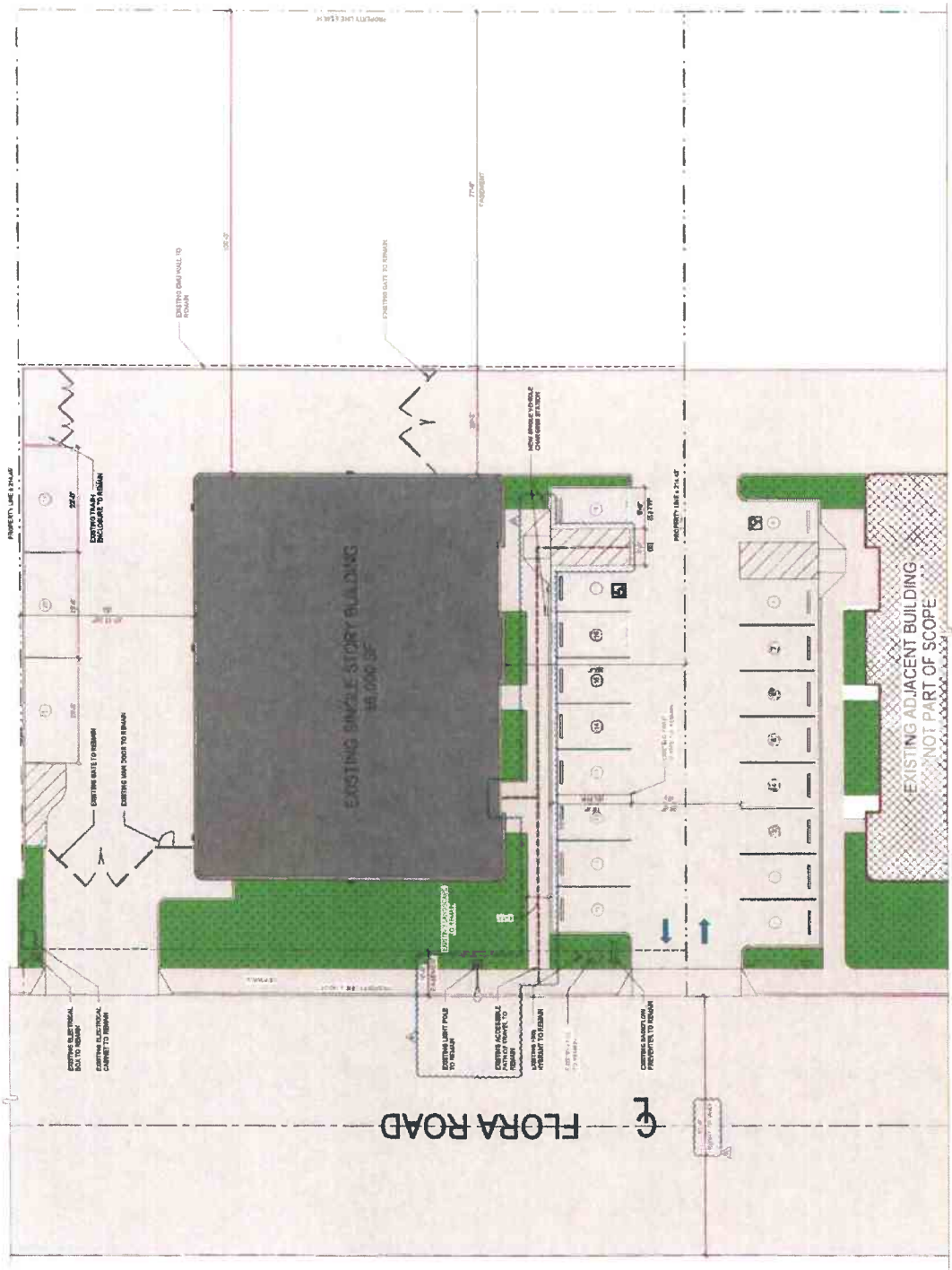
Notes

SITE DATA

COUNTY: PALM BEACH
 SUBJECT PROPERTY: 2770 FLORA RD.
 ALTERNATE ADDRESS: 2770 FLORA RD.
 CITY AND ZIP CODE: PALM BEACH, FL 33480
 PROJECT: PROPOSED ADDITION OF OFFICE SPACE
 PROJECT NUMBER: 2024-001
 PROJECT ADDRESS: 2770 FLORA RD.
 PROJECT CITY: PALM BEACH, FL 33480
 PROJECT STATE: FL 33480
 PROJECT ZIP: 33480

PARKING DATA:

TOTAL PARKING SPACES PROVIDED: 12 SPACES
 TOTAL PARKING SPACES REQUIRED: 12 SPACES
 TOTAL PARKING SPACES AVAILABLE: 12 SPACES
 TOTAL PARKING SPACES DEFICIT: 0 SPACES
 TOTAL PARKING SPACES SURPLUS: 0 SPACES
 TOTAL PARKING SPACES DEFICIT: 0 SPACES
 TOTAL PARKING SPACES SURPLUS: 0 SPACES



PROPOSED SITE PLAN
 DIAMOND BAY
 2770 FLORA RD.
 PALM BEACH, FL 33480

CONDITIONAL USE PERMIT

SHEET NUMBER: PALLET
 PROJECT NUMBER: 2024-001

ENGINEER'S SEAL AND SIGNATURE

SCALE: 1/8" = 1'-0"

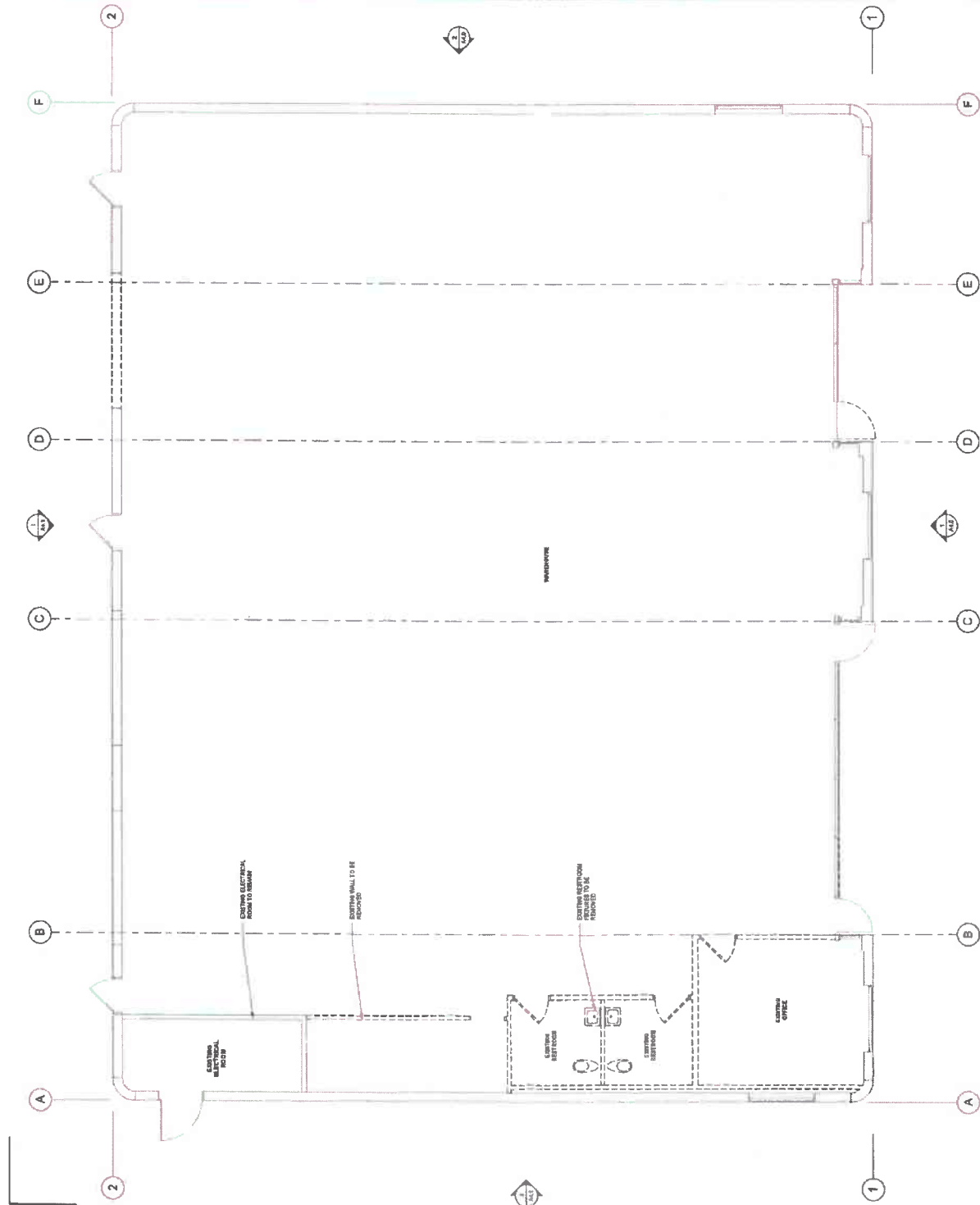
DATE: 10/20/2024

PROJECT ADDRESS: 2770 FLORA RD.
 PROJECT CITY: PALM BEACH, FL 33480

WALL LEGEND

- EXISTING WALL TO REMAIN
- EXISTING WALL TO BE DEMOLISHED

ENGINEERS
REGISTERED PROFESSIONAL ENGINEERS
PROJECT NUMBER: 244-01
DATE: 08/08/2011 (ASSEMBLY)
SHEET: A.2.0



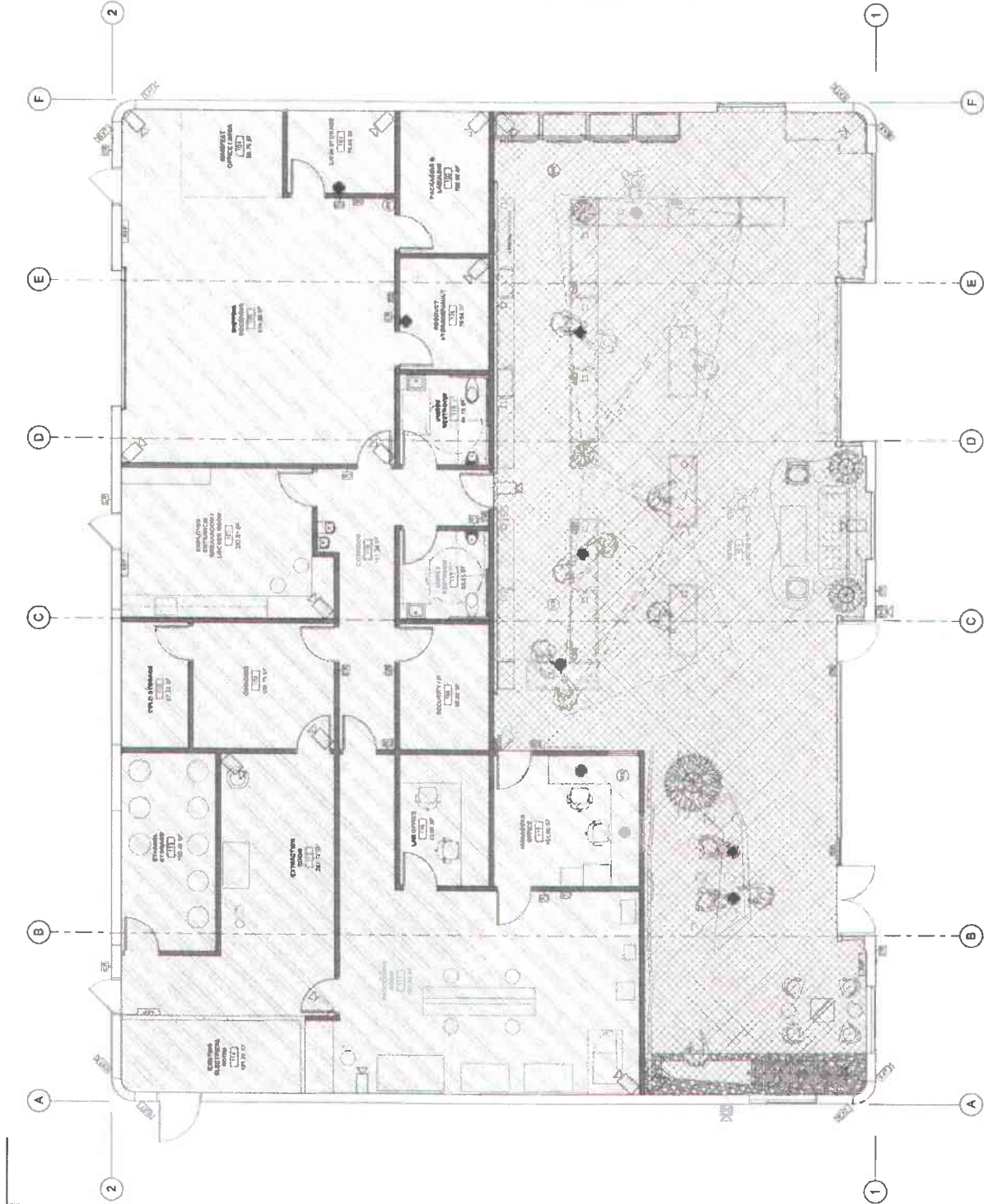
EXISTING FLOOR PLAN
DIAMOND SAP
PALM DESERT, CA 92211

CONDITIONAL USE PERMIT



LEGEND

- INTERIOR CAMERA
- EXTERIOR CAMERA
- MOTION SENSOR
- DOOR SENSOR
- ALARM SENSOR
- CARD READER
- SMART ACCESS
- RESTRICTED ACCESS
- PANIC BUTTON
- ALARM UNIT

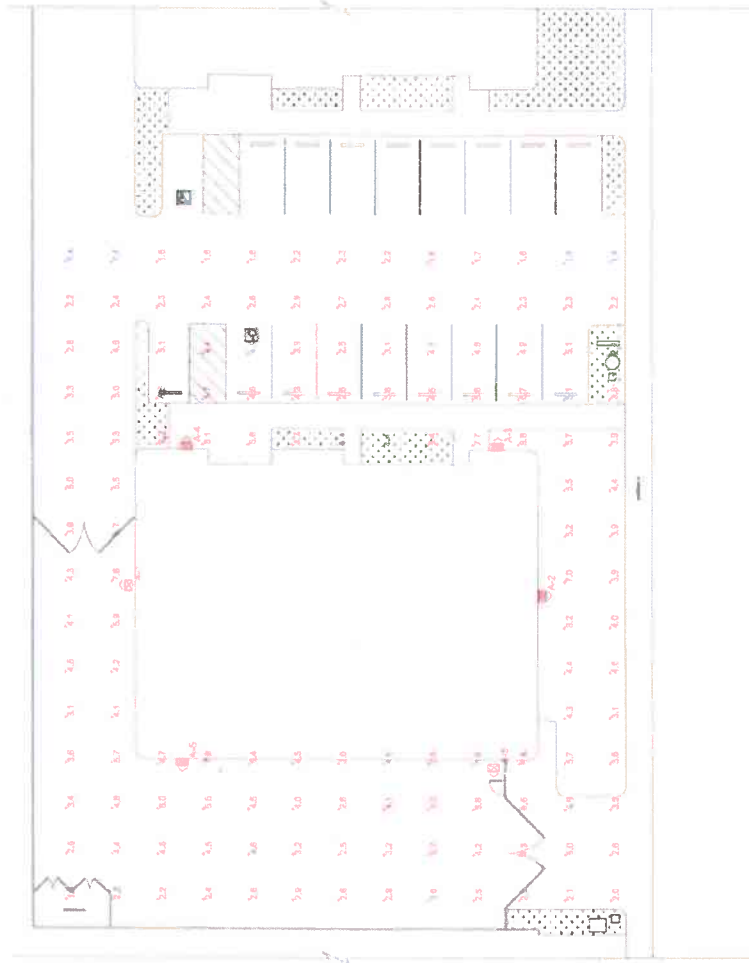


SECURITY PLAN
 DIAMOND BLDG
 7777 W. PALM BLVD
 PALM BEACH, FL 33411

CONDITIONAL USE PERMIT



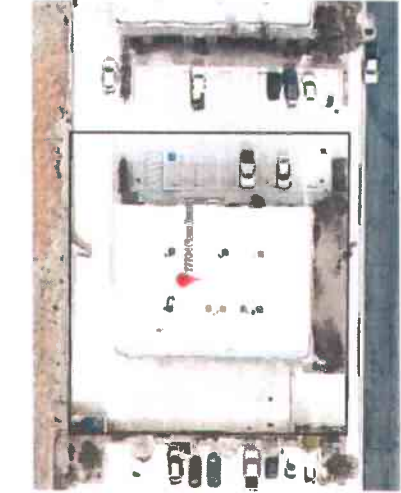
PROJECT NUMBER: 240151
 DATE: 08/08/2024
 SHEET: A3.0



Plan View
Scale: 1" = 8'

Statistics	Symbol	Avg	Min	Max	Length	Angle
Description		4.3	3.2	5.4	5.3	2.3

Sheet No	City	County Number	Description	Level	Number	LF	Volume
A	8	SDG-02-74-603-SK @ 37' incl. 100%	28.8 x 1.1 x 1.1 ft. W/ 1.0 in. 11.00 Limestone		1	0.8	1.0



THE PROPOSED PLANNING SHALL IMITATE THE EXISTING LANDSCAPE AT THE ADJACENT PROPERTIES

Colleen M. Nolan
 Landscape Architect #45099
 761.833.9715 cell

DATE	REVISIONS
12/15/2010	1. INITIAL SET OF PERMITTING

SHEET
L1.3

PROJECT NUMBER: 204401
 DATE: 02/26/2009 - CUP
 RESUBMITTAL 1

ENGINEERS & ARCHITECTS, INC.
 1000 N. GARDEN AVENUE, SUITE 100
 ANAHEIM, CA 92810
 714.771.1111
 WWW.EAIA.COM

EXISTING SITE PHOTOS
 DIAMOND SAP
 77-704 FLORA RD.
 PALM DESERT, CA 92211

CONDITIONAL USE PERMIT

REPLACEMENT OF EXISTING TREES
 77-704 FLORA RD.
 PALM DESERT, CA 92211

APPLICATION FOR LAND USE AND DEVELOPMENT

Check this box if additional persons or entities have an ownership interest in the subject property(ies) in addition to that indicated above; and attach a separate sheet that references the use permit type and number and list those names, mailing addresses, phone and fax numbers, and email addresses; and provide signatures of those persons or entities having an interest in the real property(ies) involved in this application.

AUTHORITY FOR THIS APPLICATION IS HEREBY GIVEN:

I certify that I am/we are the record owner(s) or authorized agent, and that the information filed is true and correct to the best of my knowledge, and in accordance with Govt. Code Section 65105, acknowledge that in the performance of their functions, planning agency personnel may enter upon any land and make examinations and surveys, provided that the entries, examinations, and surveys do not interfere with the use of the land by those persons lawfully entitled to the possession thereof.

(If an authorized agent signs, the agent must submit a letter signed by the owner(s) indicating authority to sign on the owner(s)'s behalf, and if this application is submitted electronically, the "wet-signed" signatures must be submitted to the Planning Department after submittal but before the use permit is ready for public hearing.)

FLORA ROAD, LLC

PRINTED NAME OF PROPERTY OWNER(S)

SIGNATURE OF PROPERTY OWNER(S)

PRINTED NAME OF PROPERTY OWNER(S)

SIGNATURE OF PROPERTY OWNER(S)

The Planning Department will primarily direct communications regarding this application to the person identified above as the Applicant. The Applicant may be the property owner, representative, or other assigned agent.

AUTHORIZATION FOR CONCURRENT FEE TRANSFER

The applicant authorizes the Planning Department and TLMA to expedite the refund and billing process by transferring monies among concurrent applications to cover processing costs as necessary. Fees collected in excess of the actual cost of providing specific services will be refunded. If additional funds are needed to complete the processing of this application, the applicant will be billed, and processing of the application will cease until the outstanding balance is paid and sufficient funds are available to continue the processing of the application. The applicant understands the deposit fee process as described above, and that there will be **NO** refund of fees which have been expended as part of the application review or other related activities or services, even if the application is withdrawn or the application is ultimately denied.

PROPERTY INFORMATION:

Assessor's Parcel Number(s): 626-420-025

Approximate Gross Acreage: .71

General location (nearby or cross streets): North of Las Monatanas Rd., South of _____, East of _____, West of Washington St.

APPLICATION FOR LAND USE AND DEVELOPMENT

PROJECT PROPOSAL:

Describe the proposed project.

6,000 SF. of existing concrete tilt-up building renovation and tenant improvement for Cannabis Dispensary, Manufacturing and Distribution. CAN 190007

Identify the applicable Ordinance No. 348 Section and Subsection reference(s) describing the proposed land use(s): Section 19.522 - I-P Zone (Industrial Park)

Number of existing lots: 1

EXISTING Buildings/Structures: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>						
No.*	Square Feet	Height	Stories	Use/Function	To be Removed	Bldg. Permit No.
1	6,000	28'-0"	1	Warehouse and office	<input type="checkbox"/>	
2					<input type="checkbox"/>	
3					<input type="checkbox"/>	
4					<input type="checkbox"/>	
5					<input type="checkbox"/>	
6					<input type="checkbox"/>	
7					<input type="checkbox"/>	
8					<input type="checkbox"/>	
9					<input type="checkbox"/>	
10					<input type="checkbox"/>	

Place check in the applicable row, if building or structure is proposed to be removed.

PROPOSED Buildings/Structures: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>				
No.*	Square Feet	Height	Stories	Use/Function
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

PROPOSED Outdoor Uses/Areas: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
No.*	Square Feet	Use/Function
1		
2		
3		
4		
5		

APPLICATION FOR LAND USE AND DEVELOPMENT

6		
7		
8		
9		
10		

* Match to Buildings/Structures/Outdoor Uses/Areas identified on Exhibit "A".

Check this box if additional buildings/structures exist or are proposed, and attach additional page(s) to identify them.)

Related cases filed in conjunction with this application:

Are there previous development applications filed on the subject property: Yes No

If yes, provide Application No(s). _____
(e.g. Tentative Parcel Map, Zone Change, etc.)

Initial Study (EA) No. (if known) _____ EIR No. (if applicable): _____

Have any special studies or reports, such as a traffic study, biological report, archaeological report, geological or geotechnical reports, been prepared for the subject property? Yes No

If yes, indicate the type of report(s) and provide a signed copy(ies): _____

Is the project located within 1,000 feet of a military installation, beneath a low-level flight path or within special use airspace as defined in Section 21098 of the Public Resources Code, and within an urbanized area as defined by Government Code Section 65944? Yes No

Is this an application for a development permit? Yes No

If the project located within either the Santa Ana River/San Jacinto Valley watershed, the Santa Margarita River watershed, or the Whitewater River watershed, check the appropriate checkbox below.

If not known, please refer to [Riverside County's Map My County website](#) to determine if the property is located within any of these watersheds (search for the subject property's Assessor's Parcel Number, then select the "Geographic" Map Layer – then select the "Watershed" sub-layer)

If any of the checkboxes are checked, click on the adjacent hyperlink to open the applicable Checklist Form. Complete the form and attach a copy as part of this application submittal package.

[Santa Ana River/San Jacinto Valley](#)

[Santa Margarita River](#)

[Whitewater River](#)

APPLICATION FOR LAND USE AND DEVELOPMENT

If the applicable Checklist has concluded that the application requires a preliminary project-specific Water Quality Management Plan (WQMP), such a plan shall be prepared and included with the submittal of this application.

HAZARDOUS WASTE AND SUBSTANCES STATEMENT

The development project and any alternatives proposed in this application are contained on the lists compiled pursuant to [Section 65962.5](#) of the Government Code. Accordingly, the project applicant is required to submit a signed statement that contains the following information:

Name of Applicant: DJK GROUP

Address: PO BOX 2891

Phone number: 909-260-4070

Address of site (street name and number if available, and ZIP Code): 77704 FLORA RD, CA 92211

Local Agency: County of Riverside

Assessor's Book Page, and Parcel Number: LOT 25 of Parcel Map 29715-1, Book 202, page 35 through 39

Specify any list pursuant to Section 65962.5 of the Government Code: _____

Regulatory Identification number: _____

Date of list: _____

Applicant: _____ Date _____

HAZARDOUS MATERIALS DISCLOSURE STATEMENT

[Government Code Section 65850.2](#) requires the owner or authorized agent for any development project to disclose whether:

1. Compliance will be needed with the applicable requirements of Section 25505 and Article 2 (commencing with Section 25531) of Chapter 6.95 of Division 20 of the Health and Safety Code or the requirements for a permit for construction or modification from the air pollution control district or air quality management district exercising jurisdiction in the area governed by the County. Yes No
2. The proposed project will have more than a threshold quantity of a regulated substance in a process or will contain a source or modified source of hazardous air emissions. Yes No

I (we) certify that my (our) answers are true and correct.

Owner/Authorized Agent (1) JOE LIZARRAGA Date 10/18/19

Owner/Authorized Agent (2) _____ Date _____

APPLICATION FOR LAND USE AND DEVELOPMENT

This completed application form, together with all of the listed requirements provided on the Land Use and Development Application Filing Instructions Handout, are required in order to file an application with the County of Riverside Planning Department.

Y:\Current Planning\LMS Replacement\Condensed P.D. Application Forms\Land Use and Development Condensed application.docx
Created: 04/29/2015 Revised: 08/03/2018

NOTICE OF PUBLIC HEARING

A PUBLIC HEARING has been scheduled, pursuant to Riverside County Land Use Ordinance No. 348, before the RIVERSIDE COUNTY PLANNING COMMISSION to consider a proposed project in the vicinity of your property, as described below:

CONDITIONAL USE PERMIT NO. 190040 and DEVELOPMENT AGREEMENT NO. 1900030 – Exempt from the California Environmental Quality Act (CEQA), pursuant to the State CEQA Guidelines Section 15301 (Existing Facilities), Section 15303 (New Construction or Conversion of Small Structures), and Section 15061(b)(3) (Common Sense Exemption) – Applicant: DJK Group, Inc. – Fourth Supervisorial District – Bermuda Dunes Zoning District – Western Coachella Valley Area Plan: Community Development: Light Industrial (CD-LI) (0.25 – 0.60 FAR) – Location: Northerly of Flora Road, easterly of Interstate 10, southerly of 38th Avenue, and westerly of Washington Street – 0.71 Acres – Zoning: Industrial Park (I-P) – **REQUEST:** Conditional Use Permit No. 190040 proposes to use an existing 6,000 sq. ft. tilt-up concrete building as a cannabis microbusiness location and will include tenant improvements to the existing building. Development Agreement No. 1900030 would impose a lifespan on the proposed cannabis project and provide community benefit to the Bermuda Dunes district.

TIME OF HEARING: 9:00 a.m. or as soon as possible thereafter.
DATE OF HEARING: **NOVEMBER 4, 2020**
PLACE OF HEARING: RIVERSIDE COUNTY ADMINISTRATIVE CENTER
BOARD CHAMBERS, 1ST FLOOR
4080 LEMON STREET, RIVERSIDE, CA 92501

Pursuant to Executive Order N-25-20, this meeting will be conducted by teleconference and at the place of hearing, as listed above. Public access to the meeting location will be allowed, but limited to comply with the Executive Order. Information on how to participate in the hearing will be available on the Planning Department website at: <https://planning.rctlma.org/>.

For further information regarding this project please contact the Project Planner Gabriel Villalobos at (951) 955-6184 or email at gvillalo@rivco.org, or go to the County Planning Department's Planning Commission agenda web page at <http://planning.rctlma.org/PublicHearings.aspx>.

The Riverside County Planning Department has determined that the above-described application is exempt from the provisions of the California Environmental Quality Act (CEQA). The Planning Commission will consider the proposed application at the public hearing. The case file for the proposed project is available for review via email by contacting the project planner. Please contact the project planner regarding additional viewing methods.

Any person wishing to comment on the proposed project may submit their comments in writing by mail or email, or by phone between the date of this notice and the public hearing; or, you may appear and be heard at the time and place noted above. You may participate remotely by registering with the Planning Department. All comments received prior to the public hearing will be submitted to the Planning Commission for consideration, in addition to any oral testimony, before making a decision on the proposed project. All correspondence received before and during the meeting will be distributed to the Planning Commission and retained for the official record.

If this project is challenged in court, the issues may be limited to those raised at the public hearing, described in this notice, or in written correspondence delivered to the Planning Commission at, or prior to, the public hearing. Be advised that as a result of public hearings and comment, the Planning Commission may amend, in whole or in part, the proposed project. Accordingly, the designations, development standards, design or improvements, or any properties or lands within the boundaries of the proposed project, may be changed in a way other than specifically proposed.

Please send all written correspondence to:
RIVERSIDE COUNTY PLANNING DEPARTMENT
Attn: Gabriel Villalobos
P.O. Box 1409, Riverside, CA 92502-1409

PROPERTY OWNERS CERTIFICATION FORM

I, VINNIE NGUYEN certify that on July 22, 2020,

The attached property owners list was prepared by Riverside County GIS,

APN (s) or case numbers CUP190040 / DA1900030 for

Company or Individual's Name RCIT - GIS,

Distance buffered 1200'

Pursuant to application requirements furnished by the Riverside County Planning Department. Said list is a complete and true compilation of the owners of the subject property and all other property owners within 600 feet of the property involved, or if that area yields less than 25 different owners, all property owners within a notification area expanded to yield a minimum of 25 different owners, to a maximum notification area of 2,400 feet from the project boundaries, based upon the latest equalized assessment rolls. If the project is a subdivision with identified off-site access/improvements, said list includes a complete and true compilation of the names and mailing addresses of the owners of all property that is adjacent to the proposed off-site improvement/alignment.

I further certify that the information filed is true and correct to the best of my knowledge. I understand that incorrect or incomplete information may be grounds for rejection or denial of the application.

TITLE: GIS Analyst

ADDRESS: 4080 Lemon Street 9TH Floor

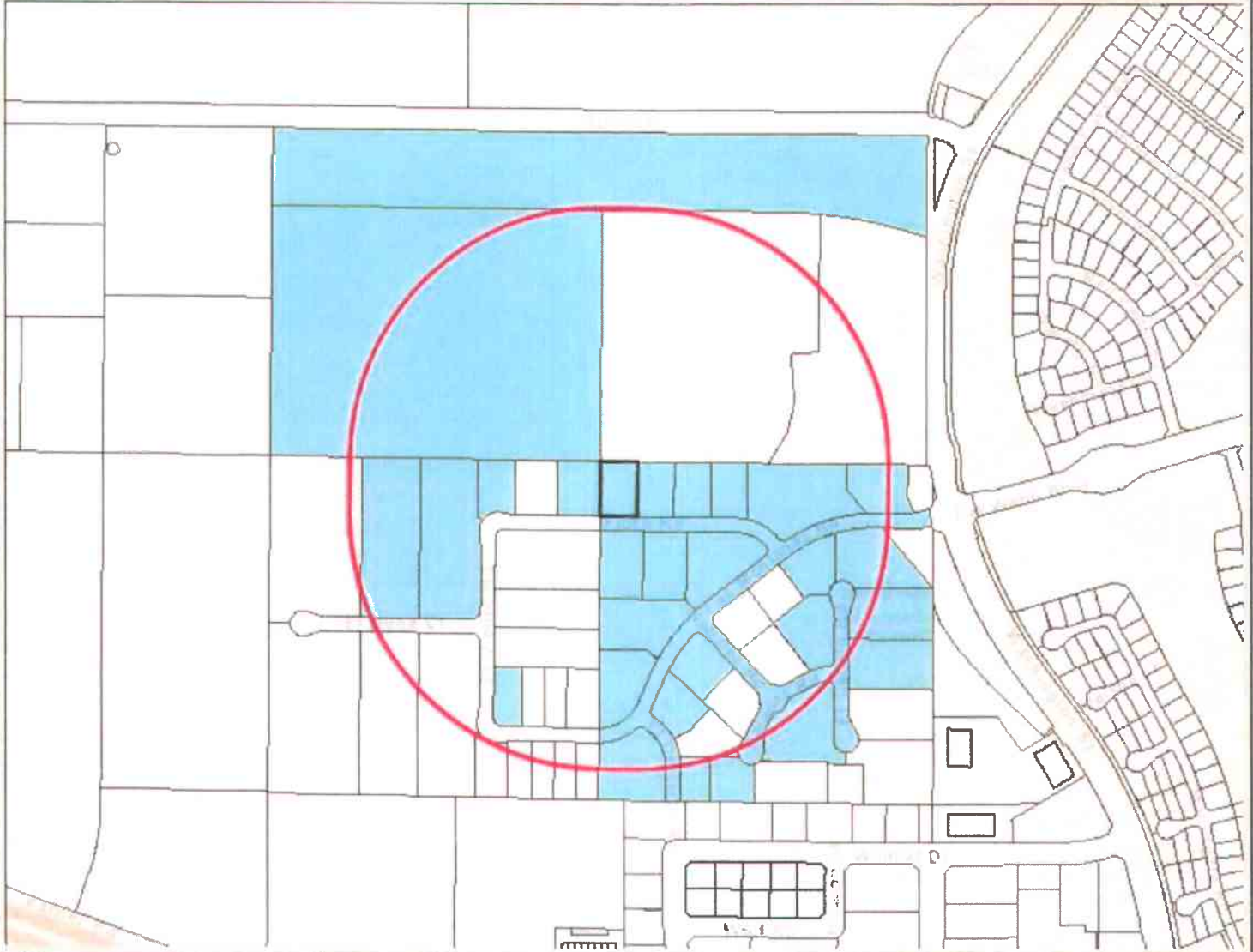
Riverside, Ca. 92502

TELEPHONE NUMBER (8 a.m. – 5 p.m.): (951) 955-8158

Riverside County GIS Mailing Labels

CUP190040 / DA1900030

(1200 feet buffer)



Legend

-  County Boundary
-  Cities
-  Parcels
-  World Street Map

Notes



0 752



1,505 Feet

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626150037
COUNTY OF RIVERSIDE
3403 10TH ST STE 400
RIVERSIDE CA 92501

626150040
COUNTY OF RIVERSIDE
P O BOX 1180
RIVERSIDE CA 92502

626420001
AP PALM DESERT MONTANAS
1856 OLD RESTON AVE NO 300
RESTON VI 20190

626420002
AP PALM DESERT CERRITO
1856 OLD RESTON AVE NO 300
RESTON VA 20190

626420003
DBP PARTNERS
1302 PUYALLUP ST
SUMMER WA 98390

626420008
LYNN N. JOHNSON
130 VISTA ROYALE
PALM DESERT CA 92260

626420009
ALVIN R. SERPA
350 WAWONA AVE
PISMO BEACH CA 93449

626420011
MAJID FAMILY LIMITED PARTNERSHIP
81709 DR CARREON BLVD STE C4
INDIO CA 92201

626420012
NOPALES
38747 NOPALES RD
PALM DESERT CA 92211

626420016
DBP HOLDINGS I
1302 PUYALLUP ST
SUMNER WA 98390

626420020
BEACH CITY FINANCIAL INC
77919 LAS MONTANAS RD UNIT A
PALM DESERT CA 92211

626420022
KOOZAR ENTERPRISES
77806 FLORA RD NO C
PALM DESERT CA 92253

626420023
BRUCE R. DURKEE
48112 ROUDEL LN
LA QUINTA CA 92253

626420024
ORR PROP
39301 BADGER ST NO 300
PALM DESERT CA 92211

626420025
FLORA ROAD
3024 E CHAPMAN STE 510
ORANGE CA 92869

626420026
VANMAR ASSOC
77824 WILDCAT DR
PALM DESERT CA 92211

626420027
WAYNE WATERS
39777 CAMINO MISTRAL
INDIO CA 92203

626420028
WILFRID J. BILLARD
3850 CHERRY AVE
LONG BEACH CA 90807

626420029
DOUGLAS C. JONES
899 TAMARISK RD
PALM SPRINGS CA 92262

626420030
BRYANT INVESTMENTS
77742 LAS MONTANAS RD
PALM DESERT CA 92211

626420033
DESERT BUSINESS PARK PROP OWNERS ASSN
1302 PUYALLUP ST
SUMNER WA 98390

626420039
DESERT BUSINESS PARK
1302 PUYALLUP ST
SUMNER WA 98390

626420047
DESERT RAIN
P O BOX 11527
PALM DESERT CA 92255

626420048
CALIF RADIATION THERAPY MANAGEMENT
4890 W KENNEDY BL STE 650
TAMPA FL 33609

626420049
DBP CHAPARRAL
1302 PUYALLUP ST
SUMNER WA 98390

626420051
GRINNELL PROP
1302 PUYALLUP ST
SUMNER WA 98390

626420052
DESERT BUSINESS PARK II
1302 PUYALLUP ST
SUMNER WA 98390

626420063
DBP VENTURES
1302 PUYALLUP ST
SUMNTER WA 98390

626420068
DBP PARTNERS
1302 PUYALLUP ST
SUMNER WA 98390

626420074
DBF VENTURES
1302 PUYALLUP ST
SUMMER WA 98390

Applicant/Owner:

DJK Group, Inc.
c/o Joe Lizarraga
PO Box 2891
Orange, CA 92859

Applicant/Owner:

DJK Group, Inc.
c/o Joe Lizarraga
PO Box 2891
Orange, CA 92859

Engineer/Rep:

Infrastructure Engineers
c/o Sia Shirazi
222 S. Harbor Blvd., Suite 705
Anaheim, CA 92805

Engineer/Rep:

Infrastructure Engineers
c/o Sia Shirazi
222 S. Harbor Blvd., Suite 705
Anaheim, CA 92805

Owner:

Flora Road, LLC
c/o Joe Lizarraga
PO Box 2891
Orange, CA 92859

Owner:

Flora Road, LLC
c/o Joe Lizarraga
PO Box 2891
Orange, CA 92859

Non-County Agencies:

Richard Drury
Komalpreet Toor
Lozeau Drury, LLP
1939 Harrison Street, Suite 150
Oakland, CA 94612

Kirkland West
Habitat Defense Council
PO Box 7821
Laguna Niguel, Ca, 92607-7821



RIVERSIDE COUNTY PLANNING DEPARTMENT

Charissa Leach, P.E.
Interim TLMA Director

NOTICE OF EXEMPTION

TO: Office of Planning and Research (OPR)
P.O. Box 3044
Sacramento, CA 95812-3044
 County of Riverside County Clerk

FROM: Riverside County Planning Department
 4080 Lemon Street, 12th Floor
P. O. Box 1409
Riverside, CA 92502-1409

38686 El Cerrito Road
Palm Desert, CA 92201

Project Title/Case No.: Conditional Use Permit No. 190040 (CUP190040)/Development Agreement No. 1900030 (DA1900030)

Project Location: The project site is located north of Flora Rd. east of I-10, south of 38th Ave. and west of Washington St.

Project Description: Conditional Use Permit No. 190040 (CUP190040) proposes to use an existing 5,920 sq. ft. tilt-up concrete building as a cannabis microbusiness location and will include tenant improvements to the existing building ("Project"). Development Agreement No. 1900030 (DA1900030) will impose a lifespan of 10 years on the proposed cannabis project, will grant the applicant vesting rights to develop the Project in accordance with the terms established through CUP190040 and this development agreement, and provide community benefit to the Bermuda Dunes district.

Name of Public Agency Approving Project: Riverside County Planning Department

Project Applicant & Address: DJK Group, Inc., c/o Joe Lizarraga, PO Box 2891, Orange, CA 92859

Exempt Status: (Check one)

- Ministerial (Sec. 21080(b)(1); 15268)
- Declared Emergency (Sec. 21080(b)(3); 15269(a))
- Emergency Project (Sec. 21080(b)(4); 15269 (b)(c))
- Categorical Exemption (Sec. 15301, Sec. 15303, Sec. 15061(b)(3))
- Statutory Exemption (_____)
- Other: _____

NOTICE OF EXEMPTION

Reasons why project is exempt: This proposed project is exempt from CEQA review pursuant to Article 19 - Categorical Exemptions, Section 15301 (Existing Facilities), which states: Class I consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. The key consideration is whether the project involves negligible or no expansion of an existing use. The existing site has already been established and designated for commercial/industrial uses. Interior or exterior alterations involving such things as interior partitions, plumbing, and electrical conveyance shall be required, which would not significantly expand the capability of the site or substantively increase the proposed use of the site beyond what already occurs. In this case, the proposed project will not expand the existing structures and has not proposed any significant construction or improvements for the project site. Therefore, the project as proposed would not expand upon the existing permitted buildings, would not expand the use of the site beyond those uses that already occur, and therefore the Project is exempt from CEQA under the Section 15301 Class 1, Existing Facilities exemption.

Furthermore, this project is exempt from CEQA review pursuant to Article 19 - Categorical Exemptions, Section 15303 (New Construction or Conversion of Small Structures). This section specifically exempts construction and location of new, small facilities or structures; and the conversion of existing small structures for one use or another where only minor modifications are made in the exterior of the structure. The Project does not include the construction of any new structures, would only propose minor modifications to the exterior of the structure such as paint and signage, and would only re-entitle the existing Light Industrial facility and convert the existing small structure to this specific proposed cannabis microbusiness use. Additionally, the surrounding area has been determined to not be environmentally sensitive as the proposed project has gone through the necessary steps to prove there would be minimal environmental impacts on the surrounding area, one example being the review and approval of the proposed project by the Airport Land Use Commission (ALUC). Therefore, the project as proposed is exempt from CEQA under the Section 15303 (New Construction or Conversion of Small Structures) exemption.

Additionally, this proposed project is also exempt from CEQA review pursuant to Article 5 - Preliminary Review of Projects and Conduct of Initial Study, Section 15061(b)(3), which states: Once a lead agency has determined that an activity is a project subject to CEQA, a lead agency shall determine whether the project is exempt from CEQA. The Project is deemed to be a "project" pursuant to CEQA. The Project is a retail business (cannabis microbusiness) and will be occupying an existing permitted retail building or structure for the purpose of manufacturing, distributing and selling cannabis products. The Project is EXEMPT under State CEQA Guidelines Section 15061 because Section (b)(3) states: The activity is covered by the general rule that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The proposed Project will operate within the restrictions of the existing land use regulations and zoning ordinances established for the subject parcel. The Project will not result in any additional impacts related to traffic, air quality, or public safety, beyond what already occurs at the existing commercial retail establishment. Given the site has already been developed for such uses and only minimal facade and tenant improvements would be required, no substantial construction impacts would occur. As the land is already developed, there are no potential impacts related to aesthetics, biological and cultural resources, hydrology, or other similar potential impacts. Lastly, as the State has created various rules and regulations as they relate to cannabis waste, particularly for cannabis cultivators, the potential impacts related to cannabis related hazardous substances shall be minimal as the project shall be regulated and subject to state requirements for managing waste. Therefore, the project meets the requirements for CEQA exemption per Section 15061(b)(3) as there is no potential that the Project as proposed would have a significant physical impact on the environment.

Gabriel Villalobos
County Contact Person

(415) 455-6184

Phone Number

Gabriel Villalobos
Signature

Project Planner
Title

10/28/20
Date

Date Received for Filing and Posting at OPR: _____

Revised: 10/26/2020: Y:\Planning Master Forms\Templates\CEQA Forms\Form_NOE.docx

Please charge deposit fee case#: ZEA No. XXXXX ZCFG No. XXXX - County Clerk Posting Fee
FOR COUNTY CLERK'S USE ONLY



Recorded at request of
Clerk, Board of Supervisors
County of Riverside

When recorded return to
Assistant TLMA Director – Planning and Land Use
4080 Lemon Street, 12th Floor
Riverside, CA 92501

DEVELOPMENT AGREEMENT NO. 1900030

A DEVELOPMENT AGREEMENT BETWEEN

COUNTY OF RIVERSIDE

AND

FLORA ROAD, LLC

DAVE BOGGS

JOE LIZARRAGA

KEVIN JOHNSON

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DEVELOPMENT AGREEMENT NO. 1900080

This Development Agreement (hereinafter "Agreement") is entered into effective on the date it is recorded with the Riverside County Recorder (hereinafter the "Effective Date") by and among the COUNTY OF RIVERSIDE (hereinafter "COUNTY"), and the persons and entities listed below (hereinafter "OWNER"):

Flora Road, LLC
Dave Boggs
Joe Lizarraga
Kevin Johnson

RECITALS

WHEREAS, COUNTY is authorized to enter into binding development agreements with persons having legal or equitable interests in real property for the development of such property, pursuant to Article 11, Section 7 of the California Constitution and Section 65864, et seq. of the Government Code; and,

WHEREAS, COUNTY has adopted Procedures and Requirements of the County of Riverside for the Consideration of Development Agreements (hereinafter "Procedures and Requirements"), pursuant to Section 65865 of the Government Code; and,

WHEREAS, OWNER has requested COUNTY to enter into a development agreement and proceedings have been taken in accordance with the Procedures and Requirements of COUNTY; and,

WHEREAS, by electing to enter into this Agreement, COUNTY shall bind future Boards of Supervisors of COUNTY by the obligations specified herein and limit the future exercise of certain governmental and proprietary powers of COUNTY; and,

WHEREAS, the terms and conditions of this Agreement have undergone extensive review by COUNTY and the Board of Supervisors and have been found to be fair, just and reasonable; and,

WHEREAS, the best interests of the citizens of Riverside County and the public health, safety and welfare will be served by entering into this Agreement; and,

WHEREAS, all of the procedures of the California Environmental Quality Act (Public Resources Code, Section 21000 et seq.) have been met with respect to the Project and the Agreement; and,

WHEREAS, this Agreement and the Project are consistent with the Riverside County General Plan and any specific plan applicable thereto; and,

WHEREAS, all actions taken and approvals given by COUNTY have been duly taken or approved in accordance with all applicable legal requirements for notice, public hearings,

findings, votes, and other procedural matters; and,

WHEREAS, this Agreement will confer substantial private benefits on OWNER by granting vested rights to develop the Property in accordance with the provisions of this Agreement; and,

WHEREAS, OWNER proposes to develop the Property to be used for the Commercial Cannabis Activity described in Exhibit E (“the Development Plan”); and,

WHEREAS, Riverside County Ordinance 348.4898 (hereafter “Ordinance 348.4898”) establishes a regulatory permitting process for Commercial Cannabis Activities and prohibits all Commercial Cannabis Activities in all land use zones without the benefit of a land use permit issued by the COUNTY; and,

WHEREAS, Board of Supervisors Policy No. B-9 further sets forth provisions to be included in development agreements in order to implement applicable General Plan provisions, to ensure that the County does not disproportionately bear the burden of commercial cannabis activities throughout the County, to ensure the County receives public benefits for the commercial cannabis activities, to ensure there are adequate resources available for enforcement of permitted and unpermitted commercial cannabis activities, and to give cannabis owners and property owners certainty as to the County’s requirements; and,

WHEREAS, this Agreement complies with the provisions of both Ordinance No. 348.4898 and Board Policy B-9; and,

WHEREAS, this Agreement will eliminate uncertainty in planning and provide for the orderly development of the Property, ensure progressive installation of necessary improvements, provide for public services appropriate to the development of the Project, and generally serve the purposes for which development agreements under Sections 65864, et seq. of the Government Code are intended; and,

WHEREAS, OWNER has incurred and will in the future incur substantial costs in order to assure development of the Property in accordance with this Agreement; and,

WHEREAS, OWNER has incurred and will in the future incur substantial costs in excess of the generally applicable requirements in order to assure vesting of legal rights to develop the Property in accordance with this Agreement.

COVENANTS

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. DEFINITIONS AND EXHIBITS.

1.1 Definitions. The following terms when used in this Agreement shall be defined as follows:

1.1.1 "Agreement" means this Development Agreement.

1.1.2 "Base Rate" means the calculated amount as set forth in Exhibit "F", and which is payable to COUNTY annually pursuant to Subsections 4.2.1 and 4.2.2 of this Agreement and increased annually by 2% from and after the date of this agreement.

1.1.3 "Commercial Cannabis Activity" means the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of Cannabis and cannabis products as provided for in Ordinance No. 348, as amended through Ordinance No. 348.4898, and any other subsequently adopted zoning ordinance amendment or subsequently adopted zoning ordinance.

1.1.4 "Conditional Use Permit" means the land use permit required by COUNTY to conduct Commercial Cannabis Activities.

1.1.5 "COUNTY" means the County of Riverside, a political subdivision of the State of California.

1.1.6 "Development" means the improvement of the Property for the purposes of completing the structures, improvements and facilities comprising the Project including, but not limited to: grading; the construction of infrastructure and public facilities related to the Project whether located within or outside the Property; the construction or re-construction of buildings and structures; the tenant improvements of structures, and the installation of landscaping. When authorized by a Subsequent Development Approval as provided by this Agreement, "development" includes the maintenance, repair, reconstruction or redevelopment of any building, structure, improvement or facility after the construction and completion thereof.

1.1.7 "Development Approvals" means all permits and other entitlements for use subject to approval or issuance by COUNTY in connection with use of the Property and for development of the Property for Commercial Cannabis Activities including, but not limited to:

- (a) Conditional use permits, and site plans;
- (b) Zoning Amendments;
- (c) General Plan Amendments
- (d) Tentative and final subdivision and parcel maps;
- (e) Grading and building permits;
- (f) Any permits or entitlements necessary from the COUNTY;
- (g) Any easements necessary from COUNTY or any other land owner;
- (h) Specific plans and specific plan amendments;
- (i) Right of Entry agreements

1.1.8 "Development Exaction" means any requirement of the COUNTY in connection with or pursuant to any Land Use Regulation or Development Approval for the dedication of land, the construction of improvements or public facilities, or the payment of fees in order to lessen, offset, mitigate or compensate for the impacts of development on the environment or other public interests.

1.1.9 "Development Plan" means the Existing or Proposed Development Approvals and the Existing Land Use Regulations applicable to development of the Property.

1.1.10 "Effective Date" means the date this Agreement is recorded with the County Recorder.

1.1.11 "Existing Development Approvals" means all Development Approvals approved or issued prior to the Effective Date. Existing Development Approvals includes the Development Approvals incorporated herein as Exhibit "C" and all other Development Approvals which are a matter of public record on the Effective Date.

1.1.12 "Existing Land Use Regulations" means all Land Use Regulations in effect on the Effective Date. Existing Land Use Regulations includes the Land Use Regulations incorporated herein as Exhibit "D" and all other Land Use Regulations which are a matter of public record on the Effective Date.

1.1.13 "Land Use Regulations" means all ordinances, resolutions, codes, rules, regulations and official policies of COUNTY governing the development and use of land, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, the maximum height and size of proposed buildings and structures, the provisions for reservation or dedication of land for public purposes, and the design, improvement and construction standards and specifications applicable to the development of the property. "Land Use Regulations" does not include any COUNTY ordinance, resolution, code, rule, regulation or official policy, governing:

- (a) The conduct of businesses, professions, and occupations;
- (b) Taxes and assessments;
- (c) The control and abatement of nuisances;
- (d) The granting of encroachment permits and the conveyance of rights and interests which provide for the use of or the entry upon public property;
- (e) The exercise of the power of eminent domain.

1.1.14 "Mortgagee" means a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security-device lender, and their successors and assigns.

1.1.15 "OWNER" means the owner of the PROPERTY and the persons and entities listed as OWNER on the first page of this Agreement. OWNER shall also include any of the following:

1. A person with an aggregate ownership interest of 20 percent or more in the Commercial Cannabis Activity for which a license or permit is being sought, unless the interest is solely a security, lien, or encumbrance.

2. The chief executive officer of a nonprofit or other entity for the Commercial Cannabis Activity.

3. A member of the board of directors of a nonprofit for the Commercial Cannabis Activity.

4. An individual who will be participating in the direction, control, or management of the person applying for a Commercial Cannabis Activity Conditional Use Permit or State license.”

1.1.16 “Project” means the development of the Property contemplated by the Development Plan as such Plan may be further defined, enhanced or modified pursuant to the provisions of this Agreement.

1.1.17 “Property” means the real property described on Exhibit “A” and shown on Exhibit “B” to this Agreement.

1.1.18 “Reservations of Authority” means the rights and authority excepted from the assurances and rights provided to OWNER under this Agreement and reserved to COUNTY under Section 3.5 of this Agreement.

1.1.19 “Subsequent Development Approvals” means all Development Approvals approved subsequent to the Effective Date in connection with development of the Property.

1.1.20 “Subsequent Land Use Regulations” means any Land Use Regulations adopted and effective after the Effective Date of this Agreement.

1.1.21 “Transfer” means sale, assignment, lease, sublease or any other transfer of a legal or equitable interest in the Property.

1.2 Exhibits. The following documents are attached to, and by this reference made a part of, this Agreement:

- Exhibit “A” - Legal Description of the Property
- Exhibit “B” - Map Showing Property and Its Location
- Exhibit “C” - Existing Development Approvals
- Exhibit “D” - Existing Land Use Regulations
- Exhibit “E” - Commercial Cannabis Activity Site Plan & Description
- Exhibit “F” - Applicable Annual Public Benefits Base Payments
- Exhibit “G” - Commercial Cannabis Area calculation exhibit.
- Exhibit “H” - Additional Public Benefits Exhibit

2. GENERAL PROVISIONS.

2.1 Binding Effect of Agreement. The Property is hereby made subject to this Agreement. Development of the Property is hereby authorized and shall be carried out only in accordance with the terms of this Agreement.

2.2 Ownership of Property. OWNER represents and covenants that it is the owner of a legal or equitable interest in the Property or a portion thereof.

2.3 Term. This Agreement shall commence on the Effective Date and shall continue for a period of ten years thereafter, unless this term is modified or extended for one additional five year term pursuant to the provisions of this Agreement and so long as the Project is in compliance with all applicable conditions of approval and County ordinances.

2.4 Transfer.

2.4.1 Right to Transfer. Right to Transfer. OWNER shall have the right to transfer the Property in whole or in part (provided that no such partial transfer shall violate the Subdivision Map Act, Government Code Section 66410, et seq., or Riverside County Ordinance No. 460) to any person, partnership, joint venture, firm or corporation at any time during the term of this Agreement; provided, however, that any such transfer shall include the assignment and assumption of the rights, duties and obligations arising under or from this Agreement and be made in strict compliance with the following conditions precedent:

(a) No transfer of any right or interest under this Agreement shall be made unless made together with the sale, transfer or assignment of all or a part of the Property.

(b) Concurrent with any such transfer or within fifteen (15) business days thereafter, OWNER shall notify COUNTY, in writing, of such transfer and shall provide COUNTY with an executed agreement by the transferee, in a form reasonably acceptable to COUNTY, providing therein that the transferee expressly and unconditionally assumes all the duties and obligations of OWNER under this Agreement.

Any transfer not made in strict compliance with the foregoing conditions shall constitute a default by OWNER under this Agreement. Notwithstanding the failure of any transferee to execute the agreement required by Paragraph (b) of this Subsection 2.4.1, the burdens of this Agreement shall be binding upon such transferee, but the benefits of this Agreement shall not inure to such transferee until and unless such agreement is executed.

2.4.2 Release of Transferring Owner. Notwithstanding any transfer, a transferring OWNER shall continue to be obligated under this Agreement unless such transferring OWNER is given a release in writing by COUNTY, which release shall be provided by COUNTY upon the full satisfaction by such transferring OWNER of

the following conditions:

- (a) OWNER no longer has a legal or equitable interest in all or any part of the Property.
- (b) OWNER is not then in default under this Agreement.
- (c) OWNER has provided COUNTY with the notice and executed agreement required under Paragraph (b) of Subsection 2.4.1 above.
- (d) The transferee provides COUNTY with security equivalent to any security previously provided by OWNER to secure performance of its obligations hereunder.

2.4.3 Subsequent Transfer. Any subsequent transfer after an initial transfer shall be made only in accordance with and subject to the terms and conditions of this Section.

2.5 Amendment or Cancellation of Agreement. This Agreement may be amended or cancelled in whole or in part only by written consent of all parties in the manner provided for in Government Code Section 65868. This provision shall not limit any remedy of COUNTY or OWNER as provided by this Agreement.

2.6 Termination. This Agreement shall be deemed terminated and of no further effect upon the occurrence of any of the following events:

- (a) Expiration of the stated term of this Agreement as set forth in Section 2.3.
- (b) Entry of a final judgment by a court of competent jurisdiction setting aside, voiding or annulling the adoption of the ordinance approving this Agreement. For purposes of clarity this termination section excludes entry of a final judgment by a court of competent jurisdiction setting aside, voiding or annulling the adoption of Board of Supervisors' Policy No. B-9.
- (c) The adoption of a referendum measure overriding or repealing the ordinance approving this Agreement.
- (d) OWNER's election to terminate this Agreement. If OWNER elects not to develop all or a portion of the Property as a Commercial Cannabis Activity, OWNER shall provide notice of such election to the COUNTY, such notice by OWNER shall (i) seek to terminate this Agreement as to the portion of the Property that is the subject of such notice of termination; and (ii) shall acknowledge that the Conditional Use Permit (CUP No. 190040) shall be null and void as to the Property that is the subject of such notice of termination. Following receipt of OWNER's notice of election to terminate this Agreement,

OWNER and COUNTY shall execute an appropriate instrument in recordable form evidencing such termination, and shall cause such instrument to be amended to this Agreement to be processed in accordance with COUNTY's 'Procedures and Requirements for the Consideration of Development Agreements (Commercial Cannabis Activities)' set forth in Resolution No. 2019-037.

(e) When OWNER no longer has a legal or equitable interest in the Property or has ceased operations on the Property for a period of ninety (90) consecutive days and no evidence demonstrating continuing and ongoing use of the Property consistent with the approved Conditional Use Permit No. 190040.

(f) Federal Enforcement of the Federal Controlled Substances Act against OWNER or the COUNTY. The parties understand that cannabis is still classified as a Schedule I Drug under the Federal Controlled Substances Act, 21 U.S.C. §§ 801 et seq. In the event there is federal enforcement of the Federal Controlled Substances Act against the COUNTY for the COUNTY's enactment of a comprehensive, regulatory framework for commercial cannabis activities or against OWNER for OWNER's own commercial cannabis activities, this Agreement shall be deemed terminated and of no further effect.

(g) Revocation of a Commercial Cannabis Activity Conditional Use Permit or State License.

Upon the termination of this Agreement, no party shall have any further right or obligation hereunder except with respect to any obligation to have been performed prior to such termination or with respect to any default in the performance of the provisions of this Agreement which has occurred prior to such termination or with respect to any obligations which are specifically set forth as surviving this Agreement.

2.7 Notices.

(a) As used in this Agreement, "notice" includes, but is not limited to, the communication of notice, request, demand, approval, statement, report, acceptance, consent, waiver, appointment or other communication required or permitted hereunder.

(b) All notices shall be in writing and shall be considered given either: (i) when delivered in person to the recipient named below; (ii) on the date of delivery shown on the return receipt, after deposit in the United States mail in a sealed envelope as either registered or certified mail with return receipt requested, and postage and postal charges prepaid, and addressed to the recipient named below; (iii) on the next business day when delivered by overnight United States mail or courier service; or (iv) on the date of delivery shown in the facsimile records of the party sending the facsimile after transmission by facsimile to the recipient named below. All notices shall be addressed as follows:

If to COUNTY:

Clerk of the Board of Supervisors
Riverside County Administrative Center
4080 Lemon Street, First Floor
Riverside, CA 92502
Fax No. (951) 955-1071

with copies to:

County Executive Officer
Riverside County Administrative Center
4080 Lemon Street, 4th Floor
Riverside, CA 92501
Fax No. (951) 955-1105

and

Assistant TLMA Director — Planning and Land Use
Transportation and Land Management Agency
Riverside County Administrative Center,
4080 Lemon Street, 12th Floor
Riverside, CA 92501
Fax No. (951) 955-1817

and

County Counsel
County of Riverside
3960 Orange Street, Suite 500
Riverside, CA 92501
Fax No. (951) 955-6363

If to OWNER:

Flora Road, LLC
Attn: Joe Lizarraga
3024 E. Chapman Ave., Ste. 510
Orange, CA 92869

and

Flora Road, LLC
Attn: Joe Lizarraga
Post Office Box 2891
Orange, CA 92859

(c) Either party may, by notice given at any time, require subsequent notices to be given to another person or entity, whether a party or an officer or representative of a n Avenue, Ste. 510party, or to a different address, or both. Notices given before actual receipt of notice of change shall not be invalidated by any such change.

3. DEVELOPMENT OF THE PROPERTY.

3.1 Rights to Develop. Subject to the terms of this Agreement including the Reservations of Authority, OWNER shall have a vested right to develop the Property in accordance with, and to the extent of, the Development Plan. The Existing Development Approvals shall not expire and shall remain valid for the Term of this Agreement so long as the Project remains in compliance with all conditions of approval for the Existing Development Approvals and in compliance with this Agreement. The Project shall remain subject to all Subsequent Development Approvals required to complete the Project as contemplated by the Development Plan. Except as otherwise provided in this Agreement, the permitted uses of the Property, the density and intensity of use, the maximum height and size of proposed buildings and structures, and provisions for reservation and dedication of land for public purposes shall be those set forth in the Development Plan.

3.2 Effect of Agreement on Land Use Regulations. Except as otherwise provided under the terms of this Agreement including the Reservations of Authority, the rules, regulations and official policies governing permitted uses of the Property, the density and intensity of use of the Property, the maximum height and size of proposed buildings and structures, and the design, improvement and construction standards and specifications applicable to development of the Property shall be the Existing Land Use Regulations. In connection with any Subsequent Development Approval, COUNTY shall exercise its discretion in accordance with the Development Plan, and as provided by this Agreement including, but not limited to, the Reservations of Authority. COUNTY shall accept for processing, review and action all applications for Subsequent Development Approvals, and such applications shall be processed in the normal manner for processing such matters.

3.3 Timing of Development. The parties acknowledge that OWNER cannot at this time predict when or the rate at which phases of the Property will be developed. Such decisions depend upon numerous factors which are not within the control of OWNER, such as market orientation and demand, interest rates, absorption, completion and other similar factors. Since the California Supreme Court held in Pardee Construction Co. v. City of Camarillo (1984) 37 Cal.3d 465, that the failure of the parties therein to provide for the timing of development resulted in a later adopted initiative restricting the timing of development to prevail over such parties' agreement, it is the parties' intent to cure that deficiency by acknowledging and providing that OWNER shall have the right to develop the Property in such order and at such rate and at such times as OWNER deems appropriate within the exercise of its subjective business judgment.

3.4 Changes and Amendments. The parties acknowledge that refinement and further development of the Project will require Subsequent Development Approvals and may demonstrate that changes are appropriate and mutually desirable in the Existing Development

Approvals. In the event OWNER finds that a change in the Existing Development Approvals is necessary or appropriate, OWNER shall apply for a Subsequent Development Approval to effectuate such change and COUNTY shall process and act on such application in accordance with the Existing Land Use Regulations, except as otherwise provided by this Agreement including the Reservations of Authority. If approved, any such change in the Existing Development Approvals shall be incorporated herein as an addendum to Exhibit "C", and may be further changed from time to time as provided in this Section. Unless otherwise required by law, as determined in COUNTY's reasonable discretion, a change to the Existing Development Approvals shall be deemed "minor" and not require an amendment to this Agreement provided such change does not:

- (a) Alter the permitted uses of the Property as a whole; or,
 - (b) Increase the density or intensity of use of the Property as a whole;
- or,
- (c) Increase the maximum height and size of permitted buildings or structures; or,
 - (d) Delete a requirement for the reservation or dedication of land for public purposes within the Property as a whole; or,
 - (e) Constitute a project requiring a subsequent or supplemental environmental impact report pursuant to Section 21166 of the Public Resources Code.

3.5 Reservations of Authority.

3.5.1 Limitations. Reservations and Exceptions. Notwithstanding any other provision of this Agreement, the following Subsequent Land Use Regulations shall apply to the development of the Property.

- (a) Processing fees and charges of every kind and nature imposed by COUNTY to cover the estimated actual costs to COUNTY of processing applications for Development Approvals or for monitoring compliance with any Development Approvals granted or issued.
- (b) Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure.
- (c) Regulations governing construction standards and specifications including, without limitation, the Building Code, Plumbing Code, Mechanical Code, Electrical Code, Fire Code and Grading Code applicable in the County.

(d) Regulations imposing Development Exactions. Development Exactions shall be applicable to development of the Property if such Development Exaction is applied uniformly to development, either throughout the COUNTY or within a defined area of benefit which includes the Property. No such subsequently adopted Development Exaction shall apply if its application to the Property would physically prevent development of the Property for the uses and to the density or intensity of development set forth in the Development Plan.

(e) Regulations which may be in conflict with the Development Plan but which are reasonably necessary to protect the public health and safety. To the extent possible, any such regulations shall be applied and construed so as to provide OWNER with the rights and assurances provided under this Agreement.

(f) Regulations which are not in conflict with the Development Plan. Any regulation, whether adopted by initiative or otherwise, limiting the rate or timing of development of the Property shall be deemed to conflict with the Development Plan and shall therefore not be applicable to the development of the Property.

(g) Regulations which are in conflict with the Development Plan provided OWNER has given written consent to the application of such regulations to development of the Property.

3.5.2 Subsequent Development Approvals. This Agreement shall not prevent COUNTY, in acting on Subsequent Development Approvals, from applying Subsequent Land Use Regulations which do not conflict with the Development Plan, nor shall this Agreement prevent COUNTY from denying or conditionally approving any Subsequent Development Approval on the basis of the Existing Land Use Regulations or any Subsequent Land Use Regulation not in conflict with the Development Plan.

3.5.3 Modification or Suspension by State or Federal Law. In the event that State or Federal laws or regulations, enacted after the Effective Date of this Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement or require changes in plans, maps or permits approved by the COUNTY, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations, provided, however, that this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provisions impractical to enforce.

3.5.4 Intent. The parties acknowledge and agree that COUNTY is restricted in its authority to limit its police power by contract and that the foregoing limitations, reservations and exceptions are intended to reserve to COUNTY all of its police power which cannot be so limited. This Agreement shall be construed, contrary to its stated

terms if necessary, to reserve to COUNTY all such power and authority which cannot be restricted by contract.

3.5.5. Application of State and Local Regulatory Laws Governing Commercial Cannabis Activities. The operation of Commercial Cannabis Activities is a highly regulated business activity, and it is subject to various state and local laws and regulations. This Agreement does not, and the County cannot and does not intend to, give OWNER the right to continue its operations without complying with applicable state and local laws governing its operations. OWNER shall be responsible for obtaining, and maintaining throughout the entire term of this Agreement, all applicable state licenses, permits, approvals, and consents, even if the applicable state laws and regulations are altered following the Effective Date.

3.6. Public Works. If OWNER is required by this Agreement to construct any public works facilities which will be dedicated to COUNTY or any other public agency upon completion, and if required by applicable laws to do so, OWNER shall perform such work in the same manner and subject to the same requirements as would be applicable to COUNTY or such other public agency if it would have undertaken such construction.

3.7 Provision of Real Property Interests by COUNTY. In any instance where OWNER is required to construct any public improvement on land not owned by OWNER, OWNER shall at its sole cost and expense provide or cause to be provided, the real property interests necessary for the construction of such public improvements. In the event OWNER is unable, after exercising reasonable efforts to acquire the real property interests necessary for the construction of such public improvements, and if so instructed by OWNER and upon OWNER'S provision of adequate security for costs COUNTY may reasonably incur, COUNTY shall negotiate the purchase of the necessary real property interests to allow OWNER to construct the public improvements as required by this Agreement and, if necessary, in accordance with the procedures established by law, use its power of eminent domain to acquire such required real property interests. OWNER shall pay all costs associated with such acquisition or condemnation proceedings. This Section 3.7 is not intended by the parties to impose upon the OWNER an enforceable duty to acquire land or construct any public improvements on land not owned by OWNER, except to the extent that the OWNER elects to proceed with the development of the Project, and then only in accordance with valid conditions imposed by the COUNTY upon the development of the Project under the Subdivision Map Act, Government Code Section 66410 et seq., or other legal authority.

3.8 Regulation by Other Public Agencies. It is acknowledged by the parties that other public agencies not within the control of COUNTY possess authority to regulate aspects of the development of the Property separately from or jointly with COUNTY and this Agreement does not limit the authority of such other public agencies. For example, pursuant to Government Code Section 66477 and Section 10.35 of Riverside County Ordinance No. 460, another local public agency may provide local park and recreation services and facilities and in that event, it is permitted, and therefore shall be permitted by the parties, to participate jointly with COUNTY to determine the location of land to be dedicated or in lieu fees to be paid for local park purposes, provided that COUNTY shall exercise its authority subject to the terms of this Agreement.

3.9 Tentative Tract Map Extension. Notwithstanding the provisions of Section 66452.6(a)(1) of the Government Code, regarding extensions of time for approved tentative maps subject to a development agreement, no tentative subdivision map or tentative parcel map, heretofore or hereafter approved in connection with development of the Property, shall be granted an extension of time except in accordance with the Subdivision Map Act and Existing Land Use Regulations.

3.10 Vesting Tentative Maps. If any tentative or final subdivision map, or tentative or final parcel map, heretofore or hereafter approved in connection with development of the Property, is a vesting map under the Subdivision Map Act (Government Code Section 66410, et seq.) and Riverside County Ordinance No. 460 and if this Agreement is determined by a final judgment to be invalid or unenforceable insofar as it grants a vested right to develop to OWNER, then and to that extent the rights and protections afforded OWNER under the laws and ordinances applicable to vesting maps shall supersede the provisions of this Agreement. Except as set forth immediately above, development of the Property shall occur only as provided in this Agreement, and the provisions in this Agreement shall be controlling over any conflicting provision of law or ordinance concerning vesting maps.

3.11 Request for Proposal Responses. Unless superseded by the terms of this Agreement, development of the Property shall be consistent with the Request for Proposal Responses submitted to the COUNTY and associated with CAN 190007, incorporated herein by this reference.

4. PUBLIC BENEFITS.

4.1 Intent. The parties acknowledge and agree that development of the Property will detrimentally affect public interests which will not be fully addressed by the Development Plan and further acknowledge and agree that this Agreement confers substantial private benefits on OWNER which should be balanced by commensurate public benefits. Accordingly, the parties intend to provide consideration to the public to balance the private benefits conferred on OWNER by providing more fully for the satisfaction of public interests.

4.2 Public Benefits for Commercial Cannabis Activities.

4.2.1 Annual Public Benefit Base Payments. Prior to the issuance of the first grading permit or the first building permit, whichever occurs first, for any part of the Commercial Cannabis Activity, OWNER shall pay to COUNTY an amount equal to the base payment calculated per Section 1.1.2 of this Agreement ("Base Payment"); provided, however, that such initial annual base payment shall be prorated based on the number of whole months remaining between the date of payment and the first following June 30th.

4.2.2 Subsequent Annual Base Payments. The Annual Base Payment shall be subject to annual increases in an amount of 2%. Prior to the first July 1st following the initial Base Payment and each July 1st thereafter during the term of the Agreement, OWNER shall pay to COUNTY an amount equal to the Base Payment plus the 2% annual increase.

4.3 Annual Additional Public Benefits. OWNER shall perform Additional Public Benefits identified in Exhibit "H" that will benefit the community in which the Commercial Cannabis Activity is located. Prior to the issuance of the first grading permit or the first building permit, whichever occurs first, for any part of the Commercial Cannabis Activity, OWNER shall pay to COUNTY an amount equal to the additional annual public benefit set forth in Exhibit "H" of this Agreement ("Additional Public Benefit"); provided, however, that such initial annual payment shall be prorated based on the number of whole months remaining between the date of payment and the first following June 30th.

4.3.1 Subsequent Annual Additional Public Benefits. The Additional Public Benefit provided in Exhibit "H" shall be subject to annual increases in an amount of 3%. Prior to the first July 1st following the initial Additional Public Benefit payment and each July 1st thereafter during the term of the Agreement, OWNER shall pay to COUNTY an amount equal to the Additional Public Benefit plus the 3% annual increase.

4.4 Taxes. Nothing herein shall be construed to relieve OWNER from paying and remitting all applicable federal, state and local taxes applicable to the Project, including but not limited to, income taxes, property taxes, local sales and use taxes, and any taxes imposed on cannabis activities and cannabis products pursuant to the Medicinal and Adult-Use Cannabis Regulation and Safety Act.

4.5 Assessments. Nothing herein shall be construed to relieve the Property from assessments levied against it by the County pursuant to any statutory procedure for the assessment of property to pay for infrastructure and/or services which benefit the Property.

4.6 New Taxes. Any subsequently enacted County taxes, including but not limited to any taxes on commercial cannabis activities, shall apply to the Project. In the event that County taxes are enacted specifically for commercial cannabis activities and cannabis products, the parties agree that this Agreement may be modified in accordance with Section 2.5 to reduce the OWNER's total public benefit payment (the sum total of the Base Rate plus the Additional Public Benefit) by an amount equal to the amount of the tax imposed on the OWNER for commercial cannabis activities and cannabis products. The parties acknowledge that the intent of being able to modify the Agreement in the event County taxes are enacted on the commercial cannabis activities and cannabis products is to enable the authority to adjust the total public benefit amount due and payable under this Agreement by the OWNER.

4.7 Vote on Future Assessments and Fees. In the event that any assessment, fee or charge which is applicable to the Property is subject to Article XIID of the California Constitution and OWNER does not return its ballot, OWNER agrees, on behalf of itself and its successors that the County may count OWNER's ballot as affirmatively voting in favor of such assessment, fee or charge.

5. FINANCING OF PUBLIC IMPROVEMENTS. If deemed appropriate, COUNTY and OWNER will cooperate in the formation of any special assessment district, community

facilities district or alternate financing mechanism to pay for the construction and/or maintenance and operation of public infrastructure facilities required as part of the Development Plan. OWNER also agrees that it will not initiate and/or cooperate in the formation of any such special assessment district, community facilities district or alternate financing mechanism involving any other public agency without the prior written consent of the COUNTY.

Should the Property be included within such a special assessment district, community facilities district or other financing entity, the following provisions shall be applicable:

(a) In the event OWNER conveys any portion of the Property and/or public facilities constructed on any portion of the Property to COUNTY or any other public entity and said Property is subject to payment of taxes and/or assessments, such taxes and/or assessments shall be paid in full by OWNER prior to completion of any such conveyance.

(b) If OWNER is in default in the payment of any taxes and/or assessments, OWNER shall be considered to be in default of this Agreement and COUNTY may, in its sole discretion, initiate proceedings pursuant to Section 8.4 of this Agreement. Notwithstanding the foregoing, it is acknowledged and agreed by the parties that nothing contained in this Agreement shall be construed as requiring COUNTY or the COUNTY Board of Supervisors to form any such district or to issue and sell bonds.

6. REVIEW FOR COMPLIANCE.

6.1 Annual Review. The TLMA Director, in consultation with the County Executive Officer and County Counsel, shall review this Agreement annually, on or before the Effective Date, in order to ascertain the good faith compliance by OWNER with the terms of the Agreement. In order to facilitate this review, OWNER shall submit an annual monitoring report, in a form specified by the TLMA Director providing all information necessary to evaluate such good faith compliance as determined by the TLMA Director. OWNER shall pay the annual review and administration fee set forth in Ordinance No. 671 prior to submission of each annual monitoring report. Prior to the issuance of any grading permit or building permit for any part of the Project, OWNER shall prepay a fee deposit and administration fee as set forth in Ordinance No. 671 (the "Monitoring Fee Prepayment"). The Monitoring Fee Prepayment shall be retained by the COUNTY until termination of this Agreement, may be used by the COUNTY at any time if there is a failure to pay any part of the annual monitoring and administration fees required under Ordinance No. 671, and shall be promptly replenished by OWNER up to the original required amount after notice by COUNTY to OWNER. Failure by OWNER to submit an annual monitoring report, on or before the Effective Date of each year in the form specified by the TLMA Director, to pay any part of the annual monitoring and administration fee required under Ordinance No. 671, to make the Monitoring Fee Prepayment or to replenish the Monitoring Fee Prepayment shall constitute a default by OWNER under this Agreement.

6.2 Special Review. The Board of Supervisors may order a special review of compliance with this Agreement at any time. The TLMA Director, in consultation with the County Executive Officer and County Counsel, shall conduct such special reviews.

6.3 Property Inspection. In accordance with applicable regulations set forth in the Medicinal and Adult Use Cannabis Regulation and Safety Act and upon twenty-four (24) hour written notice, OWNER shall allow COUNTY representatives access to the Property and all buildings and structures located on the Property to determine compliance with CUP No. 190040 and this Agreement.

6.4 Records Inspection. Upon written request by the COUNTY, OWNER shall provide records to the COUNTY demonstrating compliance with this Agreement, CUP No. 190040 and consistency with the Request for Proposal Responses associated with CAN 190007 including, but not limited to, ownership of Property, local hiring and local ownership programs.

6.5 Procedure.

(a) During either an annual review or a special review, OWNER shall be required to demonstrate good faith compliance with the terms of the Agreement. The burden of proof on this issue shall be on OWNER.

(b) Upon completion of an annual review or a special review, the TLMA Director shall submit a report to the Board of Supervisors setting forth the evidence concerning good faith compliance by OWNER with the terms of this Agreement and his recommended finding on that issue.

(c) If the Board finds on the basis of substantial evidence that OWNER has complied in good faith with the terms and conditions of this Agreement, the review shall be concluded.

(d) If the Board makes a preliminary finding that OWNER has not complied in good faith with the terms and conditions of this Agreement, the Board may modify or terminate this Agreement as provided in Section 6.4 and Section 6.5. Notice of default as provided under Section 8.4 of this Agreement shall be given to OWNER prior to or concurrent with, proceedings under Section 6.4 and Section 6.5.

6.6 Proceedings Upon Modification or Termination. If, upon a preliminary finding under Section 6.3, COUNTY determines to proceed with modification or termination of this Agreement, COUNTY shall give written notice to OWNER of its intention so to do. The notice shall be given at least ten calendar days prior to the scheduled hearing and shall contain:

(a) The time and place of the hearing;

(b) A statement as to whether or not COUNTY proposes to terminate or to modify the Agreement; and,

(c) Such other information as is reasonably necessary to inform OWNER of the nature of the proceeding.

6.7 Hearing on Modification or Termination. At the time and place set for the hearing on modification or termination, OWNER shall be given an opportunity to be heard and shall be entitled to present written and oral evidence. OWNER shall be required to demonstrate good faith compliance with the terms and conditions of this Agreement. The burden of proof on this issue shall be on OWNER. If the Board of Supervisors finds, based upon substantial evidence, that OWNER has not complied in good faith with the terms or conditions of the Agreement, the Board may terminate this Agreement or modify this Agreement and impose such conditions as are reasonably necessary to protect the interests of the County. The decision of the Board of Supervisors shall be final, subject only to judicial review pursuant to Section 1094.5 of the Code of Civil Procedure.

6.8 Certificate of Agreement Compliance. If, at the conclusion of an annual or special review, OWNER is found to be in compliance with this Agreement, COUNTY shall, upon request by OWNER, issue a Certificate of Agreement Compliance ("Certificate") to OWNER stating that after the most recent annual or special review and based upon the information known or made known to the TLMA Director and Board of Supervisors that (1) this Agreement remains in effect and (2) OWNER is not in default. The Certificate shall be in recordable form, shall contain information necessary to communicate constructive record notice of the finding of compliance, shall state whether the Certificate is issued after an annual or a special review and shall state the anticipated date of commencement of the next annual review. OWNER may record the Certificate with the County Recorder. Whether or not the Certificate is relied upon by transferees or OWNER, COUNTY shall not be bound by a Certificate if a default existed at the time of the Periodic or Special Review, but was concealed from or otherwise not known to the TLMA Director or Board of Supervisors.

7. INCORPORATION AND ANNEXATION.

7.1 Intent. If all or any portion of the Property is annexed to or otherwise becomes a part of a city or another county, it is the intent of the parties that this Agreement shall survive and be binding upon such other jurisdiction.

7.2 Incorporation. If at any time during the term of this Agreement, a city is incorporated comprising all or any portion of the Property, the validity and effect of this Agreement shall be governed by Section 65865.3 of the Government Code.

7.3 Annexation. OWNER and COUNTY shall oppose, in accordance with the procedures provided by law, the annexation to any city of all or any portion of the Property unless both OWNER and COUNTY give written consent to such annexation.

8. DEFAULT AND REMEDIES.

8.1 Remedies in General. It is acknowledged by the parties that COUNTY would not have entered into this Agreement if it were to be liable in damages under this Agreement, or with respect to this Agreement or the application thereof.

In general, each of the parties hereto may pursue any remedy at law or equity available for the breach of any provision of this Agreement, except that COUNTY shall not be liable in damages to OWNER, or to any successor in interest of OWNER, or to any other person, and OWNER covenants not to sue for damages or claim any damages:

- (a) For any breach of this Agreement or for any cause of action which arises out of this Agreement; or
- (b) For the taking, impairment or restriction of any right or interest conveyed or provided under or pursuant to this Agreement; or
- (c) Arising out of or connected with any dispute, controversy or issue regarding the application, validity, interpretation or effect of the provisions of this Agreement.

Notwithstanding anything in this Article 8 to the contrary, OWNER's liability to COUNTY in connection with this Agreement shall be limited to direct damages and shall exclude any other liability, including without limitation liability for special, indirect, punitive or consequential damages in contract, tort, warranty, strict liability or otherwise.

8.2 Specific Performance. The parties acknowledge that money damages and remedies at law generally are inadequate and specific performance and other non-monetary relief are particularly appropriate remedies for the enforcement of this Agreement and should be available to all parties for the following reasons:

- (a) Money damages are unavailable against COUNTY as provided in Section 8.1 above.
- (b) Due to the size, nature and scope of the project, it may not be practical or possible to restore the Property to its natural condition once implementation of this Agreement has begun. After such implementation, OWNER may be foreclosed from other choices it may have had to utilize the Property or portions thereof. OWNER has invested significant time and resources and performed extensive planning and processing of the Project in agreeing to the terms of this Agreement and will be investing even more significant time and resources in implementing the Project in reliance upon the terms of this Agreement, and it is not possible to determine the sum of money which would adequately compensate OWNER for such efforts.

8.3 General Release. Except for non-damage remedies, including the remedy of specific performance and judicial review as provided for in Section 8, OWNER, for itself, its successors and assignees, hereby releases the COUNTY, its officers, agents, employees, and independent contractors from any and all claims, demands, actions, or suits of any kind or nature whatsoever arising out of any liability, known or unknown, present or future, including, but not limited to, any claim or liability, based or asserted, pursuant to Article I, Section 19 of the California Constitution, the Fifth Amendment of the United States Constitution, or any other law or ordinance which seeks to impose any other monetary liability or damages, whatsoever, upon the COUNTY because it

entered into this Agreement or because of the terms of this Agreement. OWNER hereby waives the provisions of Section 1542 of the Civil Code which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

J.L. [Signature] [Signature] _____
OWNER Initials OWNER Initials OWNER Initials OWNER Initials

8.4 Termination or Modification of Agreement for Default of OWNER. Subject to the provisions contained in Subsection 2.5 herein, COUNTY may terminate or modify this Agreement for any failure of OWNER to perform any material duty or obligation of OWNER under this Agreement, or to comply in good faith with the terms of this Agreement (hereinafter referred to as "default"); provided, however, COUNTY may terminate or modify this Agreement pursuant to this Section only after providing written notice to OWNER of default setting forth the nature of the default and the actions, if any, required by OWNER to cure such default and, where the default can be cured, OWNER has failed to take such actions and cure such default within 60 days after the effective date of such notice or, in the event that such default cannot be cured within such 60 day period but can be cured within a longer time, has failed to commence the actions necessary to cure such default within such 60 day period and to diligently proceed to complete such actions and cure such default.

8.5 Termination of Agreement for Default of COUNTY. OWNER may terminate this Agreement only in the event of a default by COUNTY in the performance of a material term of this Agreement and only after providing written notice to COUNTY of default setting forth the nature of the default and the actions, if any, required by COUNTY to cure such default and, where the default can be cured, COUNTY has failed to take such actions and cure such default within 60 days after the effective date of such notice or, in the event that such default cannot be cured within such 60 day period but can be cured within a longer time, has failed to commence the actions necessary to cure such default within such 60 day period and to diligently proceed to complete such actions and cure such default.

8.6 Attorneys' Fees. In any action at law or in equity to enforce or interpret this Agreement, or otherwise arising out of this Agreement, including without limitation any action for declaratory relief or petition for writ of mandate, the parties shall bear their own attorneys' fees.

9. THIRD PARTY LITIGATION.

9.1 General Plan Litigation. COUNTY has determined that this Agreement is consistent with its General Plan, and that the General Plan meets all requirements of law. OWNER has reviewed the General Plan and concurs with COUNTY's determination. The parties acknowledge that:

(a) Litigation may be filed challenging the legality, validity and adequacy of the General Plan; and,

(b) If successful, such challenges could delay or prevent the performance of this Agreement and the development of the Property.

COUNTY shall have no liability in damages under this Agreement for any failure of COUNTY to perform under this Agreement or the inability of OWNER to develop the Property as contemplated by the Development Plan of this Agreement as the result of a judicial determination that on the Effective Date, or at any time thereafter, the General Plan, or portions thereof, are invalid or inadequate or not in compliance with law.

9.2 Third Party Litigation Concerning Agreement. OWNER shall defend, at its expense, including attorneys' fees, indemnify, and hold harmless COUNTY, its officers, agents, employees and independent contractors from any claim, action or proceeding against COUNTY, its officers, agents, employees or independent contractors to attack, set aside, void, or annul the approval of this Agreement or the approval of any permit granted pursuant to this Agreement. COUNTY shall promptly notify OWNER of any such claim, action or proceeding, and COUNTY shall cooperate in the defense. If COUNTY fails to promptly notify OWNER of any such claim, action or proceeding, or if COUNTY fails to cooperate in the defense, OWNER shall not thereafter be responsible to defend, indemnify, or hold harmless COUNTY. COUNTY may in its discretion participate in the defense of any such claim, action or proceeding.

9.3 Indemnity. In addition to the provisions of 9.2 above, OWNER shall indemnify and hold COUNTY, its officers, agents, employees and independent contractors free and harmless from any liability whatsoever, based or asserted upon any act or omission of OWNER, its officers, agents, employees, subcontractors and independent contractors, for property damage, bodily injury, or death (OWNER's employees included) or any other element of damage of any kind or nature, relating to or in any way connected with or arising from the activities contemplated hereunder, including, but not limited to, the study, design, engineering, construction, completion, failure and conveyance of the public improvements, save and except claims for damages arising through the sole active negligence or sole willful misconduct of COUNTY. OWNER shall defend, at its expense, including attorneys' fees, COUNTY, its officers, agents, employees and independent contractors in any legal action based upon such alleged acts or omissions. COUNTY may in its discretion participate in the defense of any such legal action.

9.4 Environment Assurances. OWNER shall indemnify and hold COUNTY, its officers, agents, employees and independent contractors free and harmless from any liability, based or asserted, upon any act or omission of OWNER, its officers, agents, employees, subcontractors, predecessors in interest, successors, assigns and independent contractors for any violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene or to environmental conditions on, under or about the Property, including, but not limited to, soil and groundwater conditions, and OWNER shall defend, at its expense, including attorneys' fees, COUNTY, its officers, agents, employees and independent contractors in any action based or asserted upon any such alleged act or omission. COUNTY

may in its discretion participate in the defense of any such action.

9.5 Reservation of Rights. With respect to Sections 9.2, 9.3 and 9.4 herein, COUNTY reserves the right to either (1) approve the attorney(s) which OWNER selects, hires or otherwise engages to defend COUNTY hereunder, which approval shall not be unreasonably withheld, or (2) conduct its own defense, provided, however, that OWNER shall reimburse COUNTY forthwith for any and all reasonable expenses incurred for such defense, including attorneys' fees, upon billing and accounting therefor.

9.6 Survival. The provisions of Sections 8.1 through 8.3, inclusive, Section 8.6 and Sections 9.1 through 9.6, inclusive, shall survive the termination of this Agreement.

10. MORTGAGEE PROTECTION.

The parties hereto agree that this Agreement shall not prevent or limit OWNER, in any manner, at OWNER's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Property. COUNTY acknowledges that the lenders providing such financing may require certain Agreement interpretations and modifications and agrees upon request, from time to time, to meet with OWNER and representatives of such lenders to negotiate in good faith any such request for interpretation or modification. COUNTY will not unreasonably withhold its consent to any such requested interpretation or modification provided such interpretation or modification is consistent with the intent and purposes of this Agreement. Any Mortgagee of the Property shall be entitled to the following rights and privileges:

(a) Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage on the Property made in good faith and for value, unless otherwise required by law.

(b) The Mortgagee of any mortgage or deed of trust encumbering the Property, or any part thereof, which Mortgagee, has submitted a request in writing to the COUNTY in the manner specified herein for giving notices, shall be entitled to receive written notification from COUNTY of any default by OWNER in the performance of OWNER's obligations under this Agreement.

(c) If COUNTY timely receives a request from a Mortgagee requesting a copy of any notice of default given to OWNER under the terms of this Agreement, COUNTY shall provide a copy of that notice to the Mortgagee within ten (10) days of sending the notice of default to OWNER. The Mortgagee shall have the right, but not the obligation, to cure the default during the remaining cure period allowed such party under this Agreement.

(d) Any Mortgagee who comes into possession of the Property, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Property, or part thereof, subject to the terms of this Agreement. No Mortgagee (including one who acquires title or possession to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure, lease termination, eviction or otherwise)

shall have any obligation to construct or complete construction of improvements, or to guarantee such construction or completion; provided, however, that a Mortgagee shall not be entitled to devote the Property to solar power plant use except in full compliance with this Agreement. A Mortgagee in possession shall not have an obligation or duty under this Agreement to perform any of OWNER's obligations or other affirmative covenants of OWNER hereunder, or to guarantee such performance; provided, however, that to the extent that any covenant to be performed by OWNER is a condition precedent to the performance of a covenant by COUNTY, the performance thereof shall continue to be a condition precedent to COUNTY's performance hereunder. All payments called for under Section 4 of this Agreement shall be a condition precedent to COUNTY's performance under this Agreement. Any transfer by any Mortgagee in possession shall be subject to the provisions of Section 2.4 of this Agreement.

11. MISCELLANEOUS PROVISIONS.

11.1 Recordation of Agreement. This Agreement and any amendment, modification, termination or cancellation thereof shall be recorded with the County Recorder by the Clerk of the Board of Supervisors within the period required by Section 65868.5 of the Government Code.

11.2 Entire Agreement. This Agreement sets forth and contains the entire understanding and agreement of the parties, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

11.3 Severability. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Agreement. Notwithstanding the foregoing, the provision of the Public Benefits set forth in Sections 4.2 and 4.3 of this Agreement, including the payments set forth therein, are essential elements of this Agreement and COUNTY would not have entered into this Agreement but for such provisions, and therefore in the event such provisions are determined to be invalid, void or unenforceable, this entire Agreement shall be null and void and of no force and effect whatsoever.

11.4 Interpretation and Governing Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

11.5 Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

11.6 Gender and Number. As used herein, the neuter gender includes the masculine and feminine, the feminine gender includes the masculine, and the masculine gender includes the feminine. As used herein, the singular of any word includes the plural.

11.7 Joint and Several Obligations. If this Agreement is signed by more than one OWNER, all obligations of such OWNERS under this Agreement shall be joint and several, and the default of any such OWNER shall be the default of all such OWNERS.

11.8 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

11.9 Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party; shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

11.10 No Third Party Beneficiaries. Unless expressly stated herein, this Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

11.11 Force Majeure. Neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by floods, earthquakes, other Acts of God, fires, wars, riots or similar hostilities, strikes and other labor difficulties beyond the party's control, (including the party's employment force). If any such events shall occur, the term of this Agreement and the time for performance by either party of any of its obligations hereunder may be extended by the written agreement of the parties for the period of time that such events prevented such performance, provided that the term of this Agreement shall not be extended under any circumstances for more than five (5) years.

11.12 Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the party benefited thereby of the covenants to be performed hereunder by such benefited party.

11.13 Successors in Interest. The burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to, all successors in interest to the parties to this Agreement. All provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land. Each covenant to do or refrain from doing some act hereunder with regard to development of the Property: (a) is for the benefit of and is a burden upon every portion of the Property; (b) runs with the Property and each portion thereof; and, (c) is binding upon each party and each successor in interest during ownership of the Property or any portion thereof.

11.14 Counterparts. This Agreement may be executed by the parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

11.15 Jurisdiction and Venue. Any action at law or in equity arising under this Agreement or brought by a party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Riverside Historic Courthouse of the Superior Court of the County of Riverside, State of California, and the parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court.

11.16 Project as a Private Undertaking. It is specifically understood and agreed by and between the parties hereto that the development of the Project is a private development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between COUNTY and OWNER is that of a government entity regulating the development of private property and the owner of such property.

11.17 Further Actions and Instruments. Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgement or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

11.18 Eminent Domain. No provision of this Agreement shall be construed to limit or restrict the exercise by COUNTY of its power of eminent domain. As used herein, "Material Condemnation" means a condemnation of all or a portion of the Property that will have the effect of preventing development of the Project in accordance with this Agreement. In the event of a Material Condemnation, OWNER may (i) request the COUNTY to amend this Agreement and/or to amend the Development Plan, which amendment shall not be unreasonably withheld, (ii) decide, in its sole discretion, to challenge the condemnation, or (iii) request that COUNTY agree to terminate this Agreement by mutual agreement, which agreement shall not be unreasonably withheld, by giving a written request for termination to the COUNTY.

11.19 Agent for Service of Process. In the event OWNER is not a resident of the State of California or it is an association, partnership or joint venture without a member, partner or joint venturer resident of the State of California, or it is a foreign corporation, then in any such event, OWNER shall file with the TLMA Director, upon its execution of this Agreement, a designation of a natural person residing in the State of California, giving his or her name, residence and business addresses, as its agent for the purpose of service of process in any court action arising out of or based upon this Agreement, and the delivery to such agent of a copy of any process in any such action shall constitute valid service upon OWNER. If for any reason service of such process upon such agent is not feasible, then in such event OWNER may be personally served with such process out of this County and such service shall constitute valid service upon OWNER. OWNER is amenable to the process so served, submits to the

jurisdiction of the Court so obtained and waives any and all objections and protests thereto. OWNER for itself, assigns and successors hereby waives the provisions of the Hague Convention (Convention on the Service Abroad of Judicial and Extra Judicial Documents in Civil or Commercial Matters, 20 U .S.T. 361, T.I.A.S. No. 6638).

11.20 Designation of COUNTY Officials. Except for functions to be performed by the Board of Supervisors, COUNTY may, at any time and in its sole discretion, substitute any COUNTY official to perform any function identified in this Agreement as the designated responsibility of any other official. COUNTY shall provide notice of such substitution pursuant to Section 2.7; provided, however, the failure to give such notice shall not affect the authority of the substitute official in any way.

11.21 Authority to Execute. The person executing this Agreement on behalf of OWNER warrants and represents that he has the authority to execute this Agreement on behalf of his corporation, partnership or business entity and warrants and represents that he has the authority to bind OWNER to the performance of its obligations hereunder.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year set forth below.

COUNTY OF RIVERSIDE, a political subdivision of the State of California

Dated: _____

By: _____
Chairman, Board of Supervisors

ATTEST:

KECIA HARPER
Clerk of the Board

By: _____
Deputy
(SEAL)

Dated: 12-18-20

OWNER: Flora Road, LLC, a California Limited Liability Company

By: _____
Dave Boggs, Manager

Dated: 12-18-20

By: _____
Dave Boggs

Dated: 12-18-20

By: _____
Joe Lizarraga

Dated: 12-18-20

By: _____
Kevin Johnson

(ALL SIGNATURES SHALL BE ACKNOWLEDGED BEFORE A NOTARY PUBLIC. EXECUTION ON BEHALF OF ANY CORPORATION SHALL BE BY TWO CORPORATE OFFICERS.)

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 RIVERSIDE)

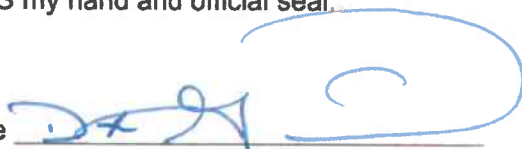
On 12-18-2020 before me, D. Graciano, Notary Public
(insert name and title of the officer)

personally appeared KEVIN JOHNSON, DAVID BOGGS, JOE LIZARRAGA, 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



(Seal)

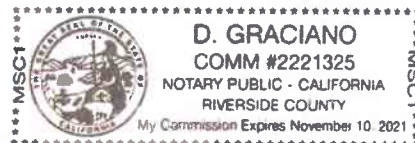


EXHIBIT "A"

Development Agreement No. 1900030

LEGAL DESCRIPTION OF PROPERTY

Parcel 1:

Lot 25 of Parcel Map 29715-1, in the County of Riverside, State of California, according to the map thereof in the Office of the County Recorder of Riverside County, recorded July 9, 2002, in map Book 202, Pages 35 through 39, inclusive of Parcel Maps, as amended by that certain "Certificate of Correction" (Monument Substitution)", recorded August 2, 2004, as Instrument No 2004-0600737, of Official Records.

Parcel 2:

All use rights and easements specified as existing in or granted to an "Owner" in that certain Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Desert Business and Design Center dated September 24, 2001 and recorded on July 10, 2002, as Instrument No. 2002-378079 (the "Declaration"), as same as been, or may be, amended from time to time.

APN: 626-420-025

EXHIBIT "B"

Development Agreement No. 1900030

MAP OF PROPERTY AND ITS LOCATION

Supervisor: Perez
District 4

RIVERSIDE COUNTY PLANNING DEPARTMENT

CUP190040 DA1900030

VICINITY/POLICY AREAS

Date Drawn: 07/21/2020
Vicinity Map



Zoning Dist: Bermuda Dunes

Author: Vinnie Nguyen

DISCLAIMER: On October 7, 2020, the City of Riverside adopted a new General Plan and a new set of zoning codes. The City of Riverside is currently in the process of updating its zoning codes to be consistent with the new General Plan and zoning codes. The new zoning codes are currently in the public comment period. The City of Riverside is currently in the process of updating its zoning codes to be consistent with the new General Plan and zoning codes. The City of Riverside is currently in the process of updating its zoning codes to be consistent with the new General Plan and zoning codes. The City of Riverside is currently in the process of updating its zoning codes to be consistent with the new General Plan and zoning codes.

EXHIBIT "C"

Development Agreement No. 1900030

EXISTING DEVELOPMENT APPROVALS

SPECIFIC PLAN

Specific Plan No. 281A2

ZONING

Change of Zone No. 5455

Change of Zone No. 6750

LAND DIVISIONS

Parcel Map No. 24776

Parcel Map No. 29715

Parcel Map No. 29715M1

OTHER DEVELOPMENT APPROVALS

Plot Plan No. 17410

Plot Plan No. 17417

Plot Plan No. 17417S2

Plot Plan No. 17564

Plot Plan No. 17844

Plot Plan No. 17845

Plot Plan No. 17846

Plot Plan No. 17847

Plot Plan No. 19431

Plot Plan No. 20300

CUP No. 2951

CUP No. 190040

The development approvals listed above include the approved maps and all conditions of approval.

COPIES OF THE EXISTING DEVELOPMENT APPROVALS LISTED ABOVE ARE ON FILE IN THE RIVERSIDE COUNTY PLANNING DEPARTMENT AND ARE INCORPORATED HEREIN BY REFERENCE.

EXHIBIT "D"

Development Agreement No. 1900030

EXISTING LAND USE REGULATIONS

1. Riverside County Comprehensive General Plan as amended through Resolution No. 2019-050
2. Ordinance No. 348 as amended through Ordinance No. 348.4933
3. Ordinance No. 448 as amended through Ordinance No. 448.A
4. Ordinance No. 457 as amended through Ordinance No. 457.105
5. Ordinance No. 458 as amended through Ordinance No. 458.16
6. Ordinance No. 460 as amended through Ordinance No. 460.154
7. Ordinance No. 461 as amended through Ordinance No. 461.10
8. Ordinance No. 509 as amended through Ordinance No. 509.2
9. Ordinance No. 547 as amended through Ordinance No. 547.7
10. Ordinance No. 555 as amended through Ordinance No. 555.20
11. Ordinance No. 617 as amended through Ordinance No. 617.4
12. Ordinance No. 650 as amended through Ordinance No. 650.6
13. Ordinance No. 659 as amended through Ordinance No. 659.13
14. Ordinance No. 663 as amended through Ordinance No. 663.10
15. Ordinance No. 671 as amended through Ordinance No. 671.21
16. Ordinance No. 673 as amended through Ordinance No. 673.4
17. Ordinance No. 679 as amended through Ordinance No. 679.4
18. Ordinance No. 682 as amended through Ordinance No. 682.4
19. Ordinance No. 726 as amended through Ordinance No. 726
20. Ordinance No. 743 as amended through Ordinance No. 743.3

21. Ordinance No. 748 as amended through Ordinance No. 748.1
22. Ordinance No. 749 as amended through Ordinance No. 749.1
23. Ordinance No. 752 as amended through Ordinance No. 752.2
24. Ordinance No. 754 as amended through Ordinance No. 754.3
25. Ordinance No. 787 as amended through Ordinance No. 787.9
26. Ordinance No. 806 as amended through Ordinance No. 806
27. Ordinance No. 810 as amended through Ordinance No. 810.2
28. Ordinance No. 817 as amended through Ordinance No. 817.1
29. Ordinance No. 824 as amended through Ordinance No. 824.15
30. Ordinance No. 847 as amended through Ordinance No. 847.1
31. Ordinance No. 859 as amended through Ordinance No. 859.3
32. Ordinance No. 875 as amended through Ordinance No. 875.1
33. Ordinance No. 915 as amended through Ordinance No. 915
34. Ordinance No. 925 as amended through Ordinance No. 925.1
35. Ordinance No. 926 as amended through Ordinance No. 926
36. Ordinance No. 927 as amended through Ordinance No. 927
37. Ordinance No. 931 as amended through Ordinance No. 931
38. Resolution No. 2019-037 Establishing Procedures and Requirements of
the County of Riverside for the Consideration of Development
Agreements (Commercial Cannabis Activities)
39. Board of Supervisors Policy No. B-9 Commercial Cannabis Activities

COPIES OF THE EXISTING LAND USE REGULATIONS LISTED ABOVE ARE ON FILE IN THE RIVERSIDE COUNTY PLANNING DEPARTMENT AND ARE INCORPORATED HEREIN BY REFERENCE.

EXHIBIT "E"

Development Agreement No. 1900030

COMMERCIAL CANNABIS ACTIVITY SITE PLAN & DESCRIPTION

As shown on the attached site plan, CUP No. 190040 permits a Cannabis Micro Business within an existing 5,920 square foot building on 0.71 acres. The Cannabis Micro Business will include 1,896 square feet of manufacturing, 2,494 square feet of retail, and 1,530 square feet of distribution along with supporting storage, office, employee break area, and reception areas.

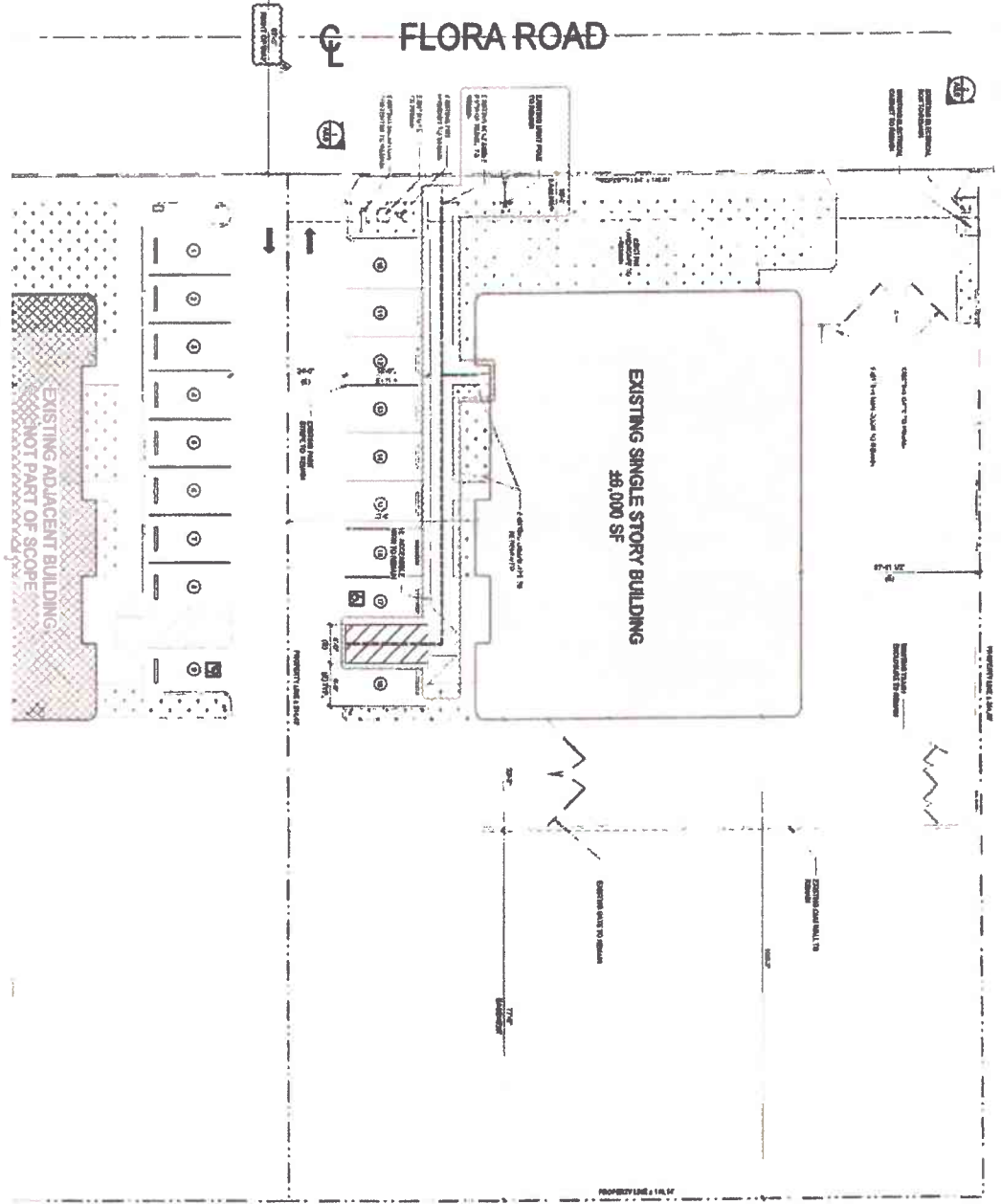


CONVENTIONAL USE PERMIT

EXISTING SITE PLAN
DRAWING DATE: 11/11/2011
PROJECT NO.: 11-00271



PROJECT: 11-00271
DATE: 11/11/2011
SCALE: AS SHOWN
A10



ADJACENT PROPERTY USE INFORMATION

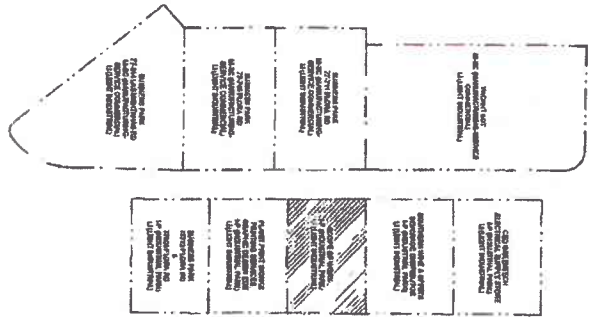


EXHIBIT "F"

Development Agreement No. 1900030

APPLICABLE PUBLIC BASE BENEFITS PAYMENTS

The Cannabis Micro Business operating at the Property pursuant to CUP No. 190040 includes an existing 5,920 square foot building on 0.71 acres, which will include manufacturing, retail, distribution and supporting storage, office, employee break area, and reception areas as more specifically shown on Exhibit "G". In accordance with Board Policy B-9, the base public benefit is the following: \$4.00 per square foot for the manufacturing, \$16.00 per square foot for the retail, \$3.00 per square foot for the distribution. Therefore, the public base benefit payment will be \$52,079 and will increase annually at a rate of 2%.

EXHIBIT "G"

Development Agreement No. 1900030

CANNABIS AREA CALCULATION EXHIBIT

The Cannabis Area calculation includes the following: 1,896 square feet for the manufacturing, 2,494 square feet for the retail and 1,530 square feet for the distribution totaling a 5,920 square foot building. The 5,920 building will be used for the Cannabis Micro Business as shown in this Exhibit "G".

EXHIBIT "H"

Development Agreement No. 1900030

COMMERCIAL CANNABIS ACTIVITY PUBLIC BENEFIT

The additional annual public benefit provided by the OWNER shall be \$90,000.00 with an annual increase of 3%. The COUNTY will utilize this additional annual public benefit within the surrounding community for additional public benefits including, but not limited to, code enforcement, public safety services, infrastructure improvements, community enhancement programs and other similar public benefits as solely determined by the COUNTY's Board of Supervisors. Additionally, consistent with CAN 190007, OWNER will participate in community events, career opportunity events, as well as educational and wellness seminars within the surrounding community.

Maxwell, Sue

From: COB
Sent: Tuesday, February 9, 2021 9:43 AM
To: Perez, Juan; Young, Alisa; District 4 Supervisor V. Manuel Perez (District4@RIVCO.ORG); District2; District3; District5; Supervisor Jeffries - 1st District (district1@rivco.org)
Cc: Leach, Charissa; Hildebrand, John
Subject: Item No 21.2 Web Comment and Request to Speak on Cannabis Retail CUP 190040 (Marsha Vincelette - IFC Calif Corp)
Attachments: Planning Commission Letter.pdf; DBA_CCR_Restatement_05-12-06.pdf; Recorded First and Second Amendment to CCRs.pdf

FYI...

With best regards,

Clerk of the Board of Supervisors
4080 Lemon Street, 1st Floor, Room 127
Riverside, CA 92501
(951) 955-1069 Fax (951) 955-1071
Mail Stop #1010
cob@rivco.org
website: <http://rivcocob.org/>
<https://www.facebook.com/RivCoCOB/>



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From: Villalobos, Gabriel <GVillalo@rivco.org>
Sent: Tuesday, February 9, 2021 9:13 AM
To: COB <COB@RIVCO.ORG>
Cc: Flores, Robert <rflores@RIVCO.ORG>
Subject: FW: CUP 190040

Good Morning,

I am forwarded another public comment I received this morning regarding Agenda Item #21.2 (CUP190040).

Gabriel Villalobos
Riverside County Planning
4080 Lemon Street 12th Floor
Riverside, CA 92501
951-955-6184



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IECounts.org

www.IECOUNTS.org

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From: Marsha Vincelette <mvincelette@investco.com>
Sent: Tuesday, February 9, 2021 8:22 AM
To: Villalobos, Gabriel <GVillalo@rivco.org>
Subject: FW: CUP 190040

Please add these documents to the staff report for the Board of Supervisors meeting today.

Marsha Vincelette
Vice President
IFC California Corporation
T: 760.200.0029


From: Marsha Vincelette
Sent: Thursday, October 29, 2020 3:06 PM
To: Villalobos, Gabriel <GVillalo@rivco.org>
Subject: CUP 190040

Please add these documents to the staff report for the above referenced Conditional Use Permit.
Thank you.

Marsha Vincelette
Vice President
IFC California Corporation
T: 760.200.0029

Confidentiality Notice:

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 Please consider the environment before printing this email.

DESERT BUSINESS PARK POA

October 29, 2020

Riverside County Planning Department
Attn: Gabriel Villalobos
P.O. Box 1409
Riverside, CA 92502-1409
gvillalo@rivco.org

RE: CONDITIONAL USE PERMIT NO. 190040 and DEVELOPMENT AGREEMENT NO. 1900030

Dear Commission Members:

The property being considered for the Conditional Use Permit 190040 is part of a Master Planned Business Park and subject to the regulations of Covenants, Conditions and Restrictions and Reservation of Easements for Desert Business Park ("CCRs"). The CCRs specifically prohibit the "growth processing or sale of marijuana or products containing marijuana" (see Section 2 of the Second Amendment to CCRs). Accordingly the use being applied for under this Conditional Use Permit is not a legally permissible use of the property.

When the Desert Business Park Property Owner's Association first became aware of this Conditional Use Permit application on March 26, 2020, the Riverside County Planning Department was notified via email on March 30, 2020 regarding the prohibition on marijuana uses for the property under the CCRs. It was our understanding the process would go no further with Riverside County.

The property owner then contacted the Board of the Association requesting removal of the marijuana restrictions under the CCRs. By letter dated May 4, 2020, the Association declined to remove the marijuana restrictions under CCRs and informed the property owner that any such use would not be allowed.

On October 28, 2020, we were made aware of the Public Hearing regarding this Conditional Use Permit. This letter is to notify the Planning Commission of our objection and restate our intention to take all necessary legal action against this project if the CCRs use restrictions continue to be ignored.

The CCRs are a matter of public record, but for your reference I have attached the following documents:

- Amended and Restated Covenants, Conditions and Restrictions and Reservation of Easements for Desert Business Park recorded on May 12, 2006 under recording number 2006-0347510

Re: CONDITIONAL USE PERMIT NO. 190040 and DEVELOPMENT AGREEMENT NO. 1900030
Date: October 29, 2020
Page 2 of 2

IFC California Corporation

- First Amendment to Amended and Restated Covenants, Conditions and Restrictions and Reservation of Easements for Desert Business Park recorded on May 17, 2007 under recording number 2007-0328619
- Second Amendment to Amended and Restated Covenants, Conditions and Restrictions and Reservation of Easements for Desert Business Park recorded on January 18, 2017 under recording number 2017-0021331

Should you have any questions concerning this matter, please feel free to call me at 760-200-0029 or email at mvincelette@investco.com

Sincerely,



Marsha Vincelette,
President and Director of Desert Business Park Property Owner's Association

DOC # 2006-0347510
 05/12/2006 08:00A Fee:328.00
 Page 1 of 108
 Recorded in Official Records
 County of Riverside
 Larry W. Ward
 Assessor, County Clerk & Recorder



328

RECORDING REQUESTED BY

WHEN RECORDED RETURN TO
 EALY, HEMPHILL, BLASDEL & OLESON LLP
 777 East Tahquitz Canyon Way
 Suite 328
 Palm Springs, CA 92262
 Attn: Gregory R. Oleson, Esq.

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THE AREA ABOVE IS RESERVED FOR RECORDER'S USE

C
DN

**AMENDED AND RESTATED DECLARATION
 OF
 COVENANTS, CONDITIONS AND RESTRICTIONS AND
 RESERVATION OF EASEMENTS
 FOR
 DESERT BUSINESS PARK**

NOTE: AS MORE FULLY DESCRIBED IN SECTION 17.20 OF THIS DECLARATION, IN THE EVENT OF ANY DISPUTES ARISING HEREUNDER, OR RELATING TO THE DESIGN AND/OR CONSTRUCTION OF THE PROJECT GOVERNED HEREBY, SUCH DISPUTE SHALL BE SUBMITTED TO JUDICIAL REFERENCE, A FORM OF ALTERNATIVE DISPUTE RESOLUTION.

FILE COPY

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AMENDED AND RESTATED DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
AND RESERVATION OF EASEMENTS
FOR
DESERT BUSINESS PARK

THIS RESTATED DECLARATION OF THE COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS (this "**Declaration**") is made as of the 11 day of May, 2006, by Desert Business Park II L.L.C., a Washington limited liability company, DBP Investments, L.L.C., a Washington limited liability company, DBP Partners L.L.C., a Washington limited liability company and DBP Ventures, a California general partnership (individually and collectively as the "**Declarant**").

RECITALS

A. Declarant's predecessor and affiliated entity, Desert Business Park L.L.C. (the "**Initial Declarant**"), originally owned all of that certain real property located in the County of Riverside, State of California, as more particularly described on **Exhibit "A"** attached hereto (the "**Covered Property**"). The Covered Property is part of a master-planned development commonly known as Desert Business Park (the "**Development**") being developed by Declarant.

B. Initial Declarant sold a portion of the Lots to Retail Purchasers and formed Desert Business Park II L.L.C., DBP Investments, L.L.C., DBP Partners L.L.C. and DBP Ventures, a California Partnership to own and develop the remaining Lots. Initial Declarant is no longer operating.

C. Initial Declarant imposed a general plan for the improvement, development and maintenance of the Development and adopted and established covenants, conditions and restrictions upon the Covered Property for the purpose of enforcing and protecting the value, desirability and attractiveness thereof pursuant to the Declaration of Covenants, Conditions and Restrictions and Reservation of Easements dated September 24, 2001, and recorded on July 10, 2002, as Instrument No. 2002-378079, as amended by that certain First Amendment dated April 1, 2003 and recorded on April 10, 2003 as Instrument No. 2003-253963, that certain Second Amendment dated June 5, 2003 and recorded on June 9, 2003 as Instrument No. 2003-416212, that certain Third Amendment dated August 27, 2003 and recorded on September 15, 2003 as Instrument No. 2003-712502, and that certain Fourth Amendment dated November 7, 2003 and recorded November 13, 2003 as Instrument No. 2003-894614, that Fifth Amendment dated March 9, 2004 and recorded April 21, 2004 as Instrument No. 2004-0288250, that certain Sixth Amendment dated May 27, 2004 and recorded June 1, 2004 as Instrument No. 2004-0412113 and that certain that certain Seventh Amendment dated June 1, 2004 and recorded June 17, 2004 as Instrument No. 2004-464685 and that certain Eighth Amendment dated October 15, 2004 and recorded November 2, 2004 as Instrument No. 2004-868900 (collectively, the "**Original Declaration**").

D. Initial Declarant also created the Desert Business Park Property Owner's Association, a California nonprofit mutual benefit corporation (the "**Association**") for the efficient management of the Development and the preservation of the value, desirability and attractiveness of the Development, to which has been delegated and assigned the powers of managing the Covered Property, maintaining and administering the "Common Areas" (as hereinafter defined) and administering and enforcing these covenants, conditions and restrictions and collecting and disbursing funds pursuant to the "Assessments" (as hereinafter defined) and charges hereinafter created and referred to and to perform such other acts as shall generally benefit the Covered Property.



E. Declarant now desires to amend and restate the Original Declaration for the purpose of consolidating the various amendments recorded as well as to reflect the current size, scope and purposes of the Development.

F. This Declaration does not contain any substantial changes with respect to the extent, usage or maintenance of the Common Areas.

NOW, THEREFORE, for the purposes above set forth, Declarant hereby declares that the Covered Property and each part thereof shall be held, sold and conveyed subject to the following easements, equitable servitudes, restrictions, covenants, and conditions in accordance with California Civil Code Section 1354, which are for the purpose of protecting the value and desirability of, and which shall constitute equitable servitudes on, the Covered Property and which shall run with the Covered Property and be binding on and inure to the benefit of all parties having any right, title or interest therein, or in any part thereof, their heirs, successors and assigns.

ARTICLE I. DEFINITIONS

1.1 "**Architectural Committee**" shall mean the Architectural Committee established pursuant to Article V below.

1.2 "**Articles**" shall mean and refer to the articles of incorporation of the Association, and any amendments thereto.

1.3 "**Architectural Guidelines**" shall mean the guidelines prepared and issued by the Architectural Committee for the purpose of reviewing and approving all development, landscaping, and site plans (including signs and other identification insignia) for the Covered Property.

1.4 "**Assessments**" The following meanings shall be given to the Assessments hereinafter defined:

1.4.1 "**Capital Improvement Assessment**" shall mean and refer to a charge against each Owner and each Owner's Lot representing a portion of the cost to the Association for the installation, construction, unexpected repair or replacement of any capital improvements, including the necessary fixtures and personal property related thereto, on any Common Area or other portion of the Covered Property upon which the Association may be required to install, construct, repair or replace any capital improvements as provided in this Declaration, which cost has not been provided for by the reserves established by Regular Assessments paid by the Members.

1.4.2 "**Phase of Development Assessments**" shall mean those Assessments charged to and collected from certain Owners in accordance with Section 3.9 of this Declaration, for the purpose of financing the expenses incurred or to be incurred in connection with certain special services and/or facilities for such Owners in a particular Phase of Development.

1.4.3 "**Regular Assessment**" shall mean the amount which is to be paid by each Member to the Association for Common Expenses in accordance with this Declaration.

1.4.4 "**Reimbursement Assessment**" shall mean any charge designated as a Reimbursement Assessment in this Declaration, the Articles, Bylaws or Association Rules, including, without limitation, for reimbursement to the Association for costs incurred in bringing an Owner or an Owner's Lot in compliance with the provisions of this Declaration, the Articles, Bylaws, Association Rules or the Del Webb Restrictions, which costs shall include, without limitation, attorneys' fees and costs.



1.4.5 "**Remedial Assessment**" shall mean any charges and/or fines levied by the Association against a particular Owner who fails to comply with this Declaration, the Articles, Bylaws, Association Rules, or the Del Webb Restrictions, together with attorneys' fees and other charges payable by such Owner, pursuant to the provisions of this Declaration, plus interest thereon as provided for in this Declaration.

1.4.6 "**Special Assessment**" shall mean any charge designated as a Special Assessment in this Declaration, the Articles, Bylaws or Association Rules, including, without limitation, for costs incurred by the Association or Declarant for materials or services furnished to such Owner or such Owner's Lot at the request of, or on behalf of, such Owner as a result of any Owner failing to maintain any portion of such Owner's Lot in accordance with the provisions of this Declaration, or for material or services furnished to the Common Area or any portion of any Lot which the Association maintains pursuant to this Declaration, as a result of the negligence or willful misconduct of any Owner, the Owner's employees, guests or invitees, or for excessive use or special use of the services or facilities provided by the Association, including, but not limited to, painting, trash removal, and maintenance of improvements.

1.5 "**Association**" shall mean and refer to the Desert Business Park Property Owners Association, a California nonprofit mutual benefit corporation.

1.6 "**Association Maintenance Areas**" shall mean and refer to those portions of Lots on which water retention basins, water collection ponds, and/or similar improvements are located, as specifically designated on **Exhibit "K"** attached hereto and **Exhibit "L"** attached hereto, or in any Supplemental Declaration, which improvements are to be maintained by the Association (unless otherwise specifically agreed to in writing between an Owner or Owners and the Association).

1.7 "**Association Rules**" shall mean and refer to the rules and regulations from time to time adopted by the Board pursuant to **Section 7.5** below.

1.8 "**Board**" shall mean and refer to the Board of Directors of the Association, who shall be appointed and elected as provided in the Bylaws.

1.9 "**Bylaws**" shall mean and refer to the bylaws of the Association, and any amendments thereof.

1.10 "**Common Areas**" shall mean all real property and the improvements thereon owned or leased from time to time by the Association or over which the Association has an easement for maintenance and the common use and enjoyment of the Members. Common Areas may include private streets, landscape areas, water retention basins, well parcels, and other similar improvements. The Common Areas shall be that certain property described on **Exhibit "C"** attached hereto.

1.11 "**Common Expenses**" shall mean and refer to the actual and estimated costs of:

1.11.1 maintenance, management, operation, repair and replacement of the Common Areas and all other areas on the Covered Property which are maintained by the Association;

1.11.2 unpaid Assessments;

1.11.3 maintenance by the Association of areas within the public right-of-way of public streets in the vicinity of the Covered Property as provided in this Declaration or pursuant to



agreements with the County or any other applicable governmental or quasi-governmental agency, if applicable;

1.11.4 management and administration of the Association, including, but not limited to, compensation paid by the Association to managers, accountants, attorneys and employees;

1.11.5 utilities, trash pickup and disposal, gardening and other services which generally benefit and enhance the value and desirability of the Common Areas;

1.11.6 fire, casualty, liability, workmen's compensation and any other insurance covering the Common Areas;

1.11.7 any other insurance obtained by the Association;

1.11.8 reasonable reserves as deemed appropriate by the Board, and the cost of any reserve study performed by the Association;

1.11.9 bonding of the members of the Board, any professional managing agent or any other person handling the funds of the Association;

1.11.10 taxes paid by the Association;

1.11.11 amounts paid by the Association for discharge of any lien or encumbrance levied against the Common Areas or portions thereof;

1.11.12 amounts incurred by the Architectural Committee or any other committee established by the Board; and

1.11.13 other expenses incurred by the Association for any reason whatsoever in connection with the Common Areas, or the costs of any other item or items designated by this Declaration, the Articles, Bylaws or Association Rules, or in furtherance of the purposes of the Association or in the discharge of any duties or powers of the Association.

1.12 "Conveyances" shall mean and refer to the conveyances of a fee simple title interest in or to any part of the Covered Property.

1.13 "County" shall mean and refer to the County of Riverside, and its various departments and divisions.

1.14 "Declarant" shall mean and refer to Desert Business Park II L.L.C., a Washington limited liability company, DBP Investments, L.L.C., a Washington limited liability company, DBP Partners L.L.C., a Washington limited liability company, and DBP Ventures, a California Partnership, and to any Person(s) to whom Declarant's right hereunder shall be expressly assigned, and/or Declarant's duties hereunder shall be expressly delegated, pursuant to a written assignment recorded in the Official Records. Any such assignment or delegation may be to all or a portion of the Covered Property, and may include only certain specific rights and/or duties of the Declarant, and may be subject to such conditions as Declarant may impose in its sole discretion.

1.15 "Del Webb" shall mean and refer to Del Webb California Corp., an Arizona corporation.

1.16 "Del Webb Restrictions" shall mean those certain covenants, conditions and restrictions as contained in (a) that certain Corporation Grant Deed recorded on June 29, 2000 as Instrument No.



2000-251499 in the Official Records and (b) that certain Corporation Grant Deed recorded on June 29, 2000, as Instrument No. 2000-251500 in the Official Records.

1.17 "Developer Lots" shall mean and refer to all of the separate interests proposed for the Development that have not yet been conveyed to Retail Purchasers and are owned by the Declarant.

1.18 "Frontage Zone" shall mean the easternmost one hundred fifty (150) feet of the Covered Property as more particularly described on Exhibit "E-1" attached hereto, and depicted on Exhibit "E-2" attached hereto.

1.19 "Institutional Mortgagee" shall mean and refer to a First Mortgagee which is a bank or savings and loan association or established mortgage company, or other entity chartered under federal or state laws, any corporation or insurance company, any federal or state agency, or any other institution regulated by federal or state law.

1.20 "Lot" shall mean and refer to any lot, parcel or tract of land subdivided out of the Covered Property by Declarant and either conveyed to another Person or specifically identified by Declarant in an amendment to this Declaration or a map of the Covered Property.

1.21 "Member" shall mean and refer to every person or entity who holds membership in the Association.

1.22 "Mortgage" shall mean and refer to any duly recorded mortgage or deed of trust encumbering a Lot. A "First Mortgage" shall refer to a Mortgage which has priority over all other Mortgages encumbering a specific Lot.

1.23 "Mortgagee" shall mean and refer to the mortgagee or beneficiary under any Mortgage. A "First Mortgagee" shall mean the holder of a First Mortgage.

1.24 "Official Records" shall mean and refer to the Official Records of Riverside County, State of California.

1.25 "Owner" shall mean and refer to the record owner, whether one or more Persons, of the fee simple title to any Lot which is a part of the Covered Property, except a Mortgagee.

1.26 "Person" shall mean and refer to a natural individual, corporation, partnership, limited liability company, or any other entity with the legal right to hold title to real property.

1.27 "Phase of Development" shall mean the Phase I Property and/or the Phase II property that was annexed to this Declaration.

1.28 "Phase of Development Common Areas" shall mean any portion of the Development, if any, to be maintained as Common Areas by the Association, but to be utilized solely by a select Owner or Owners of Lots within a particular Phase of Development (and the maintenance of which shall be funded through Phase of Development Assessments collected from such Owner(s)).

1.29 "Retail Purchaser" shall mean any Owner of a Lot other than Declarant.

1.30 "Special Zone" shall mean the easternmost two hundred (200) feet of the Covered Property as more particularly described on Exhibit "F-1" attached hereto, and depicted on Exhibit "F-2" attached hereto.



1.31 "Supplemental Declaration" shall mean those certain declarations of covenants, conditions and restrictions or similar instruments, annexing additional property and extending the plan of this Declaration to such additional property as provided in the Article of this Declaration entitled "Integrated Nature of the Covered Property."

ARTICLE II. MEMBERSHIP

2.1 Members. Every Owner shall automatically be a Member of the Association. The terms and provisions set forth in this Declaration are binding upon all Owners. Members and their Lots shall also be subject to the terms and provisions of the Articles and Bylaws. Membership shall be appurtenant to and may not be separated from an Owner's fee interest in a Lot. Ownership of such Lot shall be the sole qualification for membership.

2.2 Transfer. The membership held by any Owner shall not be transferred, pledged or alienated in any way, except upon the sale or assignment of such Lot and then only to the purchaser or assignee thereof. Any attempt to make a prohibited transfer is void, and will not be reflected upon the books and records of the Association. In the event that an Owner should fail or refuse to transfer the membership registered in the Owner's name to the purchaser of such Lot, the Association shall have the right to record such transfer upon the books of the Association upon receipt of evidence of such transfer satisfactory to the Association.

2.3 Voting Rights. The Association shall have three (3) classes of voting membership.

2.3.1 Class A. Class A Members shall be all Owners except Declarant. Each Class A Member shall be allocated between one (1) and four (4) votes for each Lot owned depending upon the net useable area of each Lot as described in the "Voting Allocation Schedule" attached hereto as Exhibit "B". When more than one person owns a Lot each such person shall be a Member provided that the vote(s) for such Lot shall be exercised as the joint Owners among themselves determine; provided, however, that all votes allocated to a Lot shall be voted in the same manner either for or against the matter in question. In the event that the joint Owners of any Lot are unable to agree among themselves as to how their vote(s) shall be cast, they shall lose their right to vote on the matter in question. If any Owner casts a vote representing a Lot, it will thereafter be conclusively presumed for all purposes that the Owner(s) were acting with the authority and consent of all other Owners of the same Lot. In the event that joint Owners of a particular Lot that is entitled to more than one (1) vote pursuant to the Voting Allocation Schedule cast opposing votes regarding any matter in question none of said votes shall be counted and said votes shall be deemed void. Fractional votes shall not be allowed.

2.3.2 Class B. The Class B Member shall be Declarant. For each Developer Lot Declarant shall be entitled to three (3) votes multiplied by the number of votes allocated to the Developer Lot in accordance with the Voting Allocation Schedule; provided that, solely for the purpose of counting votes in order to determine when Class B membership shall cease and convert to Class A membership as provided below, Declarant shall be entitled to five (5) votes multiplied by the number of votes allocated to the Developer Lot in accordance with the Voting Allocation Schedule for each Developer Lot. Class B membership shall cease and be converted to Class A membership on the happening of the earliest of the following events:

(a) when the total votes outstanding in the Class A membership equals the total votes outstanding in the Class B membership;

(b) May 13, 2014, which date is ten (10) years after the annexation of Parcel Map 29715 to the Development (the "Conversion Date"); provided that if at the time of the Conversion Date less than seventy five percent (75%) of the projected Lots for the Development have been sold to Retail Purchasers, the Conversion Date shall be extended for consecutive two (2) year periods until



seventy-five percent (75%) of the projected Lots for the Development have been sold to Retail Purchasers; or

(c) May 12, 2028, which date is twenty-five (25) years after the Initial Sale Date.

2.3.3 Class C. The Class C Member shall be Declarant. The Class C Member shall be entitled to solely elect a majority of the members of the Board. With the exception of the election of Directors hereunder, the Class C membership shall not be considered a part of the voting power of the Association. The Class C membership shall terminate on May 12, 2008, which is the fifth (5th) anniversary of the Initial Sale Date (the "Termination Date"); provided, however, if at the time of the Termination Date less than seventy-five percent (75%) of the projected Lots for the Development have been sold to Retail Purchasers, the Termination Date shall be extended for consecutive two (2) year periods, up until fifteen (15) years after the Initial Sale Date.

2.3.4 Approval of Members. Unless otherwise specifically provided in this Declaration or the Bylaws, any provision of this Declaration or the Bylaws which requires the vote or written assent of the voting power of the Association or any class or classes of membership shall be deemed satisfied by either of the following:

(a) the vote, in person or by proxy, of the Owners constituting a quorum casting a majority of the votes at a meeting duly called and noticed pursuant to the provisions of the Bylaws dealing with annual or special meetings of the Members; or

(b) written consents signed by the Owners constituting a quorum casting a majority of the votes.

2.3.5 Special Declarant Representation Rights. Notwithstanding the provisions of this Article, until such time as ninety percent (90%) of the Developer Lots anticipated to be developed in the Development have been sold to Retail Purchasers (as such number of Developer Lots may increase from time to time), Declarant shall have the absolute authority to elect all of the Directors on the Board.

ARTICLE III. COVENANT FOR MAINTENANCE ASSESSMENTS

3.1 Creation of the Lien and Personal Obligation of Assessments. Each Owner including the Declarant (to the extent Declarant is an Owner as defined herein), of any Lot, by acceptance of a deed or other conveyance, creating in such Owner the interest required to be deemed an Owner, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association: Regular Assessments, Special Assessments, Reimbursement Assessments, Capital Improvement Assessments, Remedial Assessments, Reconstruction Assessments, and Phase of Development Assessments. Such Assessments shall be fixed, established and collected from time to time as provided in this Declaration. The Regular, Special, Reimbursement, Capital Improvement, Reconstruction and Phase of Development Assessments, together with interest thereon, late charges, attorneys' fees and court costs, and other costs of collection thereof, as hereinafter provided, shall be a charge upon the Lot against which each such Assessment is made. Each such Assessment, including Remedial Assessments, together with such interest, late charges, costs and attorneys' fees, shall also be the personal obligation of the Owner of such Lot at the time when the Assessment becomes due. The personal obligation for delinquent Assessments shall not pass to the successors in title of an Owner unless expressly assumed by such successors. No Owner may waive or otherwise escape liability for Assessments by nonuse of the Common Areas or any part thereof, or abandonment of his or her Lot.

3.2 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively for the purposes of carrying out and/or enforcing the provisions of this Declaration, and promoting the recreation, health, safety and welfare of the Members, the management of the Covered



Property, enhancing the quality of life in the Covered Property, and the value of the Covered Property including, without limitation, the improvement and maintenance of the properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas, or in furtherance of any other duty or power of the Association. The Association shall not impose or collect an assessment, penalty or fee that exceeds the amount necessary (including applicable reserve amounts) for the purpose or purposes for which it is levied.

3.3 Regular Assessments. The Board shall determine the amount of the Regular Assessment to be paid by each Member. The Association shall provide written notice by first-class mail to all Owners of any change in Regular Assessments, or the due dates therefore, not less than thirty (30) days, nor more than sixty (60) days, prior to the due date for such Regular Assessments. Each Member shall thereafter pay to the Association his or her Regular Assessment in installments by the due date established by the Board. In the event the Board shall determine that the estimate of total charges for the current year is, or will become, inadequate to meet all Common Expenses for any reason, it shall then immediately determine the approximate amount of such inadequacy and issue a supplemental estimate of the Common Expenses and determine the revised amount of Regular Assessments against each Member, and the date or dates when due. In the event the amount budgeted to meet Common Expenses for the then-current year proves to be excessive in light of the actual Common Expenses, the Board, in its discretion, may either reduce the amount of the Regular Assessment or may abate collection of Regular Assessments as it deems appropriate. Until such time as the Class B Membership has ceased and been converted into Class A Membership, Regular Assessments may not be reduced if such reduction would diminish the quantity or quality of services provided by the Association. Notwithstanding the foregoing, Regular Assessment increases shall not be limited in the case of "emergency situations" as defined in Section 1366 of the California Civil Code. Notwithstanding the foregoing, Regular Assessments to be paid by Declarant may be reduced or abated pursuant to the terms of any maintenance agreement or similar document. Notwithstanding any other provisions of this Declaration, until the earlier to occur of (1) the recordation of a notice of completion of an improvement on the Common Areas, or (2) the placement of such improvement into use, each Owner (including Declarant) shall be exempt from paying that portion of any Regular Assessment which is for the purpose of defraying expenses and reserves directly attributable to the existence and use of such improvement.

3.4 Capital Improvement Assessments. In addition to the Regular Assessments, the Association may levy in any calendar year, a Capital Improvement Assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or replacement (other than due to destruction) of a described capital improvement upon the Common Areas to the extent the same is not covered by the provisions affecting Reconstruction Assessments in the Article hereof entitled "Destruction of Improvements," including the necessary fixtures and personal property related thereto. The Association shall not impose a Capital Improvement Assessment, the total amount of which exceeds five percent (5%) of the estimated Common Expenses as set forth in the Section of this Article entitled "Regular Assessments," without the approval of a majority of a quorum of the voting power of the Association. Any reserves collected by the Association for the future maintenance and repair of the Common Areas, or any portion thereof, shall not be included in determining said annual Capital Improvement Assessment limitation. All amounts collected as Capital Improvement Assessments may only be used for capital improvements and shall be deposited by the Board in a separate bank account to be held in trust for such purposes. Said funds shall not be commingled with any other funds of the Association and shall be deemed a contribution to the capital account of the Association by the Members. The Association shall provide notice to all Owners, by first-class mail, of any decision by the Association to levy a Capital Improvement Assessment, not less than thirty (30) nor more than sixty (60) days prior to the due date for such Assessment.

3.5 Uniform Assessment. Regular, Reconstruction and Capital Improvement Assessments shall be fixed at an equal amount for each Lot and may be collected at intervals selected by the Board. Phase of Development Assessments shall be fixed at an equal amount for each Lot subject to such Phase of Development Assessment and may be collected at intervals selected by the Board.



3.6 Special Assessment. Special Assessments may be levied by the Association to fund any budgetary shortfall or to restore any funds transferred from the Association's reserve account. Special Assessments shall also be levied by the Board against an Owner and his or her Lot to reimburse the Association for any other charge designated as a Special Assessment in this Declaration, the Articles, Bylaws or Association Rules.

3.7 Remedial Assessment. In the event the Board levies any fines or charges against an Owner who fails to comply with this Declaration, the Articles, Bylaws or the Association Rules, such fines or charges shall be Remedial Assessments.

3.8 Reimbursement Assessment. Reimbursement Assessments may be levied by the Association to reimburse the Association for materials or services provided by the Association which benefit individual Lots. Reimbursement Assessments shall also be levied by the Board against an Owner (and his or her Lot) to reimburse the Association for any other charge designated as a Reimbursement Assessment in this Declaration, the Articles, Bylaws or Association Rules. The Association shall provide notice by first-class mail to the Owners subject to a Reimbursement Assessment of any decision to levy such Reimbursement Assessment, not less than thirty (30) nor more than sixty (60) days prior to the Reimbursement Assessment becoming due.

3.9 Phase of Development Assessments. Pursuant to this Declaration, the Association shall charge and collect the Phase of Development Assessments in order to finance the cost and operation of any additional service or facility located within a particular Phase of Development or benefiting solely Owners within a particular Phase of Development.

3.10 Certificate of Payment. The Association shall, upon demand, furnish to any Member liable for Assessments, a certificate in writing signed by an officer or authorized agent of the Association, setting forth whether the Assessments on a specified Lot have been paid, and the amount of delinquency, if any. A reasonable charge may be collected by the Board for the issuance of these certificates. Such certificates shall be conclusive evidence of payment of any Assessment therein stated to have been paid.

3.11 Exempt Property. All properties dedicated to, and accepted by, or otherwise owned or acquired by, a public authority shall be exempt from the Assessments created herein.

3.12 Date of Commencement of Regular Assessments. Subject to any assessment maintenance or subsidy program established by the Declarant, the Regular Assessments for a particular Phase of Development hereunder shall commence on the date (the "Initial Sale Date") which is the first day of the month following the first close of escrow for the sale of a Lot by Declarant to a Retail Purchaser within a particular Phase of Development. The Initial Sale Date for Phase I is May 12, 2003. For purposes of determining when the Lots in Phase II shall be subject to Regular Assessments, the development of Phase II shall be divided into the following groups:

Phase II, Group A: Parcels 3, 8 and 12 of Parcel Map 29715, as same may be re-subdivided by Declarant at any time hereafter;

Phase II, Group B: Parcels 1,2,9,10,11,13 and 14 of Parcel Map 29715, as may be re-subdivided by Declarant at any time hereafter:

Phase II, Group C: Parcels 4 and 7 of Parcel Map 29715, as may be re-subdivided by Declarant at any time hereafter:

Phase II, Group D: Parcels 5 and 6 of Parcel Map 29715, as may be re-subdivided by Declarant at any time hereafter



Regular Assessments in Phase II shall commence on the date of which is the first day of the month following the first close of escrow for the sale of a Lot by Declarant to a Retail Purchaser within a Group. Provided however if the Declarant retains ownership of a Lot and does not sell that Lot to a Retail Purchaser, Regular Assessments for that Lot shall commence on the date of the earlier of actual use or occupancy of the improved structure on the Lot.

3.13 No Offsets. All Assessments shall be payable in the amount specified by the Assessment and no offsets against such amount shall be permitted for any reason, including, without limitation, a claim that (i) the Association is not properly exercising its duties and powers as provided in this Declaration; (ii) a Member has made or elects to make no use of the Common Areas; or (iii) any construction or maintenance performed pursuant to the Section entitled "Assumption of Maintenance Obligations" of the Article entitled "Repair and Maintenance" of this Declaration shall in any way postpone Assessments or entitle a Member to claim any such offset or reduction.

3.14 Homestead Waiver. Each Owner, to the extent permitted by law, does hereby waive, to the extent of any liens created pursuant to this Declaration, whether such liens are now in existence or are created at any time in the future, the benefit of any homestead or exemption laws of the State of California now in effect, or in effect from time to time hereafter.

3.15 Reserves. The Regular Assessments shall include reasonable amounts as determined by the Board collected as reserves for the future periodic maintenance, repair or replacement of all or a portion of the Common Areas, or any other purpose as determined by the Board. All amounts collected as reserves, whether pursuant to this Section or otherwise, shall be deposited by the Board in a separate bank account to be held in trust for the purposes for which they are collected and are to be segregated from and not commingled with any other funds of the Association. Such reserves shall be deemed a contribution to the capital account of the Association by the Members. Withdrawal of funds from the Association's reserve account shall require the signatures of either (a) two (2) members of the Board; or (b) one (1) member of the Board and an officer of the Association who is not also a member of the Board.

3.16 Automatic Assessment Increases. Upon the annexation of additional Phases of Development, the Regular Assessments shall be automatically increased by the amount, if any, necessary to maintain the Common Areas located within such additional Phases of Development pursuant to standards established in accordance with prudent property management practices for projects similar to the Development, consistently applied throughout the geographic region in which the Development is located. If annexation of Common Areas results in an increase in the Regular Assessments, then the Association shall be obligated to collect such increased Regular Assessment. To facilitate the orderly payment of Regular Assessments during the development of the Development, the Board may establish and levy a median monthly Regular Assessment at an amount sufficient to defray the Common Expenses of the Association during the development of the Development. By accepting title to a Lot, each Owner consents to the Regular Assessment increases specified in this Section.

ARTICLE IV. NONPAYMENT OF ASSESSMENTS

4.1 Effect of Nonpayment of Assessments; Remedies of the Association. In the event any Assessment is not paid when due, such Assessment shall be deemed to be delinquent and in default. Each Owner vests in the Association or its assigns the right and power to bring all actions at law and in equity and exercise such other remedies provided herein against such Owner for the collection of delinquent Assessments. In the event an attorney or attorneys are employed for collection of any Assessment, whether by suit or otherwise, each Owner agrees to pay reasonable attorneys' fees and costs thereby incurred in addition to any other amounts due or any other relief or remedy obtained against such Owner. In addition to any other remedies herein or by law provided, the Association may enforce the obligations of the Owners to pay the Assessments in any manner provided by law or in equity, and without any limitation of the foregoing, by any or all of the following procedures:



4.1.1 Suspension of Rights: Monetary Penalties. After a hearing by the Board (whether or not the delinquent Owner appears), upon ten (10) days' prior written notice to the delinquent Owner, the Board may (a) suspend the voting rights of any Owner, (b) impose reasonable monetary penalties pursuant to a monetary penalty schedule established and posted by the Board, and/or (c) suspend such Owner's right to use the Common Areas for any period during which any Assessment against such Owner's Lot remains unpaid; provided, however, these provisions shall not operate or be construed to deny or restrict ingress or egress of any Owner to and from such Owner's Lot.

4.1.2 Enforcement by Suit. By commencement and maintenance of a suit at law or equity against any Owner or prior Owner to enforce the Assessment obligation, such suit is to be maintained in the name of the Association. Any judgment rendered in any such action may include the amount of the delinquency, interest thereon at the maximum legal rate per annum from the date of the delinquency, court costs and reasonable attorneys' fees, in such amount as the court may adjudge against the delinquent Owner.

4.1.3 Enforcement by Lien. There is hereby created a "Claim of Lien," with power of sale, on each and every Lot to secure payment to the Association of any and all Assessments charged against any and all Lots pursuant to this Declaration (except Remedial Assessments), together with interest thereon at the maximum legal rate per annum from the date of delinquency, and all costs of collection which may be paid or incurred by the Association in connection therewith, including reasonable attorneys' fees. At any time after the delinquency, the Association may elect to file and record in the Official Records a Claim of Lien against the Lot of the defaulting Owner. Such Claim of Lien shall be executed and acknowledged by any officer of the Association, and shall contain substantially the following information:

- (a) the name of the delinquent Owner;
- (b) the legal description of the Lot against which the Claim of Lien is made;
- (c) the total amount of the delinquency, interest thereon, penalties, collection costs and reasonable attorneys' fees if then known (with any proper offset allowed);
- (d) a statement that the Claim of Lien is made by the Association pursuant to this Declaration and that a lien is claimed against said Lot in an amount equal to the amount stated; and
- (e) the name and address of the trustee authorized by the Association to enforce the Claim of Lien by sale.

Upon such recordation of a duly executed original or copy of such Claim of Lien and mailing a copy thereof to said Owner, the lien claimed therein shall immediately attach and become effective. Any such lien may be foreclosed by appropriate action in court or in the manner provided by law for the foreclosure of a deed of trust by exercise of a power of sale contained therein or in the manner provided by law for the enforcement of a judgment as the laws of the State of California may from time to time be changed or amended. The Association shall have the power to bid in at any foreclosure sale, trustee's sale or judgment sale and to purchase, acquire, lease, hold, mortgage and convey any Lot. Reasonable attorneys' fees, court costs, title search fees, interest and all other costs and expenses shall be allowed to the extent permitted by law. The proceeds of any foreclosure, trustee's or judgment sale provided for in this Declaration shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees, title costs and costs of the sale, and all other expenses of the proceedings and sale, and the balance of the unpaid sales proceeds after satisfaction of such charges and unpaid assessments hereunder or any liens, shall be paid to the defaulting Owner. Any purchaser at such sale shall thereupon be entitled to a deed to the Lot and immediate possession of the Lot and shall have the right to apply to a court of competent jurisdiction for such orders as may be reasonable for the purpose of



acquiring and possessing the Lot. It shall be a condition of such sale, and the deed so made shall provide, that the purchaser shall take the interest in the sold Lot subject to this Declaration. Upon the timely curing of any default for which a Claim of Lien was filed by the Association, the officers of the Association are hereby authorized to record an appropriate release of such lien in the Office of the County Recorder.

4.2 Assignment of Rents. As security for the payment of all such liens, each Owner hereby gives to and confers upon the Association the right, power and authority, during the continuance of such ownership, to collect the rents, issues and profits of the Owner's Lot, reserving unto the Owner the right, prior to any default by such Owner in performance of such Owner's obligation under this Declaration, or the Bylaws or the Articles, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, the Association may, at any time, upon ten (10) days' written notice to such Owner, then either in person, by agent, or by a receiver to be appointed by a court of competent jurisdiction, and without regard to the adequacy of any security for such indebtedness, enter upon and take possession of such Owner's Lot or any part thereof, in its own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorneys' fees, in payment of any indebtedness to the Association or in performance of any agreement hereunder, and in such order as the Association may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure nor waive any default hereunder or invalidate any act done pursuant to this Declaration. The assignment of rents and powers described hereinabove shall not affect, and shall in all respects be subordinate to, the rights and powers of the holder or beneficiary of any First Mortgage or deed of trust on any Lot or second Mortgage or deed of trust on any Lot if the holder or beneficiary of such second Mortgage or deed of trust is Declarant, to do the same or similar acts.

4.3 Curing of Default. Upon the timely curing of any default for which a notice of Claim of Lien was filed by the Association (which cure shall include, without limitation, the payment of all delinquent Assessments, accrued interest, late charges, attorneys' fees and other costs of collection), the officers of the Association are hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment by the defaulting Owner of a fee, to be determined by the Association, to cover the costs of preparing and filing or recording such releases together with payment of such other costs, late charges, interest or fees as shall have been incurred.

4.4 Cumulative Remedies. The Assessment lien and the rights to foreclosure and sale thereunder shall be in addition to and not in substitution for all other rights and remedies which the Association and its assigns may have hereunder and by law, including a suit to recover a money judgment for unpaid Assessments as provided above or to bring an action for injunctive relief.

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

ARTICLE V. ARCHITECTURAL CONTROL

5.1 Architectural Design Guidelines. Declarant has adopted, or will adopt, guidelines setting forth general standards for the design and appearance of the Development (the "Design Guidelines"). The Design Guidelines may be different for each Phase of Development to accommodate the unique nature of, or revised development plans for, such Phase of Development. The Design Guidelines are intended to provide design professionals with standardized design vocabularies and materials intended to preserve the quality and overall appearance of the Development. However, in the event of any conflict between the Design Guidelines and this Declaration, this Declaration shall control. The Design Guidelines shall not be amended, modified, changed, or waived in any manner, without the prior written approval of Declarant; provided, however, Declarant shall have the right any time to relinquish to the Board its rights concerning the Design Guidelines in which case the Board shall have the right to



unilaterally exercise same. Notwithstanding any other provision herein, no amendment to the Design Guidelines shall act to make any previously constructed or installed improvement or landscaping out of compliance with such amended Design Guidelines, provided that such improvement and/or landscaping was in compliance with the applicable Design Guidelines prior to such amendment to the Design Guidelines. Each prospective Retail Purchaser should become familiar with the Design Guidelines applicable to the Lot such person intends to purchase before executing any agreement for the purchase of such Lot. The Architectural Committee shall maintain a copy of the Design Guidelines on file at all times, and the Architectural Committee shall provide each Owner with a copy of the Guidelines upon written request. The Architectural Committee shall not approve the construction of any Improvement which is not designed and constructed substantially in accordance with the Design Guidelines. The Design Guidelines may include, among other things, the following restrictions and limitations upon the Owners:

5.1.1 time limitations for the completion of the architectural improvements for which approval is required pursuant to the Design Guidelines with respect to both the total time period allowed for construction of the improvements and/or the maximum time period in which to construct improvements after purchase of a Lot by a Retail Purchaser;

5.1.2 conformity of completed architectural improvements to plans and specifications approved by the Architectural Committee; provided, however, as to purchasers and encumbrancers in good faith and for value, unless notice of non-completion or non-conformance identifying the violating Lot and its Owner and specifying the reason for the notice, executed by the Architectural Committee, shall be filed in the Official Records and given to such Owner within one (1) year of the expiration of the time limitation described in subsection 5.1.1 above, or unless legal proceedings shall have been instituted to enforce compliance or completion within said one (1) year period, the completed architectural improvements shall be deemed to be in compliance with plans and specifications approved by the Architectural Committee and in compliance with the Design Guidelines, but only with respect to purchasers and encumbrancers in good faith and for value;

5.1.3 such other limitations and restrictions as the Declarant, in its reasonable discretion, shall adopt, including, without limitation, the regulation of the following: construction, reconstruction, exterior addition, change or alteration to or maintenance of any building, structure, wall or fence, including, without limitation, the nature, kind, shape, height, materials, exterior color and surface and location of such dwelling structure; and

5.1.4 a description of the types of such construction, reconstruction, additions, alterations or maintenance which, if completed in conformity with the Design Guidelines, do not require the approval of the Architectural Committee.

5.2 Appointment of Architectural Committee. The Architectural Committee shall consist of not less than three (3) nor more than five (5) individuals as fixed from time to time by resolution of the Board. The Declarant shall initially appoint the Architectural Committee. The Declarant shall retain the right to appoint, augment or replace all members of the Architectural Committee until one (1) year after the Initial Sale Date. Thereafter, the Declarant shall retain the right to appoint, augment or replace a majority of the members of the Architectural Committee until five (5) years after the Initial Sale Date, or until ninety percent (90%) of the Lots within the Development have been conveyed to Retail Purchasers, whichever shall last occur. Notwithstanding the foregoing, commencing one (1) year following the Initial Sale Date, the Board shall have the right but not the obligation to appoint the remaining members of the Architectural Committee. Five (5) years after the Initial Sale Date, or when ninety percent (90%) of the Lots within the Development have been conveyed to Retail Purchasers, whichever shall last occur, the right to appoint, augment or replace all members of the Architectural Committee shall automatically be transferred to the Board.



5.3 General Provisions.

5.3.1 The Architectural Committee may establish reasonable procedural rules and may assess a reasonable fee in connection with review of plans and specifications including, without limitation, the number of sets of plans to be submitted; provided, however, the Architectural Committee may delegate its plan review responsibilities to one or more members of such Architectural Committee. Upon such delegation, the approval or disapproval of plans and specifications by such persons shall be equivalent to approval or disapproval by the entire Architectural Committee. Unless any such rules are complied with, such plans and specifications shall be deemed not submitted. Plans required to be submitted may include, without limitation, site plans, floor plans, drainage plans, elevations, color and/or material samples, and such other plans and/or samples reasonably required by the Architectural Committee.

5.3.2 The address of the Architectural Committee shall be the address established for giving notice to the Association. Such address shall be the place for the submittal of plans and specifications and the place where the Design Guidelines shall be kept.

5.3.3 The establishment of the Architectural Committee and the systems herein for architectural approval shall not be construed as changing any rights or restrictions upon Owners to maintain, repair, alter or modify or otherwise have control over the Lots as may otherwise be specified in this Declaration, in the Bylaws or in any Association Rules.

5.3.4 In the event the Architectural Committee fails to approve or disapprove such plans and specifications within sixty (60) days after the same have been duly submitted in accordance with any rules regarding such submission adopted by the Architectural Committee, such plans and specifications will be deemed approved.

5.4 Approval and Conformity of Plans and Improvements.

5.4.1 No building, fence, wall, structure, landscaping improvements (including such landscaping improvements that consist of predominantly hardscape material(s) (including, but not limited to, cement, rock and gravel)), shall be commenced, erected, maintained upon, or removed from the Covered Property, nor shall there be any addition to or change in the exterior of any Lot, building, fence, wall, structure, the painting (other than painting with the same color of paint as previously existed) of exterior walls, patio covers and solar and other energy saving devices, except in compliance with the Design Guidelines, this Declaration, the Association Rules, and the plans and specifications (showing the nature, kind, shape, height, width, color, materials and location) which have been submitted to and approved by the Architectural Committee as to their structural integrity and harmony of external design and location in relation to surrounding structures and topography.

5.4.2 Each Owner, by acceptance of a deed to his or her Lot recognizes that the unique characteristics of such Lot, including its size, location, configuration, grade, soil composition and geologic setting, as well as governmental and private regulations, limit what modifications and/or additions, if any, such Owner can make to such Lot. As such, each Owner understands that any physical modification and/or addition to any Lot or the improvements thereon after acquisition thereof by such Owner (collectively, "Future Work"), including, without limitation, the construction of any buildings, warehouses, plants or structures, installation of infrastructure improvements, and/or installation or modification of concrete flat work, walls (including, without limitation, retaining walls), fencing, landscaping and the like, and any structural foundations related thereto (collectively, "Future Improvements"), will require specific and additional design and engineering considerations to accommodate the unique characteristics and limitations of such Lot and neighboring Lots and Common Areas. Each Owner, by accepting a deed to his or her Lot recognizes and agrees that there is no guarantee that such Owner will be able to construct any particular improvement on such



Lot. It is therefore required that the following actions and/or conditions be undertaken and/or satisfied by each Owner to assure that any Future Work is planned and performed to the highest possible design, engineering, and construction standards:

(a) Before performing any Future Work, the Owner is required to consult with appropriate, qualified, experienced, and financially sound civil, structural, geotechnical and/or soils engineers, architects, landscape architects, and/or other consultants (collectively, the "Design Professionals") to prepare all plans, specifications and guidelines to be implemented in performing the Future Work. All Design Professionals must be licensed and in good standing with their respective licensing bodies, and must maintain adequate commercial general liability, errors and omissions, automotive, and workers' compensation insurance. Each Owner is strongly advised, prior to retaining any Design Professional, to have an attorney review any written contract(s) for the proposed services to assure that (i) such Owner's rights are protected, (ii) the Design Professional provides adequate and appropriate warranties and indemnification for defects in design of Future Improvements and/or failure to properly perform the tasks and/or duties for which such Design Professional was hired, and (iii) such contract is consistent with the requirements of this Article.

(b) In all events, and prior to any plan preparation, appropriate review of all soils, building sites, geological conditions, retaining walls, drainage patterns and the like must be performed by the appropriate Design Professionals to assure that any and all planned Future Improvements can, in fact, be safely and adequately constructed on or about the Owner's Lot in light of the physical constraints presented by such Lot. If any Design Professional determines that any Future Work, no matter how designed, can not appropriately be constructed on or upon a particular Lot, such Future Improvement shall not be constructed.

(c) The recommendations of an Owner's Design Professionals shall be included with all plans and specifications submitted by such Owner to the Architectural Committee. The Architectural Committee shall have the right to base any decision to approve or disapprove any Future Work on (i) the recommendations and/or information supplied by such Design Professionals, and/or (ii) any Owner's failure to retain adequate Design Professionals as required hereby. The Architectural Committee shall also have the right, without obligation of any kind, to consult with its own panel of Design Professionals to determine whether or not the recommendations and/or findings of the Owner's Design Professionals are satisfactory. The Architectural Committee does not assume any liability or responsibility for any improvements, including, without limitation, any Future Improvements, constructed by any Owner.

(d) With respect to landscape improvements and/or any other Future Improvements which will introduce, or redirect the flow of, water into, on, or about the Covered Property, each Owner is also obligated to provide a drainage and watering plan and impact study prepared by appropriate Design Professionals indicating, in the opinion of such Design Professionals, the impacts such landscape improvements will have on such Owner's Lot and neighboring properties, and the mitigation measures necessary or appropriate to avoid over-saturation of the Lot, and to avoid excessive run off or seepage which could deteriorate or harm the improvements, soils, or landscaping on neighboring properties.

(e) Any Future Work involving construction of a concrete slab or foundation must take into account, in addition to and not in limitation of any other recommendation of an Owner's Design Professionals, moisture-protection measures and possible adverse reaction to sulfate content in any soil, if applicable.

(f) Upon approval by the Architectural Committee of any proposed Future Work, all such Future Work shall be undertaken by experienced contractors and subcontractors who are licensed in the State of California and in good standing with their respective licensing bodies, and who maintain broad-form commercial general liability (including completed products liability), errors and omissions, automotive, and workers' compensation insurance. Such approval by the Architectural



Committee shall not constitute an endorsement or assumption of any responsibility or liability regarding such contractors or subcontractors or any work performed thereby. All Future Work must be performed in compliance with all applicable laws and regulations, including, without limitation, applicable building codes and zoning laws.

(g) Any Future Work requiring excavation or modification of soils must be monitored by appropriate Design Professionals to (i) identify field conditions that differ from those anticipated by such Design Professionals' preliminary investigation, and (ii) to determine that any such Future Work is otherwise performed in accordance with such Design Professionals' recommendations. Owners should recognize that such observation/monitoring requirements may be required by such Owner's Design Professionals as a condition to such Design Professionals' warranty and indemnity obligations to such Owner. Declarant shall not be responsible for an Owner's failure to require its Design Professionals to monitor such Future Work. Owners are strongly advised, prior to retaining any contractor, to have an attorney review any written contract for the proposed services to assure that (a) such Owner's rights are protected; (b) the contractor provides adequate and appropriate warranties and indemnification for defects in construction of Future Improvements; and (c) such contract is consistent with the requirements of this Article.

(h) In the event that there is any substantial delay between the date the Architectural Committee approves any proposed Future Work and the commencement of such Future Work, or, irrespective of any such delay, if any physical conditions of the Covered Property or neighboring properties have sufficiently changed between the date the Architectural Committee approves any proposed Future Work and the commencement of such Future Work, the Owner desiring to perform such Future Work is required to have its Design Professionals review, assess, and update their previous analysis, reports and plans to assure that same remain valid and appropriate, and such Owner shall submit same to the Architectural Committee for its review. The Architectural Committee may thereafter disapprove such Future Work based on changes presented by such updated materials.

(i) In performing any Future Work and/or constructing or installing any Future Improvement each Owner agrees to release, indemnify, defend (with counsel reasonably acceptable to the indemnified party), and hold harmless Declarant and the Architectural Committee from and against claims, losses, liabilities, costs and expenses (including reasonable attorneys' fees and costs) arising out of, caused by, or related to such Future Work and/or Future Improvements.

5.5 Non-liability for Approval of Plans. Each Owner shall be solely responsible for any violation of this Declaration, the Design Guidelines, or any applicable instrument, law or regulation, caused by any Future Work or Future Improvement made by such Owner, even though same is approved by the Architectural Committee. Plans and specifications shall be approved by the Architectural Committee as to style, exterior design, appearance and location, and are not approved for engineering design or for compliance with zoning and building ordinances, this Declaration, easements, deed restrictions and other rights and obligations affecting the Covered Property. By approving any such plans and other specifications, neither the Architectural Committee, the members thereof, the Association, the Members, the Board, nor Declarant, assumes liability or responsibility therefor, or for any defect in any structure constructed from such plans and specifications. The Architectural Committee shall have the right to require, as a condition of approval, that an Owner provide separate, express indemnification on terms and conditions satisfactory to the Architectural Committee. Notwithstanding any other provision herein, under no circumstances shall the approval by the Architectural Committee of any modification or improvement on any one occasion, or for the benefit of any particular Owner, constitute or be deemed to constitute approval of any other modification or improvement on any other occasion or for any other Owner.

5.6 Appeal. In the event plans and specifications submitted to the Architectural Committee are disapproved thereby, the Owner making such submission may appeal in writing to the Board. The written request must be received by the Board not more than fifteen (15) days following the final decision of the Architectural Committee. The Board shall submit such request to the Architectural Committee for



review, whose written recommendations will be submitted to the Board. Within forty-five (45) days following receipt of the request for appeal, the Board shall render its written decision. The failure of the Board to render a decision within said forty-five (45) day period shall be deemed a decision in favor of the appellant; provided, however, the submitted plans and specifications shall remain subject to the Design Guidelines.

5.7 Inspection and Recording of Approval. Any member of the Architectural Committee or any Director, officer, employee or agent of the Association may at any reasonable time enter, without being deemed guilty of trespass, upon any Lot after notice to the Owner in order to inspect improvements constructed or being constructed on such Lot to ascertain that such improvements have been or are being built in compliance with plans and specifications approved by the Architectural Committee and in accordance with the Design Guidelines. The Architectural Committee shall cause such an inspection to be undertaken within forty-five (45) days of a request therefor from any Owner as to his Lot, and if such inspection reveals that the improvements located on such Lot have been completed in compliance with this Article, the President and the Secretary of the Association shall provide to such Owner a notice of such approval in recordable form, which, when recorded in the Official Records, shall be conclusive evidence of compliance with the provisions of this Article as to the improvements described in such recorded notice, but as to such improvements only. In the event that the inspection reveals that the improvements or landscaping were not completed in accordance with the approved plans, the Owner shall promptly modify or replace any such improperly constructed or installed improvements or landscaping and thereafter notify the Architectural Committee upon completion of same (which modified improvements or landscaping shall thereafter be subject to inspection in accordance with this Section).

5.8 Consultants to Board and Architectural Committee. Notwithstanding any other provision herein, the Board and the Architectural Committee shall maintain relationships with a panel of geological, geotechnical, architectural, landscaping and legal consultants with whom the Board and Architectural Committee shall consult, as necessary or appropriate, to determine the physical appropriateness of any proposed Future Work, and the likely impacts of such Future Work on other portions of the Development; provided, however, the ultimate decision-making authority shall lie with the Board and the Architectural Committee as set forth in this Article.

ARTICLE VI. DEL WEBB RIGHTS AND RESTRICTIONS

6.1 Frontage Zone Approval Rights. Notwithstanding anything to the contrary contained herein, Del Webb shall have the right of prior approval as to any improvements to be constructed in the Frontage Zone and any modifications to any previously constructed improvements in the Frontage Zone (the "FZ-Improvements") in order to preserve the orderly development of the adjacent Sun City Palm Desert development (the "Sun City Development"), which approval shall not be unreasonably withheld, conditioned, or delayed. Del Webb or its successors may enforce the foregoing approval rights by injunctive procedures.

6.2 Review of Site Plan Materials. Each Owner of a Lot located in the Frontage Zone shall prepare, at its sole cost and expense, and submit to Del Webb, reasonably detailed plans and specifications for the FZ-Improvements ("Site Plan Materials") prior to submission thereof to the County. Del Webb shall review the Site Plan Materials and notify the Owner in writing of its approval or disapproval of the Site Plan Materials no later than thirty (30) days after Del Webb's receipt thereof ("Plan Approval Deadline"). Del Webb's approval of the Site Plan Materials shall not be unreasonably withheld, conditioned, or delayed. If Del Webb disapproves the Site Plan Materials, Del Webb shall specify in writing the reason(s) for such disapproval. Del Webb shall approve or disapprove of the Site Plan Materials based upon (i) the compatibility of style, colors and materials with the existing improvements located in the Sun City Development adjacent to the submitting Owner's Lot, (ii) the acceptability of the "fit and finish" of the Owner's proposed FZ-Improvements in the context of Del Webb's overall development of the Sun City Development, and (iii) the consistency of the Site Plan Materials with the established Design Guidelines. Due to the fact that the Frontage Zone is located directly across from the Sun City Development, the Site Plan Materials must provide for reasonably intense landscaping improvements so



as not to detract from the attractiveness thereof. If Del Webb fails to notify the Owner in writing of its approval or disapproval on or before the Plan Approval Deadline, the Site Plan Materials shall be deemed approved. If Del Webb disapproves the Site Plan Materials, the applying Owner shall, within five (5) business days after the date of Del Webb's notice of disapproval, modify and resubmit the modified Site Plan Materials to address the objections, which resubmittal shall thereafter be reviewed subject to the process and conditions set forth hereinabove for the initial approvals. Del Webb and the applying Owner shall negotiate, in good faith, to resolve any differences between them with respect to the Site Plan Materials. The applying Owner shall not submit the Site Plan Materials to the County until such materials have been approved by Del Webb as provided herein.

6.3 Primary and Secondary Entries. Within the Frontage Zone, truck traffic must (i) use Wildcat Drive as the primary entry to the Development (the "**Primary Entry**") and (ii) use Washington Street as the secondary entry (the "**Secondary Entry**"). The Association shall use all reasonable measures to promote truck traffic through the Primary Entry and away from the Secondary Entry.

6.4 Additional Restrictions. In addition to the foregoing, no portion of the Covered Property shall be used in any fashion which is in violation of the Del Webb Restrictions, including, without limitation, the specific use restrictions set forth in Section 11.3 below.

ARTICLE VII. DUTIES AND POWERS OF THE ASSOCIATION

7.1 General Duties and Powers. In addition to the duties and powers enumerated in its Articles and Bylaws, or elsewhere provided for herein, and without limiting the generality thereof, the Association shall have the specific duties and powers specified in this Article.

7.2 General Duties of the Association. The Association, through the Board, shall have the duty and obligation to:

7.2.1 enforce the provisions of this Declaration, any Supplemental Declaration, the Articles, Bylaws and Association Rules, by appropriate means and carry out the obligations of the Association hereunder;

7.2.2 maintain in good and attractive condition and repair, and otherwise manage the following:

(a) all easements and real property and all facilities, improvements and landscaping thereon in which the Association holds an interest, subject to the terms of any instrument transferring such interest to the Association;

(b) all personal property in which the Association holds an interest, subject to the terms of any instrument transferring such interest to the Association; and

(c) all property, real or personal, which the Association is obligated to repair or maintain pursuant to this Declaration, including, without limitation, the Article of this Declaration entitled "Repair and Maintenance";

7.2.3 pay any real and personal property taxes and other charges assessed to or payable by the Association;

7.2.4 obtain, for the benefit of the Common Areas, water, gas and electric, refuse collections and other services;



7.2.5 make available the books, records and financial statements of the Association for inspection by Owners and First Mortgagees during normal business hours;

7.2.6 undertake well-informed decisions based on fair and objective information, and engage in actions which achieve objectives without unnecessary controversy and/or disruption to the Development; and

7.2.7 avoid litigation and/or adversarial proceedings, and, prior to engaging in any adversarial proceedings in accordance with this Declaration, submitting same to good faith, confidential mediation.

7.3 General Powers of the Association. The Association, through the Board, shall have the power but not the obligation to:

7.3.1 employ a manager or other persons and contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association, provided that any contract with a person or firm appointed as a manager or managing agent shall (i) have a term of not more than one (1) year with successive one (1) year renewal periods upon mutual agreement of the parties, and (ii) provide for the right to terminate without cause, and without payment of a penalty, upon no more than ninety (90) days notice;

7.3.2 acquire interests in real or personal property for offices or other facilities that may be necessary or convenient for the management of the Covered Property, the administration of the affairs of the Association or for the benefit or enjoyment of the Members;

7.3.3 borrow money in a total amount not to exceed ten percent (10%) of the then-existing estimated annual Common Expenses, as may be needed in connection with the discharge by the Association of its powers and duties;

7.3.4 establish and maintain a working capital and contingency fund in an amount to be determined by the Board. Such contribution shall be a Common Expense and shall be used by the Board as it deems fit to carry out the objectives and purposes of the Association; and

7.3.5 negotiate and enter into contracts with Institutional Mortgagees and mortgage insurers and guarantors as may be necessary or desirable to facilitate the availability of loans secured by Mortgagees within the Covered Property.

7.4 General Limitations and Restrictions on the Powers of the Board. In addition to the limitations and restrictions enumerated in the Articles and Bylaws or elsewhere provided for herein, and without limiting the generality thereof, the Board shall be prohibited from taking any of the following actions without the approval of a majority of the voting power of the Association and a majority of the votes of Members other than the Declarant:

7.4.1 enter into contracts for materials or services for the Common Areas which have a term in excess of one (1) year, with the following exceptions:

(a) a contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission, provided that the term of the contract shall not exceed the shortest term for which the supplier will contract at the regulated rate;

(b) prepaid casualty and/or liability insurance policies of not to exceed three (3) years duration, provided that the applicable policy permits short rate cancellation by the insured;



(c) a management contract which provides that the Association may terminate the contract without cause, and without payment of a penalty, upon no more than ninety (90) days notice;

(d) agreements for sale or lease of burglar alarm and fire alarm equipment, installation and services of not to exceed five years duration provided that the supplier or suppliers are not entities in which the Declarant has a direct or indirect ownership interest of ten percent (10%) or more; and

(e) agreements for cable television services and equipment or satellite television services and equipment of not to exceed five (5) years duration, provided that the supplier is not an entity in which the Declarant has a direct or indirect ownership interest of ten percent (10%) or more.

7.4.2 sell any real or personal property of the Association with an aggregate fair market value in excess of five percent (5%) of said estimated Common Expenses during any accounting year;

7.4.3 pay compensation to Directors or to officers of the Association for services performed in the conduct of the Association's business; provided, however, the Board may cause a Director or officer to be reimbursed for expenses incurred in carrying on the business of the Association;

7.4.4 incur aggregate indebtedness in excess of five percent (5%) of the then-existing estimated annual Common Expenses;

7.4.5 fill any vacancy on the Board created by the removal of a member of the Board; and

7.4.6 undertake any litigation and/or adversarial proceedings affecting the Development except as provided herein.

7.5 Association Rules. The Board shall have the exclusive power to adopt, amend, and repeal such rules and regulations as it deems reasonable (the "Association Rules") which may include the establishment of a system of fines and penalties enforceable as Remedial Assessments, all as provided in the Bylaws. The Association Rules shall govern such matters in furtherance of the purposes of the Association, including, without limitation, the use of the Common Areas; provided, however, the Association Rules may not discriminate among Owners, and shall not be inconsistent with this Declaration, the Articles or Bylaws. A copy of the Association Rules as they may from time to time be adopted, amended, or repealed, or a notice setting forth the adoption, amendment, or repeal of specific portions of the Association Rules shall be delivered to each Owner in the same manner established in this Declaration for the delivery of notices. Upon completion of the notice requirements, said Association Rules shall have the same force and effect as if they were set forth in and were a part of this Declaration and shall be binding on the Owners and their successors in interest whether or not actually received thereby. The Association Rules, as adopted, amended or repealed, shall be available at the principal office of the Association to each Owner and Institutional Mortgagee upon request. In the event of any conflict between any such Association Rules and any other provisions of this Declaration, or the Articles and Bylaws, the provisions of the Association Rules shall be deemed to be superseded by the provisions of this Declaration, the Articles or the Bylaws to the extent of any such conflict.

7.6 Delegation of Powers. The Association shall have the right, according to law, to delegate to committees, officers, employees or agents any of its duties and powers under this Declaration, the Articles and Bylaws; provided, however, no such delegation to a professional management company, the



Architectural Committee or otherwise shall relieve the Association of its obligation to perform such delegated duty.

7.7 Pledge of Assessment Rights. The Association shall have the power to pledge the right to exercise its Assessment powers in connection with obtaining funds to repay a debt of the Association; provided, however, any such pledge shall require the prior affirmative vote or written assent of not less than sixty-six and two-thirds percent (66-2/3%) of the voting power present in person or by proxy at a duly and validly held meeting of the Members or by written consent as set forth in the Bylaws. Said power shall include, but not be limited to, the ability to make an assignment of Assessments which are then payable to or which will become payable to the Association, which assignment may be then presently effective but shall allow said Assessments to continue to be paid to and used by the Association as set forth in this Declaration, unless and until the Association shall default on the repayment of the debt which is secured by said assignment. The Association may levy Special Assessments against the Members to obtain such funds. Upon the failure of any Member to pay said Special Assessment when due, the Association may exercise all its rights, including, without limitation, the right to foreclose its lien, pursuant to the Article hereof entitled "Nonpayment of Assessments." Without limiting the generality of the foregoing, any pledge of Assessment rights in excess of an amount equal to twenty-five percent (25%) of the total Regular Assessments collected by the Association in the then preceding accounting year, shall require the prior written approval of seventy-five percent (75%) of the Institutional Mortgagees based on one (1) vote for each First Mortgage held.

7.8 Emergency Powers. The Association or any person authorized by the Association may enter any Lot in the event of any emergency involving illness or potential danger to life or property. Such entry shall be made with as little inconvenience to the Owners as practicable, and any damage caused thereby shall be repaired by the Association, at its expense, unless covered by insurance carried by the Owner.

7.9 Additional Services and Facilities. The purpose of this Section is to provide Declarant, or particular groups of Owners with the right to establish and maintain additional services and/or facility(ies) for a particular Phase of Development. Notwithstanding any other provision(s) in this Declaration, Declarant, or the Owners in any Phase of Development, shall have the right to establish additional service(s) (including, but not limited to, employing security guards, manned security entrances, or custodians) or facility(ies) (including, but not limited to, entry driveway security mechanism) for a Phase of Development subject to the following provisions:

7.9.1 Declarant may establish a Phase of Development Assessment for a particular Phase of Development at any time prior to the sale of a Lot within such Phase of Development to a Retail Purchaser. Subsequent to the first sale of Lot in a Phase of Development to a Retail Purchaser, at least sixty-six and two-thirds percent (66-2/3%) of all Owners within such Phase of Development must consent to the establishment and operation (including, without limitation, the initial budget and the Phase of Development Assessments) of a particular service or facility for their Phase of Development. Such requisite consent must be in writing and may be obtained during a properly noticed regular or special meeting of the Association.

7.9.2 The full cost and expense (including reserves) of any additional service or facility for a Phase of Development shall be fully paid by all of the Owners in such Phase of Development pursuant to Phase of Development Assessments levied and collected by the Association.

7.9.3 No additional service or facility shall be established which adversely affects any existing services and facilities then being provided for the overall Development.

7.9.4 In the event a Phase of Development Assessment is established, the Owners within such Phase of Development shall elect a committee ("**Phase Committee**") for their



Phase of Development. The Board may establish, from time to time, fair and reasonable procedures for the election of such Phase Committee. The Phase Committee for a particular Phase of Development shall consist of three (3) Owners in that Phase of Development or representatives of Declarant. Each Phase Committee will be a committee of the Association, subject to the control of the Board, and each Phase Committee will meet, confer and work closely with the Board in order to coordinate the establishment and maintenance of the additional service(s) or facility(ies). Each Phase Committee will be primarily responsible for performing the necessary tasks, including such tasks established by the Board, for the proper establishment and maintenance of the additional service(s) or facility(ies), and the appropriate assessments to be established. Such tasks shall include, without limitation the preparation of budgets (which shall include sufficient start up and reserve funds) and other financial information for the additional service(s) or facility(ies).

7.9.5 In the event any Phase of Development Assessments are established for a particular Phase of Development, such Phase of Development Assessments may not be increased by more than twenty percent (20%) from the levels of the preceding fiscal year unless a majority of a quorum of the voting power of the Association within such Phase of Development consents to such increase. Phase of Development Assessments may not be used to cover any operating expenses of the Association other than those for which the Phase of Development Assessments are being collected. The Board shall have the authority to levy Special, Reconstruction and/or Capital Improvement Assessments against the Owners within such Phase of Development which relate to the additional facilities or services provided to such Owners consistent with the provisions of Article III herein.

7.9.6 In the event any Phase of Development Assessments are established for a particular Phase of Development, the Phase Committee shall establish and maintain for such Phase of Development maintenance and reserve accounts, which accounts shall be separate from the general accounts of the Association, and separate from those accounts maintained for any other Phase of Development. The maintenance and reserve accounts for any particular Phase of Development shall also be segregated pursuant to the terms generally set forth in this Declaration for maintenance and reserve accounts.

ARTICLE VIII. REPAIR AND MAINTENANCE

8.1 Repair and Maintenance by Association. Except to the extent that an Owner may be obligated to maintain and repair as hereinafter provided, and without limiting the generality of the statement of duties and powers contained in this Declaration, the Articles, Bylaws or Association Rules, the Association shall have the duty to accomplish the following upon the Covered Property in such manner and at such times as the Board shall prescribe:

8.1.1 maintain, repair, restore, replace and make necessary improvements to the Common Areas and the Association Maintenance Area Improvements, including, without limitation, to repair and/or replace any landscaping and/or surface improvements thereon, which landscaping and/or surface improvements are designed to control storm water run-off and/or erosion;

8.1.2 maintain, repair, restore, replace, and make necessary improvements to any Phase of Development Common Areas; provided, however, the cost of such maintenance and/or repair shall be borne solely by the Owner(s) with the right to utilize such Phase of Development Common Areas, which costs shall be funded through Phase of Development Assessments collected in accordance with the terms of this Declaration; and

8.1.3 maintain all other areas, facilities, equipment, services or aesthetic components of whatsoever nature as may from time to time be requested by the vote or written consent of a majority of the voting power of the Members.



The costs of any such maintenance and repair pursuant to this Section 8.1 shall be paid out of the general funds of the Association, except as otherwise herein specified as payable by the particular Owners.

8.2 Best Management Practices. Notwithstanding anything to the contrary herein, the management and maintenance of the Common Area shall include the best management practices ("BMPs") set forth by the County to reduce storm water pollution, which BMPs are specifically set forth, verbatim, on Exhibit "G" attached hereto, the terms of which are expressly incorporated herein by this reference. All references in the BMPs to "residents," "occupants," and "tenants" shall apply equally to all Owners and their tenants, occupants, guests, licensees, and invitees.

8.3 Repair and Maintenance by Owner. Except to the extent that the Association shall be obligated to maintain and repair as may be provided in this Declaration, every Owner shall be responsible for the following maintenance and repair:

8.3.1 to maintain, in good and attractive condition and repair, and consistent with applicable local ordinances, this Declaration, the Design Guidelines, and the Association Rules, such Owner's Lot and all improvements thereon, including, without limitation, all walls and/or fences on or around such Owner's Lot;

8.3.2 to install, and thereafter maintain, in good, attractive, healthy and thriving condition and repair (and free of weeds, trash and/or debris), yard landscaping and drainage and irrigation improvements (including those intended to provide erosion control) on such Owner's Lot in accordance with the Design Guidelines, this Declaration, and any other applicable requirements, including any applicable soils reports. Each Owner recognizes that it is critical to maintain all landscaping, drainage and irrigation improvements on such Owner's Lot (whether existing at the time such Owner acquired the Lot or installed later) in a proper fashion in order to avoid over-watering. Over-watering is a significant source of excessive moisture transmission through concrete slabs and landscaping and soil damage to both the over-watered property and neighboring properties affected by water runoff and seepage. The Association shall have the right, as part of the Association Rules, to establish watering guidelines which each Owner is required to follow. Each Owner is solely and ultimately responsible for properly watering and maintaining such Owner's landscaping, drainage, and irrigation improvements. Owners cannot delegate that responsibility to their gardeners or landscapers (although Owners are expected to consult with such people as to appropriate watering levels). Prior to installing any landscaping, drainage or irrigation improvements, Owners are required to consult with a landscape architect and other appropriate Design Professionals and to comply with the requirements set forth in Section 5.4 above with respect to landscaping, drainage and irrigation; and

8.3.3 in the event the Board shall determine that any Lot perimeter walls and fences have been damaged from within a Lot, the Owner of the Lot shall be responsible for repairing such damage in a timely manner and in accordance with such rules as the Board or the Architectural Committee shall from time to time adopt. In the event such repair is not so accomplished by the Owner, the Association or its delegates shall have the right at reasonable times to enter the Lot to effect such repair, and the cost thereof shall be charged to the Owner of the Lot, and, if not paid in a timely manner, shall be a Reimbursement Assessment and enforceable in accordance with the provisions of this Declaration applicable thereto.

8.4 Right of Association to Maintain and Install. In the event that any Owner fails to accomplish any maintenance, repair or installation required by this Section or pay his or its share of expenses incurred in the accomplishment of the same, the Association or its delegates may, but shall not be obligated to, cause such maintenance, repair and installation to be accomplished or such payment to be made to the appropriate parties (said maintenance, repair, installation or lack of payment shall be referred to in this Article as a "deficiency") as hereinafter set forth.



8.4.1 Upon finding by the Board of a deficiency, the Board shall give notice of the deficiency to the violating Owner which shall briefly describe the deficiency and set a date for the cure thereof. If the violating Owner submits a written request to the Board for a hearing within fifteen (15) days after the mailing of such deficiency notice, the Board shall set a date for such hearing before the Board or a committee selected by the Board for such purpose. The Board may delegate its powers under this subsection to a duly appointed committee of the Association.

8.4.2 Such hearing shall be held not less than ten (10) nor more than thirty (30) days from the date of said request for hearing.

8.4.3 Such hearing shall be conducted according to such reasonable rules and procedures as the Board shall adopt which shall provide the Owner with the right to present oral and written evidence and to confront and cross-examine any person offering at such hearing evidence adverse to such Owner. If the Board or any such committee renders a decision against the Owner, it may set another date by which the deficiency is to be corrected by the Owner. A decision of such committee may be appealed to the Board, but a decision of the Board shall be final.

8.4.4 If the deficiency continues to exist after the time limitation set forth in the deficiency notice or, in the event a hearing is held, the date imposed by a final decision of the Board or any such committee, the Board or such committee may cause such maintenance, repair or installation to be accomplished or such payment to be made.

8.4.5 In the event the Board or such committee elects to cause such maintenance, repair or installation to be accomplished, it shall give written notice of such election to the violating Owner and the following shall apply:

(a) the Owner shall have no more than ten (10) days following the receipt thereby of said written notice of election in which to select a day or days upon which such maintenance, repair or installation work shall be accomplished;

(b) the date which said Owner selects shall be not less than ten (10) days nor more than thirty (30) days following the last day of the ten (10) day period specified in such notice of election;

(c) if said Owner does not select such day or days within the ten (10) day period specified in such notice of election, the Board or such committee may select a day or days upon which such work may be accomplished which shall be not less than twenty-five (25) nor more than fifty-five (55) days from the last day of the ten (10) day period specified in such notice of election; and

(d) unless the Owner and the Board otherwise agree, such maintenance or installation shall take place only during daylight hours on any day, Monday through Friday, excluding holidays.

8.4.6 If the Association pays for all or any portion of correcting such deficiency or if an Owner has not paid his or its share of the maintenance and repair expenses as set forth in this Article, regardless of whether the Association has reimbursed the appropriate parties or Owners pursuant to this Section, such amount shall be a Reimbursement Assessment to the violating Owner and his Lot.

8.5 Standards for Maintenance and Installation.

8.5.1 Maintenance of the Lots and the improvements thereon shall be accomplished in accordance with the Design Guidelines and the Association Rules.



8.5.2 All portions of the yard of a Lot which are unimproved and visible from the street on which said Lot fronts shall be landscaped by the Owner thereof in conformance with customary landscaping material(s), primarily living plants, lawn (sod), trees and shrubs. Thereafter, such landscaping shall be maintained by the Owner in an attractive condition and according to the Design Guidelines, any Association Rules promulgated by the Board, and as otherwise required by applicable laws or regulations then in effect.

8.6 Right of Entry. The Association shall have the right to enter upon any Lot in connection with any exterior maintenance, repair or construction in the exercise of the powers and duties of the Association. Any damage caused by such entry shall be repaired by the Association to the extent that the damage is unreasonable under the circumstances to carry out the Association's rights and obligations.

8.7 Maintenance of Public Utility Facilities. Nothing contained herein shall require or obligate the Association to maintain, replace or restore the facilities of public utilities which are located within easements in the Common Areas owned by such public utilities. However, the Association shall take such steps as are necessary or convenient to ensure that such facilities are properly maintained, replaced or restored by such public utilities.

8.8 Assumption of Maintenance Obligations. Declarant, Declarant's assigns, its subcontractors and the agents and employees of same shall have the right to enter upon the Common Areas to complete the construction of any landscaping or other improvement to be installed on the Common Areas as provided in this Declaration. If any excess of Assessments collected over actual Common Expenses incurred by the Association is caused by reason of construction or maintenance pursuant to this Section, or otherwise, such excess shall be placed in reserve to offset the future expenses of the Association in any manner designated by the Board.

ARTICLE IX. RIGHTS OF ENJOYMENT

9.1 Members' Right of Enjoyment. Every Member shall have a nonexclusive easement for use and enjoyment in and to the Common Areas and such right shall be appurtenant to and shall pass with the interest of every Lot, subject to all of the easements, covenants, conditions, restrictions and other provisions of record or contained in this Declaration, including, without limitation, the following provisions:

9.1.1 the right of the Association to establish reasonable rules and regulations pertaining to the use of the Common Areas;

9.1.2 the right of the Association to borrow money for the purpose of improving, replacing, restoring or expanding the Common Areas or adding new Common Areas and in aid thereof, to mortgage said property, provided that the prior affirmative vote or written approval of a majority of the voting power of each of the Class A Members and the Class B Members has been obtained to mortgage said property, and provided further that the rights of the lender thereunder shall be subordinated to the rights of the Members. In the event of a default upon any such mortgage of the Common Areas, the lender's rights thereunder shall be limited to a right, after taking possession of such properties, to charge admission and other fees as a condition to continued enjoyment by the Members and, if necessary, to open the enjoyment of the Common Areas to a wider public until the mortgage debt is satisfied, whereupon the possession of such properties shall be returned to the Association and all rights of the Members hereunder shall be fully restored;

9.1.3 the rights of the Association to suspend the right of a Member to use the Common Areas or any portion thereof designated by the Board during any time in which any Assessment against his Lot remains unpaid and delinquent for a period not to exceed thirty (30) days for any single infraction of the rules and regulations of the Association; provided, however, any suspension of such right to use such Common Areas, except for failure to pay Assessments, shall be made only by the Association or a duly appointed committee thereof, after notice and hearing given



and held in accordance with the Bylaws. Notwithstanding the foregoing, the Association shall not have the right hereunder to suspend any Member's right to use any portion of the Covered Property necessary for such Member to gain access to his Lot;

9.1.4 the right of the Association subject to the approval rights of Institutional Mortgagees pursuant to the Article hereof entitled "Rights of Lenders," to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility or other entity. No such dedication or transfer, including, without limitation, the conveyance, lease or other transfer of any portion of the Common Areas to a special tax assessment district or to the County, shall be effective unless an instrument signed by Members entitled to cast two-thirds (2/3) of the voting power of the membership has been recorded, agreeing to such dedication or transfer. The certificate of the President and the Secretary of the Association attached to such instrument certifying that the Members signing such instrument represent two-thirds (2/3) of the voting power of the Association shall be deemed conclusive proof thereof;

9.1.5 the right of the Association to establish, in cooperation with the County (or other appropriate governmental authority), a special tax assessment district for the performance of all or a portion of the maintenance and other functions now within the responsibility of the Association, together with the right of the Association to convey, lease or otherwise transfer, subject to the provisions of this Section, all or any portion of the Common Areas to said district; and

9.1.6 the rights of Declarant set forth herein.

9.2 Delegation of Use. Any Member may delegate his right of enjoyment to the Common Areas to his tenants who occupy such Owner's Lot, or to such Owner's guests, subject to this Declaration and to the Association Rules. In the event and for so long as an Owner delegates said rights of enjoyment to his tenants, said Owner shall not be entitled to said rights. Owner shall indemnify and hold harmless the Association for any claims, losses, liabilities, costs and expenses (including reasonable attorneys' fees and costs) suffered by the Owner's delegate pursuant to this Section.

9.3 Waiver of Use. No Member may exempt himself from personal liability for Assessments duly levied by the Association, nor release the Lot owned by him from the liens, charges or other provisions of this Declaration, the Articles, Bylaws, Design Guidelines, and Association Rules, by waiver of the use and enjoyment of the Common Areas, or the abandonment of his Lot.

ARTICLE X. EASEMENTS

10.1 Amendment to Eliminate Easements. This Declaration cannot be amended to modify or eliminate the easements reserved to Declarant without prior written approval of Declarant and any attempt to do so shall have no effect. Any attempt to modify or eliminate this Section shall likewise require the prior written approval of Declarant.

10.2 Nature of Easements. Unless otherwise set forth herein, any easement reserved to Declarant herein shall be nonexclusive.

10.3 Certain Rights and Easements Reserved to Declarant.

10.3.1 Utilities. Easements over the Covered Property for the installation and maintenance of electric, telephone, cable television, water, gas, sanitary sewer lines and drainage facilities as are needed to service the Covered Property are hereby reserved by Declarant, together with the right to grant and transfer the same; provided, however, such easements shall not unreasonably interfere with the use and enjoyment by the Members of their Lots or the Common Areas.



10.3.2 Cable Television. There is hereby reserved to Declarant over the Covered Property, together with the right to grant and transfer the same, the right to place on, under or across the Covered Property, transmission lines and other facilities for a community antenna television system or similar television system as technological changes may permit, and thereafter to own and convey such lines and facilities and the right to enter upon the Covered Property to service, maintain, repair, reconstruct and replace said lines or facilities; provided, however, the exercise of such rights shall not unreasonably interfere with any Owner's reasonable use and enjoyment of his Lot.

10.3.3 Water Rights. There is hereby reserved to Declarant with the full right and power, among others, to transfer or assign to others or to use or utilize on any other property owned or leased by Declarant, any and all water rights or interests in water rights no matter how acquired by Declarant, and owned or used by Declarant in connection with or with respect to the Covered Property, whether such water rights shall be riparian, overlying, appropriative, percolating, prescriptive or contractual; provided, however, the reservation made herein shall not reserve to or for the benefit of Declarant any right to enter upon the surface of the Covered Property in the exercise of such rights.

10.3.4 Rain Water Drainage Easements. There is hereby reserved to Declarant, together with the right to grant and transfer same, easements in and over portions of Lots for the purpose of the installation and placement of drainage devices in order to drain rain water from Lots, including roofs of buildings or other improvements on Lots. No Owner shall interfere with the operation of such drainage devices.

10.3.5 Construction and Sales. For a period of time extending until all improvements have been completed within the Covered Property, a non-exclusive easement in, over, under and through the Covered Property is hereby reserved to Declarant, together with the right to grant and transfer same to builders and Declarant's sales agents and representatives, for ingress and egress and for the purpose of: (1) completing the development of the Covered Property, including without limitation the transportation of development and construction related materials over the private streets, constructing, maintaining, retaining and relocating all improvements on the Covered Property now or hereafter planned to be constructed on the Covered Property by Declarant or any builder, or required to be constructed on the Covered Property by any municipal or governmental agency; (2) marketing, leasing, selling and re-selling the Lots therein; and (3) customer relations and providing post-sale customer service to Owners; and in connection with such easement the right, but not the obligation: (a) to perform any and all architectural, engineering, grading, construction, excavation, landscaping and related work and activities, (b) to erect, maintain and relocate upon the Covered Property storage buildings, storage areas, temporary sewage disposal facilities, water wells and other related facilities, (c) to store and use materials, equipment, vehicles, tools and machines which may be necessary or desirable in connection with such construction, (d) to display signs and erect, maintain and operate, for sales, resales, and administrative purposes, a fully staffed customer relations, customer service, sales, and resales office complex on the Covered Property, (e) to show the Covered Property, unsold Lots and any Lots which are offered for resale to, and to arrange for the use of the Common Areas by, prospective purchasers, (f) to perform maintenance, repair and replacement work on, and to make custom improvements, alterations and additions to improvements, and (g) to construct improvements on any Lot. No such activities shall be deemed to be a nuisance.

10.3.6 General Use and Enjoyment. There is hereby reserved to Declarant, together with the right to grant and transfer same, easements in, on, over and across all Common Areas, Association Maintenance Areas, and the Lots, as necessary or appropriate for the completion, use, maintenance and enjoyment of the Development.

10.3.7 Easement For Benefit of APN 626-330-008. There is hereby reserved to Declarant, together with the right to grant and transfer same, including, without limitation, to the owner of that certain real property commonly described as Assessor's Parcel Number 626-330-008, as more particularly described on Exhibit "H" attached hereto, easements in, on, over and across the Common



Area for purposes of obtaining reciprocal access, ingress and egress to and from the Development and Wildcat Drive.

10.4 Certain Easements for Owners.

10.4.1 Rights and Duties: Utilities and Cable Television. Wherever sanitary sewer house connections, water house connections, electricity, gas, telephone and cable television lines or drainage facilities are installed within the Covered Property, the Owners of any Lot served by said connections, lines or facilities shall have the right and there is hereby reserved to Declarant, together with the right to grant and transfer the same to Owners, an easement to the fullest extent necessary for the full use and enjoyment of such portion of such connections which service his Lot, and to enter upon the Lots owned by others, or to have utility companies enter upon the Lots owned by others, in or upon which said connections, lines or facilities, or any portion thereof lie, to repair, replace and generally maintain said connections as and when the same may be necessary as set forth below, provided that such Owner or utility company shall promptly repair any damage to a Lot caused by such entry as promptly as possible after completion of work thereon.

10.4.2 Ingress, Egress and Recreational Rights. Declarant hereby reserves to itself, its successors and assigns, and hereby grants to all Owners nonexclusive easements for ingress, egress, pedestrian walkway and general recreational purposes over and upon the Common Areas. Such easements shall be subject to the rights of the Association as set forth in this Declaration.

10.4.3 Exclusive Use Common Areas. The Common Areas, both before and after transfer to the Association, are subject to the unilateral right of Declarant to establish easements in, over, upon, under and through the Common Areas in favor of an individual Owner or Owners. Declarant or the Association has the right, from time to time, to grant to any Owner a nonexclusive or an exclusive easement in, over, upon, under and through portions of the Common Areas consisting of unimproved areas adjacent to the specific Owner's Lot for use and enjoyment in connection with such Lot. Declarant or the Association shall have the sole discretion to establish the size and shape of such areas. The conveyance of the portion of the Common Areas to an Owner shall be subject to this Declaration and the Association's rights herein, and the Owner in each case, shall be responsible for maintenance and all liability associated with the use of such easement.

10.4.4 Corrections. Throughout the Development, it is anticipated that over the course of time certain properties may be sold which contain errors in descriptions and/or actual use exceeds boundary lines. To accommodate such situations, Declarant hereby reserves easements over the Common Areas to allow for encroachment, and easements over Lots solely for corrective purposes.

10.5 Certain Easements for Association.

10.5.1 Association Rights. There is hereby reserved to Declarant easements over the Covered Property, which easements are hereby granted to the Association, for the purpose of permitting the Association to discharge its obligations and powers as described in this Declaration.

10.5.2 Rights and Duties: Utilities and Cable Television. Wherever sanitary sewer house connections, water house connections, electricity, gas, telephone and cable television lines or drainage facilities are installed within the Covered Property, and said connections, lines or facilities serve the Common Areas, the Association shall have the right and there is hereby reserved to Declarant, together with the right to grant and transfer the same to the Association an easement to the fullest extent necessary for the full use and enjoyment of such portion of such connections which service the Common Areas and to enter upon the Lots owned by others, or to have utility companies enter upon the Lots owned by others, in or upon which said connections, lines or facilities, or any portion thereof lie, to repair, replace and generally maintain said connections as and when the same may be necessary as set forth



below, provided the Association or utility company shall promptly repair any damage to a Lot caused by such entry as promptly as possible after completion of work thereon.

10.6 Certain Easements for Districts. There is hereby reserved to Declarant easements over the Covered Property, which easements may hereafter be granted to any public service district, for the purpose of permitting such district to discharge its obligations and powers.

10.7 Support, Settlement and Encroachment. There is hereby reserved to Declarant and its assigns the following reciprocal easements, which easements are hereby granted to the Owners, for the purposes set forth below:

10.7.1 an easement appurtenant to each Lot which is contiguous to another Lot or Common Areas which Lot shall be the dominant tenement and the contiguous Lot or Common Areas shall be the servient tenement;

10.7.2 an easement appurtenant to the Common Areas contiguous to a Lot, which Common Areas shall be the dominant tenement and which contiguous Lot shall be the servient tenement;

10.7.3 it is provided, however, that in the event Common Areas are the dominant tenement in an easement described in this Section, Declarant shall have the right to transfer said easement to the Association and not to Owners; and

10.7.4 said easements shall be for the purposes of:

(a) engineering errors, errors in original construction and support and accommodation of the natural settlement or shifting of structures;

(b) encroachment by reason of a roof or eave overhang from improvements on a Lot and for the maintenance of such roof or eave overhang by the Owner of the dominant tenement; and

(c) encroachment of doorsteps, foundation footings, garage doors, utilities and other appurtenances or fixtures and the maintenance thereof by the Owner of the dominant tenement, which, in the construction of the structures upon the dominant tenement or from any reconstruction or modifications of such structures, project beyond the external surface of the outer walls of such structures.

10.8 Driveway/Access Road Easements. Reciprocal driveway/access road easements, are hereby established over all Lots which contain portions of driveways or access roads which service more than one Lot for the purposes of pedestrian and vehicular ingress, egress and access, and for the backing, maneuvering and turning of vehicles, which easements shall be appurtenant to the "Dominant Tenements" and shall burden the "Servient Tenements" as shown on Exhibit "I" attached hereto (or in any Supplemental Declaration). Each of said easements shall be: (a) perpetual; (b) appurtenant to the Dominant Tenement as designated on said Exhibit; and (c) nonexclusive, with each Subject Lot retaining the right to use the "Easement Area" located on such Lot (as shown on Exhibit "I") for the purposes of pedestrian and vehicular ingress, egress and access, for the backing, maneuvering and turning of vehicles. The easement appurtenant to each Dominant Tenement shall be granted by Declarant to the subsequent owner of such Dominant Tenement by making a reference to this Declaration in the grant deed to such Dominant Tenement and the grant deed to the Servient Tenement burdened by the easement appurtenant to such Dominant Tenement. The Easement Areas shall be subject to the following:



10.8.1 no improvement, automobile or other vehicle, wall, curb, fence, grade differential, barrier or physical condition or personal property, shall be constructed, stored, placed or permitted to remain in, on, or upon any Easement Area, which unreasonably interferes with ingress, egress and access, whether by the owner of the Servient Tenement or the Dominant Tenement having an easement over such Easement Area; and

10.8.2 with respect to each Easement Area, the Owner of the Servient Tenement on which such Easement Area is located and the Owners of the Dominant Tenement to which the easement over such Easement Area is appurtenant shall be jointly responsible for repairing and maintaining or causing to be repaired or maintained, such Easement Area at all times in a good, safe and usable condition. The expense of such repair and maintenance shall be shared by such parties in equal proportions. Notwithstanding the foregoing, any repair or maintenance for damage to any portion of such Easement Area, occurring due to causes not constituting normal wear and tear, shall be the sole responsibility of the party, or parties, causing such damage and said party, or parties, shall repair such damage within a reasonable time following the occurrence of such damage. The repair and maintenance required by this Paragraph shall include, but not be limited to:

(a) maintaining paved surfaces in a smooth and evenly covered condition with a type of surfacing material originally installed or a substitute equal in quality, use and durability to such original material;

(b) removing all papers, debris, leaves, and other refuse and sweeping, or washing, to the extent necessary to maintain an orderly condition; and

(c) the repair and reconstruction of any damage resulting from fire, earthquake or other casualty.

10.9 Right to Grant and Transfer Easements. All or any part of each easement reserved to Declarant herein may be granted or transferred by Declarant to an Owner, the Association, a builder, contractor, or any other party. To the extent that all or any part of the easements reserved to Declarant are granted or transferred to a builder or contractor, such easements may be transferred by such builder or contractor to Retail Purchasers.

10.10 Neighbors. Notwithstanding any other provisions herein, Declarant shall have the unilateral right to grant easements over, and/or other rights concerning, the Common Areas, to owners of properties adjacent to the Development, including, without limitation, to use streets, roadways, or infrastructure, and/or to accommodate the provisions of agreements of record between Declarant and neighboring owners, including, without limitation, Del Webb. Nothing herein is intended or shall be applied to reduce or materially affect any Owner's use or enjoyment of such Owner's Lot.

ARTICLE XI. USE RESTRICTIONS

11.1 Uses Permitted. All Lots and improvements constructed thereon shall only be used for purposes of constructing and maintaining commercial, industrial and/or office buildings and related appurtenances, and purposes reasonably incidental thereto. In no event shall more than three (3) business entrances for any building on a Lot, be permitted on any portion of the Covered Property. Each Lot and improvements thereon shall also be used in strict compliance with the zoning and other applicable ordinances of the County and all other governmental and/or quasi-governmental agencies and/or authorities having jurisdiction thereof and any other document recorded against the Covered Property.

11.2 Prohibited Uses. Without limiting any other restrictions herein, in no event shall any improvements be constructed, placed or used on the Covered Property, nor shall the Covered Property in any event be used for, any of the following purposes: (a) hotels and motels; (b) junk yards and recycling



facilities; (c) commercial excavation of building or construction materials, except in the usual course of construction of improvements for the Lots; (d) distillation of bones; (e) dumping, disposal, incineration, or reduction of garbage, sewage, dead animals, or refuse; (f) stockyards and slaughter of animals; (g) refining of petroleum or any of its products; (h) smelting of iron, tin, zinc, or other ores; (i) cemetery; (j) jail or honor farms; (k) labor or migrant work camps; or (l) mobile home park or recreation vehicle campground. Furthermore, no part of the Covered Property shall be used, or caused to be used, or allowed or authorized in any way, directly or indirectly, for any residential or other non-commercial purpose.

11.3 Del Webb Use Restrictions. Without limiting any other restrictions herein, in no event shall any improvements be constructed, placed or used on the Covered Property, nor shall the Covered Property in any event be used for: (i) the operation of a massage parlor; any business primarily engaged in the sale or exhibition of what is commonly referred to as "pornographic," obscene," or "adult," material; bars or taverns (which shall not be construed so as to prohibit any restaurant or other food use which sells alcoholic beverages for on-premises consumption incidental to its permitted primary use as a restaurant or food use); tattoo parlor; flea market; secondhand shop; off-track betting establishment; funeral home or mortuary; escort bureau; labor temple; Turkish bath; a body and fender shop; spray painting shop; equipment rental service; pawn shop; carnival; fair; storage (as opposed to temporary parking) of vehicles and equipment; a junk yard; recycling facility; waste transfer station; or for any use which is not allowed by the zoning ordinances applicable to the Covered Property; or (ii) any heavy industrial use which generates noise or odors which are inconsistent or incompatible with, or offensive to, the Sun City Development.

11.4 Use of Del Webb Name. Each Owner acknowledges that Del Webb is the owner of the trade names and marks for "Sun City," "Del Webb's Sun City" and "Sun City Palm Desert." No Owner shall have the right to use any of such names or the names "Sun," "City" or "Del Webb" in connection with any business conducted on the Covered Property without Del Webb's prior written consent, which may be granted or withheld in Del Webb's sole and absolute discretion.

11.5 Special Zone. No building the primary use of which is the warehousing, storage and distribution of goods, material or equipment shall be located in the Special Zone. The Special Zone shall be reserved for office, research and development, and "flex offices" uses.

11.6 Signs. No sign or billboard of any kind shall be displayed on any portion of the Covered Property or any Lot, except such sign or signs as conform to all of the following: (a) the regulations of the County; and (b) the sign program adopted by the Declarant setting forth general standards for the design and appearance of signs, as may be amended or supplemented from time to time by the Association or Declarant, which sign program shall be incorporated herein by this reference. In addition, all signs advertising the sale, lease or rent of any Lot must be approved by the Architectural Committee prior to their placement upon any Lot. Declarant, its successors and assigns may erect and maintain such signs and other advertising devices or structures as it may deem necessary or proper in connection with the conduct of its operations for the development, improvement, leasing and sale of the Covered Property.

11.7 Nuisance. No noxious, hazardous or offensive trade or activity shall be carried on upon any Lot, or any part of the Covered Property, nor shall anything be done thereon which may be, or may become, an annoyance, nuisance or danger to the neighborhood, or which shall in any way interfere with the quiet enjoyment of each of the Owners of his respective Lot, or which shall in any way increase the rate of insurance. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes), live bands, noisy or smoky vehicles, large or noisy power equipment or tools, off-road motor vehicles or other items which may unreasonably disturb other Owners, or their tenants or guests, shall be located, used or placed on any portion of the Covered Property without the prior written approval of the Board. Except for special use vehicles operating in areas designated for their use, no vehicles may be operated upon any portion of the Covered Property not improved as a street without the prior written approval of the Board, which approval may be granted or withheld in the Board's sole discretion. Alarm



devices used exclusively to protect the security of a Lot or Common Area, and its contents, shall be permitted, provided that such devices do not produce annoying sounds or conditions as a result of frequently-occurring false alarms. Any use of the Covered Property by any Owner (a) in violation of the terms of this Declaration, or (b) in violation of any applicable law or ordinance, shall be deemed a nuisance.

11.8 Animals. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any Lot.

11.9 Rubbish. All rubbish, trash and garbage shall be regularly removed from the Covered Property and the Lots and shall not be allowed to accumulate thereon. All exterior refuse containers, woodpiles, storage areas, machinery and equipment shall be prohibited upon any Lot without the prior written approval of the Board.

11.10 Hazardous Materials. Each Owner agrees that, to the extent that any hazardous or toxic materials or wastes (as defined by the laws of any local government, the State of California and the United States) are used, stored or disposed of in and/or about any improvements on any Lot or the Common Area, such materials or wastes will be used, stored and disposed of in full and complete compliance with all applicable federal, state and local laws and regulations. Each Owner further agrees that it will not permit any escape of toxic or hazardous fumes or other emissions from any building or any Lot within the Covered Property. Each Owner agrees to and does hereby indemnify, defend and hold harmless the Association, Declarant and the other Owners from and against any and all losses, costs, claims, suits or damages (including, without limitation, attorneys' fees) arising directly or indirectly from any violation of this provision by such Owner or any tenant or occupant of such Lot or improvements thereon.

11.11 Tents, Sheds, or Similar Structures. Except for temporary uses related to a special event approved by the Board, no structure of a temporary character, trailer, basement, tent, shack, barn, storage building or shed or other outbuilding shall hereafter be used on any Lot at any time, either temporarily or permanently.

11.12 Vehicles; Parking.

11.12.1 The Board may adopt rules for the regulation of the admission and parking of vehicles within the Covered Property, including the assessment of charges to Owners who violate or whose invitees violate, such rules. Any charges so assessed shall be Remedial Assessments.

11.12.2 Parking of vehicles of any type shall be restricted to designated parking areas within the Lots, and no employees, agents, business invitees, tenants or customers of any Owner of a Lot shall be permitted to park in areas not so designated, or on any street, public or private, within the Covered Property, except for purposes of loading or unloading passengers or for emergency repairs. All deliveries or loading and unloading of goods or materials shall be restricted to designated loading docks, loading areas, or similar facilities. No repairs or restorations of any motor vehicle, boat, trailer, aircraft or other vehicle or equipment shall be conducted upon any street (public or private) or Lot or elsewhere within any Lot, except wholly within a facility specifically designed for such purpose or within an enclosed garage. The Board shall determine, in its sole discretion, whether there is noncompliance with the parking and vehicular restrictions contained herein. These parking and vehicular restrictions shall not be interpreted in such a manner so as to permit any activity which would be contrary to any ordinance of the County or any other applicable governmental or quasi-governmental agency or authority. These parking and vehicular restrictions shall not apply to any construction activities by any Owner of a Lot.

11.12.3 No conventional passenger vehicle, recreational vehicle or equipment or commercial vehicle or any other motorized vehicle may be dismantled, rebuilt, repaired, abandoned,



stored, disabled, serviced or repainted on a Lot unless performed within a completely enclosed garage or other area located on the Lot which completely screens the sight and sound of such activity from streets, Common Areas and all neighboring Lots; provided, however, such activity within an enclosed garage or such other area as described above may not be undertaken as a business, and provided further that such activity may be prohibited entirely if it is determined by the Board to be a nuisance. In any event, no oil, fuel, lubricant, or other automotive liquid, shall be dumped or spilled on the Covered Property, or disposed of or stored in any way which would permit same to enter any drainage device serving the Covered Property, or leak into the ground of the Covered Property. For purposes of this Section, and without limiting the generality of the foregoing, a vehicle shall be deemed to be in storage if such vehicle is placed on a Lot for the primary purpose of storing such vehicle even if such vehicle is used occasionally. The foregoing restrictions shall not be deemed to prevent temporary parking for loading or unloading of vehicles. As used in this Section, "conventional passenger vehicles" shall be defined to be station wagons, family sedans, coupes, sports cars, convertibles, compacts, subcompacts, sport-utility vehicles, pick-up trucks, pick-up trucks with shell not extending above the cab level beyond one (1) foot, and passenger minivans, passenger vans and passenger vans with extended tops not extending above the top more than six inches (6"). As used in this Section, "recreational vehicles or equipment" shall include, without limitation, trailers, boats, campers, trailer coaches, buses, house cars, camp cars, motor homes (if a size larger than seven feet (7') in height and/or greater than one hundred twenty-four inches (124") in wheel base length), or any other similar type of equipment or vehicle. As used in this Section, "commercial vehicle" shall be defined as a truck of greater than one (1) ton capacity and/or any vehicle with a sign displayed on any part thereof advertising any kind of business or on which racks, materials, and/or tools are visible, or with a body type normally employed as a business vehicle whether or not a sign is displayed on any part thereof, including, without limitation, any dump truck, cement mixer truck, oil or gas truck or delivery truck. The type of motor vehicle license plate shall not be material to the foregoing definition. Temporary parking shall mean parking of vehicles belonging to guests of Owners and commercial vehicles being used in the furnishing of services to the Association or the Owners and parking of vehicles belonging to or being used by Owners for loading and unloading purposes.

11.13 Oil and Mineral Rights. No oil drilling, oil development operations, oil refining, quarrying, or mining operations of any kind shall be permitted upon or in the Covered Property nor, subsequent to the recording of this Declaration, shall oil or water wells, tanks, tunnels, or mineral excavations or shafts be installed upon the surface of the Covered Property or with respect to water wells, within fifty (50) feet below the surface of the Covered Property and with respect to all other matters, within five hundred (500) feet below the surface of such properties. No derrick or other structure designed for use in boring for water, oil or natural gas shall be erected, maintained or permitted upon the Covered Property.

11.14 Unightly Items. All weeds, rubbish, debris, or unsightly material or objects of any kind shall be regularly removed from the Lots and shall not be allowed to accumulate thereon. All refuse containers, trash cans, woodpiles, storage areas, machinery and equipment shall be prohibited upon any Lot unless obscured from view of adjoining streets or portions of the Covered Property from a height of six feet (6') or less. Any fence or screen required by this Section shall comply with any standards established pursuant to the Article hereof entitled "Architectural Control" as to size, color or other qualification for permitted fences or screens.

11.15 Antennae and Other Roof Structures. Subject to the provisions of California Civil Code Section 1376, no television, radio, or other electronic towers, aeriels, antennae, exterior lines, or device of any type for the reception or transmission of radio or television broadcasts or other means of communication shall hereafter be erected, constructed, placed or permitted to remain on the Covered Property unless and until the same shall have been approved in writing by the Architectural Committee, or unless the same be contained within a building or underground conduits. No appliances or installations on exterior roofs of structures shall be permitted unless they are installed in such a manner that they are not visible from streets, Common Areas or neighboring Lots, except that attic ventilators and solar panels which are architecturally treated in conformity with the Design Guidelines and which have been approved



by the Architectural Committee pursuant to the provisions of the Article hereof entitled "Architectural Committee" shall be permitted.

11.16 Exterior Installations. No exterior air conditioning or heating unit (including any solar heating or other energy saving device or system which was not part of the original construction of the Lots) shall be erected or maintained on any Lot unless it is (a) completely screened from view from any public or private street and from anywhere outside of the Lot in which it is located, and (b) approved in writing by the Architectural Committee. No flag pole shall be erected or maintained on any Lot unless it is approved in writing by the Architectural Committee.

11.17 Entrance Gates. Except for those entrance gates constructed by Declarant, no entrance gate on any Lot or Common Area which is designed to limit entry into a Lot shall be erected, altered or maintained unless first approved by the Architectural Committee.

11.18 Handicapped Rights. Subject to the review rights of the Architectural Committee and applicable law, each Owner shall have the right to modify his Lot and/or the improvements constructed thereon, and the route over such Lot (as applicable and necessary) leading to the entrance of any buildings at such Owner's sole cost and expense, in order to facilitate access by Persons who are blind, visually handicapped, deaf, physically disabled, or suffering from a prolonged illness or similar health condition, or to alter conditions which could be hazardous to such Persons.

11.19 Drainage. All drainage of water from any Lot shall drain or flow into adjacent streets, alleys, or open space areas, or specifically-designed water retention basins or drainage ponds, and shall not be allowed to drain or flow upon, across, or under any other portion of the Covered Property unless an easement for such purpose is granted. An Owner shall not alter the drainage of water which exists pursuant to the drainage plan originally created at the time of the initial sale of his Lot, except through the use of a positive drainage device which does not materially affect the concentration or flow direction of drainage water under said drainage plan; provided, however, there shall be no interference with the rain gutters, downspouts, or drainage or storm drain systems originally installed, or any other interference with the established drainage pattern over any Lot or Common Area within the Covered Property, unless an adequate alternative provision, previously approved in writing by the Board or the Architectural Committee, is made for proper drainage. For purposes hereof, "established drainage" is defined as the drainage pattern and drainage improvements which exist at the time the Lot or Common Area, as the case may be, is conveyed to an Owner or the Association by Declarant, or later grading or drainage improvement changes which are shown on plans approved by the Architectural Committee or the Board. Notwithstanding any approval by the Architectural Committee or the Board, there shall be no violation of the drainage requirements of the County, the State of California, or any other governmental or quasi-governmental agency or authority.

11.20 Drainage Easements. Each of the Lots set forth in Exhibit "K" (each a "Drainage Lot") shall be subject to a drainage easement ("Drainage Easement") in favor of the Association, which Drainage Easement shall be for the purposes of installing and maintaining drainage devices in order to drain nuisance water and rain water from such areas as delineated in Exhibit "K." Owners of Lots which contain Drainage Easements are prohibited from constructing any improvement(s) over or on such Drainage Easement(s), or in any way interfering with the maintenance and repair obligations of the Association with respect to the Drainage Easements. No abandonment of any Drainage Easement shall be permitted without the prior approval of the County or its successor-in-interest.

11.21 Sewage and Water Systems. No individual water supply system, water softener or other water treatment system or sewage disposal system shall be permitted within the Covered Property unless such system is designed, located, constructed and equipped in accordance with the requirements, standards, and recommendations of the Association and the applicable water or sewer district and any applicable governmental health authority having jurisdiction, and is approved by the Architectural Committee.



11.22 Subdivision. Except as expressly authorized in a Supplemental Declaration, no Lot in the Covered Property may be further subdivided (including division into time-share estates or time-share uses) without the prior written approval of the Board; provided, however, nothing in this Section shall be deemed to prevent an Owner from, or require the approval of the Board for: (a) selling a Lot; (b) transferring or selling any Lot to two (2) or more Persons to be held by such Persons as tenants in common, joint tenants, tenants by the entirety or as community property; or (c) the leasing or renting by any Owner of all of such Owner's Lot, provided that any such lease or rental shall be subject to the terms of this Declaration.

11.23 Fireworks; Firearms. No fireworks shall be kept, stored or discharged anywhere within the Covered Property. No skeet shooting, target shooting or any other discharge of firearms shall be permitted within the Covered Property, except as may be permitted by the Board, and only in accordance with all applicable laws, regulations or ordinances of the County or the State of California regulating firearms. No hunting shall be permitted within the Covered Property.

11.24 Maintenance by Owner. The Owner of each Lot shall maintain his Lot (including the improvements which are a part thereof) in a clean and attractive condition. Without limiting the generality of the foregoing, the Owner of each Lot shall: (a) keep his Lot free from rubbish, litter and noxious weeds, (b) maintain, cultivate and keep in good condition and repair, shrubs, trees including without limitation grass, lawns, plantings and other landscaping located or from time to time placed upon his Lot, (c) trim and restrain all trees, shrubs or plantings of any kind so that they shall not be allowed to overhang or otherwise encroach upon, above or below any sidewalk, street or neighboring residence, (d) maintain in good condition and repair and adequately painted or otherwise finished all improvements which are from time to time a part of his Lot, and (e) maintain all paved surfaces and keep them clean, reasonably dry and free of oil and other extraneous matter.

11.25 View Obstruction. It is acknowledged and understood that views will be affected by on-going development activities in the Development, and nothing herein is intended or shall be applied to affect such development activities. However, it is recognized that it is within the jurisdiction of the Architectural Committee to take views into account in its review and approval of any Future Work, including, without limitation, proposed improvements, structures, landscaping or vegetation, including, without limitation, fences, walls, trees, and shrubs. As such, no Owner shall construct, install, or alter any improvement, structure or vegetation in any manner which is determined by the Architectural Committee to unreasonably interfere with the view from a particular Lot of the immediate vicinity or any Lot's access to direct and natural sunlight. Furthermore, Declarant reserves the right, without obligation (and without the approval of any Owner, the Board, or the Architectural Committee), to include in any Supplemental Declaration additional building restrictions applicable to specific Lots, including, without limitation, special height or similar restrictions to create certain view corridors. In connection with the approval of hedges, shrubs and/or trees, the Architectural Committee is expressly authorized to grant approval conditioned on the agreement of the Owner of the Lot upon which the tree is planted (said agreement to be for the benefit of the Association and the Lot with the affected view), to trim, top or prune the hedge, shrub or tree in such manner so that it shall not exceed at any time a stated height deemed acceptable by the Architectural Committee. Notwithstanding the foregoing, Owners acknowledge that nothing in this Section guarantees that any Owner's view will remain unobstructed or unchanged and that any Owner's view is subject to obstruction or change due to future developments. Furthermore, any Architectural Committee approval shall not be construed to be an approval of any violation of the restrictions imposed by this Declaration or other codes and regulations. Each Owner shall indemnify, defend (with counsel reasonably acceptable to the Architectural Committee), and hold harmless the Architectural Committee against any claims, losses, liabilities, costs and expenses (including reasonable attorneys' fees and costs) arising out of any improvements approved by the Architectural Committee under this Section or otherwise.



11.26 Aircraft. No aircraft, including helicopters, shall be permitted anywhere in the Covered Property.

11.27 Mechanical Equipment; Utilities; Storage. All mechanical equipment, utility and storage areas or structures on any Lot or Common Area must be (i) completely concealed from the view of any other Lot or Common Area, and (ii) constructed of such design, materials, configuration and in such location as to be compatible with the improvements on such Lot or Common Area, as well as all other architectural requirements of this Declaration, and of the Architectural Committee.

11.28 Mailboxes. No mailbox or other receptacle for delivery of mail or newspapers to any Lot or Common Area shall be erected, painted, altered or maintained on any Lot or Common Area unless such mailbox or receptacle is approved by the Architectural Committee.

11.29 Landscaping. Landscaping on Lots shall be installed according to the following schedule: With respect to any Lot upon which any Owner other than Declarant constructs a building, landscaping shall be installed within one hundred twenty (120) days after completion of the building on such Lot. Upon installation, the Owners shall thereafter maintain all landscaping on their Lot. Each Owner shall properly maintain and periodically replace when necessary any trees, plants, grass, vegetation or other landscaping located on such Owner's Lot which are not the maintenance responsibility of the Association irrespective of which party initially installed such landscaping. The Architectural Committee may amend or supplement the Design Guidelines to regulate landscaping permitted or required on any Lot. If an Owner fails to install and/or maintain landscaping in conformance with this Declaration or the Design Guidelines, or allows such Owner's Lot or landscaping to deteriorate to a dangerous, unsafe, unsightly or unattractive condition, the Board, upon thirty (30) days' prior written notice to such Owner, shall have the right to seek any remedies at law or in equity which it may have to correct such condition and to enter upon such Owner's Lot for the purpose of doing so, and such Owner shall promptly reimburse the Association correcting such condition for the cost thereof. Such cost shall be a Special Assessment enforceable in the manner set forth in this Declaration.

11.30 Night Lighting. All exterior lighting on any Lot shall require the prior written approval of the Architectural Committee; provided, however, in no event shall any lighting violate any applicable law or policy, including, without limitation, any applicable "black sky" ordinance.

11.31 Structures and Improvements; Design Approval. There shall be no excavation, construction, painting, alteration or erection of any improvement which in any way alters the exterior appearance of any Lot or Common Area, from any public or private street or from any other portion of the Covered Property (excluding minor repairs or rebuilding pursuant to the terms of this Declaration), without the prior approval of the Architectural Committee. There shall be no violation of the setback, sideyard or other requirements of the County or any other local governmental authority, notwithstanding any approval of the Architectural Committee. Unless approved by the Architectural Committee, under no circumstances, shall any Lot be modified to change the existing location of any driveway, or to create any additional driveway, alley, or access road between any Lot and any private or public street, and in no event shall any Person obtain vehicular access to any Lot except over existing or approved driveways abutting public and/or private streets.

11.32 Fences. No fence, wall, hedge or other dividing device shall be erected, painted, altered or maintained on any Lot or Common Area which borders or is visible from any public or private street, any other portion of the Covered Property, unless such fence or wall is first approved by the Architectural Committee.

11.33 Compliance With Laws. Nothing shall be done or kept in, on, or about the Covered Property, or any Lot or improvement thereon, except in compliance with all applicable laws, regulations and ordinances of any governmental authority or agency having jurisdiction over the Covered Property.



11.34 Exceptions. The restrictions set forth in Article shall not and do not apply to any of the following:

11.34.1 any part of the Covered Property which is owned by any public body;

11.34.2 any act done or proposed to be done upon the Covered Property, or any condition created thereon, by any governmental agency or entity, or the agents or employees of any governmental entity acting in the scope of their authority as such agents or employees;

11.34.3 any act done or proposed to be done upon the Covered Property, or any condition created thereon, by any utility company (including, but not limited to, companies furnishing electric, gas, water, telephone, cable television and/or sewer service to all or parts of the Covered Property) or the agents or employees of any such company, which act could be done by such company were this Declaration not made;

11.34.4 any act done or proposed to be done upon the Covered Property, or any condition created thereon, by the Declarant, for any reason, including, without limitation, in connection with the marketing and sales by Declarant of the Lots, in the course of planning for, preparing the Covered Property for and/or construction upon the Covered Property or any Lot of streets, utilities, recreational and residential buildings, and all other original improvements, and/or in connection with the exercise of any easement and/or other right reserved to Declarant in the Article hereof entitled "Easements" or in any conveyance document. The foregoing rights of Declarant shall also be assignable by Declarant, in whole or in part, in its sole and absolute discretion, and Declarant shall have the right to create variances to any of the use restrictions set forth in this Declaration, including, without limitation, any such use restriction set forth in this Article XI, in connection with the sale or transfer of any Lot by Declarant; or

11.34.5 any act done or proposed to be done upon the Covered Property, or any condition created thereon, by any Person pursuant to court order, or the order of any public officer or public agency; provided, however, the orders contemplated in this subparagraph are only those which are the result of action initiated by public officers or agencies and which embody mandatory requirements with penalties for non-performance, and are not those orders which result from the application of private parties or are merely permissive.

ARTICLE XII. INSURANCE

12.1 Duty to Obtain Insurance; Types. The Board shall obtain and continue in effect adequate blanket public liability insurance in an amount not less than Two Million Dollars (\$2,000,000), combined single-limit coverage, or in such greater amount as the Board may from time to time determine, covering all claims for personal injury and property damage arising out of a single occurrence on the Common Area. The Board shall also obtain and continue in effect fire insurance with extended coverage in an amount as near as possible to the full replacement value of the Common Area, without deduction for depreciation. Such insurance shall be maintained by the Association as named insured for the benefit of the Association, the Owners and the encumbrances upon the respective Lots or any part thereof as their interests may appear, subject, however, to loss payment requirements as set forth herein. The Board shall purchase such other insurance as the Board deems necessary, including, without limitation, errors and omissions, medical payments, malicious mischief, and vandalism insurance, fidelity bonds, workers' compensation and such other risks as shall customarily be covered with respect to planned developments similar in construction, location and use of the Covered Property.

12.2 Right and Duty of Owners to Insure. Each Owner shall obtain (i) "All-Risk" casualty and fire insurance in an amount as near as possible to the full replacement value, without deduction for depreciation or coinsurance, of all of the structural portions of the improvements on the Lot owned by such Owner in the Covered Property, and (ii) public liability insurance to cover the Owner's individual



liability for damage to person or property occurring upon the Owner's Lot or elsewhere upon the Covered Property and arising out of the use of the Owner's Lot. All such policies as may be carried by Owners shall, to the maximum extent possible, contain waivers of subrogation of claims against Declarant, the Association, the Board, the officers of the Association and all other Owners. Each Owner shall review annually the limits of the Owner's insurance coverage and shall increase such limits as appropriate. Notwithstanding the requirement for annual review, the insurance policies carried by each Owner shall, to the maximum extent possible, provide for automatic adjustments of coverage levels to reflect the changes in costs resulting from inflation. Each Owner shall designate the Association as a named insured on all policies of insurance carried by such Owner, and shall furnish the Association with a current certificate of such insurance at all times. Such policies shall not adversely affect or diminish any liability under any insurance obtained by the Association, and duplicate copies of such other policies shall be deposited with the Board. If any loss intended to be covered by insurance carried by the Association shall occur and the proceeds payable thereunder shall be reduced by reason of insurance carried by any Owner, such Owner shall assign the proceeds of such insurance carried by the Owner to the Association, to the extent of such reduction, for application by the Board to the same purposes as the reduced proceeds are to be applied.

12.3 Notice of Expiration Requirements. All of the policies of insurance maintained by the Association shall contain a provision that said policy or policies shall not be cancelled or terminated, nor expire by their terms, without thirty (30) days' prior written notice to the Board, Declarant, and Owners and their respective first Mortgagees (provided that such Mortgagees have filed written requests with the carrier for such notice) and every other person in interest who shall have requested such notice of the insurer.

12.4 Insurance Premiums. Insurance premiums for any such blanket insurance coverage obtained by the Association and any other insurance deemed necessary by the Board shall be a Common Expense to be included in the Regular Assessments levied by the Association and collected from the Owners.

12.5 Trustee for Policies. The Association, acting through its Board, is hereby appointed and shall be deemed trustee of the following rights, to the extent that the respective insurers would have the right without such waivers: (a) subrogation of claims against tenants of the Owners; (b) any defense based on co-insurance; (c) any right of set-off, counter-claim, apportionment, proration or contribution by reason of other insurance not carried by the Association; (d) any invalidity, other adverse effect or defense on account of any breach of warranty or condition caused by the Association, any Owner or any tenant of any Owner, or arising from any act, neglect, or omission of any named insured or the respective agents, contractors and employees of any insured; (e) any right of the insurer to repair, rebuild or replace, and, if the building is not repaired rebuilt or replaced following loss, any right to pay under the insurance, an amount less than the replacement value of the improvements insured or the fair market value thereof; (f) notice of the assignment of any Owner of its interest in the insurance by virtue of a Conveyance of any Lot; and (g) any right to require any assignment of any Mortgage to the insurer. As to each policy of insurance maintained by the Association which will not be voided or impaired thereby, the Association hereby waives and releases all claims against the Board, the Owners, Declarant, and the agents and employees of each of the fore-going, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by said persons, but only to the extent that insurance proceeds are received in compensation for such loss.

ARTICLE XIII. DESTRUCTION OF IMPROVEMENTS

13.1 Duty of Association. In the event of partial or total destruction of improvements upon the Common Areas, it shall be the duty of the Association to restore and repair same as promptly as practical pursuant to this Article. The proceeds of any casualty insurance maintained pursuant to this Declaration shall be used for such purpose, subject to the prior rights of Mortgagees whose interest may be protected by said policies.



13.2 Automatic Reconstruction. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be at least eighty-five percent (85%) of the estimated cost of restoration and repair, a Reconstruction Assessment, with each Owner contributing a like sum, may be levied by the Association to provide the necessary funds for such reconstruction, over and above the amount of any insurance proceeds available for such purpose, and the Board shall cause the damaged or destroyed Common Areas to be restored as closely as practical to its condition prior to the destruction or damage.

13.3 Vote of Members. In the event that the amount available from the proceeds of such insurance policies for such restoration and repair shall be less than eighty-five percent (85%) of the estimated cost of restoration and repair, the Improvements shall be replaced or restored unless twenty-five percent (25%) of the voting power of the Association objects in writing to such replacement or restoration, or votes against the same at a meeting duly called therefor. Such written objections or vote must include at least twenty-five percent (25%) of the Class A Members. If the Members do not disapprove such replacement or restoration, the Board shall levy a Reconstruction Assessment, with each Owner contributing a like sum, in order to provide the necessary funds for such reconstruction, over and above the amount of any insurance proceeds available for such purpose, and the Board shall cause the damaged or destroyed Common Areas to be restored as closely as practical to its former condition prior to the destruction or damage. In the event of a determination, as provided above, not to replace or restore the improvements on the Common Areas, the Common Areas shall be cleared and landscaped for community park use and the costs thereof shall be paid for with the insurance proceeds, and any deficiency may be raised by Reconstruction Assessments in an amount determined by the Board.

13.4 Excess Insurance Proceeds. In the event any excess insurance proceeds remain, after any reconstruction by the Association pursuant to this Article, the Board, in its sole discretion, shall distribute such sums pro-rata equally to the Owners subject to the prior rights of Mortgagees whose interest may be protected by insurance policies carried by the Association. In the absence of such prior rights, the rights of an Owner and the Mortgagee of his Lot as to such pro-rata distribution shall be governed by the provisions of the Mortgage encumbering such Lot.

13.5 Use of Reconstruction Assessments. All amounts collected as Reconstruction Assessments shall only be used for the purposes set forth in this Article and shall be deposited by the Board in a separate bank account to be held in trust for such purposes. Such funds shall not be commingled with any other funds of the Association and shall be deemed a contribution to the capital account of the Association by the Members. Any excess amounts which are so collected shall be treated in the same manner as set forth in Section 13.4 above.

ARTICLE XIV. EMINENT DOMAIN

14.1 Definition of Taking. The term "taking" as used in this Article shall mean condemnation by eminent domain or sale under threat of condemnation of all or any portion of the Common Areas.

14.2 Representation by Board in Condemnation Proceedings. In the event of a threatened taking of all or any portion of the Common Areas, the Members hereby appoint the Board and such Persons as the Board may delegate to represent all of the Members in connection with the taking. The Board shall act in its sole discretion with respect to any awards being made in connection with the taking and shall be entitled to make a voluntary sale to the condemnor in lieu of engaging in a condemnation action.

14.3 Inverse Condemnation. The Board is authorized to bring an action in inverse condemnation. In such event, the provisions of this Article shall apply with equal force.

14.4 Award for Common Areas. Any awards received on account of the taking of Common Areas shall be paid to the Association. The Board may in its sole discretion retain any award in the



general funds of the Association or distribute pro-rata all or a portion thereof to the Members. The rights of an Owner and the Mortgagee of his Lot as to any pro-rata distribution shall be governed by the provisions of the Mortgage encumbering such Lot.

ARTICLE XV. RIGHTS OF LENDERS

15.1 Filing Notice; Notices and Approvals. A Mortgagee shall not be entitled to receive any notice which this Declaration requires the Association to deliver to Mortgagees unless and until such Mortgagee, or its mortgage servicing contractor, has delivered to the Board a written notice stating that such Mortgagee is the holder of a Mortgage encumbering a Lot within the Covered Property. Such notice need not state which Lot or Lots are encumbered by such Mortgage, but shall state whether such Mortgagee is a First Mortgagee. Wherever the approval of all or a specified percentage of Mortgagees is required pursuant to this Declaration, it shall be deemed to mean the vote or approval of all or a specified percentage only of those Mortgagees which have delivered such notice to the Board. Notwithstanding the foregoing, if any right of a Mortgagee under this Declaration is conditioned on a specific written request to the Association, in addition to having delivered the notice provided in this Section, a Mortgagee must also make such request, either in a separate writing delivered to the Association or in the notice provided above in this Section, in order to be entitled to such right. Except as provided in this Section, a Mortgagee's rights pursuant to this Declaration, including, without limitation, the priority of the lien of Mortgages over the lien of Assessments levied by the Association hereunder shall not be affected by the failure to deliver a notice to the Board. Any notice or request delivered to the Board by a Mortgagee shall remain effective without any further action by such Mortgagee for so long as the facts set forth in such notice or request remain unchanged.

15.2 Priority of Mortgage Lien. No breach of the covenants, conditions or restrictions herein contained, nor the enforcement of any lien provisions herein, shall affect, impair, defeat or render invalid the lien or charge of any First Mortgage made in good faith and for value encumbering any Lot, but all of said covenants, conditions and restrictions shall be binding upon and effective against any Owner whose title is derived through foreclosure or trustee's sale, or otherwise, with respect to a Lot except as otherwise provided in this Article.

15.3 Curing Defaults. A Mortgagee or the immediate transferee of such Mortgagee, who acquires title by judicial foreclosure, deed in lieu of foreclosure or trustee's sale shall not be obligated to cure any breach of the provisions of this Declaration which is non-curable or of a type which is not practical or feasible to cure. The determination of the Board made in good faith as to whether a breach is non-curable or not feasible to cure shall be final and binding on all Mortgagees.

15.4 Resale. It is intended that any loan to facilitate the resale of any Lot after judicial foreclosure, deed in lieu of foreclosure or trustee's sale is a loan made in good faith and for value and entitled to all of the rights and protections afforded to other Mortgagees.

15.5 Relationship with Assessment Liens.

15.5.1 The lien provided for in the Article hereof entitled "Nonpayment of Assessments" for the payment of Assessments (excepting Remedial Assessments) shall be subordinate to the lien or any First Mortgage which was recorded prior to the date any such Assessment becomes due.

15.5.2 If any Lot subject to a monetary lien created by any provision hereof shall be subject to the lien of a First Mortgage: (1) the foreclosure of any lien created by anything set forth in this Declaration shall not operate to affect or impair the lien of such First Mortgage; and (2) the foreclosure of the lien of said First Mortgage or the acceptance of a deed in lieu thereof (such events being hereinafter referred to as "Events of Foreclosure") shall not operate to affect or impair the lien hereof, except that any persons who obtain an interest through any of the Events of Foreclosure,



and their successors in interest, shall take title free of the lien hereof or any personal obligation for said charges as shall have accrued up to the time of any of the Events of Foreclosure, but subject to the lien hereof for all said charges that shall accrue subsequent to the Events of Foreclosure.

15.5.3 Any Mortgagee who obtains title to a Lot by reason of any of the Events of Foreclosure, or any purchaser at a private or judicial foreclosure sale, shall take title to such Lot free of any lien or claim for unpaid Assessments against such Lot which accrue prior to the time such Mortgagee or purchaser takes title to such Lot, except for liens or claims for a share of such Assessments resulting from a pro-rata reallocation of such Assessments to all Lots within the Covered Property.

15.5.4 Nothing in this Section shall be construed to release any Owner from his obligations to pay for any Assessment levied pursuant to this Declaration.

15.6 Seventy-Five Percent (75%) Vote of Institutional Mortgagees. Except upon the prior written approval of at least seventy-five percent (75%) of Institutional Mortgagees, based on one (1) vote for each First Mortgage held, neither the Association nor the Members shall be entitled to do any of the following:

15.6.1 dissolve the Association or abandon or terminate the maintenance of the Common Areas by the Association; and

15.6.2 amend a material provision of this Declaration or the Bylaws, provided that "material amendment" shall mean amendments governing the following subjects:

- (a) the fundamental purpose for which the Development was created (such as a change from industrial use to a different use);
- (b) voting;
- (c) Assessments, Assessment liens, and subordination thereof;
- (d) the reserve for repair and replacement of the Common Areas;
- (e) property maintenance obligations;
- (f) casualty, fidelity and liability insurance;
- (g) reconstruction in the event of damage or destruction;
- (h) rights to use the Common Areas;
- (i) annexation;
- (j) any provision, which by its terms is specifically for the benefit of First Mortgagees or specifically confers rights of First Mortgagees;
- (k) restrictions on the leasing of Lots;
- (l) decisions to terminate professional management and assume self-management of the Covered Property; or



(m) Abandon, partition, sell, alienate, subdivide, release, transfer, hypothecate or otherwise encumber the Common Areas; provided, however, the granting of easements for public utilities or other public purposes consistent with the intended use of the Common Areas shall not require such approval.

15.7 Other Rights of Institutional Mortgagees. Any Institutional Mortgagee or its mortgage servicing contractor shall, upon written request to the Association, be entitled to:

15.7.1 inspect the books and records of the Association during normal business hours;

15.7.2 receive the annual audited financial statements of the Association one hundred and twenty (120) days following the end of the Association's fiscal year;

15.7.3 receive written notice of all annual and special meetings of the Members of the Board, and Institutional Mortgagees shall further be entitled to designate a representative to attend all such meetings in order to, among other things, draw attention to violations of this Declaration which have not been corrected or made the subject of remedial action by the Association; provided, however, nothing contained in this Section shall give an Institutional Mortgagee the right to call a meeting of the Board or of the Members for any purpose or to vote at any such meeting; and

15.7.4 receive written notification from the Association of any default in the performance of the obligations imposed by this Declaration by the Owner whose Lot is encumbered by such Institutional Mortgagee's Mortgage, which default has not been cured within sixty (60) days of a request therefor by the Association; provided, however, the Association shall only be obligated to provide such notice to Institutional Mortgagees who have delivered a written request therefor to the Association specifying the Lot or Lots to which such request relates.

15.8 Mortgagees Furnishing Information. Mortgagees are hereby authorized to furnish information to the Board concerning the status of any Mortgage.

15.9 Right of First Refusal. In the event this Declaration is amended to provide for any right of first refusal to purchase or lease a Lot in the Association, a Mortgagee who comes into possession of a Lot pursuant to a judicial foreclosure, a deed in lieu of foreclosure or a trustee's sale shall be exempt therefrom. In addition, conveyances to and from third party foreclosure purchasers and mortgage insurers and guarantors shall also be exempt.

15.10 Conflicts. In the event of any conflict between any of the provisions of this Article and any of the other provisions of this Declaration, the provisions of this Article shall control.

15.11 Voting Rights of Institutional Mortgagees. In the event of a default by an Owner in any payment due under the terms of any Institutional Mortgage held by an Institutional Mortgagee or the promissory note secured thereby, the Institutional Mortgagee or its representative shall have the right, upon giving written notice to such defaulting Owner and the Association and placing of record a notice of default, to exercise the voting rights of such defaulting Owner attributable to such Lot at any regular or special meeting of the Members held during such time as such default may continue. Any such Owner's voting rights shall be restored to him at such time as such default is cured.

15.12 Notice of Destruction or Taking. In the event that any Common Areas, or any portion thereof, is substantially damaged or is made the subject of any condemnation proceeding in eminent domain or is otherwise sought to be acquired by a condemning authority, the Board shall promptly notify any Institutional Mortgagee affected by such destruction, taking or threatened taking. As used herein, "substantially damaged" or "taking" shall mean damage or taking exceeding Ten Thousand Dollars



(\$10,000). If requested in writing by an Institutional Mortgagee, the Association shall evidence its obligations under this Section in a written agreement in favor of such Institutional Mortgagee.

15.13 Payment of Taxes or Premiums by Institutional Mortgagees. Institutional Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Areas, unless such taxes or charges are separately assessed against the Owners, in which case the rights of Institutional Mortgagees shall be governed by the provisions of their Mortgages. Institutional Mortgagees may, jointly or singly, also pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for the Common Areas and Institutional Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association. Entitlement to such reimbursement shall be reflected in an agreement in favor of any Institutional Mortgagee which requests the same to be executed by the Association.

ARTICLE XVI. INTEGRATED NATURE OF THE COVERED PROPERTY

16.1 Development of the Covered Property. Declarant intends to sequentially develop the Annexation Property on a phased basis; provided, however, Declarant may elect not to develop all or any part of such real property, to annex such real property to this Declaration in increments of any size whatsoever, or to develop more than one such increment at any given time and in any given order. Moreover, Declarant reserves the right to subject all or any portion of the Annexation Property to the plan of this Declaration or one or more separate declarations of covenants, conditions and restrictions which subjects said property to the jurisdiction and powers of an association or other entity with powers and obligations similar to the Association and which is not subject to the provisions of this Declaration. Although Declarant shall have the ability to annex the Annexation Property as provided in this Article, Declarant shall not be obligated to annex all or any portion of such property, and such property shall not become subject to this Declaration unless and until a Supplemental Declaration shall have been so executed and recorded. The Owners of any property annexed to this Declaration shall have the right to the same access, use, and enjoyment of the Common Areas, including all easement rights thereto, as if such annexed property was part of the Phase I Property. Notwithstanding any other provision herein, Declarant shall have the unilateral right to annex neighboring properties into this Declaration and/or establish reciprocal easements and/or other rights for such properties and the owners thereof. Nothing herein is intended or shall be applied to reduce or materially affect any Owner's use or enjoyment of such Owner's Lot.

16.2 Supplemental Declarations. A Supplemental Declaration shall be a writing in recordable form which annexes real property to the plan of this Declaration and which incorporates by reference some or all of the covenants, conditions, restrictions, easements and other provisions of this Declaration and shall contain such other provisions as set forth in this Declaration relating to Supplemental Declarations. Such Supplemental Declarations contemplated above may contain such complementary additions and modifications of the covenants, conditions and restrictions contained in this Declaration (i) as may be necessary to reflect the different character, if any, of the Annexation Property, (ii) as may be required by any governmental authorities, (iii) as deemed appropriate by Declarant, or (iv) as may be appropriate in the development of the Annexation Property. Notwithstanding the foregoing, in the event of any direct conflict between the terms of any Supplemental Declaration and the terms of this Declaration, the terms of this Declaration shall control.

16.3 Annexation Without Approval and Pursuant to General Plan. All or any part of the Annexation Property may be annexed to and become subject to this Declaration and subject to the jurisdiction of the Association without the approval, assent or vote of the Association or its Members, provided that a Supplemental Declaration covering the portion of the Annexation Property to be annexed, shall be executed and recorded by Declarant in the Official Records. The recordation of said Supplemental Declaration shall constitute and effectuate the annexation of the said real property described therein, making said real property subject to this Declaration and subject to the functions, powers and jurisdiction of the Association, and thereafter said annexed real property shall be part of the



Covered Property and all of the Owners of Lots in said annexed real property shall automatically be Members.

16.4 Annexation Pursuant to Approval. Upon approval in writing of the Association, pursuant to a two-thirds (2/3) majority of the voting power of the Association residing in Members other than Declarant, any person who desires to add real property, other than the Annexation Property to the plan of this Declaration and to subject such property to the jurisdiction of the Association, may file of record a Supplemental Declaration. The provisions of this Section shall also apply to the Annexation Property subsequent to the expiration of the power of Declarant to annex such property without the approval of the Members as provided in this Article. The certificate of the President and the Secretary of the Association attached to any Supplemental Declaration recorded pursuant to this Section certifying that the required two-thirds (2/3) majority of the voting power of the Association residing in Members other than Declarant has approved the recordation of such Supplemental Declaration shall be deemed conclusive proof thereof.

16.5 Mergers or Consolidations. Upon a merger or consolidation of the Association with another association which merger or consolidation must be approved by two-thirds (2/3) of each class of Members, the Association's properties, rights and obligations may, by operation of law, be transferred to the surviving or consolidated association, or, alternatively, the properties, rights and obligations of another association may, by operation of the law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants, conditions and restrictions established by this Declaration within the Covered Property, together with the covenants, conditions and restrictions established upon any other property as one plan.

16.6 De-Annexation. Any portion of the Phase I Property or any property annexed to the Covered Property by the Declarant, in accordance with the provisions of this Declaration, may be removed by Declarant as a portion of the Covered Property and from the jurisdiction of this Declaration and the Association at any time by the recordation in the Official Records of an appropriate Declaration of Removal, provided that such removal shall take place before any Lot within the Phase I Property, or any Lot in the annexed parcel, as applicable, has been sold to a Retail Purchaser. Any property which is removed by Declarant may be annexed, at a future date, to the Covered Property in accordance with the provisions of this Declaration.

ARTICLE XVII. GENERAL PROVISIONS

17.1 Enforcement. The Association, or any Owner, shall have the right to enforce by proceedings at law or in equity, all restrictions, conditions, covenants and reservations, now or hereafter imposed by the provisions of this Declaration or any amendment thereto, including the right to prevent the violation of any such restrictions, conditions, covenants, or reservations and the right to recover damages or Assessments for such violation. The Association, or any Owner, shall also have the right to enforce by proceedings at law or in equity the provisions of the Articles or Bylaws and any amendments thereto. With respect to architectural control and Association Rules, the Association shall have the exclusive right to the enforcement thereof unless the Association refuses or is unable to effectuate such enforcement, in which case any Owner who otherwise has standing shall have the right to undertake such enforcement. With respect to Assessment liens, the Association shall have the exclusive right to the enforcement thereof.

17.2 No Waiver. Failure by the Association or by any Member to enforce any covenant, condition, or restriction herein contained, or the Articles, Bylaws or Association Rules, in any certain instance or on any particular occasion shall not be deemed a waiver of such right on any such future breach of the same or any other covenant, condition or restriction.



17.3 Cumulative Remedies. All rights, options and remedies of Declarant, the Association, Owners, or Mortgagees under this Declaration are cumulative, and not one of them shall be exclusive of any other, and Declarant, the Association, Owners, and Mortgagees shall have the right to pursue any one or all of such rights, options and remedies or any other remedy or relief which may be provided by law, whether or not stated in this Declaration.

17.4 Severability. Invalidation of any one or a portion of these covenants, conditions or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

17.5 Covenants to Run with the Land; Term. The covenants, conditions and restrictions of this Declaration shall run with and bind the Covered Property and shall inure to the benefit of and be enforceable by the Association or any Owner, their respective legal representatives, heirs, successors and assigns, for a term of sixty (60) years from the date this Declaration is recorded, after which time said covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years, unless an instrument, signed by a majority of the then Owners and seventy-five percent (75%) of the Institutional Mortgagees, based on one (1) vote for each First Mortgage held, has been recorded at least one (1) year prior to the end of any such period, agreeing to terminate said covenants, conditions and restrictions in whole or in part.

17.6 Sale or Title Transfer. Any Owner, prior to the sale or transfer of his interest, must provide the prospective purchaser with a copy of (1) this Declaration, (2) the Bylaws, (3) the Articles, (4) the most recent financial statements, and (5) a statement from an authorized representative of the Association listing all unpaid Assessments and charges against the interest being sold. The Association shall provide any Owner with a copy of the items listed in the preceding sentence within ten (10) days of receiving a written request. The Association's fee for this service shall not exceed the cost of providing these items. The Association shall not collect any fee in connection with any transfer of title except the Association's actual costs to change records.

17.7 Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a plan for the development of an industrial/commercial community or tract and for the maintenance of the Covered Property. The Article and Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.

17.8 Singular Includes Plural. Whenever the context of this Declaration requires same, the singular shall include the plural and the masculine shall include the feminine and the neuter.

17.9 Nuisance. The result of every act or omission, whereby any provision, condition, restriction, covenant, easement, or reservation contained in this Declaration is violated in whole or in part, is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance, either public or private, shall be applicable against every such result, and may be exercised by the Association or any Member. Such remedy shall be deemed cumulative and not exclusive.

17.10 Attorneys' Fees. In the event action is instituted to enforce any of the provisions contained in this Declaration, the party prevailing in such action shall be entitled to recover from the other party thereto as part of the judgment, reasonable attorneys' fees and costs of such suit (including post-judgment attorneys' fees and costs).

17.11 Notices. Any notice to be given to an Owner, the Association, or a Mortgagee or mortgage servicing contractor under the provisions of this Declaration shall be in writing and shall be deemed to have been given upon (i) hand delivery, (ii) one (1) Business Day after being deposited with Federal Express or another reliable overnight courier service for next day delivery, (iii) upon facsimile transmission (except that if the date of such transmission is not a Business Day, then such notice shall be



deemed to be given on the first Business Day following such transmission), or (iv) two (2) Business Days after being deposited in the United States mail, registered or certified mail, postage prepaid, return-receipt requested, and addressed as follows:

17.11.1 If to an Owner: to the most recent address furnished by such Owner in writing to the Association for the purpose of giving notice, or if no such address shall have been furnished, then to the street address of such Owner's Lot. In the case of co-Owners, any such notice may be delivered or sent to any one (1) of the co-Owners on behalf of all co-Owners and shall be deemed delivery on all such co-Owners;

17.11.2 If to the Association: to the address furnished by the Association or the address of its principal place of business;

17.11.3 If to a Mortgagee or its mortgage servicing contractor: to the address furnished to the Association by such Mortgagee or such contractor for the purposes of notice or, if no such address is furnished, to any office of the Mortgagee in the County, or if no such office is located in the County, to any office of such Mortgagee; and

17.11.4 If to Declarant: to Desert Business Park, L.L.C., c/o Investco Financial Corporation, 1302 Puyallup Street, Suite A, Sumner, WA 98390, or to such other address furnished by Declarant in writing to the Association for the purpose of giving notice.

The affidavit of an Officer or authorized agent of the Association declaring under penalty of perjury that a notice has been mailed to any Owner or Owners, to any Mortgagee or Mortgagees shown on the records of the Association, shall be deemed conclusive proof of such mailing, whether or not such notices are actually received.

17.12 Obligations of Declarant. So long as Declarant owns any portion of the Development, Declarant shall not be subject to the provisions of the Article entitled "Architectural Control" or the provisions of the Article entitled "Use Restrictions" to the extent necessary to exercise Declarant's rights and fulfill Declarant's duties with regard to the development and disposal of the Covered Property.

17.13 Effect of Declaration. This Declaration is made for the purposes set forth in the Recitals to this Declaration and Declarant makes no warranties or representations, express or implied, as to the binding effect or enforceability of all or any portion of this Declaration, or as to the compliance of any of these provisions with public laws, ordinances and regulations applicable thereto.

17.14 Personal Covenant. To the extent the acceptance of a conveyance of a Lot creates a personal covenant between the Owner of such Lot and Declarant or other Owners, such personal covenant shall terminate and be of no further force or effect from and after the date when a person or entity ceases to be an Owner except to the extent this Declaration may provide otherwise with respect to the payment of money to the Association.

17.15 Non-liability of Officials. To the fullest extent permitted by law, neither the Board, the Architectural Committee, any other committees of the Association, or any member of such Board or committee, shall be liable to any Member of the Association for any damage, loss or prejudice suffered or claimed on account of any decision, approval or disapproval of plans or specifications (whether or not defective), course of action, act, omission, error, negligence or the like, made in good faith within which such Board, committees or persons reasonably believed to be the scope of their duties.

17.16 Leases. Any agreement for the leasing or rental of a Lot (hereinafter in this Section referred to as a "Lease") shall provide that the terms of such Lease shall be subject in all respects to the provisions of this Declaration, the Articles, the Bylaws, and the Association Rules. Said Lease shall further provide that any failure by the lessee thereunder to comply with the terms of the foregoing



documents shall be a default under the Lease. All Leases shall be in writing. Any Owner who shall lease his Lot shall be responsible for assuring compliance by such Owner's lessee with this Declaration, the Articles, the Bylaws and the Association Rules. Notwithstanding the failure of an Owner either to include such provisions in the Lease or to enter into a written lease, the tenant shall be deemed to have entered into such tenancy subject to the provisions of this Section. No Lot shall be leased for transient purposes, which shall be defined as rental for any period less than thirty (30) days.

17.17 Construction by Declarant. Nothing in this Declaration shall limit the right of Declarant to alter the Common Areas or Lots, or to construct such additional improvements as Declarant deems advisable prior to completion of improvements upon and the sale of the entire Development. Such right shall include but shall not be limited to erecting, constructing and maintaining on the Covered Property such structures and displays as may be reasonably necessary for the conduct of the business of completing the work and disposing of the same by sale, lease or otherwise. This Declaration shall not limit the right of Declarant at any time prior to acquisition of title by a purchaser from Declarant to establish on the Covered Property additional licenses, reservations and rights-of-way to itself, to utility companies, or to others as may from time to time be reasonably necessary to the proper development and disposal of the Development. Declarant reserves the right to alter its construction plans and designs as it deems appropriate. The rights of Declarant hereunder may be assigned to any successor or successors to all or part of said entity's respective interest in the Development, by an express assignment incorporated in a recorded deed, lease, or other instrument, as the case may be, transferring such interest to such successor.

17.18 Right to Cure Alleged Defects. It is the Declarant's intent that the Common Area, each Lot, and all improvements constructed on the Covered Property, be built in compliance with all applicable building codes and ordinances and that they be of a quality that is consistent with good construction and development practices for production housing of the type contemplated for the Development. Nevertheless, due to the complex nature of construction and the subjectivity involved in evaluating such quality, disputes may arise as to whether a defect exists and the Declarant's responsibility therefor. It is the Declarant's intent to resolve all disputes and claims regarding "Alleged Defects" (as defined below) amicably, and without the necessity of time consuming and costly litigation. Accordingly, the Association, the Board and all Owners shall be bound by the following claim resolution procedure:

17.18.1 Right to Cure. In the event that the Association, Board or any Owner or Owners (collectively, "Claimant") claims, contends or alleges that any portion of the Common Area, any Lot, and/or any improvements constructed on the Covered Property by Declarant are defective or that Declarant was negligent in the planning, design, engineering, grading, construction or other development thereof (collectively, an "Alleged Defect"), Declarant hereby reserves the right to inspect, repair and/or replace such Alleged Defect as set forth herein; provided, however, nothing herein is intended nor shall be applied to create any obligation of Declarant.

17.18.2 Notice. In the event that a Claimant discovers any Alleged Defect, Claimant shall notify the Declarant, in writing, within fifteen (15) days of discovery of the Alleged Defect, of the specific nature of such Alleged Defect and such other matters as required by applicable law ("Notice of Alleged Defect").

17.18.3 Right to Enter, Inspect, Repair, and/or Replace. Within a reasonable time after the receipt by Declarant of a Notice of Alleged Defect or the independent discovery of any Alleged Defect by Declarant, as part of Declarant's reservation of rights, Declarant shall have the right, upon reasonable notice to Claimant and during normal business hours, to enter onto or into, as applicable, the Common Area, any Lot, including any structures, warehouses, units, or other improvements constructed thereon, for the purposes of inspecting and, if deemed necessary by Declarant, repairing and/or replacing such Alleged Defect. In conducting such inspection, repairs and/or replacement, the Declarant shall be entitled to take any actions as it shall deem reasonable and necessary under the circumstances. In the event Declarant elects to repair or replace such Alleged Defect, such shall serve as the Claimant's sole and exclusive remedy for such Alleged Defect.



17.18.4 Legal Actions. All legal actions initiated by a Claimant shall be brought in accordance with and subject to the express terms of this Declaration. In the event a Claimant initiates any legal action, cause of action, proceeding, reference or arbitration against Declarant alleging damages (1) for the costs of repairing or the replacement of any Alleged Defect, (2) for the diminution in value of any real or personal property resulting from such Alleged Defect, or (3) for any consequential damages resulting from such Alleged Defect, any judgment or award in connection therewith shall first be used to correct and or repair such Alleged Defect or to reimburse the Claimant for any costs actually incurred by such Claimant in correcting and/or repairing the Alleged Defect. In the event the Claimant is the Association, the Association must provide written notice to all Members of its intent to pursue any legal action, cause of action, proceeding, reference or arbitration against Declarant. Thereafter, prior to initiating any legal action, cause of action, proceeding, reference or arbitration against Declarant, such action must be approved by a majority of the voting power of the Association. The foregoing notice shall, at a minimum, include (1) a description of the Alleged Defect, (2) a description of the attempts of the Declarant to correct such Alleged Defect and the opportunities provided to Declarant to correct such Alleged Defect, (3) a certification from an engineer licensed in the State of California that such Alleged Defect exists along with a description of the scope of work necessary to cure such Alleged Defect and a resume of such engineer, (4) the estimated cost to repair such Alleged Defect, (5) the name and professional background of the attorney retained by the Association to pursue the claim against Declarant and a description of the relationship between such attorney and any members of the Board (if any), (6) a description of the fee arrangement between such attorney and the Association, (7) the estimated attorneys' fees and expert fees and costs necessary to pursue the claim against Declarant and the source of the funds which will be used to pay such fees and expenses, (8) the estimated time necessary to conclude the action against Declarant, and (9) an affirmative statement from the Board that the action is in the best interests of the Association and its Members. In the event the Association recovers any funds from Declarant (or any other Person) to repair an Alleged Defect, any excess funds remaining after repair of such Alleged Defect shall be paid into the Association's reserve fund.

17.18.5 No Additional Obligations; Irrevocability and Waiver of Right. Nothing set forth in this Section shall be construed to impose any obligation on Declarant to inspect, repair or replace any item or Alleged Defect for which Declarant is not otherwise obligated to do under applicable law or any limited warranty provided by Declarant in connection with the sale of the Lots and/or the improvements constructed thereon. The right of Declarant reserved hereby to enter, inspect, repair, and/or replace, shall be irrevocable and may not be waived or otherwise terminated except by a writing, in recordable form, executed and recorded by Declarant in the Official Records.

17.18.6 Scope of Duties. The duties of the Owners and the Association set forth in this Section shall be in addition to all duties imposed by California Civil Code Sections 1368.4 and 1375, as the same may be amended from time to time.

17.19 Amendments. This Declaration may be amended as follows:

17.19.1 notwithstanding any other provisions of this Declaration, but subject to Section 17.28.1 below, Declarant reserves the right at any time to unilaterally make certain amendments to this Declaration, including any exhibits attached hereto, to amend same to add any necessary easements and/or use rights consistent with the overall development of the Covered Property, and to make technical corrections, correct errors or omissions, or more precisely describe the actual sizes and locations of the areas or improvements described herein including, without limitation, such adjustments to Lot lines, Common Area boundaries and/or any other matters as necessary to accommodate minor encroachments of improvements in, to, over, or across any Lot or Common Area, and each Owner by acceptance of a grant deed to its Lot, acknowledges, accepts, and takes subject to the possibility of such possible adjustments. Declarant shall effect such changes by preparing or causing to be prepared, and recording or causing to be recorded, a declaration in a form determined by Declarant or as part of any Supplemental Declaration;



17.19.2 notwithstanding any other provisions of this Declaration, but subject to Section 17.28.1 below, at any time prior to the third (3rd) anniversary of the Initial Sale Date, Declarant may unilaterally amend this Declaration by recording a written instrument which effects the amendment and is signed and acknowledged by Declarant. Notwithstanding any other provisions of this Declaration, at any time prior to the first (1st) anniversary of the recordation of a particular Supplemental Declaration, Declarant may unilaterally amend such Supplemental Declaration by recording a written instrument which effects the amendment and is signed and acknowledged by Declarant;

17.19.3 until such time as there is a Class A membership pursuant to this Declaration, amendments or modifications shall be effective when executed by Declarant and when recorded in the Official Records of the County. Thereafter, subject to Declarant's rights to unilaterally amend this Declaration as provided herein, as long as there is a Class B membership, any amendments shall require the affirmative written consent or vote of a majority of a quorum of the voting power of the Association. After the Class B membership has been converted to Class A membership, amendments to this Declaration may be enacted only by the vote or written assent of Members representing both a majority of a quorum of the voting power of the Association and a majority of a quorum of the voting power of the Association residing in Members other than the Declarant;

17.19.4 in addition to the foregoing, any amendment or modification of the Articles hereof entitled "Covenant for Maintenance Assessments," "Nonpayment of Assessments," "Architectural Control," "Repair and Maintenance," "Destruction of Improvements" and "Eminent Domain" shall additionally require the prior written approval of not less than sixty-seven percent (67%) of a quorum of the Class A Members;

17.19.5 an amendment or modification that requires the vote and written assent of the Members as hereinabove provided shall be effective when executed by the President and Secretary of the Association who shall certify that the amendment or modification has been approved as hereinabove provided, and when recorded in the Official Records. The notarized signature of the Members shall not be required to effectuate an amendment of this Declaration;

17.19.6 notwithstanding the foregoing, any provisions of this Declaration, or the Articles, Bylaws or Association Rules which expressly requires the approval of a specified percentage of the voting power of the Association for action to be taken under said provision can be amended only with the affirmative vote or written assent of not less than the same percentage of the voting power of the Association;

17.19.7 notwithstanding the foregoing, any amendment or modification which impacts any of the rights of Declarant contained herein shall not be effective unless approved by Declarant; and

17.19.8 the Association, or any Owner, may petition the County superior court for an order reducing the percentage of the affirmative votes necessary to amend this Declaration. The petition shall describe the effort that has been made to solicit approval of the Association members in the manner provided in this Declaration. The Petition shall also describe the number of affirmative and negative votes actually received, the percentage of affirmative votes required to effect the amendment in accordance with this Declaration, and other matters the petitioner considers relevant to the court's determination. The petition shall also contain as exhibits thereto, copies of all of the following: (1) the governing documents, (2) a complete text of the amendment, (3) copies of solicitation and notice materials utilized in the solicitation of owner approvals, (4) a short explanation of the reason for the amendment, and (5) any other documentation relevant to the court's determination.



17.20 Alternative Dispute Resolution. In the event of a dispute between or among (a) Declarant and any Owner(s) or the Association, or (b) any Owner and another Owner, or (c) the Association and any Owner, regarding any controversy or claim between the parties, including, without limitation, any claim based on contract, tort, or statute, arising out of or relating to the rights or duties of the parties under this Declaration or the design or construction of the Development (excluding disputes relating to the payment of any type of Assessments), the matter will be heard by a referee pursuant to the provisions of the California Code of Civil Procedure, Sections 638-645, inclusive.

17.21 Limitation on Expenditures. The Association shall not incur litigation expenses, including, without limitation, attorneys' fees, where the Association initiates legal proceedings or is joined as a plaintiff in legal proceeding, without the approval of a majority of the voting power of the Association, excluding the voting power of any Owner who would be a defendant in such proceedings. Such approval shall not be necessary if the legal proceedings are initiated to (i) enforce the restrictions contained in Article XI hereof, (ii) enforce the architectural control provisions contained in Article V hereof, or (iii) collect any unpaid Assessments levied pursuant to this Declaration.

17.22 Limitation on Damages. Any judgment for money damages entered pursuant to this Declaration shall be strictly limited to compensatory damages for injury to Persons and property, which compensatory damages shall exclude all damages for pain, suffering, and other non-economic damages. In addition, under no circumstances shall punitive damages be permitted. Any provision of this Declaration to the contrary notwithstanding, no portion of this Section may be amended or deleted at any time without Declarant's prior written consent.

17.23 No Representations or Warranties. No representations or warranties of any kind, express or implied, have been given or made by Declarant in connection with the Covered Property, or any portion thereof, its physical condition, zoning, compliance with applicable laws, fitness for intended use, or in connection with the subdivision, sale, operation, maintenance, cost of maintenance, or taxes or regulation thereof, except as expressly set forth in this Declaration.

17.24 Enforcement by County of Riverside. The covenants, conditions and restrictions of this Declaration shall run to the County insofar as they shall apply to the maintenance of the Common Area. In the event the Association or other legally responsible person(s) fail to maintain the Common Area in such a manner as to cause the Common Area to constitute a public nuisance, the County may, upon proper notice and hearing, institute summary abatement procedures and impose a lien for the costs of such abatement upon the Common Area, individual Lots or the whole thereof as provided by law.

17.25 Applicability of Governmental Regulation. The covenants, conditions and restrictions contained herein are separate and distinct from any zoning building or other law, ordinance rule or regulation of the County or any other governmental authority having jurisdiction over the Covered Property, which law, ordinance, rule or regulation now or in the future may contain different requirements from or in addition to those contained herein or which may prohibit uses permitted herein or permit uses prohibited herein. In the event of any conflict between the provisions hereof and the provisions of any such law, ordinance, rule or regulation, the Owner must first comply with all governmental laws, ordinances, rules or regulations and then, to the extent same are not in conflict with such governmental laws, ordinances, rules or regulations, the Owner must comply with those covenants, conditions and restrictions. Upon a finding that compliance herewith would result in such a violation, the Architectural Committee shall waive any such covenant, condition or restrictions to the extent that compliance therewith would result in such a violation, and, in connection therewith, the Architectural Committee may impose such conditional, additional, or alternative non-conflicting covenants, conditions and restrictions as may be necessary to carry out the intent of this Declaration.

17.26 Compliance With Del Webb Restrictions. Each Owner, by acceptance of a deed to such Owner's Lot, acknowledges that, in addition to being subject and bound by the restrictions and obligations contained in this Declaration, all Owners are subject to and bound by the restrictions and obligations



contained in the Del Webb Restrictions, and that each Owner's compliance with or performance of the restrictions and obligations contained herein will not be in lieu of complying with or performing the restrictions and obligations contained in the Del Webb Restrictions. In the event of any conflict between the terms of this Declaration and the terms of the Del Webb Restrictions, the terms of the Del Webb Restrictions shall control.

17.27 No Third Parties Benefited. No Owner (other than Declarant) nor any of the tenants or other occupants of the Covered Property shall have the right to authorize, license or permit the use of the Common Areas for the benefit of any real property other than the Covered Property. Nothing herein contained shall be deemed to be a gift or dedication of any portion of the Covered Property to the general public or for the general public or for any public purposes whatsoever, it being the intention of Declarant that this Declaration shall be strictly limited to and for the purposes herein expressed. The right of the public or any person to make any use whatsoever of the Covered Property or of any portion or portions thereof is by permission, and subject to control of the Owners. Notwithstanding any other provisions herein to the contrary, Declarant may periodically restrict ingress to and egress from the Covered Property as may reasonably be required to prevent a prescriptive easement from arising by reason of continued public use, so long as such restriction does not materially and adversely impact any access, ingress and egress to and from any Lot(s) within the Covered Property.

17.28 Riverside County Conditions. The following provisions for the express benefit of the County are required to be contained herein pursuant to those certain conditions of approval issued by the County. In the event of any conflict between the following provisions and any similar provisions contained elsewhere in this Declaration, the following provisions shall control:

17.28.1 Notwithstanding any provision in this Declaration to the contrary, the following provisions shall apply:

(a) The Association established herein shall manage and continuously maintain the Common Area more particularly described on Exhibit "C" attached hereto, and shall not sell or transfer the Common Area or any part thereof, absent the prior written consent of the Planning Department of the County of Riverside or the County's successor-in-interest.

(b) The Association shall have the right to assess the Owners of each individual parcel for the reasonable cost of maintaining such Common Area, and shall have the right to lien the property of any such Owner who defaults in the payment of a maintenance assessment. An assessment lien, once created, shall be prior to all other liens recorded subsequent to the notice of assessment or other document creating the assessment lien.

(c) This Declaration shall not be terminated, "substantially" amended, or property deannexed therefrom absent prior written consent of the Planning Director of the County of Riverside or the County's successor-in-interest. A proposed amendment shall be considered "substantial" if it affects the extent, usage, or maintenance of the Common Area or any reciprocal easement established pursuant to this Declaration.

(d) In the event of any conflict between this Declaration and the Articles, Bylaws or the Association Rules, if any, this Declaration shall control.

ARTICLE XVIII. ANNUAL INSPECTION

18.1 Duty to Inspect. It shall be the duty of the Board to have the Common Areas inspected at least once every three (3) years.

18.2 Purpose of Inspection. The purpose of the inspection shall be to (i) determine whether the Common Areas are being maintained adequately in accordance with the standards of maintenance



established herein, (ii) identify the condition of the Common Areas and any improvements thereon including the existence of any hazards or defects, and the need for performing additional maintenance, refurbishment, replacement, or repair, and (iii) recommend preventive actions which may be taken to reduce potential maintenance costs to be incurred in the future.

18.3 Scope of Inspection. All of the Common Areas and improvements thereon including, but not limited to, the exterior and structural integrity of all structures, gates, walls, walkways, irrigation systems, landscaping, and drainage devices shall be inspected.

18.4 Experts and Consultants. The Board may employ such experts and consultants as are necessary to perform the inspection and make the report required by this Article.

18.5 Report to Owners. The Board shall have a report of the results of the inspection of the Common Areas required by this Article prepared. The report shall be furnished to Owners within a reasonable time after same is completed. The report shall, at a minimum, include the following:

18.5.1 a description of the condition of the Common Areas, including a list of items inspected, and the status of maintenance, repair and need for replacement of all such items;

18.5.2 a description of all maintenance, repair and replacement planned for the ensuing fiscal year;

18.5.3 if any maintenance, repair or replacement is to be deferred, the reason for such deferral;

18.5.4 a summary of all reports of inspections performed by any expert or consultant employed by the Board to perform inspections;

18.5.5 a report of the status of compliance with the maintenance, replacement and repair needs set forth in the inspection report for preceding years; and

18.5.6 such other matters as the Board deems appropriate.

ARTICLE XIX. DECLARANT RIGHTS

19.1 Power of Attorney. Each Owner (including the Association), by accepting a deed to any Lot, shall be deemed to have constituted and irrevocably appointed, for himself (itself) and each of his Mortgagees, optionees, grantees, licensees, trustees, receivers, lessees, tenants, judgment creditors, heirs, legatees, devisees, administrators, executors, legal representatives, successors and assigns, whether voluntary or involuntary, for a period of ten (10) years from the date of the recording of this Declaration, Declarant as his Attorney-in-Fact and thereby to have conveyed a Power of Attorney coupled with an interest to Declarant as his (its) Attorney-in-Fact to do the following:

19.1.1 To prepare or cause to be prepared, execute, acknowledge, file or cause to be filed for approval and file or record or cause to be filed or recorded any map, certificate or record of survey or amendment to an existing map, certificate or record of survey required or permitted by the provisions of the Subdivision Map Act of the State of California in effect on the date of recordation of this Declaration and as thereafter amended and any ordinances, rules and regulations of any governmental entities and authorities having jurisdiction over the Development in effect on the date of recordation of this Declaration and as thereafter enacted or amended, or which may be required or permitted by any title insurer and in connection therewith, to perform all conditions, undertake any obligations and execute all agreements and documentation required or permitted by any federal, state and local governmental entities and authorities; to appear before any such



governmental entities and authorities; and execute, acknowledge and deliver any improvement agreements and bonds and post deposits securing the performance of any such conditions and obligations.

19.1.2 To prepare or cause to be prepared, execute, acknowledge and file or cause to be filed for approval, any application for zoning or setback changes or variance or special use permits or any other permits and/or reports required or permitted by laws of the State of California in effect on the date of recordation of this Declaration and as thereafter enacted or amended and any ordinances, rules and regulations of any governmental entities and authorities having jurisdiction over the Development in effect on the date of recordation of this Declaration and as thereafter enacted or amended and, in connection therewith, to perform all conditions, undertake any obligations and execute all agreements and documentation required or permitted by any federal, state and local governmental entities and authorities; to appear before any such governmental entities and authorities; and to execute and deliver any improvement agreements and bonds and post deposits securing the performance of any such conditions and obligations.

19.1.3 To make application for any property reports or public reports or amendments thereto or exceptions from the requirements therefor required or permitted in order to comply with federal and state statutes, rules and regulations relating to the sale, lease, transfer or other disposition of subdivided lands to the public and, in connection therewith, to perform all conditions, undertake any obligations and execute all agreements and documentation required or permitted by any federal, state and local governmental entities and authorities; to appear before any such governmental entities and authorities; and to execute and deliver any agreements and bonds securing the performance of the obligations contained therein.

19.1.4 To deliver any public reports or property reports, or amendments thereto, obtain receipts and offer and administer rescission rights required by law.

19.1.5 To prepare or cause to be prepared, execute, acknowledge, file or cause to be filed for approval, any registration or any application for any permit, approval, exemption, ruling or entitlement required or permitted pursuant to any law or regulation in effect as of the date of the recording of this Declaration and as thereafter enacted or amended by any federal, state and local governmental entities and authorities, and in connection therewith to perform all conditions, undertake any obligations and execute all agreements and documentation required or permitted by such governmental body and by any such laws and regulations; to appear before any such governmental bodies and to execute and deliver any agreement and bonds and post-deposits securing the performance of any such conditions and obligations; and do all other things now or hereafter permitted or required by any such governmental body and any such laws and regulations.

19.1.6 To prepare or cause to be prepared, execute, acknowledge and record or cause to be recorded any deeds, waivers, releases, reconveyances or other documentation which may be permitted or required to clear title to any Lots in the Development.

19.1.7 To prepare or cause to be prepared, execute, acknowledge and record or cause to be recorded in the Official Records any deeds, waivers, releases, reconveyances or other documentation which may be permitted or required to clear title to any property conveyed as provided herein, including, without limitation, to correct any errors or omissions in any deed or other instrument the purpose of which is to convey property as Common Area to the Association or any applicable public district.

19.1.8 To do any and all things necessary or desirable under the circumstances to effect and accomplish the purposes of this Article.



19.1.9 To (i) form and establish any district(s), and (ii) consent by vote or any other means to the formation, establishment, and/or operation of any such district(s) for the acquisition, maintenance, repair and/or ownership of all or any portion of the Common Areas. In connection therewith, Declarant may take the following actions with respect to such district(s):

- (a) The adoption of additional purposes or powers for such district(s);
- (b) The designation and/or redesignation of members of the Board of Directors of such district(s) upon such an office becoming vacant and an increase in the number of members of said Board of Directors;
- (c) The incurring of bonded indebtedness by the district(s) (subject to maximum limitations imposed by any lender), including, without limitation, the type of bonds, amount of bonded indebtedness, area of property taxed to repay such bonded indebtedness, and the issuance of new bonds to refund any or all outstanding district bonds;
- (d) The formation of improvement districts within such district(s) and the issuance of improvement bonds therefor;
- (e) Any annexation of territory to, or exclusion of territory from, an established improvement district within such district(s) where confirmation is required;
- (f) The establishment and determination of water standby or availability assessments, and delinquency charges for non-payment of such assessments or charges; and
- (g) The establishment and determination of zones within such district(s) of varying benefit (subject to maximum limitations imposed by any lender), including the establishment of different levels of taxation for properties within such zones, the issuance of bonded indebtedness on behalf of such zones, and the annexation to or exclusion from such zones of territories within such district(s).

19.1.10 To (i) convey or cause the conveyance of any Common Areas (including any Common Areas previously conveyed to the Association) to a district, (ii) negotiate for the option, sale, lease, transfer, or other disposition of all or any portion of any Common Areas, (iii) consummate agreements and execute and acknowledge any and all other documentation necessary or convenient to effect such transfer of disposition, (iv) add and/or modify any reserved rights, easements, and/or other interests affecting any conveyed Common Areas, and (v) receive and retain any and all direct and/or indirect consideration for such Common Areas.

19.2 Mortgage Interests to Take Subject to Power of Attorney. The acceptance or creation of any Mortgage whether voluntarily or involuntarily, and whether or not created in good faith and whether or not given for value, shall be deemed to be accepted and/or created subject to each of the terms and conditions of the Power of Attorney described in this Article.

19.3 Power of Attorney Binding on Successors in Interest. Each and all Owners and each of their respective mortgagees, grantees, licensees, trustees, receivers, lessees, tenants, judgment creditors, heirs, legatees, devisees, administrators, executors, legal representatives, successors and assigns, whether voluntary or involuntary, shall be deemed to have expressly agreed, assented and consented to each and all of the provisions of this Declaration and shall be deemed to have constituted and irrevocably appointed Declarant as his Attorney-in-Fact to carry out the powers described herein, and such Power of Attorney shall be deemed to continue to be coupled with an interest.



19.4 Assignment of Powers.

Declarant shall have the right, without obligation, to assign the non-exclusive rights to use all or any of the powers and privileges granted to Declarant hereunder. Such assignment shall be in writing, and may be on such terms and conditions as Declarant determines as to the powers and privileges assigned, their duration, and any other limitations on their use. In any event, no such assignment shall prevent Declarant from exercising any such powers or assigning such powers to additional Persons.

[Signatures on Following Page]

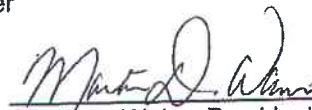


IN WITNESS WHEREOF, Declarant has caused this Declaration to be duly executed as of the day and year first above written.

DECLARANT:

Desert Business Park II L.L.C.,
DBP Investments, L.L.C.
DBP Partners L.L.C.
DBP Ventures, a California Partnership

By: Investco Financial Corporation, a
Washington corporation
Manager

By: 
Martin D. Weiss, President



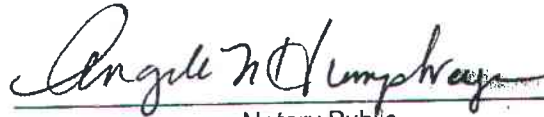
2006-0347510
05/12/2006 08:00A
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STATE OF Washington
COUNTY OF Pierce

)
) ss:
)

On May 11, 2006, before me, the undersigned, a Notary Public in and for said County and State, personally appeared **MARTIN D. WAISS**, personally known to me (or 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.

WITNESS my hand and official seal.



Notary Public



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LIST OF EXHIBITS

Exhibit A-	Description of Covered Property
Exhibit B-	Voting Allocation Schedule
Exhibit C-	Description of Common Areas
Exhibit D-1	Intentionally Deleted
Exhibit D-2	Intentionally Deleted
Exhibit E-1-	Description of Frontage Zone
Exhibit E-2-	Depiction of Frontage Zone
Exhibit F-1-	Description of Special Zone
Exhibit F-2-	Depiction of Special Zone
Exhibit G-	Best Management Practices
Exhibit G-1	Location of Catch Basins
Exhibit G-2	Location of Water Quality Inlets
Exhibit H-	Wildcat Drive Access Easement
Exhibit I-	Driveway/Access Road Easements
Exhibit J-	Intentionally Deleted
Exhibit K-	Drainage Lots
Exhibit L-	Association Maintenance Areas



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EXHIBIT "A"

DESCRIPTION OF COVERED PROPERTY

Tract No. 29715-1 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on July 9, 2002, in Map Book 202 at Pages 35 through 39, inclusive of Parcel Maps.

Tract No. 29715 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on May 13, 2004, in Map Book 208 at Pages 96 through 99, inclusive of Parcel Maps.



IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA PARCEL MAP NO. 29715

BEING A SUBDIVISION OF PARCELS 3 AND 4 AS SHOWN ON PARCEL MAP NO. 7226 ON FILE IN BOOK 25, PAGES 28 AND 29 OF PARCEL MAPS, OFFICE RECORDS OF RIVERSIDE COUNTY, CALIFORNIA LING IN FRAGMENTAL SECTION 1, TOWNSHIP 5 SOUTH, RANGE 6 EAST, SAN BERNARDINO BASE AND MERIDIAN.

JULY, 2002
GARY W. DONICH L.S.-4683
MCS CONSULTING

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EXHIBIT "B"
VOTING ALLOCATION SCHEDULE



EXHIBIT B

**DESERT BUSINESS PARK & DESIGN CENTER
VOTING ALLOCATION SCHEDULE
As of May 11, 2006**

Lot Size (Net Useable Sq Ft)	No. of Votes
0 to 40,000	1
40,001- 80,000	2
80,001- 120,000	3
120,001 +	4

Parcel Map 29715-1 recorded July 2002

LOT #	PARCEL GROSS SF	COMMON AREA/ EASEMENTS	NET USABLE SQUARE FEET	VOTES	
1	1	65,356	7,156	58,200	2
2	2	65,267	10,899	54,368	2
3	3	66,978	13,169	53,810	2
4	4	64,981	14,304	50,677	2
5	5A	75,118	13,957	61,161	2
6	7B	47,237	-	47,237	2
7	8	29,433	-	29,433	1
8	9	21,174	-	21,174	1
9	10A	65,734	13,192	52,542	2
10	11	33,395	-	33,395	1
11	12	37,001	-	37,001	1
12	13	34,130	-	34,130	1
13	14	32,149	-	32,149	1
14	15A	73,101	-	73,101	2
15	16	49,088	-	49,088	2
16	17	36,707	-	36,707	1
17	18	31,141	-	31,141	1
18	19	26,860	-	26,860	1
19	20	37,770	-	37,770	1
20	21B	101,964	35,503	66,460	2
21	22	31,151	11,165	19,986	1
22	23	31,087	11,165	19,923	1
23	24	31,091	11,165	19,926	1
24	25	31,217	11,253	19,964	1
25	26	45,474	-	45,474	2
26	27	45,313	-	45,313	2
27	28	64,603	-	64,603	2
28	29	65,104	-	65,104	2
29	30	51,610	-	51,610	2



EXHIBIT B

**DESERT BUSINESS PARK & DESIGN CENTER
VOTING ALLOCATION SCHEDULE
As of May 11, 2006**

Parcel Map 29715 recorded May 2004

LOT #	PARCEL GROSS SF	COMMON AREA/ EASEMENTS	NET USABLE SQUARE FEET	VOTES	
30	1	36,485	13,073	23,413	1
31	2	36,456	13,090	23,366	1
32	3	149,578	17,148	132,430	4
33	4	147,606	16,920	130,686	4
34	5	230,864	70,832	160,033	4
35	6	234,441	58,344	176,097	4
36	7	151,034	7,331	143,703	4
37	8	153,197	7,357	145,841	4
38	9	81,746	11,734	70,011	2
39	10	50,880	-	50,880	2
40	11	47,653	-	47,653	2
41	12	130,578	-	130,578	4
42	13	47,653	-	47,653	2
43	14	50,212	-	50,212	2

TOTAL VOTES 84



EXHIBIT "C"

DESCRIPTION OF COMMON AREAS

Lots "B" through "G" and Lots 33-35 of Tract No. 29715-1 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on July 9, 2002, in Map Book 202 at Pages 35 through 39, inclusive of Parcel Maps.



EXHIBIT "E-1"

DESCRIPTION OF FRONTAGE ZONE

The easterly one hundred fifty (150) feet of Tract No. 29715-1 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on July 9, 2002, in Map Book 202 at Pages 35 through 39, inclusive of Parcel Maps.



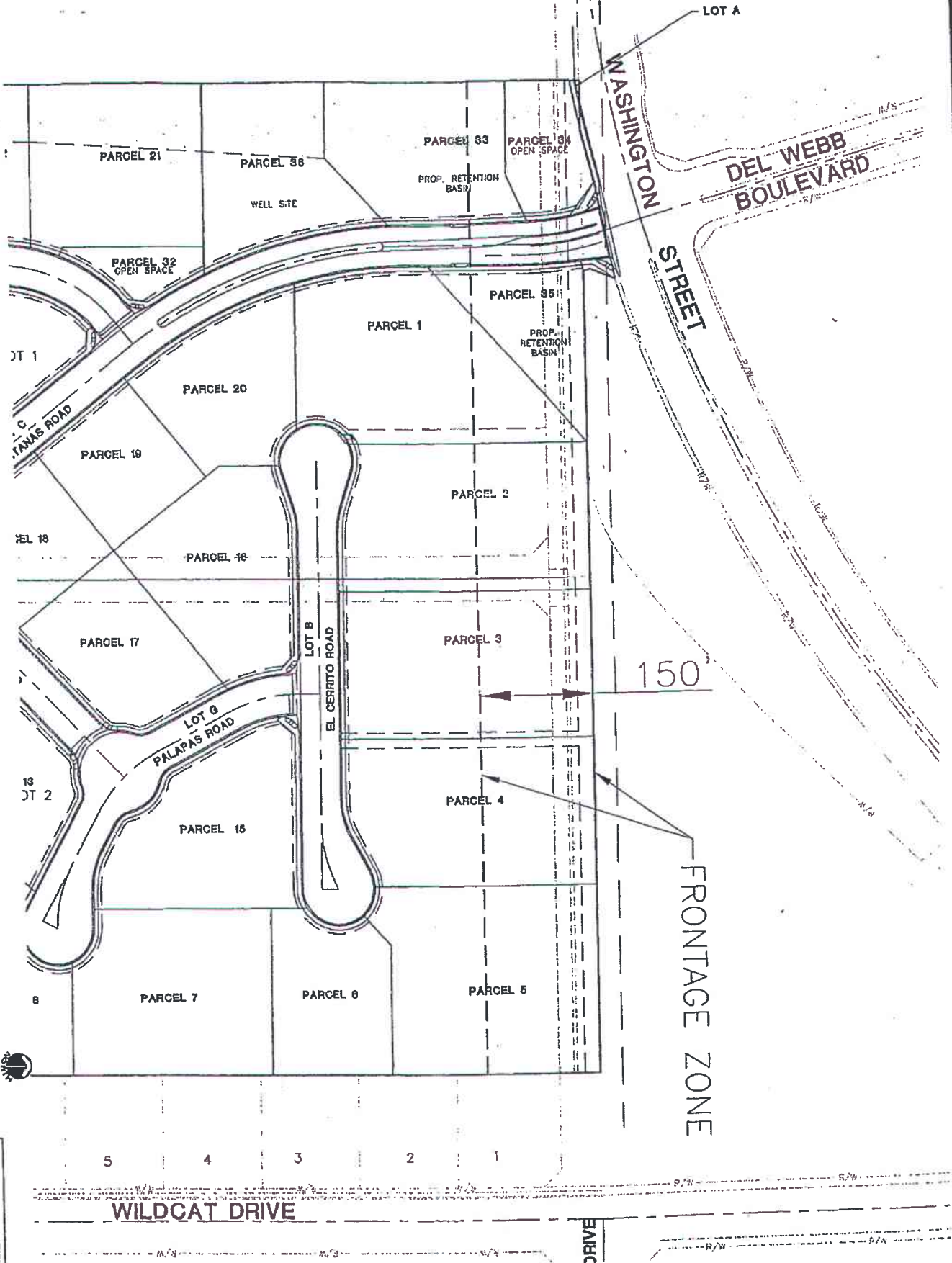
EXHIBIT "E-2"

DEPICTION OF FRONTAGE ZONE





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 05/12/2006 08:00A
 73 of 108



Scale: 1" = 100'
 North Arrow
 Date: 05/12/2006
 Project: 2006-0347510

EXHIBIT "F-1"

DESCRIPTION OF SPECIAL ZONE

The easterly two hundred (200) feet of Tract No. 29715-1 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on July 9, 2002, in Map Book 202 at Pages 35 through 39, inclusive of Parcel Maps.

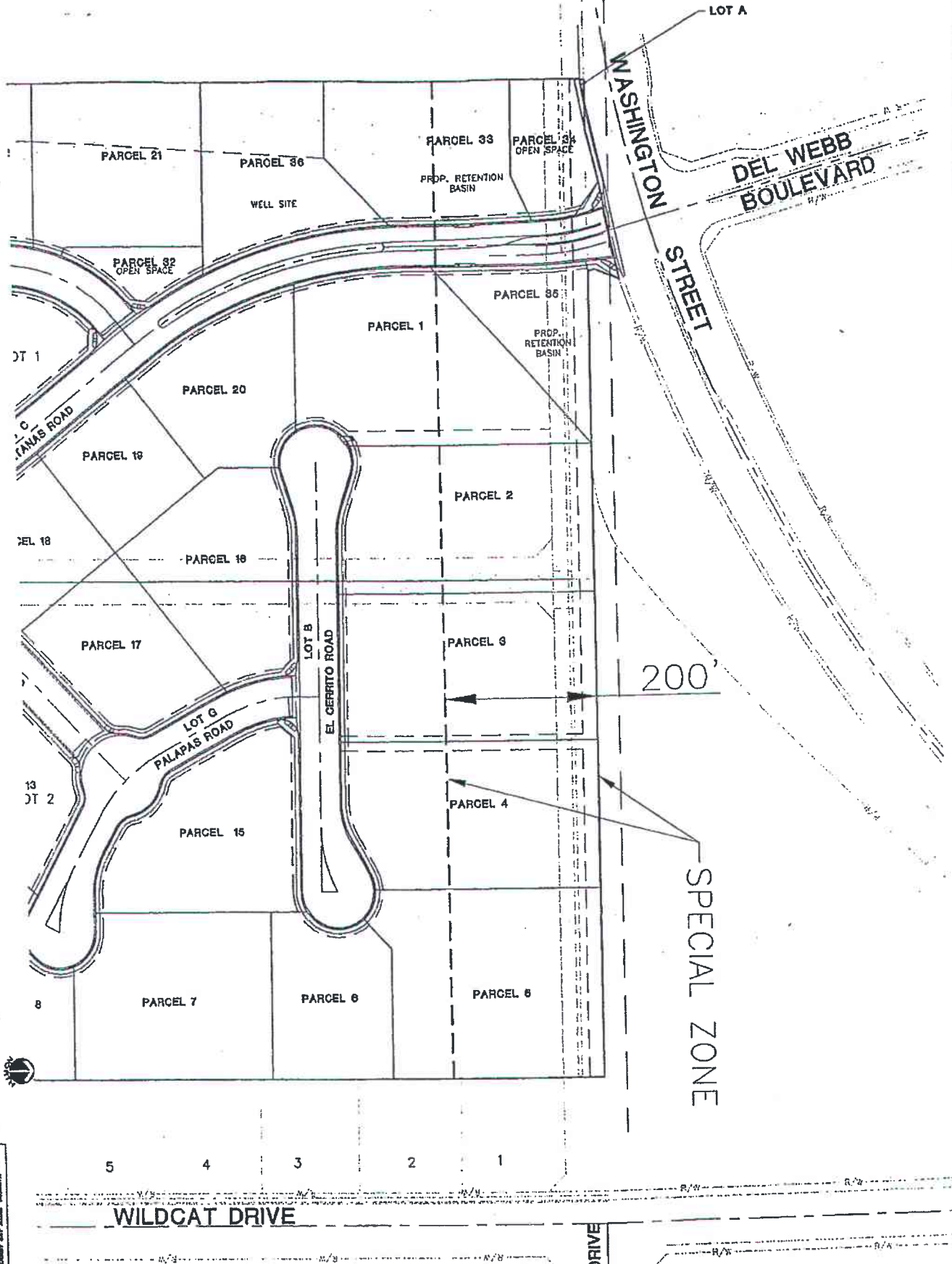


EXHIBIT "F-2"
DEPICTION OF SPECIAL ZONE





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EXHIBIT "G"

COUNTY OF RIVERSIDE

BEST MANAGEMENT PRACTICES

1. Initial residents, occupants, or tenants of this Property shall receive educational materials on good housekeeping practices which contribute to the protection of storm water quality. These educational materials shall be provided by the Riverside County Flood Control and Water Conservation District and shall be distributed by the Property Owners' Association. These materials shall address good housekeeping practices associated with the Property's land use or uses (e.g., good housekeeping practices for office commercial, retail commercial, vehicle-related commercial, or industrial land use). Employers at this Property shall adapt these materials for training their employees in good housekeeping practices (BMP N1 & N13);
2. Only pesticide applicators who are certified by the State of California as a Qualified Applicator or who are directly supervised by a Qualified Applicator shall apply pesticides to common area landscaping. The applicator shall apply all pesticides in strict accordance with pesticide application law as stated in the California Food and Agricultural Code. Fertilizer shall be applied to the common area landscaping in accordance with the manufacturer's recommendations. Application to hardscape surfaces shall be avoided (BMP N3);
3. The "catch basin(s)" more particularly described on Exhibit "G-1" attached to this Exhibit "G" shall be inspected and, if necessary, cleaned by the Property Owners' Association no later than October 15th of each year. The stencils 'ONLY RAIN IN THE DRAIN' and 'NO DUMPING' shall be repainted as necessary to maintain legibility (BMP N4 & S12);
4. The "water quality inlet(s)" more particularly described on Exhibit "G-1" attached to this Exhibit "G" shall be inspected and, if necessary, cleaned by the Property Owners' Association no later than October 15th of each year (BMP S4 & S13);
5. The Property Owners' Association shall keep the common area(s) free of litter. Litter shall be removed from the common area, and litter receptacles shall be emptied at least once a month. Where improper disposal of trash has occurred, the Property Owners' Association shall take corrective action within forty-eight (48) hours of discovery (BMP N5);
6. The private street(s), and any common area parking lot(s) more particularly described on Exhibit "C" shall be swept by the Property Owners' Association at least once a year and shall be swept no later than October 15th of each year (BMP N6);
7. The Property Owners' Association shall keep loading docks in a clean and orderly condition through a regular program of sweeping, litter control, and the immediate cleanup of spills and broken containers. In accordance with Riverside County Ordinance No. 754, Establishing Storm Water/Urban Runoff Management and Discharge Controls, illicit discharges and non-storm water discharges (e.g., wash water) from loading docks to storm drains shall not be allowed (BMP N12); and
8. The Property Owners' Association shall maintain an up-to-date list identifying the party or parties responsible for the implementation and maintenance of each of the BMPs described herein. The list shall include the party's name, organization, address, a phone number at which the party may be reached 24 hours a day, and a description of the party's responsibility for implementation and maintenance of a particular BMP (BMP N14).

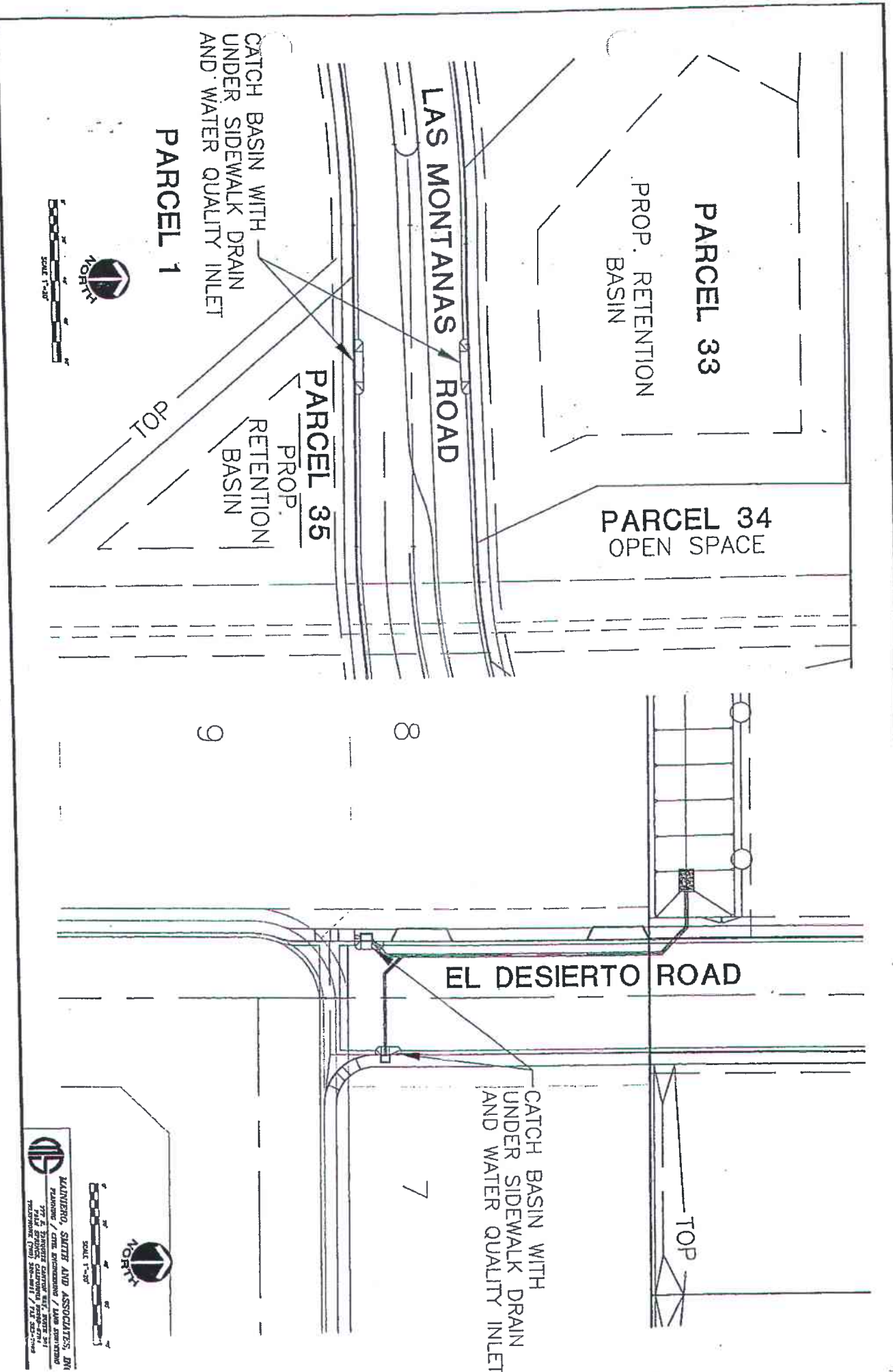



EXHIBIT "G-1"

LOCATION OF CATCH BASINS



EXHIBIT G-1




SCALE 1" = 40'
KUHNERT, SMITH AND ASSOCIATES, INC.
PLANNING / SITE ENGINEERING / LAND SURVEYING
FIELD ENGINEERING / SURVEYING / PHOTOGRAMMETRY
10000 W. 10th Street, Suite 1000, Denver, CO 80202
Tel: 303.733.8800 / Fax: 303.733.8801



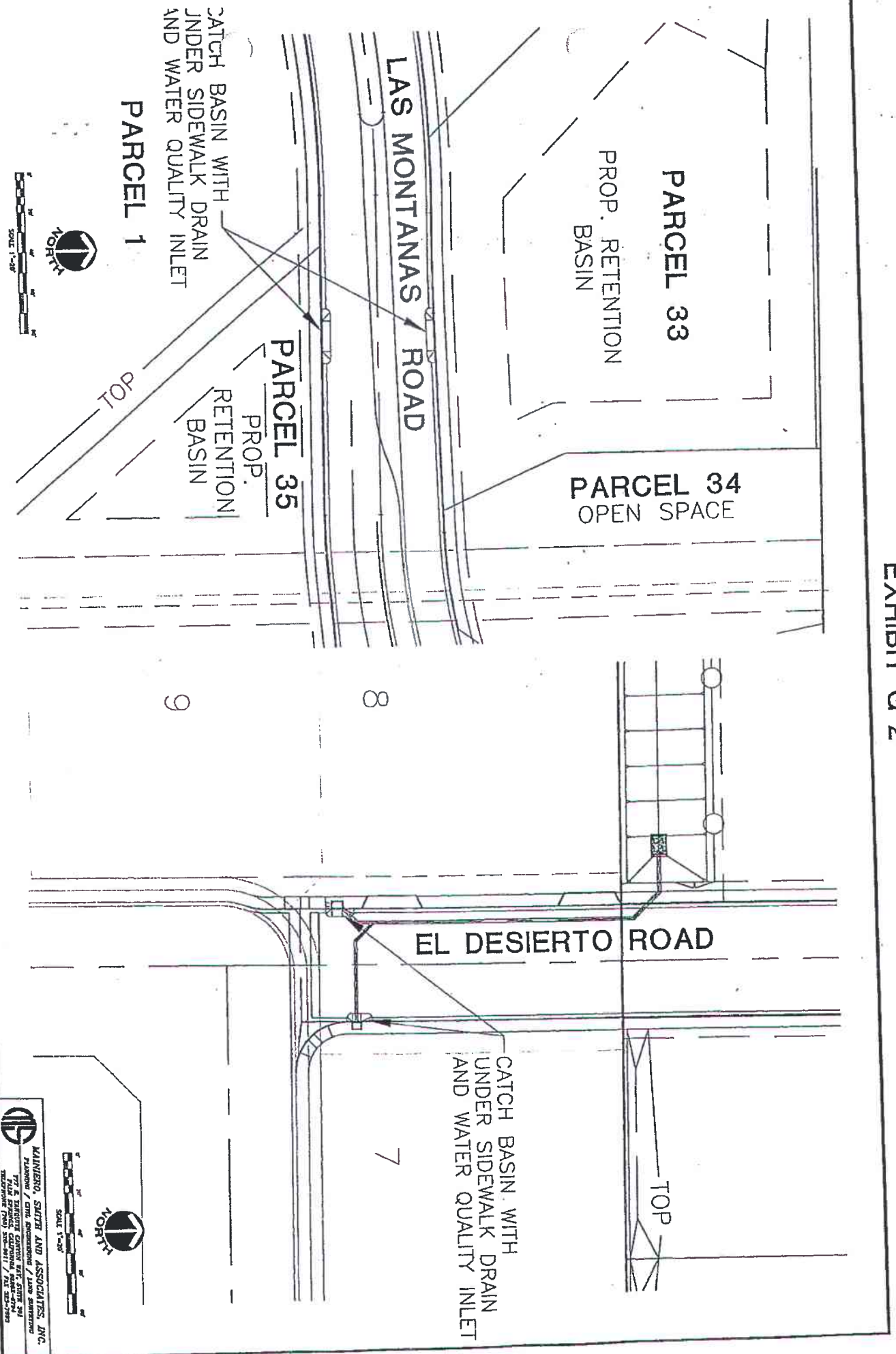
2006-0347518
05/12/2006 08:00H
79 of 108

EXHIBIT "G-2"

LOCATION OF WATER QUALITY INLETS



EXHIBIT G-2



2886-8347510
05/12/2006 09:09H
81 of 198

MANIERO, SUTER AND ASSOCIATES, INC.
PLANNING / CIVIL ENGINEERING / LAND SURVEYING
7715 S. DEWATER CANYON ROAD, SUITE 400
MIDWINTER, TEXAS 79701 / TX 325-7989

EXHIBIT "H"

WILDCAT DRIVE ACCESS EASEMENT

That portion of Parcel 8 of Parcel Map 23118 recorded in Book 154 of Parcel Maps, at Pages 86-89, inclusive, Records of Riverside County, California more particularly described in the Easement Deed recorded in Official Records of County of Riverside as Document No. 1999-236101.



EXHIBIT "I"

DRIVEWAY/ACCESS ROAD EASEMENTS



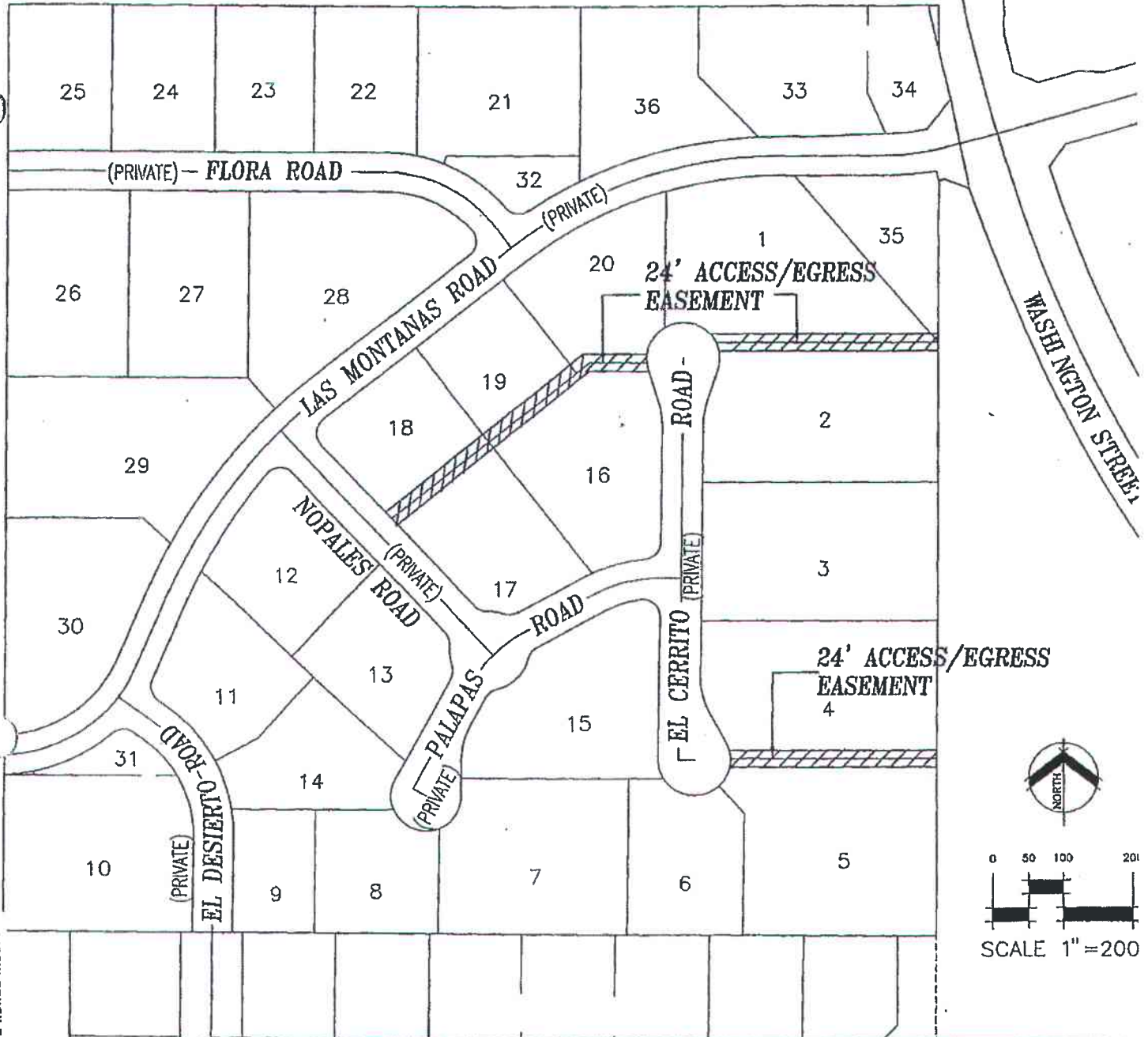


EXHIBIT I - DRIVEWAY EASEMENTS
PARCELS 1 & 2, 4 & 5, 16 17 18 19 & 20
P.M. 29715-1, PMB 23/28-29



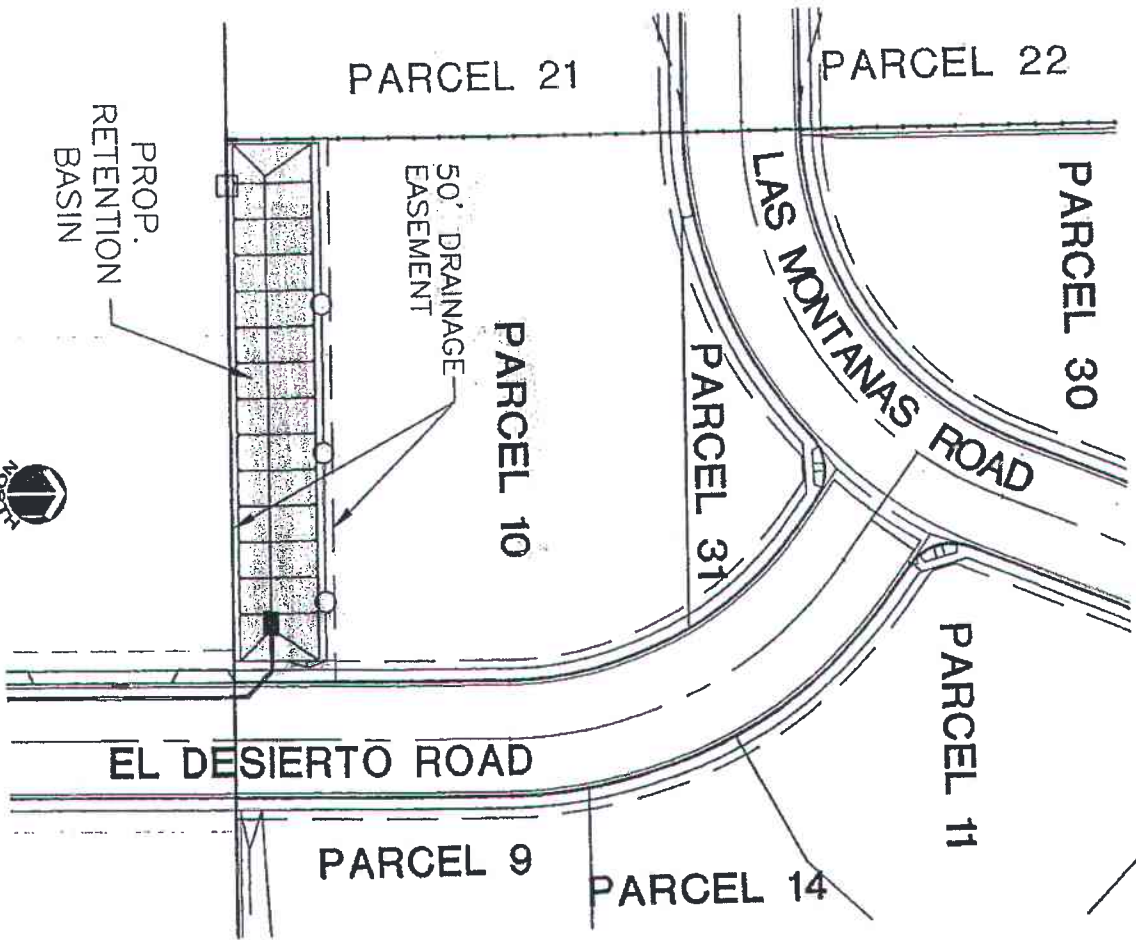
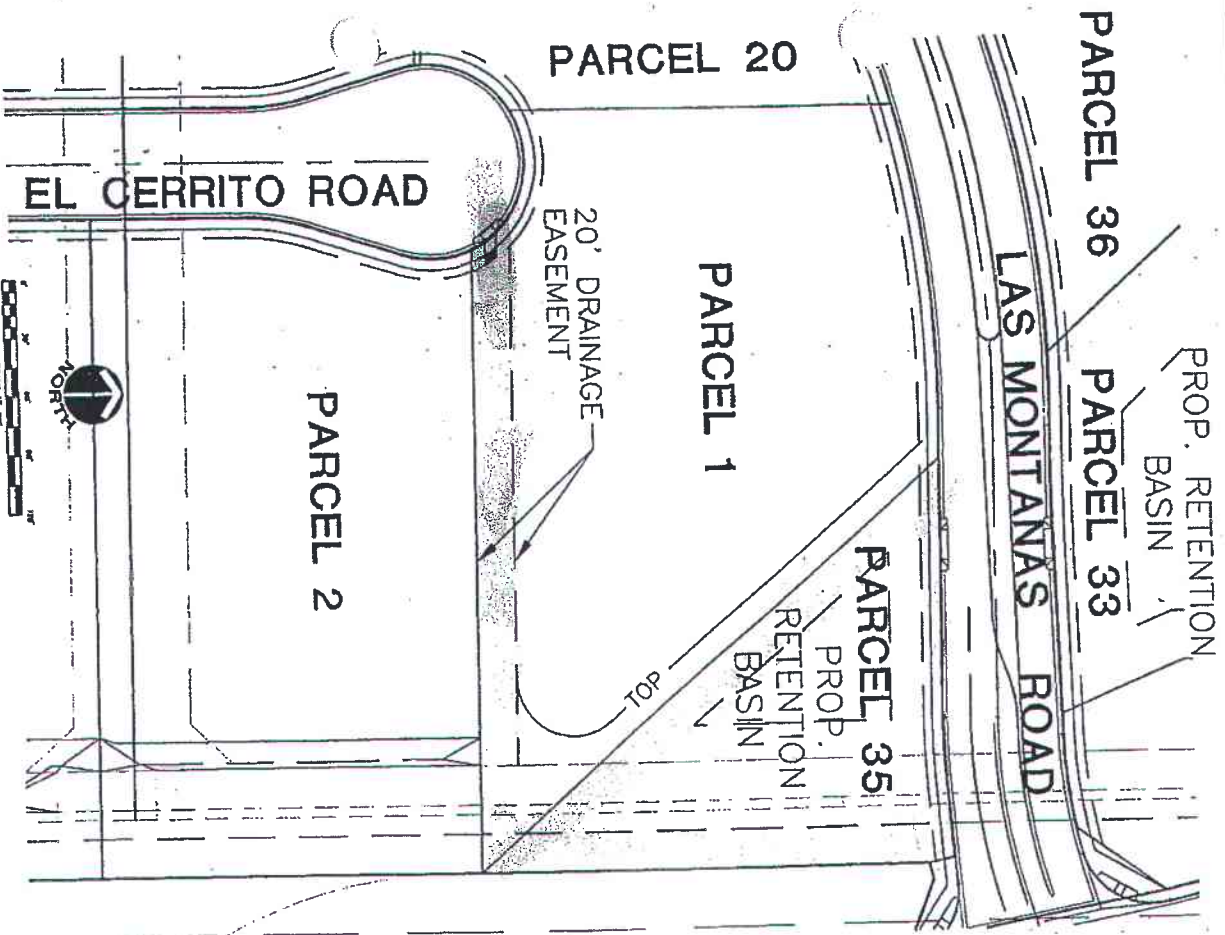
MDS CONSULTING
 PLANNERS ENGINEERS SURVEYORS

MORSE 76-900 Avenue 47
 Suite 208
 La Quinta, CA 92253
 BOEKICH Voice: 760-771-4013
 SCHULTZ Fax: 760-771-4073
 mds@quinta.com



2906-9347510
 65/12/2006 03:59:09

EXHIBIT K



MUNIZO, SMITH AND ASSOCIATES, INC.
PLANNING / CIVIL ENGINEERING / LAND MANAGEMENT
577 S. MARINER'S CANYON SUITE 200
PALM BEACH GARDENS, FL 33410
TEL: 561-845-1100 FAX: 561-845-1101



2886-9347518
05/12/2005 08:08H
86 of 198

EXHIBIT "A"

DRAINAGE EASEMENT-RETENTION BASIN "A"

LEGAL DESCRIPTION:

A PORTION OF PARCEL 20, AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 202, PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF PARCEL 20 OF SAID MAP; THENCE SOUTH ALONG THE EAST LINE OF SAID PARCEL, SOUTH 0°42'34" WEST 10.22 FEET; THENCE LEAVING SAID EAST LINE, NORTH 89°17'26" WEST 1.00 FOOT TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 0°42'34" WEST 135.06 FEET; THENCE NORTH 30°27'59" WEST 94.44 FEET; THENCE NORTH 59°32'01" EAST 4.48 FEET; THENCE NORTH 30°27'59" WEST 34.29 FEET; THENCE NORTH 70°55'27" EAST 66.75 FEET TO THE EAST LINE OF PARCEL 20 AND THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 18, 19 AND 20 OF PARCEL MAP NO. 29715-1.

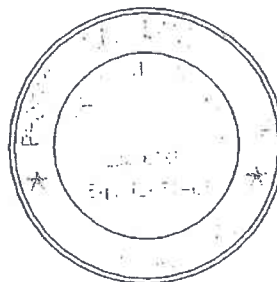
PREPARED UNDER THE SUPERVISION OF:

Chris J. Bergh

3/25/02

CHRIS J. BERGH, P.L.S. 6688
EXPIRATION DATE: 12/31/03

DATE



2006-0347510
05/12/2006 09:00A
87 of 108

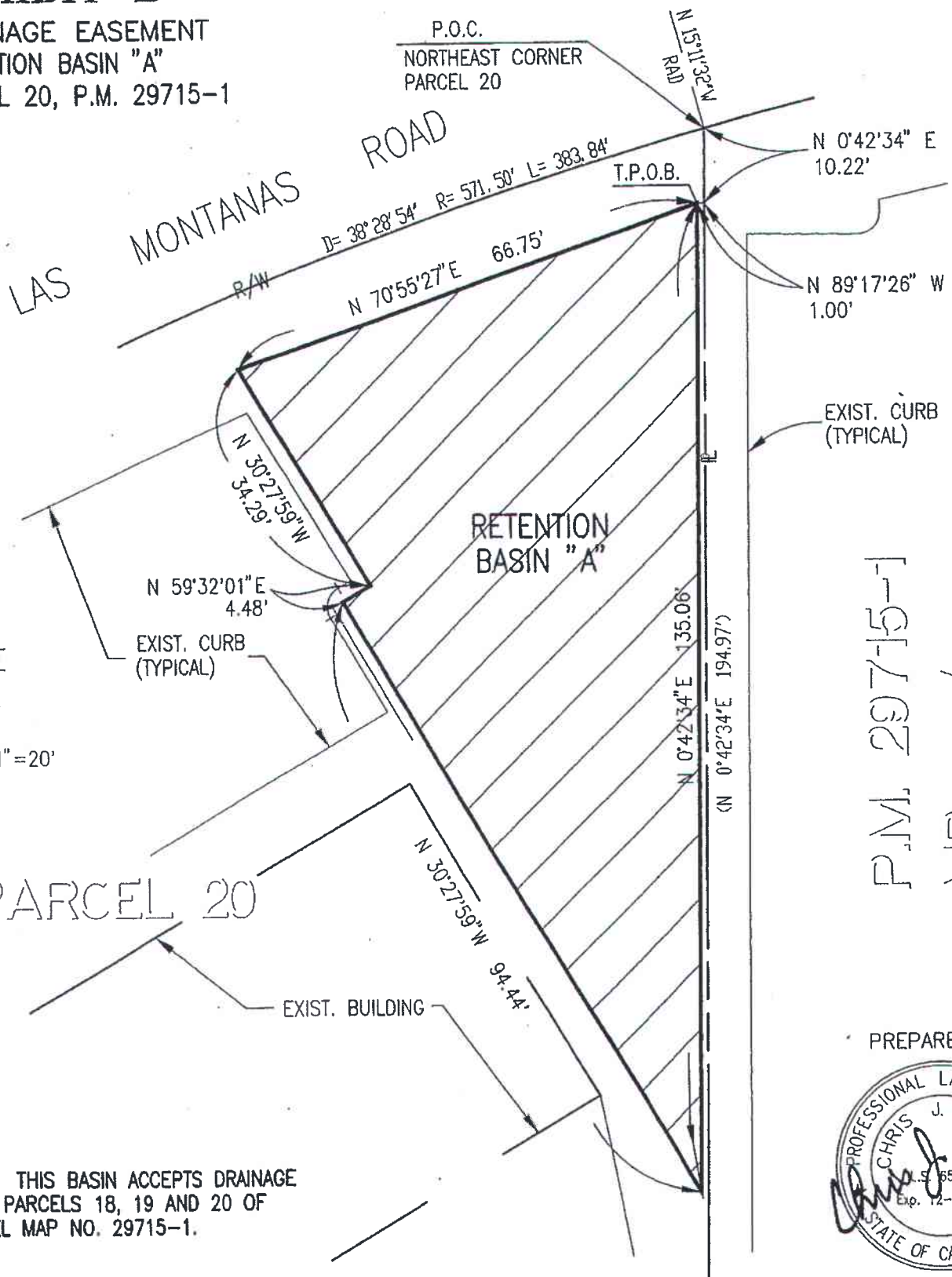
EXHIBIT "B"



200 347510
65/12/06 08:09A
88 of 188

SHEET 1 OF 1 SHEET

DRAINAGE EASEMENT
RETENTION BASIN "A"
PARCEL 20, P.M. 29715-1



P.M. 29715-1
MB /

PREPARED BY:



NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 18, 19 AND 20 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB

MDS

CONSULTING

PLANNERS ENGINEERS SURVEYORS

MORSE 79-799 Old Avenue 52
La Quinta, CA 92253

DOKICH Voice: 760-771-4613

SCHULTZ FAX: 760-771-4073

EXHIBIT "C"

DRAINAGE EASEMENT-RETENTION BASIN "B"

LEGAL DESCRIPTION:

A PORTION OF PARCEL 18, AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 202 PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

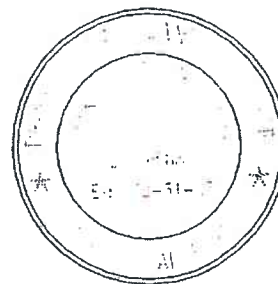
COMMENCING AT THE SOUTHWEST CORNER OF PARCEL 18 OF SAID MAP; THENCE NORTHWESTERLY ALONG THE WEST LINE OF SAID PARCEL, NORTH 43°05'17" EAST 41.41 FEET; THENCE LEAVING SAID WEST LINE, NORTH 46°54'43" EAST 10.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 43°05'17" WEST 105.18 FEET; THENCE NORTH 4°34'11" EAST 17.73 FEET; THENCE NORTH 52°13'39" EAST 5.16 FEET; THENCE SOUTH 37°46'21" EAST 31.50 FEET; THENCE NORTH 52°13'44" EAST 4.00 FEET; THENCE SOUTH 37°46'20" EAST 26.00 FEET; THENCE SOUTH 52°13'40" WEST 2.26 FEET; THENCE SOUTH 37°46'20" EAST 56.08 FEET; THENCE SOUTH 52°13'36" WEST 2.33 FEET; THENCE SOUTH 37°46'20" EAST 13.91 FEET; THENCE NORTH 72°49'41" WEST 11.79 FEET TO THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCEL 18 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

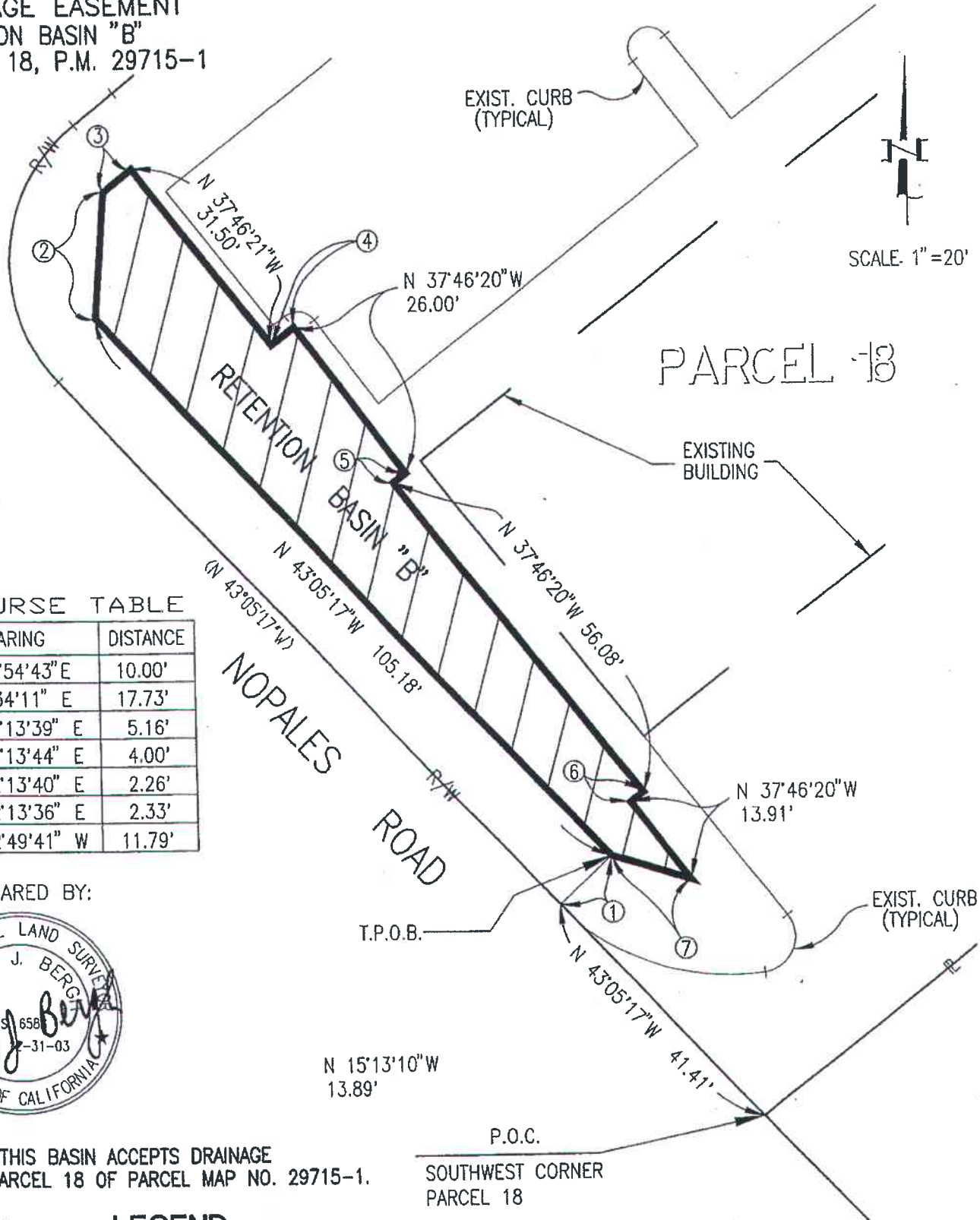
Chris J. Bergh 3/25/02
CHRIS J. BERGH, P.L.S. 6588 DATE
EXPIRATION DATE: 12/31/03



2006-0347518
05/12/2006 08:00A
89 of 108

EXHIBIT "D"

DRAINAGE EASEMENT
RETENTION BASIN "B"
PARCEL 18, P.M. 29715-1



COURSE TABLE

No.	BEARING	DISTANCE
①	N 46°54'43" E	10.00'
②	N 4°34'11" E	17.73'
③	N 52°13'39" E	5.16'
④	N 52°13'44" E	4.00'
⑤	N 52°13'40" E	2.26'
⑥	N 52°13'36" E	2.33'
⑦	N 72°49'41" W	11.79'

PREPARED BY:



NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCEL 18 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB

2006-0347510
05/12/2006 08:00:00

MDS

CONSULTING

MORSE 79-799 Old Avenue 52
La Quinta, CA 92253

DOKICH Voice: 760-771-4013

SCHULTZ FAX: 760-771-4073

PLANNERS ENGINEERS SURVEYORS

EXHIBIT "E"

DRAINAGE EASEMENT-RETENTION BASIN "D", "E" & "F"

LEGAL DESCRIPTION:

A PORTION OF PARCEL 16, AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 22, PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF PARCEL 16 OF SAID MAP; THENCE NORTHERLY ALONG THE WEST LINE OF SAID PARCEL, NORTH 37°46'20" WEST 37.35 FEET; THENCE LEAVING SAID WEST LINE, NORTH 52°13'40" EAST 14.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING, NORTH 52°13'40" EAST 122.09 FEET; THENCE NORTH 0°42'34" EAST 38.53 FEET; THENCE NORTH 37°46'21" WEST 15.84 FEET; THENCE SOUTH 52°13'37" WEST 3.73 FEET; THENCE NORTH 37°46'21" WEST 21.00 FEET; THENCE NORTH 52°13'40" EAST 26.66 FEET; THENCE NORTH 37°46'20" WEST 80.00 FEET; THENCE NORTH 52°13'36" EAST 2.33 FEET; THENCE NORTH 37°46'24" WEST 24.25 FEET; THENCE NORTH 61°43'47" EAST 7.75 FEET; THENCE SOUTH 89°17'26" EAST 35.49 FEET; THENCE SOUTH 9°44'22" WEST 6.04 FEET; THENCE SOUTH 46°14'25" EAST 26.94 FEET; THENCE SOUTH 16°30'02" EAST 18.63 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 238.50 FEET; THENCE SOUTHERLY ALONG SAID CURVE, AN ARC DISTANCE OF 71.95 FEET THROUGH A CENTRAL ANGLE OF 17°17'09"; THENCE TANGENT, SOUTH 0°42'34" WEST 169.44 FEET; THENCE SOUTH 42°57'12" WEST 14.40 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 100.50 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 3°58'34" WEST; THENCE SOUTHWESTERLY ALONG SAID CURVE AN ARC DISTANCE OF 30.19 FEET THROUGH A CENTRAL ANGLE OF 17°12'35" TO A POINT, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 21°15'43" WEST; THENCE NORTH 37°46'20" WEST 30.77 FEET TO THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 16 THROUGH 20 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

Chris J. Bergh 3/25/02
CHRIS J. BERGH, P.L.S. 6588 DATE
EXPIRATION DATE: 12/31/03

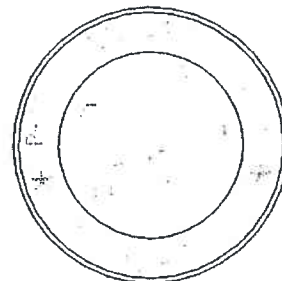


EXHIBIT "F"

DRAINAGE EASEMENT
RETENTION BASINS "D", "E" & "F"
PARCEL 16, P.M. 29715-1

CURVE TABLE

No.	DELTA	RADIUS	ARC LGT
(A)	17°17'09"	238.50'	71.95'
(B)	17°12'35"	100.50'	30.19'

COURSE TABLE

No.	BEARING	DISTANCE
①	N 52°13'37" E	3.73'
②	N 52°13'36" E	2.33'
③	N 61°43'47" E	7.75'
④	N 89°17'26" E	35.49'
⑤	N 9°44'22" E	6.04'
⑥	N 46°14'25" W	26.94'
⑦	N 16°30'02" W	18.63'
⑧	N 42°57'12" E	14.40'
⑨	N 37°46'20" W	30.77'



SCALE 1"=40'

PARCEL 16

PARCEL 17

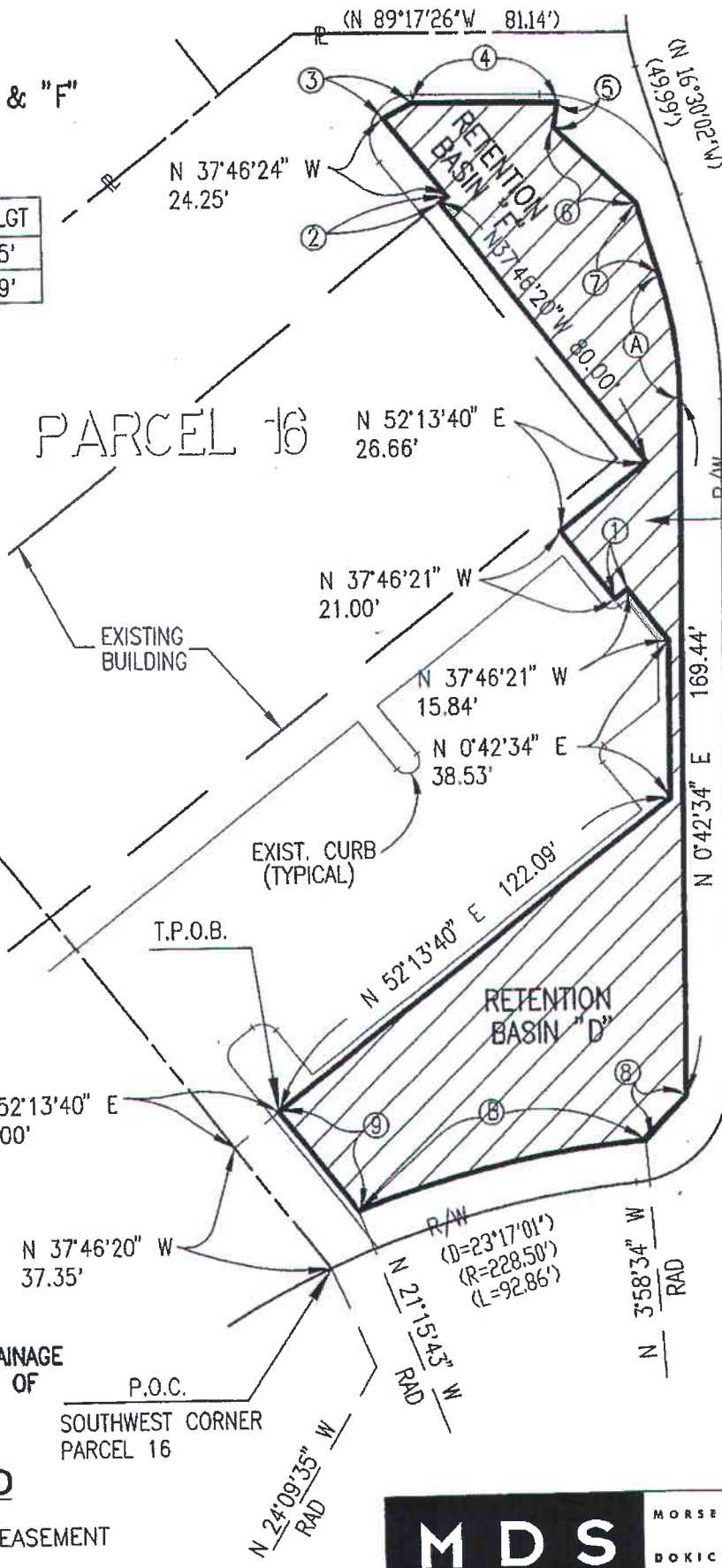
PREPARED BY:



NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 16 THROUGH 20 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB



MDS

CONSULTING

MORSE 79-799 Old Avenue 52
La Quinta, CA 92253

DOKICH Voice: 760-771-4013

SCHULTZ FAX: 760-771-4073

PLANNERS ENGINEERS SURVEYORS

EXHIBIT "G"

DRAINAGE EASEMENT-RETENTION BASIN "H"

LEGAL DESCRIPTION:

A PORTION OF PARCEL 11, AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 207, PAGES 35 THROUGH 37, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF PARCEL 11 OF SAID MAP; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID PARCEL, SOUTH 46°46'21" EAST 55.93 FEET; THENCE LEAVING SAID EAST LINE, SOUTH 43°13'39" WEST 17.13 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING, SOUTH 43°13'39" WEST 24.91 FEET; THENCE SOUTH 46°46'21" EAST 5.33 FEET; THENCE SOUTH 43°13'40" WEST 11.89 FEET; THENCE NORTH 46°46'21" WEST 2.50 FEET; THENCE SOUTH 43°13'39" WEST 55.02 FEET; THENCE SOUTH 46°58'31" EAST 20.33 FEET; THENCE SOUTH 43°13'39" WEST 25.57 FEET; THENCE NORTH 46°46'21" WEST 5.00 FEET; THENCE SOUTH 43°13'39" WEST 35.56 FEET; THENCE NORTH 15°13'10" WEST 13.89 FEET; THENCE NORTH 23°13'54" WEST 106.32 FEET; THENCE NORTH 52°56'13" EAST 30.46 FEET; THENCE NORTH 1°11'29" EAST 5.45 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHWEST AND HAVING A RADIUS OF 33.00 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 2°55'40" EAST; THENCE SOUTHEASTERLY ALONG SAID CURVE AN ARC DISTANCE OF 26.42 FEET THROUGH A CENTRAL ANGLE OF 45°52'21" TO THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 11 AND 12 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

Chris J. Bergh
CHRIS J. BERGH, P.L.S. 6588
EXPIRATION DATE: 12/31/03

3/25/02
DATE

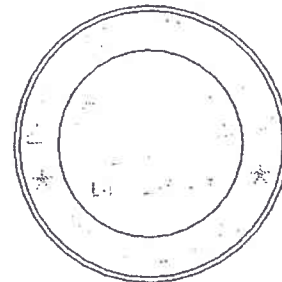


EXHIBIT "H"



2006-0347510
 05/12/08 6:08:00PM
 of 108

SHEET 1 OF 1 SHEET

DRAINAGE EASEMENT
 RETENTION BASIN "H"
 PARCEL 11, P.M. 29715-1



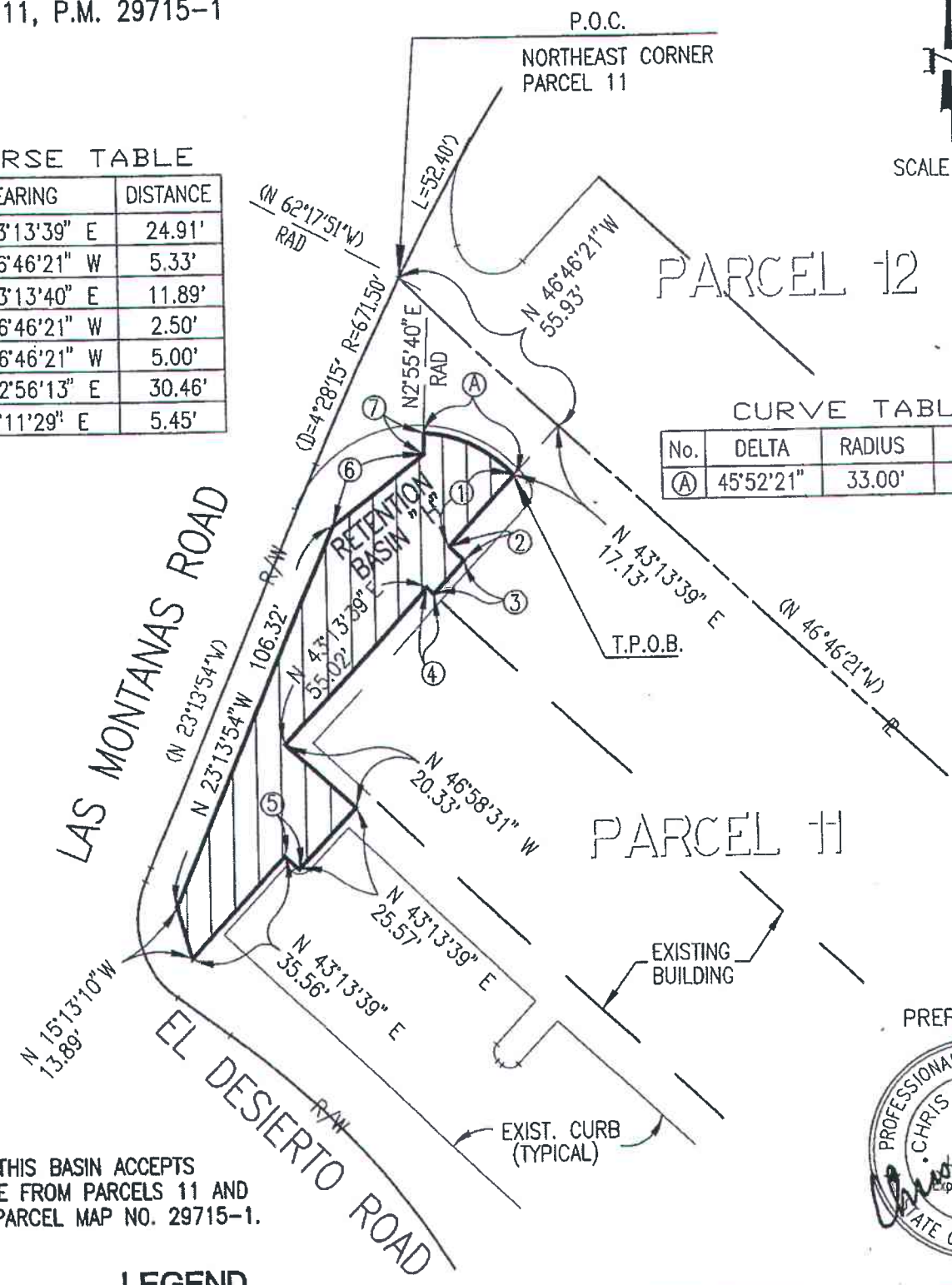
SCALE 1" = 40'

COURSE TABLE

No.	BEARING	DISTANCE
①	N 43°13'39" E	24.91'
②	N 46°46'21" W	5.33'
③	N 43°13'40" E	11.89'
④	N 46°46'21" W	2.50'
⑤	N 46°46'21" W	5.00'
⑥	N 52°56'13" E	30.46'
⑦	N 1°11'29" E	5.45'

CURVE TABLE

No.	DELTA	RADIUS	ARC LGT
Ⓐ	45°52'21"	33.00'	26.42'



NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 11 AND 12 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB

PREPARED BY:



MDS

CONSULTING

MORSE 79-799 Old Avenue 52
La Quinta, CA 92253

DOKICH Voice: 760-771-4013

SCHULTZ FAX: 760-771-4073

PLANNERS ENGINEERS SURVEYORS



EXHIBIT "I"

DRAINAGE EASEMENT-RETENTION BASIN "K"

LEGAL DESCRIPTION:

A PORTION OF PARCELS 8, 9, AND 14 AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 202, PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF PARCEL 9 OF SAID MAP; THENCE SOUTH ALONG THE EAST LINE OF SAID PARCEL, SOUTH 0°42'34" WEST 27.32 FEET TO THE TRUE POINT OF BEGINNING; THENCE LEAVING SAID EAST LINE OF SAID PARCEL, NORTH 89°20'56" WEST 102.50 FEET; THENCE NORTH 34°00'59" WEST 14.46 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHEAST AND HAVING A RADIUS OF 238.50', A RADIAL LINE THROUGH SAID POINT BEARS NORTH 85°05'42" EAST; THENCE NORTHWESTERLY ALONG SAID CURVE AN ARC DISTANCE OF 67.13 FEET THROUGH A CENTRAL ANGLE OF 16°07'39", A RADIAL LINE THROUGH SAID POINT BEARS NORTH 70°11'32" EAST; THENCE NORTH 43°13'39" EAST 12.14 FEET; THENCE SOUTH 46°46'21" EAST 78.50 FEET; THENCE NORTH 43°13'39" EAST 18.00 FEET; THENCE SOUTH 46°46'21" EAST 16.11 FEET; THENCE SOUTH 89°17'26" EAST 6.27 FEET; THENCE NORTH 43°13'39" EAST 37.76 FEET; THENCE SOUTH 46°46'21" EAST 35.53 FEET; THENCE NORTH 43°13'39" EAST 11.07 FEET; THENCE SOUTH 46°35'07" EAST 25.00 FEET; THENCE NORTH 43°13'39" EAST 63.34 FEET; THENCE SOUTH 46°35'07" EAST 2.33 FEET; THENCE NORTH 43°13'39" EAST 14.29 FEET; THENCE SOUTH 7°36'01" EAST 21.02 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHEAST AND HAVING A RADIUS OF 57.50 FEET, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 76°37'56" WEST; THENCE SOUTHEASTERLY ALONG SAID CURVE AN ARC DISTANCE OF 69.40 FEET THROUGH A CENTRAL ANGLE OF 69°09'08", A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 34°12'56" WEST; THENCE NORTH 89°20'56" WEST 124.46 FEET TO THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 8, 9 AND 14 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

Chris J. Berg 3/25/02
CHRIS J. BERG, P.L.S. 6388 DATE
EXPIRATION DATE: 12/31/03

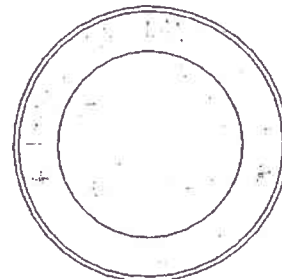


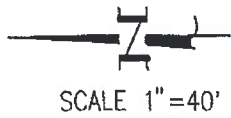
EXHIBIT "J"



2806 7510
05/12/2006 08:09A
96 of 108

SHEET 1 OF 1 SHEET

DRAINAGE EASEMENT
RETENTION BASIN "K"
PARCELS 8, 9 & 14, P.M. 29715-1

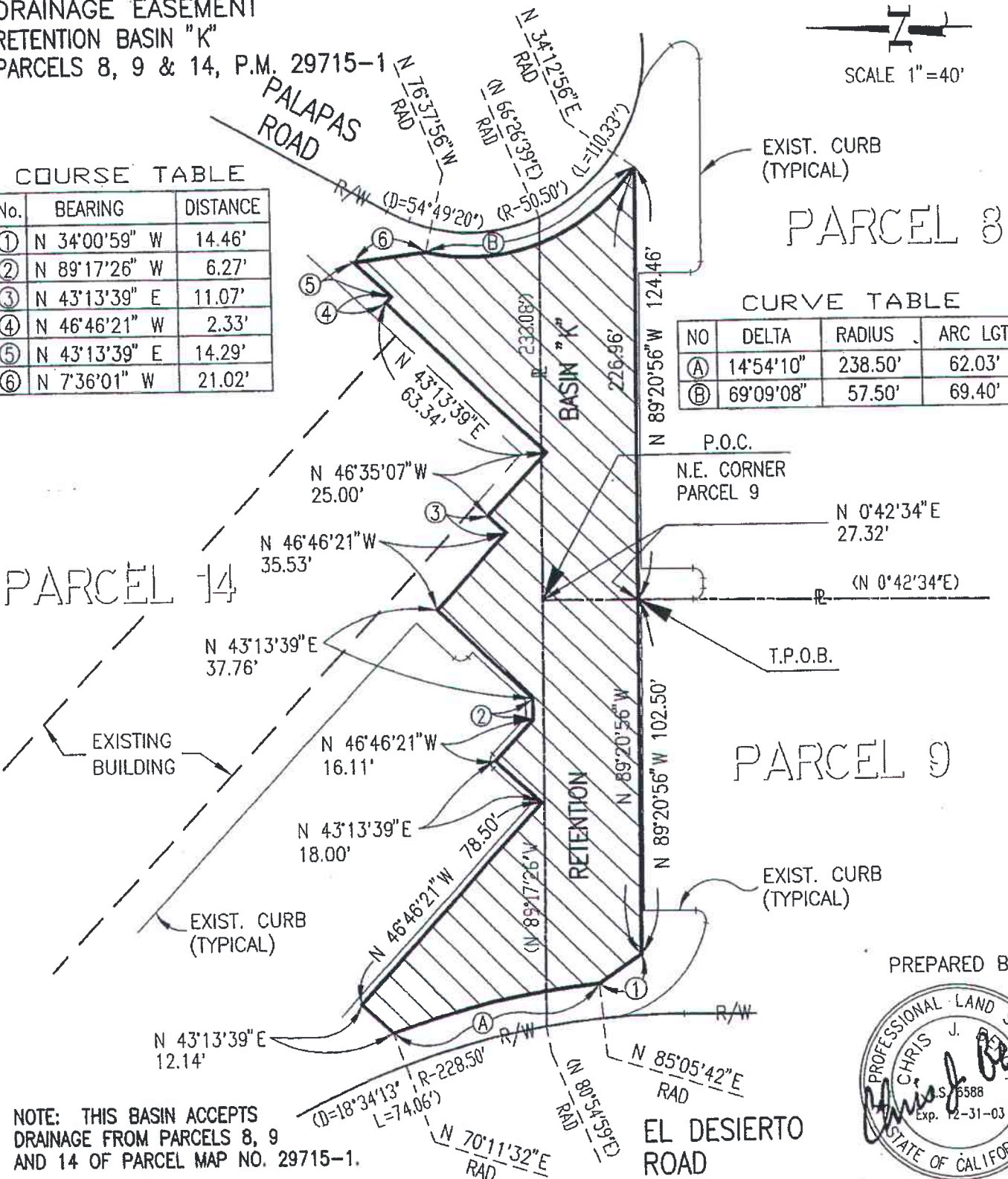


COURSE TABLE

No.	BEARING	DISTANCE
①	N 34°00'59" W	14.46'
②	N 89°17'26" W	6.27'
③	N 43°13'39" E	11.07'
④	N 46°46'21" W	2.33'
⑤	N 43°13'39" E	14.29'
⑥	N 7°36'01" W	21.02'

CURVE TABLE

NO	DELTA	RADIUS	ARC LGT
Ⓐ	14°54'10"	238.50'	62.03'
Ⓑ	69°09'08"	57.50'	69.40'



NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 8, 9 AND 14 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB

PREPARED BY:



MDS
CONSULTING

PLANNERS ENGINEERS SURVEYORS

MORSE 79-799 Old Avenue 52
La Quinta, CA 92253

DOKICH Voice: 760-771-4013

SCHULTZ FAX: 760-771-4073



2006 . 7510
05/12/2008 08:00A
97 of 108

EXHIBIT "K"

DRAINAGE EASEMENT-RETENTION BASIN "M"

LEGAL DESCRIPTION:

A PORTION OF PARCEL 13, AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 202, PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST NORTHERLY CORNER OF SAID PARCEL 13; THENCE ALONG THE NORTHWESTERLY LINE OF SAID PARCEL, SOUTH 43°13'39" WEST 10.92 FEET; THENCE LEAVING SAID NORTHWESTERLY LINE, SOUTH 46°46'21" EAST 14.00 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 43°05'17" EAST 128.99 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 66.50 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 78°27'53" WEST; THENCE SOUTHERLY ALONG SAID CURVE AN ARC DISTANCE OF 43.18 FEET THROUGH A CENTRAL ANGLE OF 37°12'19" TO A POINT, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 64°19'48" WEST; THENCE SOUTH 28°57'13" WEST 82.78 FEET; THENCE SOUTH 58°39'31" WEST 29.21 FEET; THENCE SOUTH 6°27'10" WEST 4.37 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 33.00 FEET; THENCE NORTHWESTERLY ALONG SAID CURVE AN ARC DISTANCE OF 20.18 FEET THROUGH A CENTRAL ANGLE OF 35°02'15"; THENCE NORTH 46°46'21" WEST 4.34 FEET; THENCE NORTH 43°13'39" EAST 23.95 FEET; THENCE NORTH 46°46'21" WEST 4.83 FEET; THENCE NORTH 43°13'39" EAST 13.05 FEET; THENCE SOUTH 46°46'21" EAST 2.50 FEET; THENCE NORTH 43°13'39" EAST 55.00 FEET; THENCE NORTH 46°46'22" WEST 25.00 FEET; THENCE NORTH 43°13'39" EAST 7.00 FEET; THENCE NORTH 46°46'19" WEST 8.21 FEET; THENCE NORTH 43°13'39" EAST 14.00 FEET; THENCE SOUTH 46°46'27" EAST 5.00 FEET; THENCE NORTH 43°13'39" EAST 28.00 FEET; THENCE NORTH 46°46'21" WEST 114.79 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 8.00 FEET; THENCE NORTHERLY ALONG SAID CURVE AN ARC DISTANCE OF 12.57 FEET THROUGH A CENTRAL ANGLE OF 90°00'00"; THENCE NORTH 43°13'39" EAST 4.25 FEET TO THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 11 THROUGH 14 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

Chris J. Bergh
CHRIS J. BERGH, P.L.S. 6588
EXPIRATION DATE: 12/31/03

3/25/02
DATE

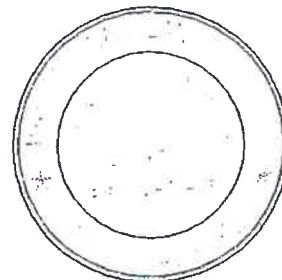


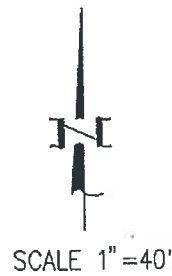
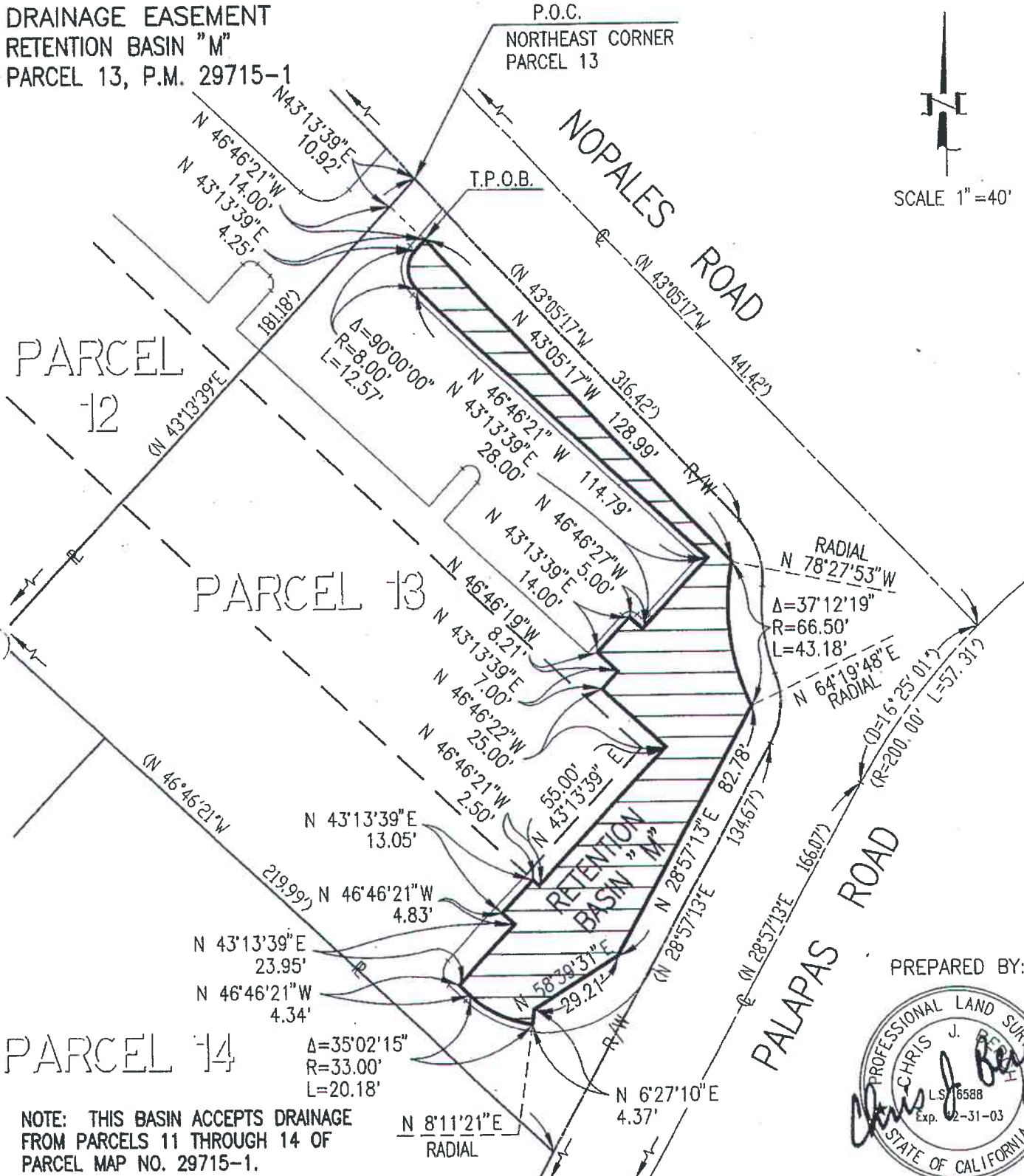
EXHIBIT "L"



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98 of 108

SHEET 1 OF 1 SHEET

DRAINAGE EASEMENT
RETENTION BASIN "M"
PARCEL 13, P.M. 29715-1



PARCEL 12

PARCEL 13

PARCEL 14

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 11 THROUGH 14 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB

PREPARED BY:



<h2>MDS</h2> <p>CONSULTING</p>	MORSE	79-799 Old Avenue 52 La Quinta, CA 92253
	DOKICH	Volce: 760-771-4013
	SCHULTZ	FAX: 760-771-4073
PLANNERS ENGINEERS SURVEYORS		



2006-0347510
05/12/2006 09:08A
99 of 108

EXHIBIT "M"

DRAINAGE EASEMENT-RETENTION BASIN "S"

LEGAL DESCRIPTION:

A PORTION OF PARCEL 29, AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 202, PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF PARCEL 27 OF SAID MAP; THENCE LEAVING SAID SOUTHEAST CORNER, SOUTH 48°07'35" WEST 38.71 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 43°05'17" EAST 35.19 FEET; THENCE SOUTH 13°33'39" WEST 27.90 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 739.50 FEET, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 46°36'03" WEST; THENCE SOUTHWESTERLY ALONG SAID CURVE AN ARC DISTANCE OF 134.80 FEET THROUGH A CENTRAL ANGLE OF 10°26'39" TO A POINT, A RADIAL LINE THROUGH SAID POINT BEARS NORTH 57°02'42" WEST; THENCE NORTH 0°42'34" EAST 56.66 FEET; THENCE SOUTH 89°17'26" EAST 30.76 FEET; THENCE NORTH 0°42'34" EAST 75.00; THENCE NORTH 89°17'26" WEST 2.50 FEET; THENCE NORTH 0°42'34" EAST 15.50 FEET; THENCE SOUTH 89°17'26" EAST 4.83 FEET; THENCE NORTH 0°42'34" EAST 23.97 FEET; THENCE SOUTH 89°17'26" EAST 19.44 FEET; THENCE SOUTH 43°05'17" EAST 16.20 FEET TO THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCEL 29 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

Chris J. Bergh 3/25/02
CHRIS J. BERGH, P.L.S. 6588 DATE
EXPIRATION DATE: 12/31/03

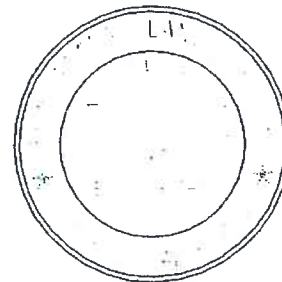


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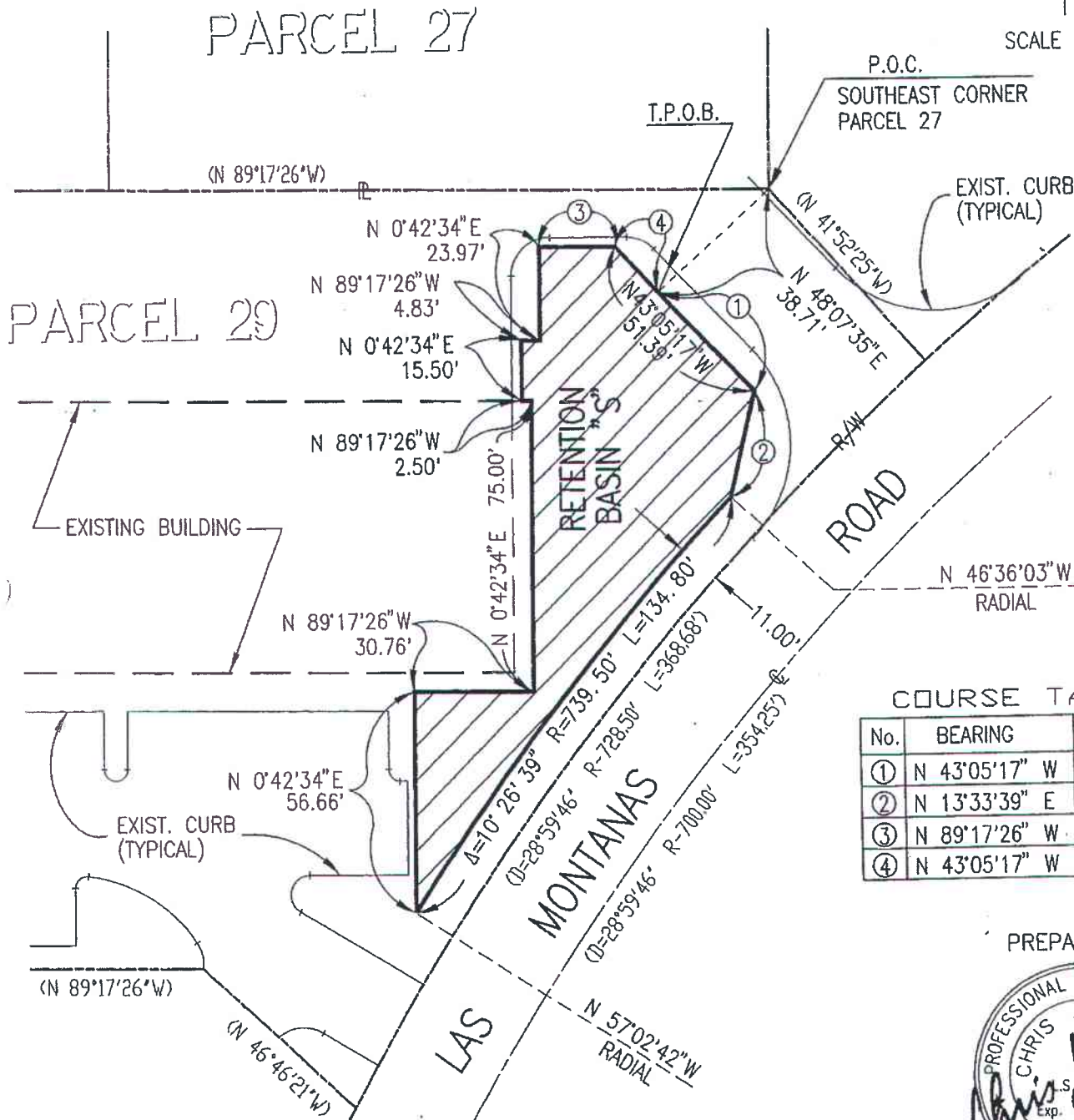
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100 of 100

SHEET 1 OF 1 SHEET

DRAINAGE EASEMENT
RETENTION BASIN "S"
PARCEL 29, P.M. 29715-1



SCALE 1"=40'



COURSE TABLE

No.	BEARING	DISTANCE
①	N 43°05'17" W	35.19'
②	N 13°33'39" E	27.90'
③	N 89°17'26" W	19.44'
④	N 43°05'17" W	16.20'

PREPARED BY:



NOTE: THIS BASIN ACCEPTS DRAINAGE FROM
PARCEL 29 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB

MDS

CONSULTING

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La Quinta, CA 92253

DOKICH Voice: 760-771-4013

SCHULTZ FAX: 760-771-4073

PLANNERS ENGINEERS SURVEYORS



2006-0347510
05/12/2006 08:00A
101 of 108

EXHIBIT "O"

DRAINAGE EASEMENT-RETENTION BASIN "T"

LEGAL DESCRIPTION:

A PORTION OF PARCEL 27, PARCEL 28, AND PARCEL 29, AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 262, PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF PARCEL 27 OF SAID MAP; THENCE SOUTH ALONG THE EAST LINE OF SAID PARCEL, SOUTH 0°42'34" WEST 74.50 FEET TO THE TRUE POINT OF BEGINNING; THENCE LEAVING SAID EAST LINE, SOUTH 89°17'26" EAST 26.87 FEET; THENCE SOUTH 37°46'20" EAST 37.59 FEET; THENCE SOUTH 52°13'40" WEST 58.79 FEET; THENCE SOUTH 37°46'20" EAST 18.00 FEET; THENCE SOUTH 52°13'40" WEST 6.76 FEET; THENCE SOUTH 37°46'20" EAST 28.00 FEET; THENCE NORTH 52°13'40" EAST 5.00 FEET; THENCE SOUTH 37°46'20" EAST 20.00 FEET; THENCE SOUTH 52°13'40" WEST 36.00 FEET; THENCE SOUTH 37°46'20" EAST 18.00 FEET; THENCE SOUTH 52°13'40" WEST 5.00 FEET; THENCE SOUTH 37°46'20" EAST 28.00 FEET; THENCE NORTH 52°13'40" EAST 5.00 FEET; THENCE SOUTH 37°46'20" EAST 19.56 FEET; THENCE SOUTH 9°44'14" EAST 11.50 FEET; THENCE SOUTH 50°43'14" WEST 5.26 FEET; THENCE SOUTH 80°15'46" WEST 34.27 FEET; THENCE NORTH 43°05'17" WEST 37.16 FEET; THENCE NORTH 0°47'34" WEST 55.30 FEET; THENCE SOUTH 89°12'26" WEST 2.75 FEET; THENCE NORTH 0°42'59" EAST 107.38 FEET; THENCE SOUTH 89°17'26" WEST 11.00 FEET; THENCE NORTH 0°42'34" EAST 24.00 FEET; THENCE SOUTH 89°17'26" EAST 20.00 FEET TO THE EAST LINE OF PARCEL 27 AND THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 27 THROUGH 29 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

Chris J. Bergh 3/25/02
CHRIS J. BERGH, P.L.S. 6588 DATE
EXPIRATION DATE: 12/31/03

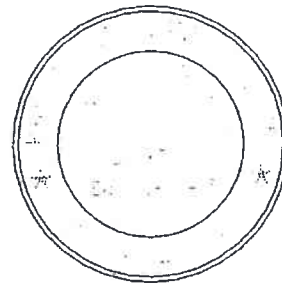
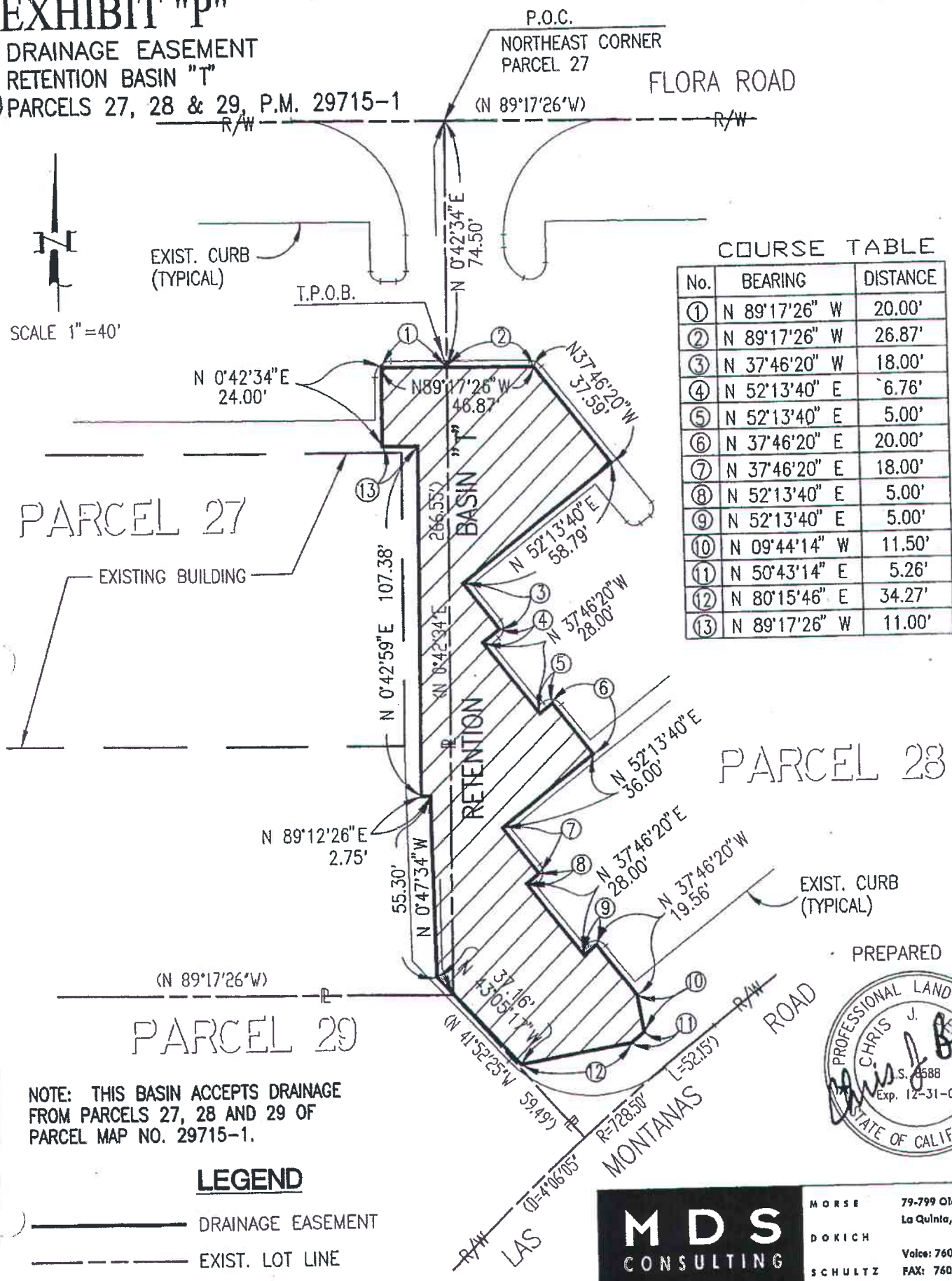
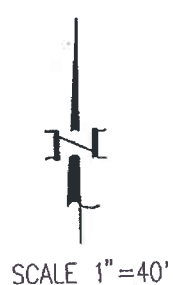


EXHIBIT "P"

DRAINAGE EASEMENT RETENTION BASIN "T"

PARCELS 27, 28 & 29, P.M. 29715-1



COURSE TABLE

No.	BEARING	DISTANCE
①	N 89°17'26" W	20.00'
②	N 89°17'26" W	26.87'
③	N 37°46'20" W	18.00'
④	N 52°13'40" E	6.76'
⑤	N 52°13'40" E	5.00'
⑥	N 37°46'20" E	20.00'
⑦	N 37°46'20" E	18.00'
⑧	N 52°13'40" E	5.00'
⑨	N 52°13'40" E	5.00'
⑩	N 09°44'14" W	11.50'
⑪	N 50°43'14" E	5.26'
⑫	N 80°15'46" E	34.27'
⑬	N 89°17'26" W	11.00'

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 27, 28 AND 29 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB

PREPARED BY:



MDS

CONSULTING

MORSE 79-799 Old Avenue 52
La Quinta, CA 92253

DOKICH Voice: 760-771-4013

SCHULTZ FAX: 760-771-4073

PLANNERS ENGINEERS SURVEYORS

2006-0347510
05/12/2006 08:08A



2006-0347510
05/12/2006 08:00A
103 of 103

EXHIBIT "Q"

DRAINAGE EASEMENT-RETENTION BASIN "V"

LEGAL DESCRIPTION:

A PORTION OF PARCEL 28, AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 202, PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF PARCEL 28 OF SAID MAP; THENCE EAST ALONG THE NORTH LINE OF SAID PARCEL, SOUTH 89°17'26" EAST 154.16 FEET; THENCE LEAVING SAID NORTH LINE, SOUTH 0°42'34" WEST 10.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING, SOUTH 0°42'34" WEST 13.67 FEET; THENCE NORTH 89°17'26" WEST 35.91 FEET; THENCE SOUTH 52°13'23" WEST 37.03 FEET; THENCE NORTH 87°20'17" WEST 7.27 FEET; THENCE NORTH 0°42'34" EAST 17.96 FEET; THENCE NORTH 89°17'26" WEST 47.96 FEET; THENCE NORTH 0°42'34" WEST 8.32 FEET; THENCE NORTH 59°57'18" EAST 19.91 FEET; THENCE SOUTH 89°17'26" EAST 103.01 FEET TO THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 27 AND 28 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

Chris J. Bergh 3/25/02
CHRIS J. BERGH, P.L.S. 6038 DATE
EXPIRATION DATE: 12/31/03

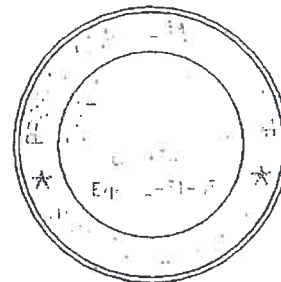
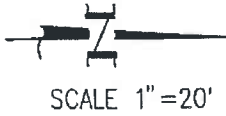


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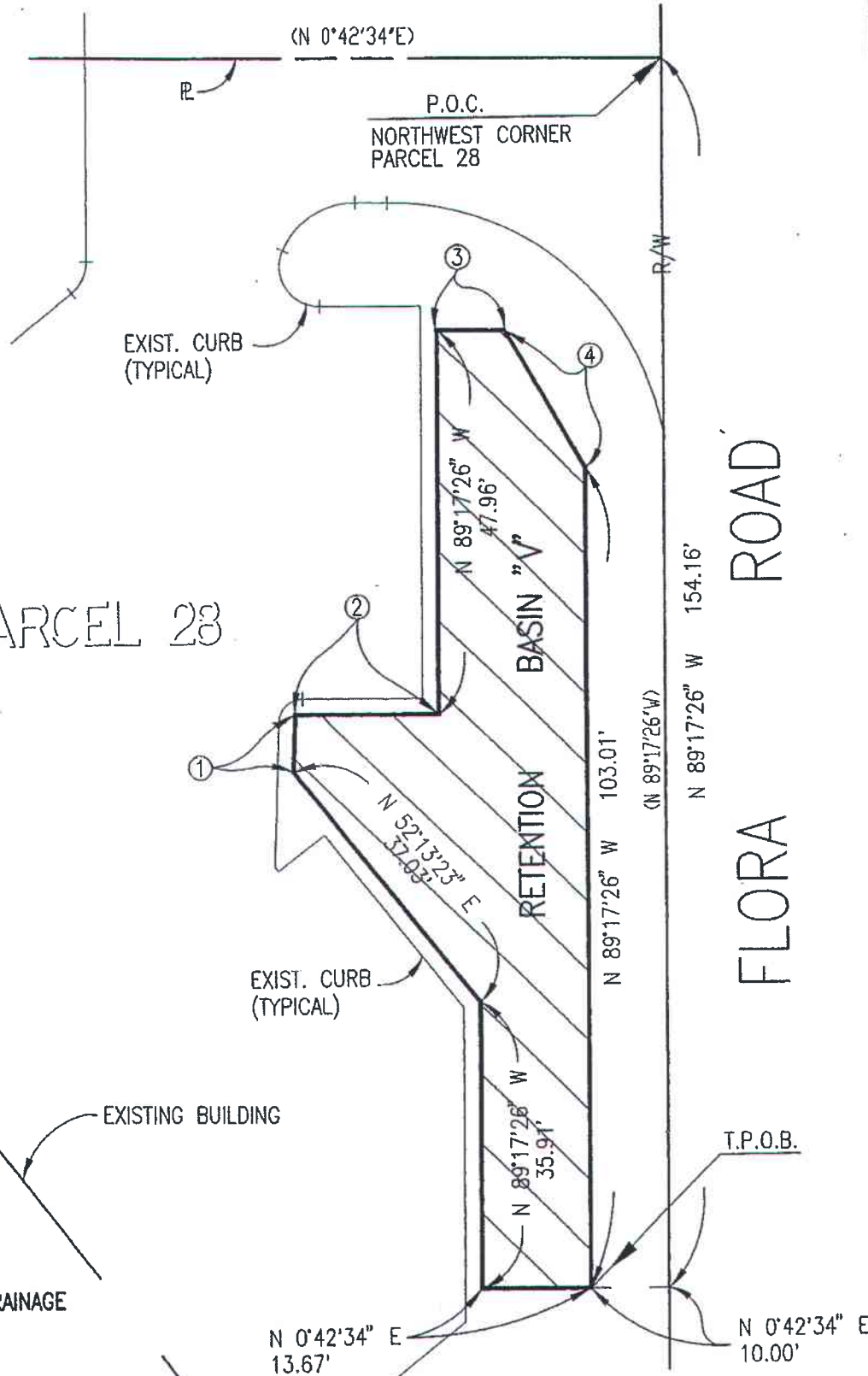
DRAINAGE EASEMENT
RETENTION BASIN "V"
PARCEL 28, P.M. 29715-1



COURSE TABLE

No.	BEARING	DISTANCE
①	N 87°20'17" W	7.27'
②	N 00°42'34" E	17.96'
③	N 00°42'34" W	8.32'
④	N 59°57'18" E	19.91'

PARCEL 28



PREPARED BY:



NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 27 AND 28 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB

MDS

CONSULTING

MORSE 79-799 Old Avenue 52
La Quinta, CA 92253

DOKICH Voice: 760-771-4013

SCHULTZ FAX: 760-771-4073

PLANNERS ENGINEERS SURVEYORS

2006-0347510
05/12/2006 08:09R



2006-0347518
05/12/2006 08:08A
105 of 108

EXHIBIT "S"

DRAINAGE EASEMENT-RETENTION BASIN "W"

LEGAL DESCRIPTION:

A PORTION OF PARCEL 26 AND PARCEL 27, AS SHOWN ON PARCEL MAP NO. 29715-1, AS FILED IN PARCEL MAP BOOK 202, PAGES 35 THROUGH 39, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF PARCEL 26 OF SAID MAP; THENCE SOUTH ALONG THE EAST LINE OF SAID PARCEL, SOUTH 0°42'34" WEST 10.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE LEAVING SAID EAST LINE, SOUTH 89°17'26" EAST 124.83 FEET; THENCE SOUTH 58°34'53" EAST 25.78 FEET; THENCE SOUTH 0°42'34" EAST 5.34 FEET; THENCE NORTH 89°17'26" WEST 288.00 FEET; THENCE NORTH 0°42'59" EAST 18.50 FEET; THENCE SOUTH 89°17'26" EAST 141.00 FEET TO THE EAST LINE OF PARCEL 26 AND THE TRUE POINT OF BEGINNING.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

NOTE: THIS BASIN ACCEPTS DRAINAGE FROM PARCELS 26 AND 27 OF PARCEL MAP NO. 29715-1.

PREPARED UNDER THE SUPERVISION OF:

Chris J. Bergh 3/25/02
CHRIS J. BERGH, P.L.S. 6588 DATE
EXPIRATION DATE: 12/31/03

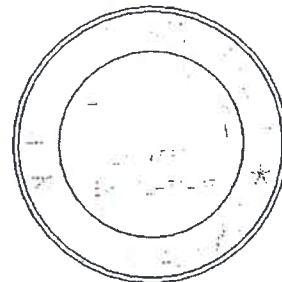


EXHIBIT "T"

SHEET 1 OF 1 SHEET

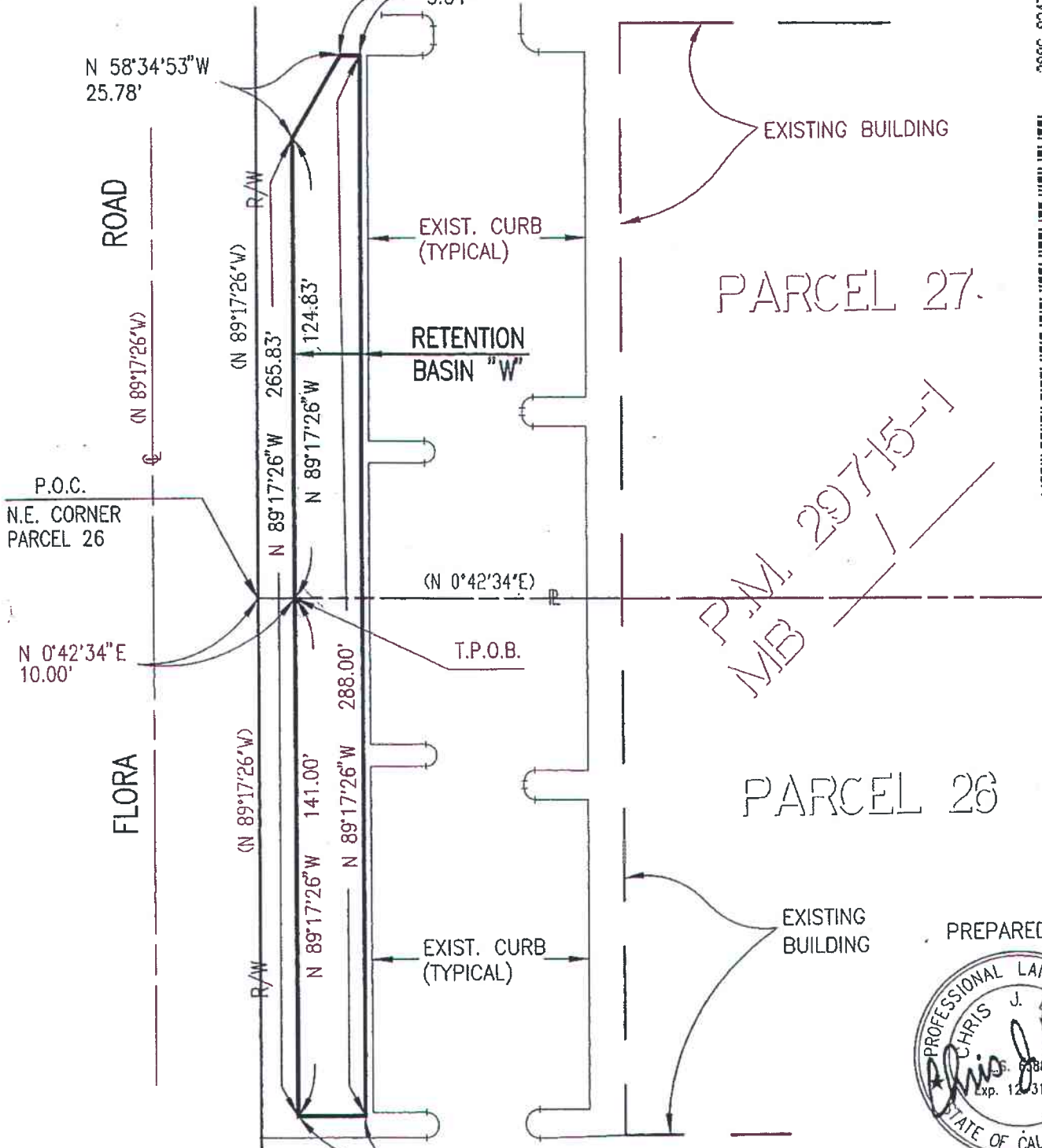
DRAINAGE EASEMENT
RETENTION BASIN "W"

PARCELS 26 & 27, P.M. 29715-1



SCALE 1"=40'

2806-0347510
65/12/2006 08:00P
106 of 108



P.M. 29715-1
MB

NOTE: THIS BASIN ACCEPTS
DRAINAGE FROM PARCELS 26 AND
27 OF PARCEL MAP NO. 29715-1.

LEGEND

- DRAINAGE EASEMENT
- EXIST. LOT LINE
- PARKING LOT CURB

PREPARED BY:



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CONSULTING
PLANNERS ENGINEERS SURVEYORS

MORSE 79-799 Old Avenue 52
La Quinta, CA 92253
DOKICH Voice: 760-771-4013
SCHULTZ FAX: 760-771-4073

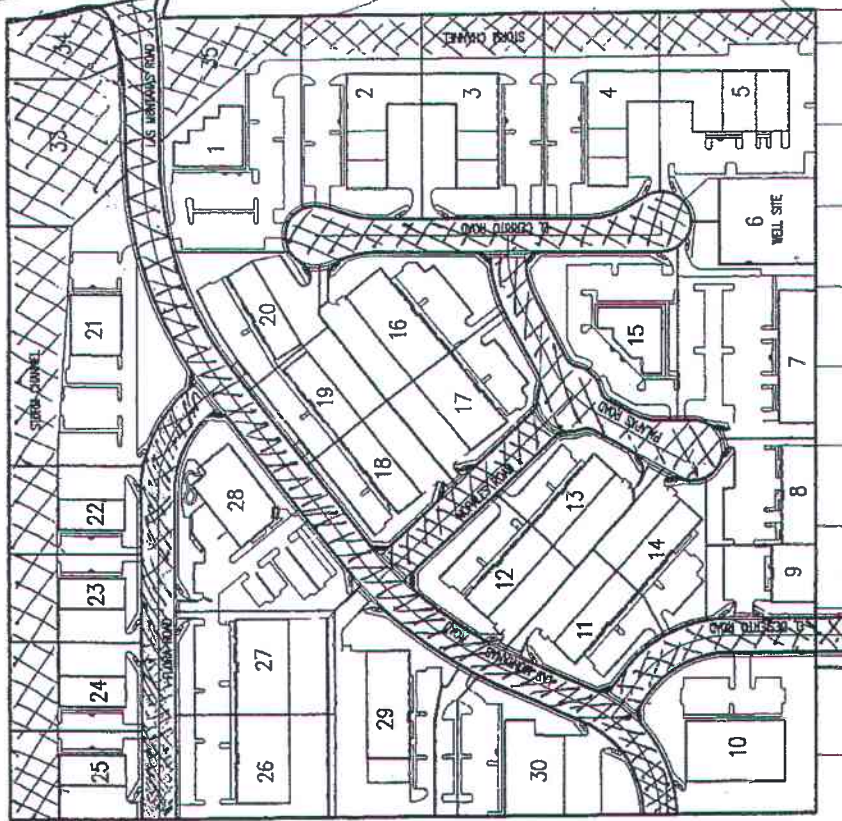
EXHIBIT "L"

ASSOCIATION MAINTENANCE AREAS



DESERT BUSINESS PARK

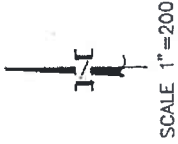
PARCEL MAP NO. 29715-1



GRAPHIC SCALE 1"=200'

SOLD PARCELS: 11, 12, 13, 14

XXXX POA MAINTAINS



PHASE 1

PAR. NO.	ZONING	TOTAL AREA	NET AREA	TOTAL ACRES	NET ACRES	BLDG. SF
1	I-P	65,356 SF	51,562 SF	1.50 ACRES	1.50 ACRES	17,000 **
2	I-P	65,967 SF	51,562 SF	1.50 ACRES	1.50 ACRES	15,672
3	I-P	66,978 SF	53,337 SF	1.22 ACRES	1.22 ACRES	15,672
4	I-P	64,983 SF	54,083 SF	1.24 ACRES	1.24 ACRES	15,970
5 *	I-P	71,967 SF	71,967 SF	1.78 ACRES	1.78 ACRES	18,254
6 *	I-P	21,780 SF	21,780 SF	0.50 ACRES	0.50 ACRES	WELL SITE
7 *	I-P	47,045 SF	47,045 SF	1.08 ACRES	1.08 ACRES	9,000
8	I-P	28,478 SF	28,478 SF	0.65 ACRES	0.65 ACRES	6,752
9	I-P	21,174 SF	21,174 SF	0.49 ACRES	0.49 ACRES	8,000
10	I-P	36,534 SF	36,534 SF	0.84 ACRES	0.84 ACRES	8,000
11	I-P	30,428 SF	30,428 SF	0.70 ACRES	0.70 ACRES	8,000
12	I-P	32,061 SF	32,061 SF	0.74 ACRES	0.74 ACRES	8,000
13	I-P	35,238 SF	35,238 SF	0.81 ACRES	0.81 ACRES	8,000
14	I-P	35,080 SF	35,080 SF	0.80 ACRES	0.80 ACRES	8,000
15	I-P	70,567 SF	70,567 SF	1.62 ACRES	1.62 ACRES	16,352 **
16	I-P	49,286 SF	49,286 SF	1.13 ACRES	1.13 ACRES	13,350
17	I-P	36,683 SF	36,683 SF	0.84 ACRES	0.84 ACRES	11,100
18	I-P	31,135 SF	31,135 SF	0.71 ACRES	0.71 ACRES	7,800
19	I-P	26,860 SF	26,860 SF	0.62 ACRES	0.62 ACRES	7,400
20	I-P	37,857 SF	37,857 SF	0.87 ACRES	0.87 ACRES	8,000
21	I-P	91,971 SF	91,971 SF	2.11 ACRES	2.11 ACRES	8,500
22	I-P	31,162 SF	31,162 SF	0.72 ACRES	0.72 ACRES	5,500
23	I-P	31,085 SF	31,085 SF	0.71 ACRES	0.71 ACRES	5,500
24	I-P	31,085 SF	31,085 SF	0.71 ACRES	0.71 ACRES	5,500
25	I-P	31,219 SF	31,219 SF	0.72 ACRES	0.72 ACRES	5,500
26	I-P	48,313 SF	48,313 SF	1.04 ACRES	1.04 ACRES	13,140
27	I-P	45,313 SF	45,313 SF	1.04 ACRES	1.04 ACRES	14,040
28	I-P	64,608 SF	64,608 SF	1.48 ACRES	1.48 ACRES	12,574
29	I-P	64,682 SF	64,682 SF	1.48 ACRES	1.48 ACRES	15,118
30	I-P	51,371 SF	51,371 SF	1.18 ACRES	1.18 ACRES	14,330
21, 22, 23, 24, 25, 26, 27, 28, 29, 30	I-P	101,981 SF	56,460 SF	1.53 ACRES	1.53 ACRES	
PAR. A (5)	I-P	65,734 SF	65,734 SF	1.50 ACRES	1.50 ACRES	18,254
PAR. B (6)	I-P	75,117 SF	75,117 SF	1.72 ACRES	1.72 ACRES	WELL SITE
PAR. C (7)	I-P	21,780 SF	21,780 SF	0.50 ACRES	0.50 ACRES	WELL SITE
PAR. D (7)	I-P	67,092 SF	67,092 SF	1.54 ACRES	1.54 ACRES	13,119

** INDICATES TWO-STORY BUILDING
 I-P-SC MANUFACTURING - SERVICE COMMERCIAL
 I-P INDUSTRIAL PARK
 * INDICATES ADJUSTED PARCELS PER LOT LINE ADJUSTMENT NO. 4529

MDS
 CONSULTING
 PLANNERS ENGINEERS SURVEYORS

7575 Old Avenue Dr
 Suite 100
 Irvine, CA 92618
 Phone 714/977-8919
 Facsimile 714/977-8979

Survey Sheet #01-101-1 04-07-2003

Exhibit "L"

2006-0347510
 05/12/2006 09:06A
 108 of 188



2003-253963
 04/10/2003 09:06A
 6 of 6

APPROVED

RECORDING REQUESTED BY

WHEN RECORDED RETURN TO
INVESTCO FINANCIAL CORPORATION
1302 PUYALLUP STREET
SUMNER, WA 98390
ATTN: ANGELA L. HUMPHREYS, ESQ.

DOC # 2007-0328619
05/17/2007

Conformed Copy
Has not been compared with original
Larry W Ward
County of Riverside
Assessor, County Clerk & Recorder

THE AREA ABOVE IS RESERVED FOR RECORDER'S USE

FIRST AMENDMENT
TO
AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS AND
RESERVATION OF EASEMENTS
FOR
DESERT BUSINESS PARK

NOTE: AS MORE FULLY DESCRIBED IN SECTION 17.20 OF THIS DECLARATION, IN THE EVENT OF ANY DISPUTES ARISING HEREUNDER, OR RELATING TO THE DESIGN AND/OR CONSTRUCTION OF THE PROJECT GOVERNED HEREBY, SUCH DISPUTE SHALL BE SUBMITTED TO JUDICIAL REFERENCE, A FORM OF ALTERNATIVE DISPUTE RESOLUTION.

FIRST AMENDMENT
TO
AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
AND RESERVATION OF EASEMENTS
FOR
DESERT BUSINESS PARK

THIS FIRST AMENDMENT (this "Amendment") is made as of the 5TH day of January, 2007, by Desert Business Park II L.L.C., a Washington limited liability company ("Declarant").

RECITALS

A. Declarant is the owner of that certain real property located in the County of Riverside, State of California and commonly known as Desert Business Park Center which is subject to that certain Amended and Restated Declaration of Covenants, Conditions and Restrictions and Reservation of Easements dated May 11, 2006, and recorded on May 12, 2006, as Instrument No. 2006-0347510 (the "Declaration").

B. Declarant has the authority under Section 17.19 of the Declaration to executed amendments to the Declaration and Declarant desire to amend the Declaration.

C. Declarant is currently in the process of re-subdividing Parcels 9, 10, 11, 12, 13 and 14 of Tract No. 29715 under Tentative Parcel Map 32544 (the "32544 Subdivision") and now desires to amend the Declaration in order to accommodate the 32544 Subdivision as required by the County of Riverside:

Tract 29715 "Old" Parcel Numbers	Tract 32544 "New" Parcel Numbers
9	11, 12, 13, 14
10	9,10
11	7,8
12	5,6
13	3,4
14	1,2

NOW, THEREFORE, Declarant hereby amends the Declaration as follows:

1. Exhibit "A" (Covered Property) shall be deleted in its entirety and the "Revised Exhibit A" (attached hereto) shall be inserted in lieu thereof.

2. Exhibit "B" (Voting Allocation Schedule) shall be deleted in its entirety and the "Revised Exhibit B" (attached hereto) shall be inserted in lieu thereof.

3. Exhibit "C" (Description of Common Areas) shall be deleted in its entirety and the "Revised Exhibit C" (attached hereto) shall be inserted in lieu thereof.

4. A new Exhibit "G-1" (County of Riverside Best Management Practices) shall be incorporated into the Declaration *but shall apply solely to Tract 32544*. The existing Exhibit G shall apply to the remaining Covered Property.

5. Exhibit "L" (Association Maintenance Areas) shall be deleted in its entirety and the "Revised Exhibit L" (attached hereto) shall be inserted in lieu thereof.

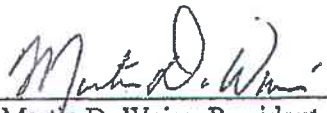
6. A new Exhibit "M" and "Exhibit M-1" shall be incorporated into the Declaration *but shall apply solely to Tract 32544* and shall describe the obligations of the Association and Owner responsibilities with respect to maintenance and repair of the Lots in accordance with Article 8.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be duly executed as of the day and year first above written.

DECLARANT:

Desert Business Park II L.L.C.,
a Washington limited liability company

By: Investco Financial Corporation, a
Washington corporation, its Manager

By: 
Martin D. Weiss, President

STATE OF WASHINGTON

)

)

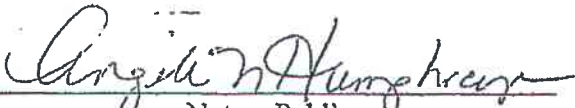
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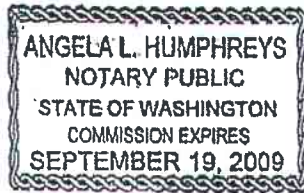
)

COUNTY OF PIERCE

On January 24th 2007, before me, the undersigned, a Notary Public in and for said County and State, personally appeared MARTIN D. WAISS, personally known to me (or 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.

WITNESS my hand and official seal.


Notary Public



REVISED EXHIBIT "A"

DESCRIPTION OF COVERED PROPERTY

Tract No. 29715-1 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on July 9, 2002, in Map Book 202 at Pages 35 through 39, inclusive of Parcel Maps.

Tract No. 29715 (except Parcels 9 through 14 which are subdivided and re-numbered as Tract No. 32544) in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on May 13, 2004, in Map Book 208 at Pages 96 through 99, inclusive of Parcel Maps.

Tract No. 32544 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on 5-17-07, in Map Book 221 at Pages 65 through 68, inclusive of Parcel Maps.

REVISED EXHIBIT "B"
VOTING ALLOCATION SCHEDULE

[Inserted behind this page]

REVISED EXHIBIT B
 DESERT BUSINESS PARK
 VOTING ALLOCATION SCHEDULE

Lot Size (Net Useable Sq Ft)	No. of Votes
0 to 40,000	1
40,001- 80,000	2
80,001- 120,000	3
120,001 +	4

LOT #	PARCEL GROSS SF	COMMON AREA/ EASEMENTS	NET USABLE SQUARE FEET	VOTES
-------	-----------------	------------------------	------------------------	-------

Parcel Map 29715-1

1	1	65,356	7,156	58,200	2
2	2	65,267	10,899	54,368	2
3	3	66,978	13,169	53,810	2
4	4	64,981	14,304	50,677	2
5	5A	75,118	13,957	61,161	2
6	7B	47,237	-	47,237	2
7	8	29,433	-	29,433	1
8	9	21,174	-	21,174	1
9	10A	65,734	13,192	52,542	2
10	11	33,395	-	33,395	1
11	12	37,001	-	37,001	1
12	13	34,130	-	34,130	1
13	14	32,149	-	32,149	1
14	15A	73,101	-	73,101	2
15	16	49,088	-	49,088	2
16	17	36,707	-	36,707	1
17	18	31,141	-	31,141	1
18	19	26,860	-	26,860	1
19	20	37,770	-	37,770	1
20	21B	101,964	35,503	66,460	2
21	22	31,151	11,165	19,986	1
22	23	31,087	11,165	19,923	1
23	24	31,091	11,165	19,926	1
24	25	31,217	11,253	19,964	1
25	26	45,474	-	45,474	2
26	27	45,313	-	45,313	2
27	28	64,603	-	64,603	2
28	29	65,104	-	65,104	2
29	30	51,610	-	51,610	2

REVISED EXHIBIT "C"

DESCRIPTION OF COMMON AREAS

Association Owned and Maintained:

1. Private streets known as Lots "A" through "D" of Tract No. 29715 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County May 13, 2004, in Map Book 208 at Pages 96 through 99, inclusive of Parcel Maps.
2. Private streets known as Lots "B" through "G" of Tract No. 29715-1 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on July 9, 2002, in Map Book 202 at Pages 35 through 39, inclusive of Parcel Maps.
3. Retention Basin and open space areas known as Lots 33, 34 and 35 of Tract No. 29715-1 in the County of Riverside, State of California, according to the Map thereof in the Office of the County Recorder of Riverside County on July 9, 2002, in Map Book 202 at Pages 35 through 39, inclusive of Parcel Maps.

Association Maintained by not Owned:

1. Drainage Retention Basin located on Lot 10 of Tract No. 29715-1.
2. Storm Channel along the north and western boundaries of the Project.

LOT #	PARCEL GROSS SF	COMMON AREA/ EASEMENTS	NET USABLE SQUARE FEET	VOTES
-------	-----------------	------------------------	------------------------	-------

Parcel Map 29715

30	1	36,485	13,073	23,413	1
31	2	36,456	13,090	23,366	1
32	3	149,578	17,148	132,430	4
33	4	147,606	16,920	130,686	4
34	5	230,864	70,832	160,033	4
35	6	234,441	58,344	176,097	4
36	7	151,034	7,331	143,703	4
37	8	153,197	7,357	145,841	4

Parcel Map 32544

38	1	29,173		29,173	1
39	2	21,040		21,040	1
40	3	21,040		21,040	1
41	4	26,614		26,614	1
42	5	65,226		65,226	2
43	6	65,352		65,352	2
44	7	21,040		21,040	1
45	8	26,614		26,614	1
46	9	29,841		29,841	1
47	10	21,040		21,040	1
48	11	19,506		19,506	1
49	12	16,844		16,844	1
50	13	16,867		16,867	1
51	14	16,891		16,891	1

TOTAL VOTES 86

EXHIBIT "G-1"

COUNTY OF RIVERSIDE
BEST MANAGEMENT PRACTICES

FOR TRACT 32544

The management and maintenance of the 'common area' shall include the following best management practices (BMPs) to reduce storm water pollution:

Initial residents, occupants, or tenants of this site shall receive educational materials on good housekeeping practices which contribute to the protection of storm water quality. These educational materials shall be provided by the Riverside County Flood Control and Water Conservation District and shall be distributed by the Property Owners' Association. These materials shall address good housekeeping practices associated with the site's land use or uses (e.g., good housekeeping practices for office commercial, retail commercial, vehicle-related commercial, or industrial land use). Employers at this site shall adapt these materials for training their employees in good housekeeping practices (BMP N1 & N13);

Only pesticide applicators who are certified by the State of California as Qualified Applicators or who are directly supervised by a Qualified Applicator shall apply pesticides to common area landscaping. The applicator shall apply all pesticides in strict accordance with pesticide application laws as stated in the California Food and Agricultural Code. Fertilizer shall be applied to common area landscaping in accordance with the manufacturer's recommendations. Application to hardscape surfaces shall be avoided (BMP N3);

The 'catch basin(s)' shall be inspected and, if necessary, cleaned by the Property Owners' Association no later than October 15th of each year. 'ONLY RAIN IN THE DRAIN' and 'NO DUMPING' stencils shall be repainted as necessary to maintain legibility (BMP N4 & S12);

The 'water quality inlet(s), oil/water separator(s) and trash rack(s) shall be inspected and, if necessary, cleaned by the Property Owners' Association no later than October 15th of each year (BMP S4 & S13);

The Property Owners' Association shall keep the common area(s) free of litter. Litter shall be removed from the common area, and litter receptacles shall be emptied at least once a month. Where improper disposal of trash has occurred, the Property Owners' Association shall take corrective action within forty-eight hours of discovery (BMP N5);

The street(s) and parking lot(s) shall be swept by the Property Owners' Association at least once a year and shall be swept no later than October 15th of each year (BMP N6);

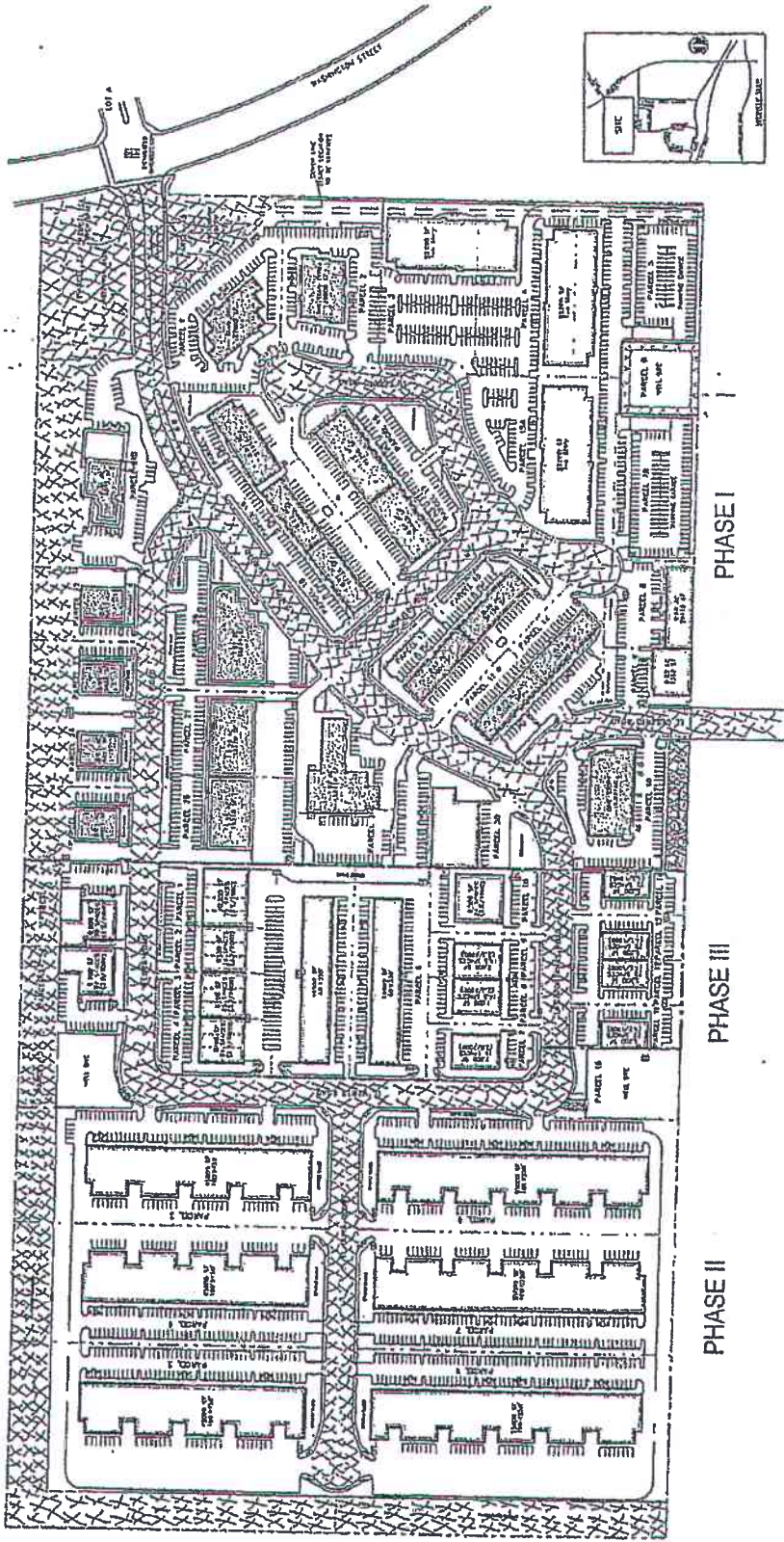
The Property Owners' Association shall keep loading docks in a clean and orderly condition through a regular program of sweeping, litter control, and the immediate cleanup of spills and broken containers. In accordance with Riverside County Ordinance No. 754, Establishing Storm Water/Urban Runoff Management and Discharge Controls, Illicit discharges and non-storm water discharges (e.g., wash water) from loading docks to storm drains shall not be allowed (BMP N12);

The Property Owners' Association shall maintain an up-to-date list identifying the party or parties responsible for the implementation and maintenance of each of the BMPs described herein. The list shall include the party's name, organization, address, a phone number at which the party may be reached 24 hours a day, and a description of the party's responsibility for implementation and maintenance of a particular BMP (BMP N14)."

REVISED EXHIBIT "L"

ASSOCIATION MAINTENANCE AREAS

[Drawing inserted behind this page]



XXX FOA MANSTANIS Exhibit "L"

DESERT BUSINESS PARK

MASTER SITE PLAN

INVESTCO
100 Pyramid Street
Sunnyvale, California 94089
(415) 335-5000

Smith Consulting Architects

11400 Wilshire Blvd.
Suite 200, Los Angeles, CA 90025
Tel: 310.277.1777
Fax: 310.277.1778
www.sca-arch.com

AUGUST 08, 2006

EXHIBIT "M"

OWNER AND ASSOCIATION MAINTENANCE AREAS

FOR TRACT 32544

Maintenance and repair of each retention basin and the storm water flow paths on each Lot located within Tract 32544, more particularly described on Exhibit "M-1" attached hereto, shall be the responsibility of the Owner, or as otherwise approved by the County of Riverside Transportation Department. All maintenance and repair of such retention basins and storm water facilities shall be subject to the Best Management Practices outlined on Exhibit "G-1". The County of Riverside shall not be responsible for the maintenance and repair of retention basins and/or storm water flow paths.

IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

SHEET 4 OF 4 SHEETS

PARCEL MAP NO. 32544

BEING A SUBDIVISION OF PARCELS 9, 10, 11, 12, 13 AND 14 AS SHOWN ON PARCEL MAP NO. 29715 ON FILE IN BOOK 202, PAGE 36 THROUGH 39 OF PARCEL MAPS, COUNTY RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, Lying IN FRACTIONAL SECTION 4, TOWNSHIP 8 SOUTH, RANGE 6 EAST, SAN JERONIMO BASE AND MERIDIAN

MCS CONSULTING JULY, 2008 GARY W. DODSON (L.S. 4423)

EASEMENT NOTE

□ - PROVIDE A PERMIT, EASEMENT AND LICENSE TO ALL NEIGHBORING PROPERTIES OR ENCROACHMENTS BY UTILITIES ADJACENT AS SHOWN HEREON.

TO: F. U. P. FLUSH PLUG PLUG PLUGS TO BE USED FOR F.P. 202/35-39

NO.	START	END	AS BUILT
1	171.50	171.50	171.50
2	171.50	171.50	171.50
3	171.50	171.50	171.50
4	171.50	171.50	171.50
5	171.50	171.50	171.50
6	171.50	171.50	171.50
7	171.50	171.50	171.50
8	171.50	171.50	171.50
9	171.50	171.50	171.50
10	171.50	171.50	171.50
11	171.50	171.50	171.50
12	171.50	171.50	171.50
13	171.50	171.50	171.50
14	171.50	171.50	171.50
15	171.50	171.50	171.50
16	171.50	171.50	171.50
17	171.50	171.50	171.50
18	171.50	171.50	171.50
19	171.50	171.50	171.50
20	171.50	171.50	171.50
21	171.50	171.50	171.50
22	171.50	171.50	171.50
23	171.50	171.50	171.50
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38	171.50	171.50	171.50
39	171.50	171.50	171.50
40	171.50	171.50	171.50
41	171.50	171.50	171.50
42	171.50	171.50	171.50
43	171.50	171.50	171.50
44	171.50	171.50	171.50
45	171.50	171.50	171.50
46	171.50	171.50	171.50
47	171.50	171.50	171.50
48	171.50	171.50	171.50
49	171.50	171.50	171.50
50	171.50	171.50	171.50

PARCEL 3

PARCEL MAP NO. 29715

P.M.B. 208/96-99

EL VIENTO ROAD

EL DUNA COURT

PARCEL MAP NO. 29715

P.M.B. 208/96-99

PARCEL 8

PAR. 10

DETAIL "A"

SEE SHEET 3 FOR SURVEYOR'S NOTES AND BASIS OF BEARINGS

PARCEL MAP NO. 29715

P.M.B. 208/96-99

PARCEL 16

PARCEL MAP NO. 29715

P.M.B. 208/96-99

TO: F. U. P. FLUSH PLUG PLUG PLUGS TO BE USED FOR F.P. 202/35-39

TO: F. U. P. FLUSH PLUG PLUG PLUGS TO BE USED FOR F.P. 202/35-39

TO: F. U. P. FLUSH PLUG PLUG PLUGS TO BE USED FOR F.P. 202/35-39

PARCEL MAP NO. 29715 P.M.B. 208/96-99

PARCEL 15

PARCEL 2

PARCEL 1

PARCEL MAP NO. 29715-1 P.M.B. 202/35-39

PARCEL 25

PARCEL 24

FLORA ROAD (PRIVATE)

FLORA ROAD (PRIVATE)

FLORA ROAD (PRIVATE)

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PARCEL 172

PARCEL 173

PARCEL 174

RECORDING REQUESTED BY

WHEN RECORDED RETURN TO
INVESTCO FINANCIAL CORPORATION
1302 PUYALLUP STREET
SUMNER, WA 98390
ATTN: ANGELA L. HUMPHREYS

2017-0021331

01/18/2017 01:55 PM Fee: \$ 43.00

Page 1 of 7

Recorded in Official Records
County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder



139					R	A	Exam: 554			
Page	DA	PCOR	Misc	Long	RFD	1st Pg	Adtl Pg	Cert	CC	
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SIZE	NCOR	SMF	NCHG	T:						

56.50

SECOND AMENDMENT
TO
THE AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS AND
RESERVATION OF EASEMENTS
FOR
DESERT BUSINESS PARK

NOTE: AS MORE FULLY DESCRIBED IN SECTION 17.20 OF THIS DECLARATION, IN THE EVENT OF ANY DISPUTES ARISING HEREUNDER, OR RELATING TO THE DESIGN AND/OR CONSTRUCTION OF THE PROJECT GOVERNED HEREBY, SUCH DISPUTE SHALL BE SUBMITTED TO JUDICIAL REFERENCE, A FORM OF ALTERNATIVE DISPUTE RESOLUTION.

**SECOND AMENDMENT
TO
THE AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND
RESERVATION OF EASEMENTS
FOR
DESERT BUSINESS PARK**

This Second Amendment to the Amended and Restated Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Desert Business Park ("Amendment") is made this 6th day of January, 2017 ("Effective Date"), by DESERT BUSINESS PARK II L.L.C., a Washington limited liability company ("Declarant") and Desert Park Property Owner's Association, a California nonprofit mutual benefit corporation ("Association").

RECITALS

A. Declarant is the owner of real property located in the County of Riverside, State of California and commonly known as Desert Business Park Center which is subject to that certain Amended and Restated Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Desert Business Park, recorded as Instrument Number 20060347510, as amended by that certain First Amendment to Amended and Restated Declaration of Covenants, Conditions, Restrictions and Reservation of Easements for Desert Business Park, recorded as Instrument Number 20070328619 (collectively, "Declaration").

B. Less than 75% of the Lots for the Development have been sold to Retail Purchasers, accordingly, Declarant is entitled to Class B Member voting rights under Section 2.3.2 of the Declaration.

C. The Declaration can be amended with the affirmative written consent or a vote of a majority of a quorum of the voting power of the Association under Section 17.19.3 of the Declaration.

D. Declarant, and its affiliates, hold a majority of the voting power of the Association.

E. Declarant wishes to amend the Declaration to prohibit the growth, processing or sale of marijuana at the Development.

NOW, THEREFORE, in consideration of the above recitals and of the covenants herein contained Declarant and Association hereby covenant and agree to amend the Declaration as follows:

1. All capitalized but undefined terms herein shall have the meanings ascribed to them in the Declaration.

2. Section 11.2 of the Declaration shall be deleted in its entirety and replaced by the following:

Prohibited Uses. Without limiting any other restrictions herein, in no event shall any improvements be constructed, placed or used on the Covered Property, nor shall the Covered Property in any event be used for, any of the following purposes: (a) hotels and motels; (b) junk yards and recycling facilities; (c) commercial excavation of building or construction materials, except in the usual course of

construction of improvements for the Lots; (d) distillation of bones; (e) dumping, disposal, incineration, or reduction of garbage, sewage, dead animals or refuse; (f) stockyards and slaughter of animals; (g) refining of petroleum or any of its products; (h) smelting of iron, tin, zinc, or other ores; (i) cemetery; (j) jail or honor farms; (k) labor or migrant work camps; (l) mobile home park or recreation vehicle campground; (k) growth, processing or sale of marijuana or products containing marijuana. Furthermore, no part of the Covered Property shall be used, or caused to be used, or allowed or authorized in any way, directly or indirectly, for any residential or other non-commercial purpose.

3. The Association certifies that this Amendment has been approved as required under the Declaration.

4. Except as expressly amended by this Amendment, the terms and provisions of the Declaration shall remain in full force and effect.

[Signatures on following pages]

ASSOCIATION:

DESERT PARK PROPERTY OWNER'S ASSOCIATION,
a California nonprofit mutual benefit corporation

Marsha Vincelette
By: Marsha Vincelette See Attached Notary
Its: President

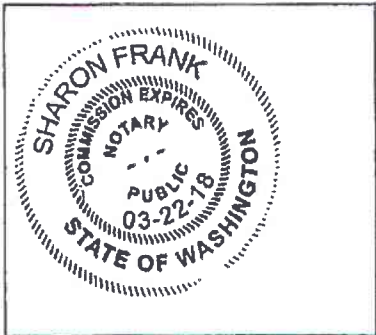
Angela Humphreys
By: Angela Humphreys
Its: Secretary SEE ATTACHED NOTARY

~~STATE OF *Washington*)
COUNTY OF *Spokane*) ss.~~

I certify that I know or have satisfactory evidence that the person appearing before me and making this acknowledgment is the person whose true signature appears on this document.

On this 6th day of January, 2017, before me personally appeared Marsha [✓]Vincelette, to me known to be the President of DESERT PARK PROPERTY OWNER'S ASSOCIATION, the nonprofit mutual benefit corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said limited liability company, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.



~~*Sharon Frank*
Notary Public in and for the State of *Washington*
residing at *Sumner WA*
My commission expires: *3-22-2018*
Sharon Frank
[Type or Print Notary Name]~~

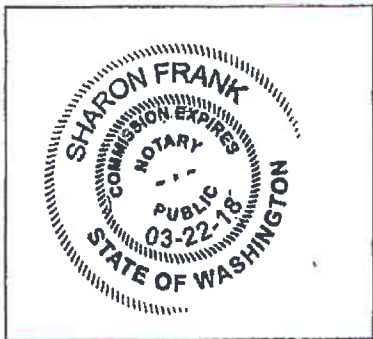
(Use This Space for Notarial Seal Stamp)

STATE OF WASHINGTON)
)
COUNTY OF Spokane) ss.

I certify that I know or have satisfactory evidence that the person appearing before me and making this acknowledgment is the person whose true signature appears on this document.

On this 6th day of January, 2017, before me personally appeared Angela Humphreys, to me known to be the Secretary of DESERT PARK PROPERTY OWNER'S ASSOCIATION, the nonprofit mutual benefit corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said limited liability company, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Sharon Frank
Notary Public in and for the State of Washington, residing at Sumner WA
My commission expires: 3-22-2018
Sharon Frank
[Type or Print Notary Name]

(Use This Space for Notarial Seal Stamp)

California All-Purpose Certificate of 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 Riverside } s.s.

On January 11, 2017 before me, Crystal Rodgers, Notary Public
Name of Notary Public, Title

personally appeared Marsha Vincelette
Name of Signer (1)

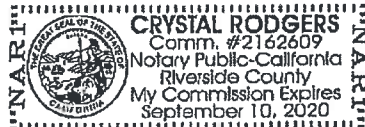
Name of Signer (2)

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.

Crystal Rodgers
Signature of Notary Public



Seal

OPTIONAL INFORMATION

Although the information in this section is not required by law, it could prevent fraudulent removal and reattachment of this acknowledgment to an unauthorized document and may prove useful to persons relying on the attached document.

Description of Attached Document

The preceding Certificate of Acknowledgment is attached to a document titled for the purpose of Second Amendment to the Amended and Restated Declaration...

containing 10 pages, and dated _____

The signer(s) capacity or authority is/are as:

- Individual(s)
- Attorney-in-fact
- Corporate Officer(s) President Title(s)

- Guardian/Conservator
- Partner - Limited/General
- Trustee(s)
- Other: _____

representing: _____
Name(s) of Person(s) Entity(ies) Signer is Representing

Additional Information
Method of Signer Identification
Proved to me on the basis of satisfactory evidence: <input checked="" type="checkbox"/> form(s) of identification <input type="checkbox"/> credible witness(es)
Notarial event is detailed in notary journal on: Page # <u>101</u> Entry # <u>7</u>
Notary contact: <u>(760) 772-4499</u>
Other <input type="checkbox"/> Additional Signer <input type="checkbox"/> Signer(s) Thumbprints(s) <input type="checkbox"/>

**CONSENT OF MEMBERS
OF
DESERT BUSINESS PARK PROPERTY OWNER'S ASSOCIATION**

The undersigned members, of the Desert Business Park Property Owner's Association, a California Mutual Benefit Corporation (the "Association"), constituting a majority of the members of the Desert Business Park Property Owner's Association, DO HEREBY CONSENT to the taking of the action set forth herein.

RESOLVED: The Second Amendment to the Amended and Restated Declaration of Covenants, Conditions, Restrictions and Reservation of Easements, attached hereto as Addendum A, is approved and shall be executed and recorded.

Executed on this 21st day of November, 2016.

MEMBERS:

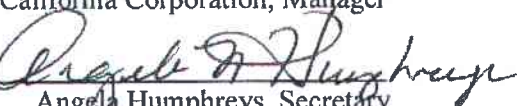
Desert Business Park II, LLC

By: IFC California Corporation, Manager

By: 
Angela Humphreys, Secretary

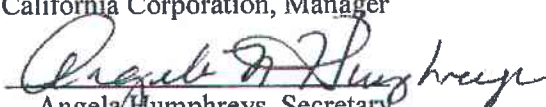
DBP Partners L.L.C.

By: IFC California Corporation, Manager

By: 
Angela Humphreys, Secretary


DBP Holdings I L.L.C.

By: IFC California Corporation, Manager

By: 
Angela Humphreys, Secretary


Grinnell Properties LLC

By: IFC California Corporation, Manager

By: 
Angela Humphreys, Secretary

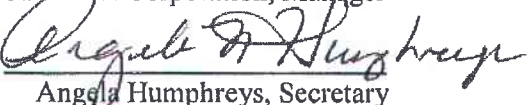
DBP Chaparral L.L.C.

By: IFC California Corporation, Manager

By: 
Angela Humphreys, Secretary

DBP Ventures L.L.C.

By: IFC California Corporation, Manager

By: 
Angela Humphreys, Secretary

From: COB

Sent: Tuesday, February 9, 2021 8:54 AM

To: Perez, Juan <JCPEREZ@RIVCO.ORG>; Young, Alisa <AYoung@RIVCO.ORG>; District 4 Supervisor V. Manuel Perez (District4@RIVCO.ORG) <District4@RIVCO.ORG>; District2 <District2@Rivco.org>; District3 <District3@Rivco.org>; District5 <District5@Rivco.org>; Supervisor Jeffries - 1st District (district1@rivco.org) <district1@rivco.org>

Cc: Leach, Charissa <cleach@rivco.org>; Hildebrand, John <JHildebr@RIVCO.ORG>; Flores, Robert <rflores@RIVCO.ORG>; Villalobos, Gabriel <GVillalo@RIVCO.ORG>

Subject: February 9 2021 Item No 21.2 Web Comment and Request to Speak on Cannabis Retail CUP 190040

Good morning,

Below and attached are comments and requests to speak on February 9, 2021 Item No 21.2, which will be filed with Agenda back-up.

With best regards,

Clerk of the Board of Supervisors
4080 Lemon Street, 1st Floor, Room 127
Riverside, CA 92501
(951) 955-1069 Fax (951) 955-1071
Mail Stop #1010
cob@rivco.org
website: <http://rivcocob.org/>
<https://www.facebook.com/RivCoCOB/>



NOTICE: This communication is intended for the use of the individual or entity to which it is addressed and may contain **information that is privileged, confidential and exempt from disclosure** under applicable law. If the reader of this communication is not the intended recipient or the employee or agent responsible for delivering this communication to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by reply email or by telephone and immediately delete this communication and all its attachments.

From: cob@rivco.org <cob@rivco.org>
Sent: Monday, February 8, 2021 4:47 PM
To: COB <COB@RIVCO.ORG>; sia@wearchitectsgroup.com
Subject: Board comments web submission



First Name: Sia
Last Name: Shirazi
Phone: (714) 306-2333
Email: sia@wearchitectsgroup.com
Agenda Date: 02/09/2021
Agenda Item # or Public Comment: CUP190040

Thank you for submitting your request to speak. The Clerk of the Board office has received your request and will be prepared to allow you to speak when your item is called. To attend the meeting, please call (669) 900-6833 and use Meeting ID #864 4411 6015 . Password is 20210204. You will be muted until your item is pulled and your name is called. Please dial in at 3:30pm am with the phone number you provided in the form so you can be identified during the meeting.

2/9/21 21.2

Maxwell, Sue

From: cob@rivco.org
Sent: Monday, February 8, 2021 4:51 PM
To: COB; akawayeh@wearchitectsgroup.com
Subject: Board comments web submission



First Name: Ayman
Last Name: Kawayeh
Phone: 9094860505
Email: akawayeh@wearchitectsgroup.com
Agenda Date: 02/09/2021
Agenda Item # or Public Comment: CUP190040

Thank you for submitting your request to speak. The Clerk of the Board office has received your request and will be prepared to allow you to speak when your item is called. To attend the meeting, please call (669) 900-6833 and use Meeting ID #864 4411 6015 . Password is 20210204. You will be muted until your item is pulled and your name is called. Please dial in at 9:00 am am with the phone number you provided in the form so you can be identified during the meeting.

From: COB

Sent: Friday, February 5, 2021 3:29 PM

To: Perez, Juan <JCPEREZ@RIVCO.ORG>; Young, Alisa <AYoung@RIVCO.ORG>; District 4 Supervisor V. Manuel Perez (District4@RIVCO.ORG) <District4@RIVCO.ORG>; District2 <District2@Rivco.org>; District3 <District3@Rivco.org>; District5 <District5@Rivco.org>; Supervisor Jeffries - 1st District (district1@rivco.org) <district1@rivco.org>
Cc: Leach, Charissa <cleach@rivco.org>; Hildebrand, John <JHildebr@RIVCO.ORG>; Robert Flores (rflores@RIVCO.ORG) <rflores@RIVCO.ORG>; Villalobos, Gabriel <GVillalo@RIVCO.ORG>

Subject: February 9 2021 Item No 21.2 Web Comment and Request to Speak on Cannabis Retail CUP 190040 (Roger Diamond)

Good afternoon,

Forwarding COB web Comment and Request to Speak on February 9, 2021 Item No 21.2, which will be filed with Agenda back-up.

With best regards,

Clerk of the Board of Supervisors
4080 Lemon Street, 1st Floor, Room 127
Riverside, CA 92501
(951) 955-1069 Fax (951) 955-1071
Mail Stop #1010
cob@rivco.org
website: <http://rivcocob.org/>
<https://www.facebook.com/RivCoCOB/>



NOTICE: This communication is intended for the use of the individual or entity to which it is addressed and may contain **information that is privileged, confidential and exempt from disclosure** under applicable law. If the reader of this communication is not the intended recipient or the employee or agent responsible for delivering this communication to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by reply email or by telephone and immediately delete this communication and all its attachments.

From: cob@rivco.org <cob@rivco.org>
Sent: Friday, February 5, 2021 2:20 PM
To: COB <COB@RIVCO.ORG>; rogdiamond@aol.co
Subject: Board comments web submission



First Name:	Roger
Last Name:	Diamond
Address (Street, City and Zip):	2530 Wilshire Blvd, 2nd Fl., Santa Monica Ca 90403
Phone:	310/452-6643 or 310/454-3816 or 310/749-9737
Email:	rogdiamond@aol.co
Agenda Date:	02/09/2021
Agenda Item # or Public Comment:	Item No. 21.2
State your position below:	Support
Comments:	Project is good for Riverside4

Thank you for submitting your request to speak. The Clerk of the Board office has received your request and will be prepared to allow you to speak when your item is called. To attend the meeting, please call (669) 900-6833 and use Meeting ID #864 4411 6015 . Password is 20210204. You will be muted until your item is pulled and your name is called. Please dial in at 3:30pm am with the phone number you provided in the form so you can be identified during the meeting.

Maxwell, Sue

From: Villalobos, Gabriel
Sent: Monday, February 8, 2021 4:57 PM
To: COB
Cc: Flores, Robert
Subject: FW: CUP#190040

Good Afternoon,

I wanted to forward to you this public comment I received earlier today regarding Agenda Item #21.2 for project CUP190040.

Gabriel Villalobos

Riverside County Planning
4080 Lemon Street 12th Floor
Riverside, CA 92501
951-955-6184



How are we doing? Click the Link and tell us

From: Wayne Waters <wwrents@gmail.com>
Sent: Monday, February 8, 2021 12:44 PM
To: Villalobos, Gabriel <GVillalo@rivco.org>
Subject: Re: CUP#190040

Good Morning Gabriel,

This property is in part of the Desert Business Park. The property is subject to Covenants, Conditions and Restrictions. The growing, processing and selling of marijuana products is a prohibited use. Property owners as well as tenants rely on these to maintain a certain standard in the business park. The applicant should pursue an area where cannabis is a permitted activity.

Thank you.
Wayne Waters

On Feb 5, 2021, at 2:37 PM, Villalobos, Gabriel <GVillalo@rivco.org> wrote:

Yes you can send the comments directly to me, I will pass them along so they are available prior to next Tuesday's BOS hearing.

Gabriel Villalobos
Riverside County Planning
4080 Lemon Street 12th Floor
Riverside, CA 92501
951-955-6184
www.IECounts.org

How are we doing? Click the Link and tell us

-----Original Message-----

From: Wayne Waters <wwrents@gmail.com>
Sent: Friday, February 5, 2021 2:07 PM
To: Villalobos, Gabriel <GVillalo@rivco.org>
Subject: Re: CUP#190040

Hi Gabriel,

Can I send you comments on the CUP or do they need to be submitted in writing?

Thank you,
Wayne

On Feb 2, 2021, at 2:57 PM, Villalobos, Gabriel <GVillalo@rivco.org> wrote:

Good Afternoon Wayne,

The proposed project is located at 77704 Flora Rd, Palm Desert, CA 92211. Feel free to let me know if you have any further questions, thanks!

Gabriel Villalobos
Riverside County Planning
4080 Lemon Street 12th Floor
Riverside, CA 92501
951-955-6184
[https://urldefense.com/v3/http://www.IECounts.org;!JTtYGX330HN5x6Ko!T0ie09gtvUOISHJ5vCOLAjBzNkGipRQWN4NCNZ2-Civ1eKbFCX0-aV3MCQljcPA\\$](https://urldefense.com/v3/http://www.IECounts.org;!JTtYGX330HN5x6Ko!T0ie09gtvUOISHJ5vCOLAjBzNkGipRQWN4NCNZ2-Civ1eKbFCX0-aV3MCQljcPA$)

How are we doing? Click the Link and tell us

-----Original Message-----

From: Wayne Waters <wwrents@gmail.com>
Sent: Tuesday, February 2, 2021 1:33 PM
To: Villalobos, Gabriel <GVillalo@rivco.org>
Subject: CUP#190040

CAUTION: This email originated externally from the Riverside County email system. DO NOT click links or open attachments unless you recognize the sender and know the content is safe.

Hi Gabriel,

I received the notice of public hearing for CUP#190040. Can you give me the address for this property? The project location is very general in the notice.

Thank you,
Wayne Waters

Sent from my iPad Air
Confidentiality Disclaimer

This email is confidential and intended solely for the use of the individual(s) to whom it is addressed. The information contained in this message may be privileged and confidential and protected from disclosure.

If you are not the author's intended recipient, be advised that you have received this email in error and that any use, dissemination, forwarding, printing, or copying of this email is strictly prohibited. If you have received this email in error please delete all copies, both electronic and printed, and contact the author immediately.

County of Riverside California
<[https://urldefense.com/v3/http://www.countyofriverside.us;!JTtYGX330HN5x6Ko!T0ie09gtvUOISHJ5vCOLAjBzNkGipRQWN4NCNZ2-Civ1eKbFCX0-aV3MqsmZAxM\\$](https://urldefense.com/v3/http://www.countyofriverside.us;!JTtYGX330HN5x6Ko!T0ie09gtvUOISHJ5vCOLAjBzNkGipRQWN4NCNZ2-Civ1eKbFCX0-aV3MqsmZAxM$)>

2/9/21 21.2



PROOF OF PUBLICATION

STATE OF CALIFORNIA SS.
COUNTY OF RIVERSIDE

RIVERSIDE COUNTY-BOARD OF SUP.
4080 LEMON ST

RIVERSIDE CA 92501

I am over the age of 18 years old, a citizen of the United States and not a party to, or have interest in this matter. I hereby certify that the attached advertisement appeared in said newspaper (set in type not smaller than non pariel) in each and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

01/30/2021

I acknowledge that I am a principal clerk of the printer of The Desert Sun, printed and published weekly in the City of Palm Springs, County of Riverside, State of California. The Desert Sun was adjudicated a Newspaper of general circulation on March 24, 1988 by the Superior Court of the County of Riverside, State of California Case No. 191236.

I certify under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct.. Executed on this 1st of February 2021 in Green Bay, WI, County of Brown.


DECLARANT

Ad#:0004570254
P O : Ord. No. 664.68
This is not an invoice
of Affidavits: 1

NOTICE OF PUBLIC HEARING BEFORE THE BOARD OF SUPERVISORS OF RIVERSIDE COUNTY ON A CONDITIONAL USE PERMIT, ASSOCIATED ORDINANCE, AND DEVELOPMENT AGREEMENT IN THE WESTERN COACHELLA VALLEY AREA PLAN, FOURTH SUPERVISORIAL DISTRICT

NOTICE IS HEREBY GIVEN that a public hearing at which all interested persons will be heard, will be held before the Board of Supervisors of Riverside County, California, on the 1st Floor Board Chambers, County Administrative Center, 4080 Lemon Street, Riverside, on Tuesday, February 09, 2021 at 10:00 A.M. or as soon as possible thereafter, to consider the Planning Commission's recommended approval of Conditional Use Permit No. 190040 (CUP No. 190040), which proposes for a cannabis microbusiness within an existing 5,920 square foot commercial building on an 0.71 acre parcel. The microbusiness will include a Cannabis retail storefront (2,494 square feet), manufacturing (1,896 square feet), distribution (1,530 square feet), and supporting storage, office, employee break area, and lobby/reception areas. Development Agreement No. 1900030 associated with Ordinance No. 664.68 has a term of 10 years, will grant the applicant vested rights to develop the project in accordance with the terms of the development agreement and CUP No. 190040 and will provide community benefits to the Bermuda Dunes district. The project is located North of Flora Road, East of I-10, south of 38th Ave., and West of Washington Street in the Fourth Supervisorial District.

The Planning Commission recommends that the Board of Supervisors find that the project is exempt from the California Environmental Quality Act (CEQA); approve Conditional Use Permit No. 190040; introduce, read title, and waive further reading of, and adopt Ordinance No. 664.68 an ordinance of the County of Riverside approving Development Agreement No. 1900030.

The project case file may be viewed from the date of this notice until the public hearing, Monday through Friday, from 8:00 a.m. to 5:00 p.m. at the Riverside County Planning Department at 4080 Lemon Street, 12th Floor, Riverside, California 92501.

FOR FURTHER INFORMATION REGARDING THIS PROJECT, PLEASE CONTACT GABRIEL VILLALOBOS, AT (951) 955-6184 OR EMAIL GVILLALO@RIVCO.ORG.

Any person wishing to testify in support of or in opposition to the project may do so in writing between the date of this notice and the public hearing or may appear and be heard at the time and place noted above. All written comments received prior to the public hearing will be submitted to the Board of Supervisors and the Board of Supervisors will consider such comments, in addition to any oral testimony, before making a decision on the project.

If you challenge the above item in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence to the Planning Commission or Board of Supervisors at, or prior to, the public hearing. Be advised that as a result of the public hearing and the consideration of all public comment, written and oral, the Board of Supervisors may amend, in whole or in part, the project and/or the related environmental document. Accordingly, the designations, development standards, design or improvements, or any properties or lands within the boundaries of the project, may be changed in a way other than specifically proposed.

Alternative formats available upon request to individuals with disabilities. If you require reasonable accommodation, please contact the Clerk of the Board at (951) 955-1069, at least 72 hours prior to hearing.

Please send all written correspondence to: Clerk of the Board, 4080 Lemon Street, 1st Floor, Post Office Box 1147, Riverside, CA 92502-1147

Dated: January 27, 2021 Kecia Harper, Clerk of the Board
By: Hannah Lumanauw, Board Assistant Pub: 1/30/2021

TUMA/Planning
Item 21.2 of
02/09/2021

2021 FEB 9 AM 11:23

THE PRESS-ENTERPRISE

1825 Chicago Ave, Suite 100
Riverside, CA 92507
951-684-1200
951-368-9018 FAX

**PROOF OF PUBLICATION
(2010, 2015.5 C.C.P)**

Publication(s): The Press-Enterprise

PROOF OF PUBLICATION OF

Ad Desc.: NOH - Ord. No. 664.68, associated with CUP190040,

I am a citizen of the United States. I am over the age of eighteen years and not a party to or interested in the above entitled matter. I am an authorized representative of THE PRESS-ENTERPRISE, a newspaper in general circulation, printed and published daily in the County of Riverside, and which newspaper has been adjudicated a newspaper of general circulation by the Superior Court of the County of Riverside, State of California, under date of April 25, 1952, Case Number 54446, under date of March 29, 1957, Case Number 65673, under date of August 25, 1995, Case Number 267864, and under date of September 16, 2013, Case Number RIC 1309013; that the notice, of which the annexed is a printed copy, has been published in said newspaper in accordance with the instructions of the person(s) requesting publication, and not in any supplement thereof on the following dates, to wit:

01/30/2021

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Date: January 30, 2021
At: Riverside, California



Legal Advertising Representative, The Press-Enterprise

BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE
PO BOX 1147
RIVERSIDE, CA 92502

Ad Number: 0011438383-01

P.O. Number:

Ad Copy:

NOTICE OF PUBLIC HEARING BEFORE THE BOARD OF SUPERVISORS OF RIVERSIDE COUNTY ON A CONDITIONAL USE PERMIT, ASSOCIATED ORDINANCE, AND DEVELOPMENT AGREEMENT IN THE WESTERN COACHELLA VALLEY AREA PLAN, FOURTH SUPERVISORIAL DISTRICT

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The Planning Commission recommends that the Board of Supervisors find that the project is **exempt** from the California Environmental Quality Act (CEQA); approve **Conditional Use Permit No. 190040**; introduce, read title, and waive further reading of, and adopt **Ordinance No. 664.68** an ordinance of the County of Riverside approving **Development Agreement No. 1900030**.

The project case file may be viewed from the date of this notice until the public hearing, Monday through Friday, from 8:00 a.m. to 5:00 p.m. at the Riverside County Planning Department at 4080 Lemon Street, 12th Floor, Riverside, California 92501.

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Please send all written correspondence to: Clerk of the Board, 4080 Lemon Street, 1st Floor, Post Office Box 1147, Riverside, CA 92502-1147

Dated: January 19, 2021 Kecia Harper, Clerk of the Board
By: Hannah Lumanauw, Board Assistant
Press-Enterprise: 1/30

TLMA / Planning
Item 21.2 of
02/09/2021

NOTICE OF PUBLIC HEARING BEFORE THE BOARD OF SUPERVISORS OF RIVERSIDE COUNTY ON A CONDITIONAL USE PERMIT, ASSOCIATED ORDINANCE, AND DEVELOPMENT AGREEMENT IN THE WESTERN COACHELLA VALLEY AREA PLAN, FOURTH SUPERVISORIAL DISTRICT

NOTICE IS HEREBY GIVEN that a public hearing at which all interested persons will be heard, will be held before the Board of Supervisors of Riverside County, California, on the 1st Floor Board Chambers, County Administrative Center, 4080 Lemon Street, Riverside, on **Tuesday, February 09, 2021 at 10:00 A.M.** or as soon as possible thereafter, to consider the Planning Commission's recommended approval of **Conditional Use Permit No. 190040 (CUP No. 190040)**, which proposes for a cannabis microbusiness within an existing 5,920 square foot commercial building on an 0.71 acre parcel. The microbusiness will include a Cannabis retail storefront (2,494 square feet), manufacturing (1,896 square feet), distribution (1,530 square feet), and supporting storage, office, employee break area, and lobby/reception areas. **Development Agreement No. 1900030** associated with **Ordinance No. 664.68** has a term of 10 years, will grant the applicant vested rights to develop the project in accordance with the terms of the development agreement and CUP No. 190040 and will provide community benefits to the Bermuda Dunes district. The project is located North of Flora Road, East of I-10, south of 38th Ave., and West of Washington Street in the Fourth Supervisorial District.

The Planning Commission recommends that the Board of Supervisors find that the project is **exempt** from the California Environmental Quality Act (CEQA); approve **Conditional Use Permit No. 190040**; introduce, read title, and waive further reading of, and adopt **Ordinance No. 664.68** an ordinance of the County of Riverside approving **Development Agreement No. 1900030**.

The project case file may be viewed from the date of this notice until the public hearing, Monday through Friday, from 8:00 a.m. to 5:00 p.m. at the Riverside County Planning Department at 4080 Lemon Street, 12th Floor, Riverside, California 92501.

FOR FURTHER INFORMATION REGARDING THIS PROJECT, PLEASE CONTACT GABRIEL VILLALOBOS, AT (951) 955-6184 OR EMAIL GVILLALO@RIVCO.ORG.

Any person wishing to testify in support of or in opposition to the project may do so in writing between the date of this notice and the public hearing or may appear and be heard at the time and place noted above. All written comments received prior to the public hearing will be submitted to the Board of Supervisors and the Board of Supervisors will consider such comments, in addition to any oral testimony, before making a decision on the project.

If you challenge the above item in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence to the Planning Commission or Board of Supervisors at, or prior to, the public hearing. Be advised that as a result of the public hearing and the consideration of all public comment, written and oral, the Board of Supervisors may amend, in whole or in part, the project and/or the related environmental document. Accordingly, the designations, development standards, design or improvements, or any properties or lands within the boundaries of the project, may be changed in a way other than specifically proposed.

Alternative formats available upon request to individuals with disabilities. If you require reasonable accommodation, please contact the Clerk of the Board at (951) 955-1069, at least 72 hours prior to hearing.

Please send all written correspondence to: Clerk of the Board, 4080 Lemon Street, 1st Floor, Post Office Box 1147, Riverside, CA 92502-1147

Dated: January 19, 2021

Kecia Harper, Clerk of the Board

By: Hannah Lumanauw, Board Assistant



OFFICE OF THE
CLERK OF THE BOARD OF SUPERVISORS
1st FLOOR, COUNTY ADMINISTRATIVE CENTER
P.O. BOX 1147, 4080 LEMON STREET
RIVERSIDE, CA 92502-1147
PHONE: (951) 955-1060 FAX: (951) 955-1071

KECIA R. HARPER
Clerk of the Board of Supervisors

KIMBERLY A. RECTOR
Assistant Clerk of the Board

January 22, 2021

THE DESERT SUN
ATTN: LEGALS
P.O. BOX 2734
PALM SPRINGS, CA 92263

E-MAIL: legals@thedesertsun.com
TEL: (760)778-4578

RE: NOTICE OF PUBLIC HEARING: Ordinance No. 664.68, associated with
CUP190040/DA1900030

To Whom It May Concern:

Attached is a copy for publication in your newspaper for **One (1) time on Saturday, January 30, 2021.**

We require your affidavit of publication immediately upon completion of the last publication.

Your invoice must be submitted to this office, **WITH TWO CLIPPINGS OF THE PUBLICATION.**

NOTE: PLEASE COMPOSE THIS PUBLICATION INTO 1/8th OF A PAGE FORMAT.

Thank you in advance for your assistance and expertise.

Sincerely,

Hannah Lumanauw

Board Assistant to:
KECIA HARPER, CLERK OF THE BOARD



OFFICE OF THE
CLERK OF THE BOARD OF SUPERVISORS
1st FLOOR, COUNTY ADMINISTRATIVE CENTER
P.O. BOX 1147, 4080 LEMON STREET
RIVERSIDE, CA 92502-1147
PHONE: (951) 955-1060 FAX: (951) 955-1071

KECIA HARPER-IHEM
Clerk of the Board of Supervisors

KIMBERLY A. RECTOR
Assistant Clerk of the Board

January 19, 2021

THE PRESS ENTERPRISE
ATTN: LEGALS
P.O. BOX 792
RIVERSIDE, CA 92501

PH : (951) 368-9229
E-MAIL: legals@pe.com

RE: NOTICE OF PUBLIC HEARING: Ordinance No. 664.68, associated with
CUP190040/DA1900030

To Whom It May Concern:

Attached is a copy for publication in your newspaper for **One (1) time on Saturday, January 30, 2021.**

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NOTE: PLEASE COMPOSE THIS PUBLICATION INTO 1/8th OF A PAGE FORMAT.

Thank you in advance for your assistance and expertise.

Sincerely,

Hannah Lumanauw

Board Assistant to:
KECIA HARPER, CLERK OF THE BOARD

CERTIFICATE OF POSTING

(Original copy, duly executed, must be attached to
the original document at the time of filing)

I, Hannah Lumanauw, Board Assistant to Kecia Harper, Clerk of the Board of Supervisors, for the County of Riverside, do hereby certify that I am not a party to the within action or proceeding; that on January 26, 2021, I forwarded to Riverside County Clerk & Recorder's Office a copy of the following document:

NOTICE OF PUBLIC HEARING

Ordinance No. 664.68, associated with CUP190040/DA1900030

to be posted in the office of the County Clerk at 2724 Gateway Drive, Riverside, California 92507.
Upon completion of posting, the County Clerk will provide the required certification of posting.

Board Agenda Date: February 09, 2021 @ 10:00 a.m.

SIGNATURE: Hannah Lumanauw DATE: January 26, 2021
Hannah Lumanauw

CERTIFICATE OF MAILING

(Original copy, duly executed, must be attached to
the original document at the time of filing)

I, Hannah Lumanauw, Board Assistant, for the County of Riverside, do hereby certify that I am not a party to the within action or proceeding; that on January 26, 2020, I mailed a copy of the following document:

NOTICE OF PUBLIC HEARING

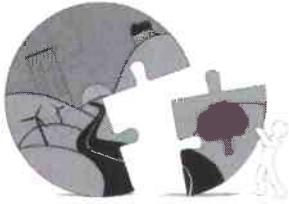
Ordinance No. 664.68, associated with CUP190040/DA1900030

to the parties listed in the attached labels, by depositing said copy with postage thereon fully prepaid, in the United States Post Office, 3890 Orange St., Riverside, California, 92501.

Board Agenda Date: February 09, 2021 @ 10:00 a.m.

SIGNATURE: *Hannah Lumanauw*
Hannah Lumanauw

DATE: January 26, 2021



RIVERSIDE COUNTY PLANNING DEPARTMENT

Charissa Leach, P.E.
Assistant TLMA Director

DATE: January 15, 2021

TO: Clerk of the Board of Supervisors, attn. Hannah Lumanauw

FROM: Planning Department – Riverside

SUBJECT: Ordinance No. 664.68, associated with CUP190040/DA1900030

The attached item(s) require the following action(s) by the Board of Supervisors:

- | | |
|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Place on Administrative Action | <input checked="" type="checkbox"/> Set for Hearing (Legislative Action Required, CZ, GPA, SP, SPA)
February 2, 2021 |
| <input type="checkbox"/> Receive & File | |
| <input type="checkbox"/> EOT | |
| <input type="checkbox"/> Labels provided If Set For Hearing | <input checked="" type="checkbox"/> Publish in Newspaper: |
| <input type="checkbox"/> 10 Day <input type="checkbox"/> 20 Day <input type="checkbox"/> 30 day | COUNTY WIDE - Press Enterprise and Desert Sun |
| <input type="checkbox"/> Place on Consent Calendar | <input checked="" type="checkbox"/> CEQA Exempt |
| <input type="checkbox"/> Place on Policy Calendar (Resolutions; Ordinances; PNC) | <input checked="" type="checkbox"/> 10 Day <input type="checkbox"/> 20 Day <input type="checkbox"/> 30 day |
| <input type="checkbox"/> Place on Section Initiation Proceeding (GPIP) | <input type="checkbox"/> Notify Property Owners (app/agencies/property owner labels provided) |

Designate Newspaper used by Planning Department for Notice of Hearing:

COUNTY WIDE - Press Enterprise and Desert Sun (the ad must be 1/8th of a page, since there is no labels)

Riverside Office · 4080 Lemon Street, 12th Floor
P.O. Box 1409, Riverside, California 92502-1409
(951) 955-3200 · Fax (951) 955-1811

Desert Office · 77-588 Duna Court, Suite H
Palm Desert, California 92211
(760) 863-8277 · Fax (760) 863-7040

"Planning Our Future... Preserving Our Past"



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3403 10TH ST STE 400
RIVERSIDE CA 92501

626150040
COUNTY OF RIVERSIDE
P O BOX 1180
RIVERSIDE CA 92502

626420001
AP PALM DESERT MONTANAS
1856 OLD RESTON AVE NO 300
RESTON VI 20190

626420002
AP PALM DESERT CERRITO
1856 OLD RESTON AVE NO 300
RESTON VA 20190

626420003
DBP PARTNERS
1302 PUYALLUP ST
SUMMER WA 98390

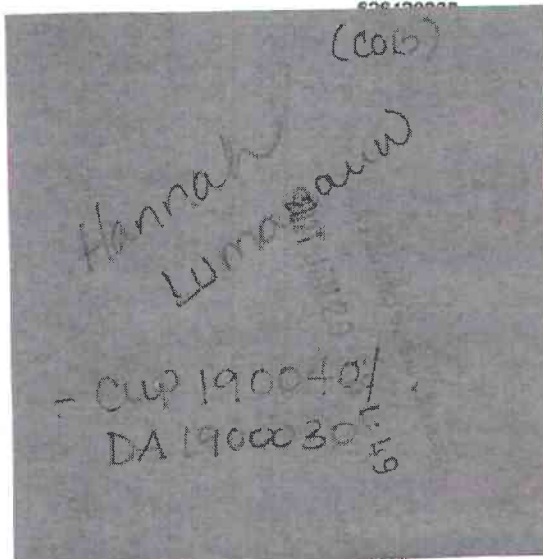
626420009
ALVIN R. SERPA
350 WAWONA AVE
PISMO BEACH CA 93449

626420012
NOPALES
38747 NOPALES RD
PALM DESERT CA 92211

626420020
BEACH CITY FINANCIAL INC
77919 LAS MONTANAS RD UNIT A
PALM DESERT CA 92211

626420023
BRUCE R. DURKEE
46112 ROUDEL LN
LA QUINTA CA 92253

626420038



2260

ED PARTNERSHIP
BLVD STE C4

1302 PUYALLUP ST
SUMNER WA 98390

626420022
KOOZAR ENTERPRISES
77806 FLORA RD NO C
PALM DESERT CA 92253

626420024
ORR PROP
39301 BADGER ST NO 300
PALM DESERT CA 92211



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RIVERSIDE CA 92501

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COUNTY OF RIVERSIDE
P O BOX 1180
RIVERSIDE CA 92502

626420001
AP PALM DESERT MONTANAS
1856 OLD RESTON AVE NO 300
RESTON VI 20190

626420002
AP PALM DESERT CERRITO
1856 OLD RESTON AVE NO 300
RESTON VA 20190

626420003
DBP PARTNERS
1302 PUYALLUP ST
SUMMER WA 98390

626420008
LYNN N. JOHNSON
130 VISTA ROYALE
PALM DESERT CA 92260

626420009
ALVIN R. SERPA
350 WAWONA AVE
PISMO BEACH CA 93449

626420011
MAJID FAMILY LIMITED PARTNERSHIP
81709 DR CARREON BLVD STE C4
INDIO CA 92201

626420012
NOPALES
38747 NOPALES RD
PALM DESERT CA 92211

626420016
DBP HOLDINGS I
1302 PUYALLUP ST
SUMNER WA 98390

626420020
BEACH CITY FINANCIAL INC
77919 LAS MONTANAS RD UNIT A
PALM DESERT CA 92211

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KOOZAR ENTERPRISES
77806 FLORA RD NO C
PALM DESERT CA 92253

626420023
BRUCE R. DURKEE
46112 ROUDEL LN
LA QUINTA CA 92253

626420024
ORR PROP
39301 BADGER ST NO 300
PALM DESERT CA 92211

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FLORA ROAD
3024 E CHAPMAN STE 510
ORANGE CA 92869

626420026
VANMAR ASSOC
77824 WILDCAT DR
PALM DESERT CA 92211

626420027
WAYNE WATERS
39777 CAMINO MISTRAL
INDIO CA 92203

626420028
WILFRID J. BILLARD
3850 CHERRY AVE
LONG BEACH CA 90807

626420029
DOUGLAS C. JONES
899 TAMARISK RD
PALM SPRINGS CA 92262

626420030
BRYANT INVESTMENTS
77742 LAS MONTANAS RD
PALM DESERT CA 92211

626420033
DESERT BUSINESS PARK PROP OWNERS ASSN
1302 PUYALLUP ST
SUMNER WA 98390

626420039
DESERT BUSINESS PARK
1302 PUYALLUP ST
SUMNER WA 98390

626420047
DESERT RAIN
P O BOX 11527
PALM DESERT CA 92255

626420048
CALIF RADIATION THERAPY MANAGEMENT
4890 W KENNEDY BL STE 650
TAMPA FL 33609

626420049
DBP CHAPARRAL
1302 PUYALLUP ST
SUMNER WA 98390

626420051
GRINNELL PROP
1302 PUYALLUP ST
SUMNER WA 98390

626420052
DESERT BUSINESS PARK II
1302 PUYALLUP ST
SUMNER WA 98390

626420063
DBP VENTURES
1302 PUYALLUP ST
SUMNER WA 98390

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626420068
DBP PARTNERS
1302 PUYALLUP ST
SUMNER WA 98390

626420074
DBF VENTURES
1302 PUYALLUP ST
SUMMER WA 98390

Applicant/Owner:

DJK Group, Inc.
c/o Joe Lizarraga
PO Box 2891
Orange, CA 92859

Engineer/Rep:

Infrastructure Engineers
c/o Sia Shirazi
222 S. Harbor Blvd., Suite 705
Anaheim, CA 92805

Engineer/Rep:

Infrastructure Engineers
c/o Sia Shirazi
222 S. Harbor Blvd., Suite 705
Anaheim, CA 92805

Owner:

Flora Road, LLC
c/o Joe Lizarraga
PO Box 2891
Orange, CA 92859

Owner:

Flora Road, LLC
c/o Joe Lizarraga
PO Box 2891
Orange, CA 92859

Applicant/Owner:

DJK Group, Inc.
c/o Joe Lizarraga
PO Box 2891
Orange, CA 92859

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**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM:

(ID # 14105)

MEETING DATE:

Tuesday, February 2, 2021

FROM: TLMA-PLANNING:

SUBJECT: TRANSPORTATION & LAND MANAGEMENT AGENCY/PLANNING: Public Hearing on Conditional Use Permit No. 190040, Development Agreement No. 1900030 and associated Ordinance No. 664.68 – CEQA EXEMPT – Applicant: DJK Group, Inc. – Engineer/Representative: Infrastructure Engineers – Fourth Supervisorial District – Bermuda Dunes District – Western Coachella Valley Area Plan: Community Development: Light Industrial (CD:LI) – Location: North of Flora Rd, East of I-10, south of 38th Ave, and West of Washington St – 0.71 Acres – Zoning: Industrial Park (I-P) – REQUEST: Conditional Use Permit No. 190040 is a proposal for a cannabis microbusiness within an existing 5,920 square foot commercial building on an 0.71 acre parcel. The microbusiness will include a Cannabis retail storefront (2,494 square feet), manufacturing (1,896 square feet), distribution (1,530 square feet), and supporting storage, office, employee break area, and lobby/reception areas. Development Agreement No. 1900030 associated with Ordinance No. 664.68 has a term of 10 years, will grant the applicant vested rights to develop the project in accordance with the terms of the development agreement and CUP No. 190040 and will provide community benefits to the Bermuda Dunes district. [100% Applicant Funds]

RECOMMENDED MOTION: That the Board of Supervisors:

1. **FIND** that the project is **EXEMPT** from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15301 (Existing Facilities), Section 15303(c) (New Construction or Conversion of Small Structures), and Section 15061 (b)(3) (Common Sense) based on the findings and conclusions in the staff report; and,
2. **APPROVE Conditional Use Permit No. 190040**, subject to the attached Advisory Notification Document and Conditions of Approval, based upon the findings and conclusions provided in the staff report, and subject to adoption of Ordinance No. 66468; and,
3. **INTRODUCE, READ TITLE and WAIVE FURTHER READING OF, and ADOPT** on successive weeks **ORDINANCE NO. 664.68** an ordinance of the County of Riverside approving Development Agreement No. 1900030, based upon the findings in the staff report.

ACTION:

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

MINUTES OF THE BOARD OF SUPERVISORS

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A
NET COUNTY COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A
SOURCE OF FUNDS: 100% Applicant Funded			Budget Adjustment: N/A	
			For Fiscal Year: N/A	

C.E.O. RECOMMENDATION: [CEO use]

BACKGROUND:

Summary

On October 23, 2018, Agenda Item 19.1, the Board of Supervisors adopted Ordinance No. 348.4898, which established the permitting process and regulations for commercial cannabis activities in the unincorporated County areas.

Project Details

The proposed Cannabis Microbusiness would occupy an existing, approximately 5,920-square-foot warehouse building to be used as a retail storefront, packing/distribution, and manufacturing facility, otherwise referred to as a Cannabis Microbusiness, in the Bermuda Dunes District of Riverside County. The establishment of the existing building was approved as part of Plot Plan No. 19431, an application for the construction of four (4) industrial/warehouse buildings, which was approved by the Riverside County Planning Director on September 2, 2004.

Development Agreement

The applicant proposed entering into the attached development agreement (DA) with the County for the Project. The DA is consistent with the General Plan and with Board Policy B-9. Additionally, the Advisory Notification Document, Conditions of Approval, and entitlement approvals are incorporated in the exhibits of the DA and will ensure that the Project is developed in a way that would not conflict with the public's health, safety or general welfare. The DA has a term of 10 years (with the option for a 5 year extension subject to mutual approval) and will grant the applicant vesting rights to develop the Project in accordance with the terms of the DA. In exchange, the DA provides certain public benefits that go beyond the basic requirements of the County including annual public benefit payments, which will be used for additional public safety services, infrastructure improvements or community enhancement programs.

Development Agreement No. 1900030 requires the applicant to make the following payments:

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

- 1) An initial deposit-based fee of \$5,000 for annual inspections and the administration of the development agreement program.
- 2) A baseline Public Benefits payment of \$52,079.00, which will be increased 2% per year. The baseline payment amount shall be allocated 45% to the Code Enforcement Department, and the remaining 55% will be transferred to the Executive Office for deposit into the General Fund, to be allocated as part of the annual budget process and generally spent on cannabis regulatory activity performed by the District Attorney's Cannabis Regulation Task Force, the Sheriff's Office, Public Health, County Counsel, and the Agricultural Commissioner's office. The percentages above are based on the expected regulatory costs that were used to establish the baseline Public Benefits fee, as approved by the Board on January 29, 2019. The Code Enforcement Department will serve as the main regulatory arm of the County in monitoring that the businesses will comply with their conditions of approval and respond to public concerns.
- 3) An annual Additional Public Benefit payment of \$90,000.00 which will increase 3% per year. This payment shall be held by TLMA in an account specifically for the Bermuda Dunes area, to be allocated by the Board of Supervisors to projects and services that benefit the community.

Per state law, a development agreement is a legislative act that must be approved by ordinance. Proposed Ordinance No. 664.68 an ordinance of the County of Riverside Approving Development Agreement No. 1900030, incorporates by reference DA No. 1900030 consistent with Government Code section 65867.5.

Development Agreement No. 1900030 and Conditional Use Permit No. 190040 were submitted to the County of Riverside on October 24, 2019.

On November 4, 2020, the Planning Commission voted 5-0 in favor of recommending approval to the Board of Supervisors.

Impact on Residents and Businesses

The proposed project is categorically exempt under CEQA, which means that it belongs to a class of projects that have been determined to not have a significant effect on the environment. As detailed in the Planning Commission Staff Report, which is attached hereto and incorporated by reference, no exceptions pursuant to State CEQA Guidelines section 15300.2 apply. Accordingly, there will be no impacts on residents or businesses.

SUPPLEMENTAL:

Additional Fiscal Information

All fees are paid by the applicant; there is no General Fund obligation

ATTACHMENTS:

SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA

- A. PLANNING COMMISSION MINUTES, MEMO, AND STAFF REPORT (WITH AND/COA)
- B. PLANNING COMMISSION MEMO
- C. ORDINANCE NO. 664.68
- D. DEVELOPMENT AGREEMENT No. 1900030
- E. INDEMNIFICATION AGREEMENT FORM

STATE OF CALIFORNIA - THE RESOURCES AGENCY
DEPARTMENT OF FISH AND GAME
ENVIRONMENTAL FILING FEE CASH RECEIPT

2021 MAR -1 PM 12:13

Receipt #: 21-36424

State Clearinghouse # (if applicable): _____

Lead Agency: RIVERSIDE COUNTY CLERK OF THE BOARD OF SUPERVISORS Date: 01/26/2021

County Agency of Filing: RIVERSIDE Document No: E-202100065

Project Title: NOPH CUP NO. 190040, DEV. AGREEMENT NO. 1900030 ORD. NO. 664.68

Project Applicant Name: RIVERSIDE COUNTY CLERK OF THE BOARD OF Phone Number: (951) 955-1060

Project Applicant Address: 4080 LEMON STREET 1ST FLOOR ROOM 127, RIVERSIDE, CA 92501

Project Applicant: LOCAL PUBLIC AGENCY

CHECK APPLICABLE FEES:

- Environmental Impact Report _____
- Negative Declaration _____
- Application Fee Water Diversion (State Water Resources Control Board Only) _____
- Project Subject to Certified Regulatory Programs _____
- County Administration Fee _____ \$0.00
 - Project that is exempt from fees (DFG No Effect Determination (Form Attached))
 - Project that is exempt from fees (Notice of Exemption)

Total Received _____ \$0.00

Signature and title of person receiving payment:

C. Sandral

Deputy

Notes:

2/9/21 21.2
2021-3-148892

NOTICE OF PUBLIC HEARING BEFORE THE BOARD OF SUPERVISORS OF RIVERSIDE COUNTY ON A CONDITIONAL USE PERMIT, ASSOCIATED ORDINANCE, AND DEVELOPMENT AGREEMENT IN THE WESTERN COACHELLA VALLEY AREA PLAN, FOURTH SUPERVISORIAL DISTRICT

NOTICE IS HEREBY GIVEN that a public hearing at which all interested persons will be heard, will be held before the Board of Supervisors of Riverside County, California, on the 1st Floor Board Chambers, County Administrative Center, 4080 Lemon Street, Riverside, on **Tuesday, February 09, 2021 at 10:00 A.M.** or as soon as possible thereafter, to consider the Planning Commission's recommended approval of **Conditional Use Permit No. 190040 (CUP No. 190040)**, which proposes for a cannabis microbusiness within an existing 5,920 square foot commercial building on an 0.71 acre parcel. The microbusiness will include a Cannabis retail storefront (2,494 square feet), manufacturing (1,896 square feet), distribution (1,530 square feet), and supporting storage, office, employee break area, and lobby/reception areas. **Development Agreement No. 1900030** associated with **Ordinance No. 664.68** has a term of 10 years, will grant the applicant vested rights to develop the project in accordance with the terms of the development agreement and CUP No. 190040 and will provide community benefits to the Bermuda Dunes district. The project is located North of Flora Road, East of I-10, south of 38th Ave., and West of Washington Street in the Fourth Supervisorial District.

The Planning Commission recommends that the Board of Supervisors find that the project is **exempt** from the California Environmental Quality Act (CEQA); approve **Conditional Use Permit No. 190040**; introduce, read title, and waive further reading of, and adopt **Ordinance No. 664.68** an ordinance of the County of Riverside approving **Development Agreement No. 1900030**.

The project case file may be viewed from the date of this notice until the public hearing, Monday through Friday, from 8:00 a.m. to 5:00 p.m. at the Riverside County Planning Department at 4080 Lemon Street, 12th Floor, Riverside, California 92501.

FOR FURTHER INFORMATION REGARDING THIS PROJECT, PLEASE CONTACT GABRIEL VILLALOBOS, AT (951) 955-6184 OR EMAIL GVILLALO@RIVCO.ORG.

Any person wishing to testify in support of or in opposition to the project may do so in writing between the date of this notice and the public hearing or may appear and be heard at the time and place noted above. All written comments received prior to the public hearing will be submitted to the Board of Supervisors and the Board of Supervisors will consider such comments, in addition to any oral testimony, before making a decision on the project.

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Please send all written correspondence to: Clerk of the Board, 4080 Lemon Street, 1st Floor, Post Office Box 1147, Riverside, CA 92502-1147.

Dated: January 19, 2021

Kecia Harper, Clerk of the Board
By: Hannah Lumanauw, Board Assistan

F I L E D / P O S T E D

County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder

E-202100065

01/26/2021 11:08 AM Fee: \$ 0.00

Page 1 of 1

Removed 02/09/21 By: *[Signature]* Deputy



THE PRESS-ENTERPRISE

1825 Chicago Ave, Suite 100
Riverside, CA 92507
951-684-1200
951-368-9018 FAX

PROOF OF PUBLICATION (2010, 2015.5 C.C.P)

Publication(s): The Press-Enterprise

PROOF OF PUBLICATION OF

Ad Desc.: Notice of Adoption - Ordinance No. 664.68 /

I am a citizen of the United States. I am over the age of eighteen years and not a party to or interested in the above entitled matter. I am an authorized representative of THE PRESS-ENTERPRISE, a newspaper in general circulation, printed and published daily in the County of Riverside, and which newspaper has been adjudicated a newspaper of general circulation by the Superior Court of the County of Riverside, State of California, under date of April 25, 1952, Case Number 54446, under date of March 29, 1957, Case Number 65673, under date of August 25, 1995, Case Number 267864, and under date of September 16, 2013, Case Number RIC 1309013; that the notice, of which the annexed is a printed copy, has been published in said newspaper in accordance with the instructions of the person(s) requesting publication, and not in any supplement thereof on the following dates, to wit:

02/19/2021

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Date: February 19, 2021
At: Riverside, California



Legal Advertising Representative, The Press-Enterprise

BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE
PO BOX 1147
RIVERSIDE, CA 92502

Ad Number: 0011443154-01

P.O. Number:

Ad Copy:

BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA

ORDINANCE NO. 664.68 AN ORDINANCE OF THE COUNTY OF RIVERSIDE APPROVING DEVELOPMENT AGREEMENT NO. 1900030

The Board of Supervisors of the County of Riverside ordains as follows:

Section 1. Pursuant to Government Code Section 65867.5, Development Agreement No. 1900030, a copy of which is on file with the Clerk of the Board of Supervisors and incorporated herein by reference, is hereby approved.

Section 2. The Chair of the Board of Supervisors is hereby authorized to execute said Development Agreement on behalf of the County of Riverside within ten (10) days after the Effective Date of this ordinance, provided that all owners listed in Development Agreement No. 1900030 have executed said Development Agreement within thirty (30) days after adoption of this ordinance.

Section 3. Effective Date. This ordinance shall take effect thirty (30) days after its adoption.
K. Spiegel, Chair of the Board

I HEREBY CERTIFY that at a regular meeting of the Board of Supervisors of said County, held on **February 09, 2021**, the foregoing Ordinance consisting of three (3) sections was adopted by said Board by the following vote:

AYES: Jeffries, Spiegel, Washington, Perez and Hewitt
NAYS: None
ABSENT: None

Kecia R. Harper, Clerk of the Board
By: Hannah Lumanauw, Board Assistant

Press-Enterprise: 2/19

*TRMA / Planning
Item 21.2 of 02/09/21*

PROOF OF PUBLICATION

**STATE OF CALIFORNIA SS.
COUNTY OF RIVERSIDE**

RIVERSIDE COUNTY-BOARD OF SUP.
4080 LEMON ST

RIVERSIDE CA 92501

BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

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Section 3. Effective Date. This ordinance shall take effect thirty (30) days after its adoption.
K. Spiegel, Chair of the Board

I HEREBY CERTIFY that at a regular meeting of the Board of Supervisors of said County, held on March 02, 2021, the foregoing Ordinance consisting of three (3) sections was adopted by said Board by the following vote:

AYES: Jeffries, Spiegel, Washington, Perez and Hewitt
NAYS: None
ABSENT: None

Kecia R. Harper, Clerk of the Board
By: Hannah Lumanauw, Board Assistant
Published: 3/12/2021

BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

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K. Spiegel, Chair of the Board

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AYES: Jeffries, Spiegel, Washington, Perez and Hewitt
NAYS: None
ABSENT: None

Kecia R. Harper, Clerk of the Board
By: Hannah Lumanauw, Board Assistant
Published: 3/12/2021

I am over the age of 18 years old, a citizen of the United States and not a party to, or have interest in this matter. I hereby certify that the attached advertisement appeared in said newspaper (set in type not smaller than non pariel) in each and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

03/12/2021

I acknowledge that I am a principal clerk of the printer of The Desert Sun, printed and published weekly in the City of Palm Springs, County of Riverside, State of California. The Desert Sun was adjudicated a Newspaper of general circulation on March 24, 1988 by the Superior Court of the County of Riverside, State of California Case No. 191236.

I certify under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct.. Executed on this 12th of March 2021 in Green Bay, WI, County of Brown.

[Handwritten Signature]
DECLARANT

TLMA / Planning
Item 21-2 of
02/09/21.

2021 MAR 19 AM 10:47



OFFICE OF THE
CLERK OF THE BOARD OF SUPERVISORS
1st FLOOR, COUNTY ADMINISTRATIVE CENTER
P.O. BOX 1147, 4080 LEMON STREET
RIVERSIDE, CA 92502-1147
PHONE: (951) 955-1060 FAX: (951) 955-1071

KECIA R. HARPER
Clerk of the Board of Supervisors

KIMBERLY A. RECTOR
Assistant Clerk of the Board

February 16, 2021

THE DESERT SUN
ATTN: LEGALS
P.O. BOX 2734
PALM SPRINGS, CA 92263

E-MAIL: legals@thedesertsun.com
TEL: (760)778-4578

RE: NOTICE OF ADOPTION OF ORDINANCE NO. 664.68

To Whom It May Concern:

Attached is a copy for publication in your newspaper for **ONE (1) TIME** on **Friday, February 19, 2021**.

We require your affidavit of publication immediately upon completion of the last publication.

Your invoice must be submitted to this office, **WITH TWO CLIPPINGS OF THE PUBLICATION**.

NOTE: PLEASE COMPOSE THIS PUBLICATION INTO A SINGLE COLUMN FORMAT.

Thank you in advance for your assistance and expertise.

Sincerely,

Hannah Lumanauw

Board Assistant to
KECIA R. HARPER, CLERK OF THE BOARD

BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

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NAYS: None
ABSENT: None

Kecia R. Harper, Clerk of the Board
By: Hannah Lumanauw, Board Assistant



OFFICE OF THE
CLERK OF THE BOARD OF SUPERVISORS
1st FLOOR, COUNTY ADMINISTRATIVE CENTER
P.O. BOX 1147, 4080 LEMON STREET
RIVERSIDE, CA 92502-1147
PHONE: (951) 955-1060 FAX: (951) 955-1071

KECIA R. HARPER
Clerk of the Board of Supervisors

KIMBERLY A. RECTOR
Assistant Clerk of the Board

February 16, 2021

PRESS ENTERPRISE
ATTN: LEGALS
P.O. BOX 792
RIVERSIDE, CA 92501

E-MAIL: legals@pe.com
FAX: 951-368-9018

RE: NOTICE OF ADOPTION OF ORDINANCE NO. 664.68

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Thank you in advance for your assistance and expertise.

Sincerely,

Hannah Lumanauw

Board Assistant to
KECIA R. HARPER, CLERK OF THE BOARD

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By: Hannah Lumanauw, Board Assistant



PROOF OF PUBLICATION

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COUNTY OF RIVERSIDE

RIVERSIDE COUNTY-BOARD OF SUP.
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[Handwritten signature]
DECLARANT

Ad#:0004605404
P O : adoption notice #664.68
This is not an invoice
of Affidavits: 1

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Kecia R. Harper, Clerk of the Board
By: Hannah Lumanauw, Board Assistant

Published: 2/19/21

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Published: 2/19/21

TMA / Planning

Item 21.2 of

02/09/21