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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
AND RESERVATION OF EASEMENTS FOR
EUCALYPTUS AT BEAUMONT RV STORAGE CONDOMINIUMS**

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THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS FOR EUCALYPTUS AT BEAUMONT RV STORAGE CONDOMINIUMS (the "Declaration") is made by 20 SECONDS AND BUILDING LLC, a California limited liability company ("Declarant"), as of the 24th day of July 2008.

P R E A M B L E:

A. Declarant is the sole owner of certain industrial real property (hereinafter, the "Covered Property") located at the southwest corner of Maple Avenue and Third Street in the City of Beaumont, County of Riverside, State of California, and more particularly described as Lot 1 of Tract 34966, as per map Recorded (as defined below) in Book 431, Page 27-28 of Maps in the Office of the County Recorder of Riverside County (the "Tract Map"). The Covered Property has been further divided into Units A-1 through A-12, B-1 through B-6, C-1 through C-12, D-1 through D-12, E-1 through E-20, F-1 through F-12, G-1 through G-11, H-1 through H-20, I-1 through I-11 and the "Clubhouse" (defined below) by a Condominium Plan covering the Covered Property (the "Condominium Plan") Recorded approximately concurrently herewith. The Covered Property is improved with nine (9) buildings (each a "Condominium Building" and, collectively, the "Condominium Buildings"), as depicted on Exhibit "A" attached hereto and incorporated herein by this reference.

B. The Recordation of the Condominium Plan resulted in the creation of the Condominiums (as defined below) described in this Declaration. Eucalyptus at Beaumont RV Storage Condominiums Owners' Association (the "Association") has been or will be formed prior to the Close of Escrow (as defined below) with respect to the first Condominium in the Covered Property for the purpose of enforcing the terms of this Declaration, maintaining and administering certain portions of the Covered Property, owning certain real property and personal property within and/or serving portions of the Covered Property and collecting and disbursing assessments and charges pursuant to this Declaration. The Association (or Declarant, until the Association has

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been formed) will be responsible for maintaining and administering, at all times, all Common Areas (as defined below) and allocating to the Owners (as defined below) their pro rata share of the Common Expenses (as defined below) incurred with respect to such Common Areas, all as more particularly provided in this Declaration. From and after formation of the Association, all Owners will be Members (as defined below) of the Association.

C. Declarant intends to develop, own, lease and convey the Condominiums pursuant to a general plan for all of the Covered Property and subject to certain protective covenants, conditions, restrictions, rights, reservations, easements, equitable servitudes, liens and charges, all running with the Covered Property as hereinafter set forth, and pursuant to the Davis-Stirling Common Interest Development Act (codified at Sections 1350 et seq. of the California Civil Code) (the "Act").

D. Declarant hereby declares that each and every one of the Condominiums and the Common Areas (as defined below) included within the Covered Property shall be held, sold, conveyed, encumbered, hypothecated, leased, used, occupied and improved subject to the easements, restrictions, reservations, rights, covenants, conditions, equitable servitudes, liens and charges contained in this Declaration, all of which are for the purpose of uniformly enhancing and protecting the value, attractiveness and desirability of the Covered Property, in furtherance of a general plan for the protection, maintenance, subdivision, improvement and sale of the Covered Property or any portion thereof. The covenants, conditions, restrictions, rights, reservations, easements, equitable servitudes, liens and charges set forth herein shall run with and burden the Covered Property and shall be binding upon all Persons (as defined below) having or acquiring any right, title or interest in the Covered Property, or any part thereof, their heirs, successors and assigns, shall inure to the benefit of every portion of the Covered Property and any interest therein, and shall inure to the benefit of, be binding upon and may be enforced by, Declarant and each Owner and their respective heirs, executors and administrators, and successive Owners and assigns in accordance with the terms hereof.

DECLARATION:

NOW, THEREFORE, Declarant hereby declares and establishes the covenants, conditions and easements contained herein as follows:

ARTICLE I DEFINITIONS

Unless otherwise expressly provided, the following words and phrases when used herein shall have the meanings specified in this Article I:

1.1 Act. "Act" is defined in Paragraph C of the Preamble to this Declaration.

1.2 Articles. "Articles" shall mean the articles of incorporation of the Association filed or to be filed in the office of the Secretary of State of the State of California, as such articles may be amended from time to time.

1.3 Assessment. "Assessment" shall mean an "Annual Assessment", a "Capital Improvement Assessment", a "Reconstruction Assessment" and/or a "Special Assessment," as such terms are defined in this Article I.

1.4 Assessment, Annual. "Annual Assessment" shall mean a charge against an Owner and his Condominium, representing a portion of the Common Expenses, which are to be levied against Owners and their Condominiums in the manner and proportions provided herein.

1.5 Assessment, Capital Improvement. "Capital Improvement Assessment" shall mean a charge, which the Board (as defined below) may from time to time levy against an Owner and his Condominium, representing the cost to the Association for installation or construction of any Association Property (as defined below) that constitutes an Improvement (as defined below) of a capital nature on any of the Common Areas that the Association is charged to maintain hereunder. Such charge shall be levied against the Owners and their Condominiums in the same proportion as Annual Assessments.

1.6 Assessment, Reconstruction. "Reconstruction Assessment" shall mean a charge, which the Board may from time to time levy against an Owner and his Condominium, representing the cost to the Association for reconstruction or restoration of any Association Property that the Association is charged to maintain hereunder. Such charge shall be levied against the Owners and their Condominiums in the same proportion as Annual Assessments.

1.7 Assessment, Special. "Special Assessment" shall mean a charge against a particular Owner directly attributable to, or reimbursable by, that Owner, equal to the cost incurred by the Association for corrective or other action specifically relating to such Owner and/or his Condominium performed pursuant to the provisions of this Declaration and a fine or penalty assessed by the Board, plus interest and other charges on such Special Assessment as provided for herein.

1.8 Association. "Association" shall mean Eucalyptus at Beaumont RV Storage Condominiums Owners' Association, a California nonprofit corporation (formed or to be formed under the Nonprofit Mutual Benefit Corporation Law of the State of California), its successors and assigns.

1.9 Association Easement Areas. "Association Easement Areas" is defined in Section 2.2 below.

1.10 Association Property. "Association Property" shall mean the Common Parcel (as defined below), all Improvements, personal property and fixtures owned by the Association and located on or in the Covered Property, including without limitation the Clubhouse (as defined below), any traffic, directional and/or monument signage (including street addresses mounted on Exterior Maintenance Areas/Property (as defined below) but excluding Owner or Permittee [as defined below] signage affixed to the Condominium Buildings) and lighting within the Common Areas, trash enclosures, transformers, bollards, generators, utility meters and/or plumbing lines

and related equipment (but excluding any such meter or equipment exclusively serving a particular Unit), fire sprinkler monitoring equipment and other fire and life safety equipment and all associated equipment (including without limitation fossil fuel filters and any and all propane, carbon monoxide and other leak detection equipment, other than equipment purchased and maintained by an Owner exclusively for the Owner's Unit), the Exterior Maintenance Areas/Property (excluding the Exclusive Use Property but including the Exclusive Use Common Areas) and/or the Utility Rooms (as defined below), any security or "wallpack" lighting within the Covered Property, including such lighting installed on the Condominium Buildings and all associated cabling, ducting and other devices and equipment, storm drain systems and components thereof, irrigation lines and sprinkler equipment within the Common Areas.

1.11 Beneficiary. "Beneficiary" shall mean a Mortgagee (as defined below) under a Mortgage (as defined below) or a beneficiary under a Deed of Trust (as defined below), as the case may be, the assignees of such Mortgagee or Beneficiary and any successors of such Mortgagee or Beneficiary in their capacity as the mortgagee of a Mortgage or beneficiary of a Deed of Trust.

1.12 Board or Board of Directors. "Board" or "Board of Directors" shall mean the board of directors of the Association.

1.13 Bylaws. "Bylaws" shall mean the bylaws of the Association, as the same may be amended from time to time.

1.14 City. "City" shall mean the City of Beaumont, in the County of Riverside, State of California, and its various departments and divisions.

1.15 Close of Escrow. "Close of Escrow" shall mean the date on which a deed is Recorded conveying a fee title interest in a Condominium to an Owner other than Declarant.

1.16 Cloud Common Area. "Cloud Common Area" shall mean that portion of the Covered Property consisting of the air space bounded (a) on each vertical side by a plane which extends, perpendicular from lines on the surface of the Covered Property immediately adjacent to the boundaries thereof, into the airspace above such Covered Property, (b) on the bottom by a plane which is parallel with and fifty (50) feet above the highest point of the highest roof and/or roof parapet of the Condominium Buildings on the Covered Property and (c) on the top by a plane which is parallel with and one hundred (100) feet above the highest point of the highest roof and/or roof parapet of the Condominium Buildings on the Covered Property. Each Owner shall own the undivided interest, as tenant in common with all other Owners, in the Cloud Common Area specified on Exhibit "B" hereto.

1.17 Clubhouse. "Clubhouse" shall mean that portion of Condominium Building B designated as the "Clubhouse" on Exhibit "B" hereto.

1.18 Common Areas. "Common Areas" shall mean all portions of the Covered Property and the Improvements thereon which are located outside of the Units, excluding the

Exclusive Use Property but including the Exclusive Use Common Areas, and the Common Wall Maintenance Areas. The Association (or Declarant, if the Association has not yet been formed) shall own all Common Areas other than the Cloud Common Area; each Owner of a Unit shall own an undivided interest, as tenant in common with all other Owners, in the Cloud Common Areas, based on the proportion that the square footage of floor area of the Unit owned by such Owner bears to the total square footage of floor area of all Units, all as specified on Exhibit "B" hereto. Nothing in this Declaration shall be deemed to permit the Common Areas to be used or accessed by any Person (as defined below) other than (i) the Association and its authorized agents, employees, contractors and permittees for maintenance and repair purposes as more particularly described in Section 7.4 below, or (ii) the Owners and their Permittees (as defined below), which use shall be subject to the above-described easement rights in favor of the Association. The Common Areas include, without limitation, the Common Parcel, the Clubhouse, Utility Rooms, bearing walls, columns, girders, ceiling joists, and airspace within the Condominium Building above the upper limit of the Unit (i.e., above the clear height thereof, as depicted on the Condominium Plan), roofs and foundations, central heating and air conditioning equipment, ducting, central compressed air and suction systems (to the extent not within and serving exclusively any Unit), ducts, conduits, pipes, plumbing, wires and other utility installations (except the outlets thereof when located within and exclusively serving a Unit and excepting utility installations located within and exclusively serving a Unit) required to provide power, light, telephone, gas, water, sewerage, drainage and fire sprinkler monitoring service, exterior sprinklers and sprinkler pipes and built-in fire detection.

1.19 Common Expenses. "Common Expenses" shall mean those expenses incurred by the Association pursuant to or in furtherance of this Declaration, including, without limitation, the actual and estimated costs of maintenance, management, operation, repair of the Exterior Maintenance Areas/Property and the Common Areas for which the Association is responsible or may incur hereunder, including, without limitation, the costs of all gardening, security, trash pickup, parking lot maintenance (exclusive of the Driveways [as defined below]), storm drain and bioswale maintenance, window washing, graffiti removal, pest control and other services benefiting the Exterior Maintenance Areas/Property and the Common Areas and the maintenance, repair and replacement of Association Property; unpaid Special Assessments, Reconstruction Assessments and Capital Improvement Assessments; the costs of any commonly metered utilities and other commonly metered charges for the Covered Property, including without limitation Common Area lighting, irrigation and fire suppression; costs of compliance with any water quality management plan ("WQMP") to which the Property is subject, including without limitation installation, maintenance, repair and replacement of any and all structural best management practices implemented in connection therewith and of any and all maintenance responsibilities associated with the WQMP, including without limitation with respect to fossil filters; costs associated with the Utility Rooms and all costs for the fire sprinkler system (including the water supplied thereto and the fire life safety system); amounts deemed necessary by the Board for reserves for maintenance, repair, and replacement of the Common Areas and other portions of the Covered Property that the Association is obligated or permitted to maintain, repair or replace and any Association Property located thereon or thereunder, including without limitation for nonpayment of any Assessments; costs of management and administration of the Association including, but not limited to, compensation paid by the Association to managers, accountants,

attorneys and other employees; the costs of any insurance required to be or actually carried by the Association pursuant to this Declaration, including, without limitation, fire, casualty (including earthquake, flood and/or terrorism coverage, if obtained in the Association's sole discretion) and liability insurance, worker's compensation insurance, and other insurance covering the Association Property and/or the Association's acts or omissions with respect to the Exterior Maintenance Areas/Property and the Common Areas and the directors, officers and agents of the Association; the costs of bonding the members of the Board; taxes paid by the Association; amounts paid by the Association for discharge of any lien or encumbrance levied against the Covered Property, or portions thereof; and the costs of any other item or items incurred by the Association for any reason whatsoever in connection with the Covered Property, for the common benefit of the Owners. Common Expenses incurred or payable by the Association shall be payable by Owners in the fraction allocated to such Owners' Unit(s) specified on Exhibit "B" hereto.

1.20 Common Parcel. "Common Parcel shall mean that portion of the Covered Property located outside the Condominium Buildings, excluding the Cloud Common Area.

1.21 Common Wall Maintenance Areas. "Common Wall Maintenance Areas" means, as to each Unit which is contiguous to another Unit, any walls, including footings, columns and other elements of such walls, shared in common with the Owner of such contiguous Unit, but excluding the finished surface of such walls inside a Unit. Easements shall be and are hereby granted to the Association pursuant to Section 2.2 below over the Common Wall Maintenance Area and each Unit of which such Common Wall Maintenance Area is a part for maintenance and repair purposes as more particularly described in Section 7.1 and/or 7.4 below. Nothing in this Declaration shall be deemed to permit the Common Wall Maintenance Areas to be used or accessed by any Person other than the Owners of (only) the Units which they serve and the Association.

1.22 Condominium. "Condominium" means an estate in real property as defined in California Civil Code Sections 783 and 1351(f), consisting of undivided proportionate interests in the Cloud Common Area in accordance with Section 1.16 above and a separate interest in a Unit.

1.23 Condominium Building(s). "Condominium Building" and "Condominium Buildings" are defined in Paragraph A of the Preamble of this Declaration.

1.24 Condominium Plan. "Condominium Plan" is defined in Paragraph A of the Preamble of this Declaration.

1.25 Condominium Project. "Condominium Project" means the Covered Property and all Improvements thereon.

1.26 Constant Dollars. "Constant Dollars" shall mean the present value of the dollars to which such phrase refers, adjusted according to the percentage change in the Consumer Price Index, U.S. City Average for All Items-All Urban Consumers (Base Year 1982 - 84 = 100), published by the United States Department of Labor, Bureau of Labor Statistics, or any successor index thereto as hereinafter provided.

1.27 Covered Property. "Covered Property" shall mean all of the real property described in Paragraph A of the Preamble to this Declaration. The Covered Property is a "common interest development" and a "planned development" as defined in Sections 1351(c) and 1351(k), respectively, of the California Civil Code.

1.28 Declarant. "Declarant" shall mean 20 Seconds and Building LLC, a California limited liability company, its successors and any Person to which it shall have assigned any rights as Declarant hereunder by an express written assignment that has been Recorded. As used in this Section, "successor" means a Person who acquires Declarant or substantially all of Declarant's assets, or who merges with Declarant by sale, merger, reverse merger, consolidation, sale of stock or assets, operation of law or otherwise. From and after the last Close of Escrow after which the original Declarant hereunder no longer owns any portion of the Covered Property, Declarant shall mean the Association.

1.29 Declaration. "Declaration" shall mean this instrument as it may be amended from time to time in accordance with Section 13.5 below.

1.30 Deed of Trust. "Deed of Trust" shall mean a Mortgage as further defined herein.

1.31 Driveways. "Driveways" shall mean those portions of the Common Areas improved with concrete or asphalt immediately adjacent to the Units to the exterior of and adjoining the roll-up doors of such Units and ending at the edge of the drive aisle adjacent to such concrete or asphalt (i.e., at the end of the striping for parking stalls adjacent to such Units).

1.32 Exclusive Use Common Areas. "Exclusive Use Common Areas" shall mean (a) the Driveways and (b) those portions of the Common Areas consisting of the areas adjacent to the exterior entry of a Unit beneath the roof of the Condominium Building, bounded the exterior perimeter walls of the Condominium Building on two or three sides, as applicable, by a vertical plane extended downward to the ground, parallel to the wall of the Condominium Building from the roofline and, if the Exclusive Use Common Areas are immediately adjacent to the Exclusive Use Area appurtenant to another Unit, on the fourth side by a vertical plane, from the roofline to the ground, which is an extension of the centerline of the Common Wall Maintenance Area shared by such Units from the exterior perimeter wall of the Condominium Building to the edge of the roofline of the Condominium Building.

1.33 Exclusive Use Property. "Exclusive Use Property" shall mean the roll-up doors serving the Units and, if and only to the extent that Declarant or the Association, in its sole and absolute discretion, determines that any portion of the Common Parcel is to be used exclusively by one or more Owners of Units within such Condominium Building and their respective Permittees, any additional Common Areas designated as Exclusive Use Property in a Recorded amendment to this Declaration executed by Declarant or the Association, as the case may be. The initial Exclusive Use Property shall be maintained and insured by the Owner of the Unit served thereby.

1.34 Exterior Maintenance Areas/Property. "Exterior Maintenance Areas/Property" shall mean (a) the exterior walls and roofs of the Condominium Buildings; (b) the exterior perimeter walls of a Unit; (c) all utility meters and associated equipment providing gas, electricity, water, fire life safety and power to the Units (excluding utility installations or meters within and serving a Unit exclusively and any plumbing or food preparation equipment such as dishwashers and refrigerators located within the Units); (d) plumbing lines and conduit providing service to more than one Unit, wherever located; (e) the foundation of the Condominium Buildings; and (f) any security or "wallpack" lighting installed on a Condominium Building and the associated cabling within the Condominium Buildings.

1.35 Improvement. "Improvement" shall mean any structure or appurtenance thereto of every type and kind, including but not limited to buildings, mezzanine structures, tenant improvements (including office space, lab space, et cetera), walkways, sprinkler pipes, drain pipes, storm drain systems and components thereof, utility installations (including without limitation meters and light fixtures), roads, driveways, parking areas, fences, screening walls, block walls, retaining walls, gates, awnings, stairs, decks, landscaping, antennae, the paint on all exterior surfaces, hedges, windbreaks, railings, planted trees and shrubs, poles, signs, storage areas, exterior air conditioning and water-softening fixtures or equipment.

1.36 Member, Membership. "Member" shall mean any Person holding a membership in the Association, as provided in this Declaration. "Membership" shall mean the property, voting and other rights and privileges of Members as provided herein, together with the correlative duties and obligations contained in the Restrictions (as defined below).

1.37 Mortgage. "Mortgage" shall mean any Recorded mortgage or deed of trust or other conveyance of one or more Condominiums or other portion of the Covered Property (including without limitation the Common Areas and/or any Condominiums owed by Declarant) to secure the performance of an obligation, which is intended to be reconveyed upon the completion of such performance. "First Mortgage" shall mean a Mortgage which has priority over all other Mortgages encumbering a specific Condominium or other portion of the Covered Property.

1.38 Mortgagee, Mortgagor. "Mortgagee" shall mean a Person in whose favor a Mortgage is made and shall include the Beneficiaries. "Mortgagor" shall mean a Person who mortgages his Condominium to another (*i.e.*, the maker of a Mortgage), and shall include the Trustor of a Deed of Trust. The term "Trustor" shall be synonymous with the term "Mortgagor" and the term "Beneficiary" shall be synonymous with the term "Mortgagee." "First Mortgagee" shall mean the Mortgagee under a First Mortgage.

1.39 Notice and Hearing. "Notice and Hearing" shall mean written notice and a hearing before the Board, at which the Owner concerned shall have an opportunity to be heard in person, or by counsel at the Owner's expense, in the manner further provided in the Bylaws.

1.40 Official Records. "Official Records" shall mean the records Recorded or Filed in the office of the County Recorder of Riverside County, California.

1.41 Owner. "Owner" shall mean the Person or Persons, including Declarant, holding fee simple interest of record to any Condominium. The term "Owner" shall include a seller under an executory contract of sale but shall exclude Mortgagees.

1.42 Parking Areas. "Parking Areas" is defined in Section 2.1.

1.43 Permittees. "Permittees" shall mean any Owner, tenant, subtenant, or other person entitled to occupy on an exclusive basis any portion of the Improvements located within Units and their respective employees, agents, representatives, invitees and guests.

1.44 Person. "Person" shall mean a natural individual or any entity with the legal right to hold title to real property.

1.45 Record, File, Recordation. "Record", "File", or "Recordation" (and derivations thereof) shall mean, with respect to any document, the recordation or filing of such document in the Official Records.

1.46 Restrictions. "Restrictions" shall mean this Declaration, the Articles and the Bylaws from time to time in effect.

1.47 Tract Map. "Tract Map" is defined in Paragraph A of the Preamble to this Declaration.

1.48 Unit. "Unit" shall mean (a) a separate interest in the interior unfinished surfaces of the perimeter walls (exclusive of any Common Wall Maintenance Areas), floor, exterior doors and any windows of the Unit within the upper boundary of the Unit as shown on the Condominium Plan, including all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring, suspended ceiling and light fixtures, and any other materials constituting any part of the finished surfaces of the walls, floor and ceiling (including a suspended ceiling grid, ceiling tiles, and ceiling lighting fixtures); all other portions of the walls (exclusive of any Common Wall Maintenance Areas), floor and ceiling are part of the Common Areas; and (b) a proportionate interest of the Common Wall Maintenance Area(s) appurtenant to such Unit, based on the proportion that the square footage floor area of the Unit bears to the square footage floor area of all Units sharing such Common Wall Maintenance Area(s). All spaces, interior partitions and other fixtures and Improvements, including any mezzanine structure, within the boundaries of a Unit are part of the Unit. Any and all windows and door(s) (including roll-up doors) opening into any Unit are portions of such Unit, and each Unit also includes the utility installations located within its boundaries that the Owner has exclusive use of, including, without limitation, space heaters, air conditioning units, plumbing and lighting fixtures located entirely within such Owner's Unit which such utility installations serve. In the event of any inconsistency or conflict between the provisions of this Section and the Condominium Plan, this Section shall control. The physical boundaries of a Unit shall be considered to be the proper boundaries regardless of the settling, rising or lateral movement of the Condominium Buildings and regardless of any variances between the boundaries shown on the Condominium Plan and the actual physical boundaries.

1.49 Utility Rooms. "Utility Rooms" shall mean the electrical/telephone utility rooms and/or storage closets located on the Covered Property as depicted on Exhibit "A" attached hereto and by this reference incorporated herein.

ARTICLE II EASEMENTS AND COMMON AREAS

2.1 Easements for Access, Parking and Other Purposes. Declarant hereby reserves for the benefit of each Condominium, the Owners and their Permittees mutual, reciprocal, nonexclusive appurtenant easements as follows: (i) access, ingress and egress easements for the purpose of vehicular and pedestrian traffic over those portions of the Common Areas which are improved with driveways, walkways and/or sidewalks for the passage of vehicles, for pedestrian traffic and for other uses incidental thereto and which are designated by the Association to provide common access for the Covered Property; and (ii) subject to Section 8.4 below and except for the Driveways, parking over those portions of the Common Areas which are designed, intended and made available by the Association for use as striped and paved parking areas for passenger vehicles ("Parking Areas"). Notwithstanding the foregoing, such easement over the Common Areas shall be subject to the right of the Association to reasonably limit the number of Owners and Permittees using such areas, to reasonably restrict access to certain portions of the Common Areas and to establish uniform rules and regulations for the use of such areas in accordance with Sections 8.6 and/or 8.9 below.

2.2 Association Easement Areas. Declarant hereby reserves for itself and for the benefit of the Association a nonexclusive easement in, over and to the Covered Property, as necessary, to maintain, repair, manage and/or control the Condominium Buildings, Units, Exterior Maintenance Areas/Property, the Utility Rooms, the Cloud Common Area and the Common Areas in accordance with, and to perform all other obligations of the Association under, this Declaration (the "Association Easement Areas"). Without limiting the generality of the foregoing, the Association Easement Areas shall include the following: the Exterior Maintenance Areas/Property, the Common Areas (including, without limitation, the Exclusive Use Common Areas and Exclusive Use Property), the Cloud Common Area, the Utility Rooms, and those portions of the Condominium Buildings (including within Units) as necessary to install, maintain, repair and/or replace the Association Property and/or the Condominium Buildings and Units. No Owner shall interfere with the exercise by the Association of its rights under the easement reserved in this Section. Such easement is granted to the Association effective upon the first Close of Escrow for the sale of a Condominium in the Covered Property which is maintained and/or administered by the Association.

2.3 Utility Easements. Declarant hereby reserves for itself and for the benefit of each Unit, the Owners, the Association, utility companies and public agencies acting in accordance with their governmental functions, nonexclusive easements over the Covered Property for utility services and laterals servicing the Common Areas and the individual Units to the extent necessary based on the location of such utilities as of the date of this Declaration and any alterations to such utilities approved by the Association (or Declarant, if the Association has not yet been

established) and for ducting and/or maintenance of the HVAC units and associated equipment; provided, however, in no event and under no circumstances is any Owner other than Declarant, without the prior written consent of the Association and, if such consent is granted, then using only contractors selected or, in the Association's sole discretion, approved by the Association, permitted to perform any alteration, addition, modification or other change to any component of the HVAC system serving the Condominium Buildings and/or the Units, to cause any roof penetrations or to have any roof access or any other right to alter or modify in any way any Exterior Maintenance Area/Property. The foregoing proviso includes without limitation an absolute prohibition on any Owner (other than Declarant) placing any equipment, satellite dish, cabling or other Improvement on any roof of a Condominium Building and/or on any other Exterior Maintenance Area/Property, whether for television, telephone, internet access or any other purpose. Without limiting the generality of the foregoing, Declarant shall have the right to grant easements to utility companies providing utility services to the Covered Property in areas where utility facilities have been installed, including, without limitation, the Utility Rooms. In the event any utility installations serving one Owner's Unit and/or the Common Areas are located, in whole or in part, in, on, over or under another Owner's Unit, the Owner of the dominant tenement (which shall include, for purposes of this Section 2.3 only, the Association) with respect to such utility easement shall have the right to enter the area of the servient tenement burdened by such easement in order to perform maintenance of any such utility installations pursuant to Article VII of this Declaration and shall, in connection with any such entry on the servient tenement, indemnify, defend and hold harmless the Owner of the servient tenement from and against any claim, liability, loss, cost, action, damage, suit, legal or administrative proceeding, expense or fee, including but not limited to reasonable attorneys' fees, which the Owner of the servient tenement may sustain or incur by reason of any such entry and/or maintenance by the Owner of the dominant tenement. The Owner of the servient tenement may condition any such entry onto such Owner's Unit on the receipt of written evidence from the Owner of the dominant tenement of liability insurance maintained by the Owner of the dominant tenement in form and substance required or permitted to be maintained by such Owner pursuant to Article X below, endorsed to the reasonable satisfaction of the Owner of the servient tenement to cover the acts or omissions of the Owner of the dominant tenement while on the servient tenement. Notwithstanding the foregoing, such easements over the Covered Property shall be subject to the right of the Association to reasonably limit the number of Owners and Permittees using such areas, to reasonably restrict access to certain portions of the Common Areas and to establish uniform rules and regulations for the use of such areas in accordance with Section 8.9 below.

2.4 Association Property Access and Use Easements.

(a) Common Access Easements. Declarant hereby reserves for the benefit of the Owners and their respective Permittees an easement over those portions of the Common Areas to the extent required to provide access to those portions of the Common Areas on which any Association Property has been erected or placed in order to reasonably use and enjoy such Association Property and other Association amenities, but not for the purpose of performing any maintenance, alterations or repairs which are the responsibility of the Association hereunder.

(b) Exclusive Use Common Areas and Exclusive Use Property. Declarant hereby reserves for the benefit of Declarant, the Association and the Owner of each Unit which is adjacent to or served by a particular Exclusive Use Common Area and/or Exclusive Use Property (that is intended for use by such Unit) and such Owner's Permittees, non-exclusive easements for the use, repair and maintenance of such Exclusive Use Common Areas and/or Exclusive Use Property appurtenant to such Units over those portions of the Covered Property outside the Unit adjacent to or served thereby which are reasonably necessary, as determined by Declarant, to enable the easement holder to use, repair and/or maintain the Exclusive Use Common Area and/or Exclusive Use Property in question, but not for the purpose of performing any maintenance, alterations or repairs which are the responsibility of the Association hereunder; provided, however, the Driveways shall only be used for the purpose of temporary access to vehicles stored within the Units and no long-term parking shall be permitted within the Driveways.

2.5 Encroachment. Declarant hereby reserves for the benefit of Declarant, the Association and Owners of Units contiguous to other Units or the Common Areas, reciprocal nonexclusive easements appurtenant to such Units and the Common Areas for the purposes of providing subjacent or sublateral support for encroachments or intrusions on the Units or the Common Areas by the Improvements on the Covered Property, or any portion thereof, caused by minor settlement, shifting or movement of such Improvements after construction or placement thereof on a Unit or the Common Areas accommodating any existing encroachment of any wall that is a part of the structural Improvements thereon; provided, however, the foregoing shall not authorize, and there is hereby expressly prohibited, the initial placement of an Improvement on a Unit or the Common Areas after the date hereof in such a manner that it immediately encroaches on another Unit or the Common Areas.

2.6 Common Wall Maintenance Area Easements. Declarant hereby reserves for the benefit of Declarant, the Association and Owners of Units with an interest in Common Wall Maintenance Areas included therein contiguous to other Units with an interest in the same Common Wall Maintenance Areas, reciprocal nonexclusive easements appurtenant to such Units in, on, over and under the Units served by such Common Wall Maintenance Area for the purpose of performing repair, maintenance, replacement or reconstruction of the facilities and other building elements or materials located within Common Wall Maintenance Areas which are appurtenant to such Units.

ARTICLE III OWNERS' ASSOCIATION

3.1 Organization of Association. The Association has been or shall be incorporated under the name of Eucalyptus at Beaumont RV Storage Condominiums Owners' Association, as a corporation not for profit under the Nonprofit Mutual Benefit Corporation Law of the State of California, as required by Section 1363 of the California Civil Code.

3.2 Duties and Powers. The duties and powers of the Association are those set forth in the Restrictions, together with the general and implied powers of a nonprofit mutual benefit corporation generally to do any and all things that a corporation organized under the laws of the

State of California may lawfully do which are necessary or proper, in operating for the peace, health, comfort, safety and general welfare of its Members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Restrictions.

3.3 Membership. Every Owner, upon becoming the Owner of a Condominium, shall automatically become a Member of the Association and shall remain a Member thereof until such time as his ownership ceases, at which time his Membership shall automatically cease; provided, however, the foregoing is subject to the provisions of this Declaration granting Declarant rights as a Class B Member (as defined in Section 4.1 below) in the Association. Ownership of a Condominium shall be the sole qualification for Membership in the Association. Memberships shall not be assignable, except to the Person to whom title to the Condominium has been transferred, and every Membership shall be appurtenant to and may not be separated from the fee ownership of such Condominium.

3.4 Transfer. The Membership held by any Owner shall not be transferred, pledged or alienated in any way, except upon the sale or encumbrance of such Owner's Condominium, and then only to the purchaser or Mortgagee of such Condominium. A prohibited transfer shall be void and will not be reflected upon the books and records of the Association. Notwithstanding the foregoing, a Class A Member who has sold his Condominium to a contract purchaser under an agreement to purchase shall be entitled to delegate to the contract purchaser his Membership rights in the Association. Any such delegation shall be in writing and shall be delivered to the Board before the contract purchaser may vote. However, the contract seller shall remain liable for all charges and assessments attributable to his Condominium until fee title to the Condominium sold is transferred. If the Owner of any Condominium fails or refuses to transfer his Membership to the purchaser of the Condominium upon transfer of fee title thereto, the Board shall have the right to record the transfer upon the books of the Association. Until satisfactory evidence of the transfer of fee title to a Condominium has been presented to the Board, the purchaser of such Condominium shall not be entitled to vote at meetings of the Association. The Association may levy a reasonable transfer fee against a new Owner and his Condominium (which fee shall be added to the Annual Assessment chargeable to such new Owner) to reimburse the Association for the administrative cost of transferring the Membership to the new Owner on the records of the Association, provided such fee does not exceed the Association's actual cost involved in changing its records of ownership.

ARTICLE IV VOTING RIGHTS

4.1 Classes. The Association shall have two (2) classes of voting members as follows:

Class A. Class A Members of the Association shall be all of the Owners other than Declarant. The number of Class A votes to which the Owner of each Unit is entitled and such Owner's share of Annual Assessments, Capital Improvement Assessments and Reconstruction Assessments are as set forth on Exhibit "B" attached hereto and by this reference incorporated herein.

Class B. Class B Members of the Association shall be Declarant and, so long as Declarant is a Class B Member, any Mortgagee of a Class B Member that becomes an Owner by acquisition of fee title to a Condominium as a result of foreclosure of, or a conveyance in lieu of foreclosure of, its Mortgage. A Class B Member that is an Owner of a Unit shall be entitled to three hundred fifty (350) votes with respect to such Unit. When Declarant holds no further interest in the Covered Property, the Class B Membership shall be eliminated.

Notwithstanding anything to the contrary contained herein, no voting rights shall be allocated to the Association.

4.2 Voting Rights. All voting rights shall be subject to the Restrictions. When more than one (1) Person holds such interest or interests in any Condominium required for membership in the Association ("Co-owner"), all such Co-owners shall be Members and may attend any meetings of the Association, but only one (1) such Co-owner shall be entitled to exercise the vote to which the Condominium is entitled. Co-owners owning the majority interests in a Condominium shall from time to time designate in writing one (1) of them to vote. Fractional votes shall not be allowed, and the vote for each Condominium shall be exercised, if at all, as a unit. Where no voting Co-owner is designated or if the designation has been revoked, the vote for the Condominium shall be exercised as the Co-owners owning the majority interests in the Condominium mutually agree. Unless the Board receives a written objection in advance from a Co-owner, it shall be conclusively presumed that the corresponding voting Co-owner is acting with the consent of his Co-owners. No vote shall be cast for any Condominium if the Co-owners present in person or by proxy owning the majority interests in such Condominium cannot agree to said vote or other action. The nonvoting Co-owner or Co-owners shall be jointly and severally responsible for all of the obligations imposed upon the jointly owned Condominium and shall be entitled to all other benefits of ownership. All agreements and determinations lawfully made by the Association in accordance with the voting percentages established herein, or in the Bylaws, shall be deemed to be binding on all Owners, their successors and assigns.

4.3 Special Declarant Voting Rights. Notwithstanding Sections 4.1 and 4.2 above or anything else to the contrary contained in the Restrictions, Declarant alone shall be entitled to elect a majority of the members of the Board until Declarant no longer owns any interest in the Covered Property.

ARTICLE V COVENANT FOR ASSESSMENTS

5.1 Creation of Assessment Obligation. Declarant, for each Condominium owned by it, hereby covenants and agrees to pay to the Association, and each Owner, by acceptance of a deed to a Condominium, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association (i) Annual Assessments, (ii) Capital Improvement Assessments, (iii) Special Assessments, and (iv) Reconstruction Assessments, all such Assessments to be established and collected as provided herein. All such Assessments, together with interest thereon at the rate specified in Section 6.1 below and costs and attorneys' fees for

the collection thereof, shall be both (A) a charge on the Condominium, and shall be a continuing lien upon the Condominium, against which such Assessment is made and (B) the personal obligation of the Person who was the Owner of the Condominium at the time when the Assessment becomes due. The personal obligation for delinquent Assessments shall not pass to any new Owner ("Purchaser") unless expressly assumed by the Purchaser, but, subject to Section 6.6 below, shall remain a lien upon the Condominium purchased by such Purchaser. The Common Areas shall be exempt from the Assessments herein. If the fee simple interest in any portion of the Covered Property is dedicated to and accepted, or otherwise acquired, by a local public authority for use by or for the benefit of the public, such property shall be exempt from the Assessments herein.

5.2 Maintenance Funds of Association. The Board shall establish at least one (1) separate Association maintenance fund account, into which shall be deposited all monies paid to the Association and from which disbursements shall be made, as provided herein, in the performance by the Association under the Restrictions.

5.3 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to promote the peace, health, comfort, safety, and general welfare of the Owners, for the improvement and maintenance of the Covered Property which the Association is charged or permitted to maintain hereunder, to defray Common Expenses incurred by the Association and to discharge any other obligations of the Association under the Restrictions.

5.4 Rate of Assessment. Annual Assessments, Capital Improvement Assessments and Reconstruction Assessments provided for in this Article V shall be assessed against all Owners and their Condominiums in the fractions set forth on Exhibit "B" hereto. Notwithstanding the foregoing, in the event that certain Common Expenses and/or capital improvement or reconstruction costs are attributable to only certain portions of the Covered Property, the Association shall have the right, in its sole discretion, to allocate such costs and expenses to only certain Condominiums within the Covered Property or portions thereof as the Association determines is a fair and reasonable allocation. In such event, the portion of the Annual Assessments, Capital Improvement Assessments and/or Reconstruction Assessments attributable to such expenses shall be assessed against only those Owners and their respective Condominiums in accordance with the Association's determination. For example, all costs associated with the maintenance of any Exterior Maintenance Areas/Property for particular Condominiums (including without limitation expenses other than routine maintenance costs incurred by the Association in maintaining heating, ventilating and air-conditioning units and related equipment which serve a particular Unit, which costs shall be charged to the Owner of the Unit served thereby as a Special Assessment) shall be only allocated to the applicable Condominiums. Additionally, the Association may, subject to the provisions of this Declaration, levy Special Assessments against selected Owners who have caused the Association to incur additional expenses due to the acts or omissions of said Owners and their respective Permittees or due to increased Common Expenses incurred by the Association as a result of the condition of any Exclusive Use Common Area and/or Exclusive Use Property serving an Owner's Unit and/or any special requirements of such Owners and their respective Permittees with respect to the operation of their respective Condominiums, including, without limitation, additional trash pick ups and/or lighting or security

requirements in the Common Areas and, in the event that any utilities are not separately metered to a Unit, excessive utility usage.

5.5 Date of Commencement of Annual Assessments. The Board shall authorize and levy the amount of the Annual Assessment upon each Condominium, as provided herein, by a majority vote of the Board. The Annual Assessments provided for herein shall commence as to all Condominiums in the Covered Property (including Condominiums owned by Declarant) on the first day of the first calendar month following the first Close of Escrow that occurs after the Recordation of this Declaration. The Association's first Annual Assessment shall be adjusted according to the number of months (or portions thereof) remaining in the fiscal year of the Association as set forth in its Bylaws.

5.6 Determination of Assessments. Not later than thirty (30) days prior to the beginning of each fiscal year, the Board shall prepare and distribute to each Owner a written notice setting forth the itemized budget of the estimated total income and Common Expenses of the Association during such year in performing its functions under the Restrictions (including a reasonable provision for contingencies and reserves for infrequently recurring expenditures) and the Annual Assessments to such Owner and his Condominium for such fiscal year. Notwithstanding the foregoing, if the Board fails to deliver such notice prior to the commencement of the new fiscal year, then each Owner shall continue to pay Annual Assessments at the rate it was paying during the prior fiscal year; provided, however, within thirty (30) days after such notice is thereafter delivered by the Board, the Owner shall pay the Association any additional Annual Assessments owed on account of any increase to the amount of Annual Assessments for the current fiscal year. In the event that the Board shall determine that the Annual Assessment for the current year is, or will become, inadequate to meet all Common Expenses for any reason, it shall immediately determine the approximate amount of such inadequacy. The Board shall have the authority to levy at any time by a majority vote supplemental Annual Assessments reflecting a revision of the Annual Assessment against each Condominium. Written notice of any change in the amount of any Annual Assessment, Capital Improvement Assessment or Reconstruction Assessment shall be sent to every Owner subject thereto, addressed to the street address for the Condominium, via first-class mail, not less than thirty (30) days prior to the increased Assessment becoming due. Each Owner shall pay such Assessments to the Association in equal monthly installments in advance or at such frequency and in such amounts as may be established by the Board.

5.7 Collection of Annual Assessments. From and after the commencement of Annual Assessments, the Board shall collect from each Owner (including Declarant) who is a Member of the Association, and each such Owner shall pay, his prorata share of the Annual Assessments. At the end of any fiscal year of the Association, the Board may determine to return any excess of Annual Assessments collected over Common Expenses incurred for a fiscal year to its Members proportionately or retain the same as reserves to defray future Assessments; provided, however, if the Board elects to return any excess Annual Assessments and an Owner has transferred his Condominium to a new Owner, the Association shall return the excess amount to the new Owner and the Association shall have no obligation to allocate any such excess amount between the new Owner and the prior Owner.

5.8 Capital Improvement Assessments. If the Board determines a capital Improvement or replacement expenditure is required (including any expenditure which will be a Common Expense), other than for the purposes described in Section 9.2 below, the cost of which is in excess of Twenty Five Thousand and No/100ths Dollars (\$25,000.00) in Constant Dollars, then a vote of at least a majority of the voting power of the Association shall be required to approve and render effective a Capital Improvement Assessment levied by the Board to cover the cost of such expenditure. An adjustment to the foregoing amount to reflect Constant Dollars shall occur on January 1 of the sixth (6th) calendar year following the date of this Declaration, and thereafter at five (5) year intervals.

5.9 Notices to Members. During the sixty (60) day period immediately preceding the commencement of the Association's fiscal year, the Board shall prepare and distribute to each Member a notice regarding assessments in compliance with the requirements of California Civil Code Section 1365.1.

5.10 Taxes and Insurance. If and to the extent that each Unit and the Common Areas are not separate tax parcels, Declarant (or the Association, at such time as Declarant has no further interest in the Covered Property) shall have the right to allocate the real property tax bill(s) assessed collectively against more than one Unit and/or against one or more Units and the Common Areas as Declarant (or the Association, as applicable) may reasonably determine. If such allocation is performed by Declarant, Declarant shall have the right to bill the Association for, and the Association shall pay as a Common Expense (subject to reimbursement to the Association by the Owners other than Declarant), for the portion of the real property taxes allocated to Condominiums which are not owned by Declarant and for the other Owners' prorata share determined pursuant to Section 5.4 of the portion of the real property taxes allocated to the Common Areas. Alternatively, Declarant shall have the right to tender the tax bill to the Association for payment, and shall pay to the Association the share of real property taxes allocated to Condominiums owned by Declarant plus Declarant's prorata share determined pursuant to Section 5.4 of the portion of the real property taxes allocated to the Common Areas. In addition, for so long as Declarant owns any portion of the Covered Property, Declarant may place the insurance required to be maintained by the Association pursuant to Article X hereof as part of Declarant's insurance program and, if Declarant does so, the Association shall be named as an additional insured thereon as its interest may appear and as loss payee with respect to the proceeds of any property insurance applicable to the Condominium Buildings, Declarant shall have the right to allocate the portion of the premium for Declarant's insurance program attributable to the insurance for the Covered Property as Declarant may reasonably determine and to bill the Association for, and the Association shall pay as a Common Expense (subject to reimbursement to the Association by the Owners other than Declarant), the premiums for insurance so allocated to the Covered Property in excess of Declarant's pro rata share thereof. Any amounts payable by the Association and/or the Owners pursuant to this Section 5.10 may be estimated by Declarant in advance and, if and to the extent so estimated, shall be included in Annual Assessments for the calendar year in which such Common Expenses are anticipated to be incurred.

ARTICLE VI
NONPAYMENT OF ASSESSMENTS; REMEDIES

6.1 Delinquent Assessments; Interest; Late Charges. Any installment of an Assessment shall be delinquent if not paid within fifteen (15) days of the due date as established by the Board. Any installment of an Assessment not paid within thirty (30) days after the due date, plus all costs of collection (including attorneys' fees) and late charges as provided herein, shall bear interest commencing from the date the Assessment became due until paid at the maximum rate permitted by law. Subject to Section 1367.5 of the Act, the Board may also require the delinquent Owner to pay a late charge in accordance with California Civil Code Section 1366(e)(2). The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Condominium, or exercise any other remedy available hereunder or at law.

6.2 Notice of Assessment. No action shall be brought to enforce any assessment lien herein unless at least thirty (30) days has expired following the date a notice of delinquent assessment ("Notice of Assessment") is Recorded by the Association, which Notice of Assessment shall also be mailed to the Owner and/or its legal representative in accordance with Section 1367.1 of the Act. Before the Association may Record a Notice of Assessment, the Association shall send a written notice by certified mail to the delinquent Owner that complies with the requirements of California Civil Code Section 1367.1, including, without limitation, a general description of the collection and lien enforcement procedures of the Association, the method of calculating the delinquent amount and other sums claimed, an itemized statement of the charges owed, a statement that the delinquent Owner shall not be liable to pay the charges, interest and costs of collection if it is determined the assessment was paid on time to the Association and the right to request a meeting with the Board as provided in subdivision (c) of California Civil Code Section 1367.1. Each Recorded Notice of Assessment shall state a legal description of the Condominium, the record Owner thereof, the amount claimed (which may at the Association's option include interest and late charges on the unpaid Assessment as described above, plus attorneys' fees and expenses of collection in connection with the debt secured by said lien), and, in order for the lien to be enforced by nonjudicial foreclosure, the name and address of the trustee authorized by the Association to enforce the lien by sale, and shall be mailed in the manner set forth in Section 2924b of the California Civil Code to all record Owners of the Condominium no later than ten (10) days after Recordation. Recordation of the Notice of Assessment shall create a lien on the Condominium as provided in Section 1367 of the California Civil Code, which shall continue until fully paid or otherwise satisfied. The Notice of Assessment shall be signed by any authorized officer or agent of the Association. Any payments made toward such a debt shall be applied to the principal amount of the Assessments owed and interest or collection expenses (including attorneys' fees) in such order and in such amounts as the Association elects.

6.3 Foreclosure Sale. Subject to Section 1367.4 of the Act, and based upon (only) the Board's decision to conduct the same, a sale to foreclose the Association lien may be conducted by the Board, its attorneys or other persons authorized by the Board in accordance with the provisions of Sections 2924, 2924a, 2924b, 2924c and 2924f of the California Civil Code, or in

accordance with any similar statute hereafter enacted applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any other manner permitted by law. The Association, through duly authorized agents, shall have the power to bid on the Condominium at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Upon completion of the foreclosure sale, an action may be brought by the Association or the purchaser at the sale in order to secure occupancy of the defaulting Owner's Condominium, and the defaulting Owner shall be required to pay the reasonable rental value of such Condominium during any period of continued occupancy by the defaulting Owner or any persons claiming under the defaulting Owner.

6.4 Curing of Default. Upon the timely curing of any default for which a Notice of Assessment was Recorded by the Association, the officers of the Association shall Record an appropriate release of lien, upon payment by the defaulting Owner of a reasonable fee to be determined by the Board to cover the cost of preparing and Recording such release.

6.5 Mortgagee Protection. Notwithstanding all other provisions hereof, no lien created under this Article VI, nor any breach of this Declaration, nor the enforcement of any provision hereof, regardless of who seeks such enforcement, including without limitation the Association, any Owner or the City, shall defeat or render invalid the rights of the Beneficiary under any Recorded First Mortgage upon a Condominium made in good faith and for value; provided that after the Beneficiary of such First Mortgage or some other Person obtains title to such Condominium by judicial foreclosure or by means of the powers set forth in such Mortgage, such Condominium shall remain subject to the Restrictions and the payment of all installments of Assessments accruing subsequent to the date such Beneficiary or other Person obtains title, but shall have no obligation or liability for any defaults hereunder occurring prior to the date such Beneficiary or other Person obtains title to the Condominium, subject to the last sentence of Section 6.6.

6.6 Priority of Assessment Lien. The lien of the Assessments provided for herein, including interest and costs (including attorneys' fees), shall be subordinate to the lien of any Recorded First Mortgage upon one or more Condominiums. Sale and transfer of any Condominium shall not affect the Assessment lien; however, the sale or transfer of any Condominium pursuant to judicial or nonjudicial foreclosure of a First Mortgage shall, subject to the last sentence of this Section 6.6, extinguish the lien of such Assessments as to payments which became due prior to such foreclosure or deed in lieu, and the Beneficiary or other purchaser at such foreclosure, his successors and assigns shall, subject to the last sentence of this Section 6.6, not be liable for the Assessments levied by the Association chargeable to such Condominium which became due prior to the acquisition of title to such Condominium by such Person. No sale or transfer shall relieve such Condominium from lien rights or the Owner thereof from personal liability for any Assessments thereafter becoming due. Without releasing the Owner of the Condominium foreclosed upon for personal liability for any unpaid Assessments as aforesaid, any unpaid Assessments chargeable to the Condominium foreclosed upon shall be added to the Association's current budget as Common Expenses and reallocated to the current Owners of the Condominiums, including the current Owner of the Condominium foreclosed upon and any Mortgagee of any Condominium other than the Condominium whose assessments are being reallocated who is an Owner and who foreclosed on a Condominium prior to the date of the

reallocation, as Annual Assessments collectible from all such current Owners; provided, however, that notwithstanding any such reallocation, the Association shall, if it is prudent to do so, use commercially reasonable efforts to collect such unpaid Assessment from the former Owner of the Condominium foreclosed upon and, if the Association subsequently collects all or any portion of the reallocated Assessment, the Association will apply the amount so collected as a credit to the current Assessments chargeable to the Condominium of the Owners who paid (or whose predecessor in interest with respect to the Condominium paid) any portion of such reallocated Assessment, pro rata based on the pro rata share of such reallocated Assessment paid by such Owners or their predecessor in interest with respect to the Condominium, as applicable; and provided further that a Mortgagee of a First Mortgage shall only be required to pay its share of any such reallocated Assessments which became due on or after the date of foreclosure of such Mortgagee's First Mortgage.

ARTICLE VII MAINTENANCE AND REPAIR OBLIGATIONS; SECURITY

7.1 Maintenance Obligations of Owners. Each Owner shall, at his sole expense, maintain, repair, replace and restore his Unit, all Improvements in such Unit and the HVAC unit and all Common Wall Maintenance Areas serving such Unit (other than the Exterior Maintenance Areas/Property) in compliance with all applicable governmental requirements (including without limitation those of the City) and in a clean, neat, sanitary, attractive and structurally sound condition, including without limitation all windows (including glass, frame, weather-stripping, panes and sheathing), doors (including hardware, weather-proofing, sheathing, frame and any glass), light fixtures activated from switches controlled from, or separately metered to, such Owner's Unit and the interior surface of any walls, ceilings, floors and fixtures within such Owner's Unit; provided, however, that nothing in this Section 7.1 shall authorize an Owner to take any actions with respect to its Unit except to the extent otherwise permitted herein, including without limitation performing any structural, electrical, plumbing or HVAC work within a Unit or any Common Wall Maintenance Area. The Association shall have the right to require Owners to contract with a roofing company selected by the Association and/or with the janitorial service that the Association contracts with for Common Area maintenance to provide, respectively, maintenance service to the HVAC units and janitorial service to the Units. If any Owner shall suffer or permit his Unit or any Improvements therein or any other item, the maintenance of which is the responsibility of such Owner hereunder (including without limitation any roll-up doors located in/or serving such Unit), to fall into disrepair, to become unsafe, unsightly or unattractive or to otherwise violate this Declaration (including without limitation by alteration of any Improvements within such Unit, including without limitation sprinkler heads), the Board shall have the right to exercise any remedies hereunder, at law or in equity which it may have as a result of such breach. In addition, the Board shall have the right, but not obligation, after Notice and Hearing, to enter upon such Owner's Unit to make such repairs or to perform such maintenance and to charge the cost thereof to the Owner as a Special Assessment. In addition to the foregoing, each Owner shall provide to the Association emergency contact information for at least three (3) representatives of such Owner who have the ability to access such Owner's Unit 24 hours per day, 365 days per year, to enable the company providing fire monitoring services to the Units access to such Owner's Unit in the event of an emergency. Each Owner shall notify the

Association in writing immediately upon any change to the contact information and/or identity of such representatives.

7.2 Trash Collection. In the event that the Association does not have a contract for common trash collection and removal, the cost of which is included in Common Expenses, each Owner shall pay all costs for trash collection and removal from his Unit.

7.3 Utilities. Every Owner shall pay for all utilities and services, including without limitation water, gas, light, heat, power and telephone, supplied to his Unit, together with all taxes thereon, whether or not separately metered, except for any utilities and services related to the Common Areas which are included in Common Expenses. In the event that any such utilities are not supplied to such Owner by separate meter, then the Association shall pay for the same and the cost shall be included in Common Expenses. In the event that any such utilities are supplied to such Owner by separate meter, then such Owner shall pay for such utilities directly. Without limiting the generality of the foregoing, each Owner shall be responsible, at its sole cost and expense, for the maintenance of (a) the electrical line serving such Owner's Unit located between the electrical meters located either inside or outside the Condominium Building in which such Unit is located and the interior of such Owner's Unit; and (b) the telephone line serving such Owner's Unit located between the central telephone switch or box located either inside or outside of the Condominium Building in which such Unit is located and the exterior of such Owner's Unit. In the event that the Association determines, in its sole discretion, that an Owner is using excessive amounts of any utility that is not separately metered to such Owner's Unit, then the Association shall have the right, at such Owner's expense, to cause that utility to be separately metered to such Owner's Unit.

7.4 Maintenance Obligations of Association. Commencing upon the first Close of Escrow after the Recordation of this Declaration and subject to Sections 7.2, 7.7 and 10.4 and Article IX, the Association shall maintain, repair and replace the Exterior Maintenance Areas/Property, the Utility Rooms and the Common Areas and all Improvements on the Common Areas, in a sanitary and attractive condition, and in good order and repair. Such obligations to maintain, repair and replace shall include, without limitation, maintenance and replacement of shrubs, trees, vegetation, irrigation systems and other landscaping Improvements located on the Common Areas; maintenance, repair and replacement of any storm drain system or private sewer systems serving the Covered Property and all components thereof, including concrete terrace drains; the maintenance, repair and replacement of all trash enclosures, monument signage, directional signage, bike racks, furniture and other such Association Property owned by the Association and located within the Common Areas; graffiti removal; repair and payment for all centrally metered utilities, repair and maintenance of the electrical equipment and any mechanical equipment in or serving the Common Areas (including, without limitation, fire sprinkler systems and lighting (including street lights) and the Utility Rooms); maintenance, repair and/or replacement of the roofs and fire life safety monitoring systems, including without limitation placing any service contracts for routine maintenance and repair thereof that the Association deems necessary; contracting for trash removal for the Covered Property; maintenance, repair and replacement of all security or "wallpack" lighting and associated cabling and equipment owned by the Association and located on the Condominium Building; and repair and maintenance of all

driveways, parking areas, sidewalks, walls, fences and other means of ingress and egress within the Common Areas (including, without limitation, resealing and restriping the parking areas as often as necessary, as determined in the sole discretion of the Association, to maintain the surface of such parking areas and striping thereon in adequate condition and regular sweeping of sidewalks and parking lots to prevent accumulation of litter and debris (the use of traps and collectors shall be required to prevent such debris from entering the storm drain system)). Subject to Sections 7.7 and 10.4 and Article IX, the Association shall further provide for the painting, exterior maintenance and repairs and replacements as necessary of any Exterior Maintenance Areas/Property and common utility laterals it is charged to maintain. To the extent not paid by the Owners, the Association shall have the right, but not the obligation, to pay all real and personal property taxes and assessments which shall constitute a lien upon any portion of the Common Areas. All work performed or taxes and assessments paid for and on behalf of an Owner shall be charged to such Owner as a Special Assessment, as herein provided. Without limiting the generality of the foregoing, no improvement, excavation or work which in any way alters the Common Areas shall be made or done by any person other than the Association or its authorized agents. Notwithstanding anything to the contrary herein, if fee simple title to any portions of the Common Areas has been dedicated to and accepted by a state, local or municipal governmental agency or entity, then the Association shall not be responsible for any maintenance of such property.

7.5 Damage to Common Areas. Subject to Sections 7.7 and 10.4, the cost of any maintenance, repairs or replacements the Association to the Exterior Maintenance Areas/Property or on or within the Common Areas arising out of or caused by the willful misconduct or negligent act or omission of, or breach of the Restrictions by, an Owner and/or his Permittees shall, after Notice and Hearing, be levied by the Board as a Special Assessment against such Owner.

7.6 Damage to Common Wall Maintenance Areas. Subject to Article IX below, any Common Wall Maintenance Areas shall be maintained jointly by the Owners whose Units are served by the same. Notwithstanding anything to the contrary contained herein and without limiting the generality of the foregoing, in the event that the Owner or a Permittee of a Unit causes damage to a Common Wall Maintenance Area (whether arising out of or caused by the willful misconduct or negligent act or omission of such Owner and/or his Permittees or violation of this Declaration, or otherwise), such Owner shall be responsible, at his sole cost and expense, for promptly repairing such damage and for any increased insurance costs incurred by the other Owner(s) of Units served by such Common Wall Maintenance Areas arising out of such damage.

7.7 Damage to Units. Subject to Section 7.6 above, if all or any portion of any Unit or Improvement thereon or serving the same (but excluding Association Property and Common Wall Maintenance Areas, which shall be governed by Article IX below) is damaged or destroyed by fire or other casualty or as a result of condemnation, the Owner of such Unit shall promptly, at his sole cost and expense (i) subject to prior approval by the Association, rebuild such damaged Improvements with materials substantially equivalent to that initially used in the construction or placement thereof, (ii) clear such area of any debris and maintain such area in a safe, attractive and landscaped condition and/or install a sight barrier surrounding such area or (iii) take such other action as may be approved by the Association.

7.8 Security. The Association may, but shall have no obligation to, from time to time, employ one or more persons or entities to patrol or provide security for the Common Areas required to be maintained by the Association pursuant to Section 7.4. Each Owner and its Permittees shall cooperate with the Association's security personnel, if any, including those providing Common Area security after normal business hours. Notwithstanding any such activity, each Owner shall have the sole responsibility of providing security for its Unit, the persons therein and all vehicles of such Owner and its Permittees on or about the Covered Property. Under no circumstances shall the Association be liable to any Owner or its Permittees by reason of any theft, burglary, robbery, assault, trespass, unauthorized entry, vandalism, or any other act of any third person occurring in or about the Covered Property, and each Owner shall indemnify, defend and hold the Association harmless from and against any and all losses, liabilities, judgments, costs and expenses (including but not limited to reasonable attorneys' fees and other costs of investigation or defense) which the Association may suffer by reason of any claim asserted by any person arising out of, or related to, any of the foregoing. To the extent the Association elects to provide such patrol or security services, the cost thereof shall be included in Common Expenses. Each Owner shall be solely responsible to purchase, install, maintain and replace all security devices and features required by such Owner for its Unit, including but not limited to locks, burglar and other alarms and sensory systems. All such features and items shall be subject to written approval of the Association prior to construction or installation, which approval shall be limited to aesthetics and non-interference of such items with systems and other devices maintained on the Covered Property. All such features, systems and other security items shall comply with all applicable governmental requirements and all applicable provisions of this Declaration. Each Owner shall be responsible to provide any employee safety courses deemed necessary by such Owner.

ARTICLE VIII USE RESTRICTIONS

All real property within the Covered Property shall be held, used and enjoyed subject to the following limitations and restrictions, subject to the exemptions of Declarant set forth in this Declaration.

8.1 Commercial/Industrial Use Only. The Units are limited to industrial or commercial uses only in accordance with Section 11010.3 of the California Business and Professions Code. Without in any way limiting the generality of the foregoing. In no event shall any portion of the Covered Property be used for any residential purposes, including without limitation lodging and/or the preparation of food. The Units shall be used solely for storage of recreational vehicles such as motorhomes, trailers, trucks with camper shells, boats and other watercraft, and related or associated tools, equipment, machinery and other personal property; provided, however, that no commercial vehicle or any vehicle not having rubber tires may be parked or stored in the Units. No Owner shall, or permit any of its Permittees to, sleep overnight or at all in the Owner's Unit or within the Exclusive Use Property or in any Common Area, whether inside or outside of a vehicle.

8.2 Access to Roofs. No Owner (other than Declarant) shall be permitted access to any roof of the Condominium Buildings.

8.3 Signs. Subject to the provisions of Sections 712 and 713 of the California Civil Code, no sign, poster, display, billboard or other advertising device of any kind shall be displayed to the public view on any portion of the Covered Property without the prior written consent of the Association (or Declarant, if the Association has not yet been established); provided, however, that the provisions of this Section shall not apply to any sign or notice of customary and reasonable dimension which advertises a Unit for sale or lease, signs installed or displayed by Declarant or the Association, or signs as may be required by law or pursuant to an order of a court of competent jurisdiction. Any and all signage permitted by the Association (or Declarant, if the Association has not been established) must be professionally prepared and conform to the sign criteria for the Covered Project established by the Board from time to time and/or by the City.

8.4 Parking Areas.

(a) The Association and, so long as Declarant owns any portion of the Covered Property, Declarant shall have the power to establish reasonable rules and regulations governing use of the Parking Areas, including without limitation reservation or assignment of Parking Areas, adoption of a vehicle registration program and/or restriction of certain Parking Areas for the sole use of employees, handicapped persons and/or as required by encumbrances affecting the Covered Property, and, subject to Section 8.9 below, the regulation of vehicle and truck deliveries, vehicle and truck parking and loading and unloading activities.

(b) It is intended that "Required Parking Spaces" (defined herein) be provided within the Parking Areas for the benefit of the Covered Property. For purposes of this Declaration, the term "Required Parking Spaces" shall mean that number of striped and paved surface parking spaces with respect to the Covered Property as a whole, as may be determined or established from time to time by the City or other applicable governmental agency to be necessary to provide parking for the Condominium Buildings and the uses conducted on the Covered Property. Any change to the uses, square footage of Improvements or parking spaces for a Unit shall be submitted, so long as Declarant owns any portion of the Covered Property, to Declarant for review and approval. The Parking Areas shall be used on a non-exclusive basis by the Owners and their Permittees and no Owner of a Unit or its Permittees shall mark or designate any portion of the Parking Areas, establish signs thereon or chain or block off any portion of the Parking Areas for the exclusive use of any Person. No Owner or its Permittees shall unreasonably overburden the Parking Areas by parking vehicles in the Parking Areas in excess of the Required Parking Spaces allocable to such Owner's Unit. No vehicle shall be parked on any portion of the Covered Property other than within striped parking spaces, except temporarily while loading or unloading and only then strictly in accordance with any posted signs restricting use of such parking spaces. Except for purposes of loading and unloading, and only while loading or unloading, no Person shall store or keep any dump truck, cement mixer truck, oil or gas truck, other large commercial truck, boat, aircraft, mobile home, or any other similar vehicle or any inoperable vehicle anywhere in the Covered Property other than the storage of permitted vehicles

in Units in accordance with Section 8.1 above, except on terms approved in advance by the Association (or Declarant, if the Association has not yet been established), which may include requirement of a visual barrier, limits on duration, or similar restrictions. No use of the Parking Areas (including loading and unloading of vehicles) shall be permitted which may obstruct free traffic flow, constitute a nuisance, or otherwise create a safety hazard.

(c) Each Owner shall observe and comply with, and shall be responsible for compliance by its respective Permittees with, the parking provisions in any underlying encumbrances affecting the Covered Property and in any parking rules and regulations as may from time to time be promulgated by the Association. Each Owner and its respective Permittees shall be solely responsible for the security and safety of their respective vehicles and all contents thereof. Without limiting the generality of the foregoing, the Association may tow from the Parking Areas any vehicle parked in violation of this Declaration and/or attach violation stickers or notices to such vehicles in accordance with applicable law. In addition, the Association may assess an Owner a fine for any violation of such rules and regulations by the Owner or its Permittees in an amount determined by the Association, as may be adjusted from time to time, which may be pursuant to a schedule imposing progressively larger fines for each subsequent violation. All costs of such towing and any fines may, after Notice and Hearing, be charged as a Special Assessment to the Owner who owns or whose Permittee(s) own(s) the towed vehicle or vehicle that is in violation of the parking rules and regulations. Any such towing costs must be paid prior to the release of the vehicle to its owner.

8.5 Trash and Unsightly Items.

(a) No rubbish, trash or garbage or other waste material shall be kept or permitted upon the Covered Property, except in sanitary containers located in appropriate areas screened and concealed from view, and no odor shall be permitted to arise therefrom so as to render the Covered Property, or any portion thereof, unsanitary, unsightly, offensive or detrimental to any other property in the vicinity thereof or to its occupants. Such trash shall be maintained to avoid health issues for neighboring Units and/or the Common Areas.

(b) If the Association determines, in its sole discretion, that to do so would promote the promote the peace, health, comfort, safety, and general welfare of the Owners, the Association may retain a licensed, bonded professional pest and sanitation control service to perform inspections of some or all of the Condominium Buildings, or any Unit thereof, for the purpose of eliminating infestations by and controlling the presence of insects, rodents and vermin and to cause any corrective or extermination work recommended by such service to be performed. In such event, the cost of providing such services shall be included in Annual Assessments charged to those Owners for whom Landlord provides such services in accordance with Section 5.4 above.

(c) Each Owner shall cause all exhaust hoods, ducts and mechanical equipment within its Unit to be inspected, cleaned and maintained not less frequently than quarterly. Such work shall be performed by a licensed, bonded professional maintenance company retained and paid by the applicable Owner, and a copy of the report prepared by such company shall be delivered to the Association upon completion.

(d) Owners shall store all waste and garbage in a cool and dry location within their Units and shall dispose of all waste and garbage (including wet garbage and food) only in trash containers placed in the trash enclosures serving the Covered Property for such purpose. Owners shall not accumulate or permit such materials to accumulate in the Common Areas. Any waste or garbage stored or accumulated by an Owner outside of his Unit (other than garbage placed in designated Covered Property trash containers) may be removed immediately by the Association without notice to the Owner. All liquids shall be disposed of into the sanitary sewer line and not in the trash containers for the Covered Property.

(e) Without limiting any other obligation of the Owners pursuant to this Declaration, including without limitation this Section 8.4, Owners shall comply with all governmental laws, ordinances, regulations, guidelines and rules and with all Rules now or hereafter applicable to the Covered Property with respect to disposal of water, trash, garbage and other matter (liquid or solid) generated by such Owner and its Permittees, including but not limited to laws, ordinances, regulations, guidelines, rules and voluntary programs with respect to recycling and other forms of reclamation (collectively, "Waste Management Requirements").

(f) Owners shall comply with all City health department and other governmental rules and regulations applicable to their operations at the Covered Property and shall promptly (A) furnish or cause to be furnished to the Association copies of all health department and other governmental reports, notices and citations issued with respect to their Units and (B) cure or otherwise eliminate all deficiencies and violations noted by the health department and other governmental authorities and take all required actions to prevent the reoccurrence of such deficiencies and violations.

8.6 Drainage. There shall be no interference with, or alteration of, the established drainage pattern over any portion of the Covered Property, unless an adequate alternative provision is made for proper drainage with the prior written approval of the Association (or Declarant, if the Association has not yet been established). For the purpose hereof, "established" drainage pattern is defined as the drainage which exists at the time that a Unit is conveyed to an Owner by Declarant.

8.7 Outdoor Activities. No items of any kind may be stored, either permanently or temporarily, by Owners outside of any Unit (except if and to the extent Declarant or the Association provides to the contrary in an amendment to this Declaration designating additional Exclusive Use Property as contemplated in Section 1.33 above). No work or displays by Owners shall be permitted outside of the Units.

8.8 Noise and Other Restrictions. Public address systems and buzzers are prohibited on the Covered Property.

8.9 Rules. Each Owner shall, and shall cause its Permittees to, observe and comply fully and faithfully with the rules and regulations attached hereto as Exhibit "C" and incorporated herein by this reference or such rules and regulations which may hereafter be adopted, amended

and/or repealed by the Board in accordance with this Declaration and Article 4 of the Act (the "Rules"), from time to time, and at its sole discretion, governing access to and the care, protection, cleanliness, and operation of the Condominium Buildings and/or the use of the Cloud Common Area and/or Common Areas. Said Rules shall interpret and implement the provisions hereof by setting forth standards and procedures for access to the Condominium Buildings and for the care, protection, cleanliness, and operation thereof and the use of the Cloud Common Area and Common Areas, and the Owners shall comply therewith with respect to their use of the Condominium Buildings, Cloud Common Area and Common Areas.

ARTICLE IX DAMAGE AND DESTRUCTION

9.1 Damage to Association Property, Common Wall Maintenance Area or the Common Areas. If any Association Property or Improvement to the Common Areas or Common Wall Maintenance Area is damaged or destroyed, the Association shall cause the same to be repaired and reconstructed substantially as such property previously existed or take such other action as may be approved by the Board.

9.2 Cost of Restoration. If the cost of effecting total restoration of the Association Property or Improvement to the Common Area or Common Wall Maintenance Area exceeds the amount of insurance proceeds, the Association shall cause such Association Property, Improvement or Common Wall Maintenance Area to be repaired and reconstructed substantially as it previously existed, and the difference between the insurance proceeds and the actual cost shall be levied as a Reconstruction Assessment against each applicable Condominium and its respective Owner.

9.3 Plans for Restoring Association Property. To the extent of funds available for restoration, any restoration or repair of the Association Property shall be performed substantially in accordance with the original plans and specifications unless other action is approved by the Association (or Declarant, if the Association has not yet been established).

9.4 Damage to Association Property, Common Wall Maintenance Area or Common Areas Caused by Owners or Permittees. Each Owner shall be liable to the Association for any damage to Association Property or Improvement to the Common Areas or Common Wall Maintenance Area not fully reimbursed to the Association by insurance proceeds which may be sustained by reason of the negligence or willful misconduct of said Owner or the Persons deriving their right and easement of use and enjoyment of the Covered Property from said Owner. The Association reserves the right, acting through the Board, after Notice and Hearing, to (1) determine whether any claim shall be made upon the insurance maintained by Association, and (2) levy against such Owner a Special Assessment equal to any deductible paid and the increase, if any, in the insurance premium directly attributable to the damage caused by such Owner or the Persons for whom such Owner may be liable as described herein. In the case of joint ownership of a Condominium, the liability of the Owners thereof shall be joint and several, except to the extent that the Association has previously contracted in writing with such joint owners to the

contrary. After Notice and Hearing, the cost of correcting such damage, to the extent not reimbursed to the Association by insurance, shall be a Special Assessment against such Owner(s).

9.5 Damage to Condominium Buildings. Subject to Section 7.7 above, if at any time all or any portion of any Condominium Building is damaged or destroyed, the Association shall cause the same to be repaired and reconstructed substantially as such property previously existed or take such other action as may be approved by the Board. To the extent of funds available for restoration, any restoration or repair of property pursuant to the first sentence of this Section 9.5 shall be performed substantially in accordance with the original plans and specifications unless other action is approved by the Association (or Declarant, if the Association is not yet in existence). In the event that the Association does not receive sufficient funds to complete such restoration within a reasonable period of time after the occurrence of the damage, the Association may apply funds received to clear the affected area of any debris and maintain such area in a safe, attractive and landscaped condition and/or install a sight barrier surrounding such area or take such other action as may be approved by the Association.

9.6 Eminent Domain. If at any time all or any portion of the Association Property is taken for any public or quasi public use, under any statute, by right of eminent domain or by private purchase in lieu of eminent domain, the award in condemnation shall be paid to the Association. No Owner shall be entitled to participate as a party, or otherwise, in any proceedings relating to such condemnation. The Association shall have the exclusive right to participate in such proceedings and shall, in its name alone, represent the interests of all Owners in and to such Association Property. Additionally, the Association shall have the option to elect to sell any Association Property by private purchase in lieu of eminent domain.

ARTICLE X INSURANCE

10.1 Casualty Insurance

(a) Subject to Section 5.10 above, the Board shall cause to be obtained and maintained fire casualty insurance with extended coverage for loss or damage to the Condominium Buildings, all of the Association Property and to all Improvements in and to the Common Areas which the Board is required to maintain for the full replacement cost thereof without deduction for depreciation or coinsurance, and may obtain insurance against such other hazards and casualties as the Board may deem desirable.

(b) Subject to Section 5.10 above, the Board may also insure any other property, whether real or personal, owned by the Association, against loss or damage by fire and such other hazards as the Board may deem desirable, with the Association as the owner and beneficiary of such insurance. The insurance coverage with respect to the Condominium Building and the Association Property shall be written in the name of, and the proceeds thereof shall be payable to, the Association. Subject to Sections 9.1 and 9.5 hereof, insurance proceeds shall be used by the Association for the repair or replacement of the property for which the insurance was

carried. Subject to Section 5.10 above, premiums for all insurance carried by the Association are Common Expenses included in the Annual Assessments levied by the Association.

10.2 Property Insurance for Owners. Each Owner of a Condominium within the Covered Property shall insure his Unit, including, without limitation, all Improvements therein and/or serving the same (but excluding Common Wall Maintenance Areas), against loss or damage by fire or by any other casualty, for the full replacement cost thereof without deduction for depreciation or coinsurance, under the standard form of extended endorsement now in use in the State of California or under such other insurance as may be required by the Beneficiary of the first Mortgage on his Unit. All such insurance maintained pursuant to this Section 10.2 shall comply with the requirements of Sections 10.4 and 10.5 below. Additionally, it is the responsibility of each Owner, at its sole cost, to provide insurance on its personal property, in such amounts and types of coverage as such Owner elects. An insurer that has issued an insurance policy pursuant to this Section 10.2 shall issue certificates or memoranda of insurance to the Association and, on written request, to any Mortgagee or Owner with an insurable interest in any property covered thereby. The insurer issuing the policy shall not cancel or refuse to renew the policy until thirty days (ten days in the case of non-payment of premium) after notice of the proposed cancellation or non-renewal has been mailed to the Association, each Owner, and each Mortgagee to whom a certificate or memorandum of insurance has been issued at their respective last known addresses.

10.3 Liability Insurance. Each Owner shall maintain in full force and effect liability insurance against claims for personal injury, bodily injury, death and property damage occurring in and about such Owner's Condominium, the Cloud Common Area and the Common Areas with a "Combined Single Limit" (covering personal injury liability, bodily injury liability, and property damage liability) of not less than One Million Dollars (\$1,000,000) in Constant Dollars for total claims for any one occurrence and not less than Two Million Dollars (\$2,000,000) in Constant Dollars for total claims in the aggregate during any policy year, with an annual deductible not to exceed Ten Thousand Dollars (\$10,000) unless approved in writing by the Board. An adjustment in the limits and deductible amount of such insurance shall occur on January 1 of the sixth (6th) calendar year following the date of this Declaration, and thereafter at five (5) year intervals.

10.4 Waiver of Subrogation. All policies of physical damage insurance required to be maintained by the Association with respect to Association Property, the Condominium Buildings, the Common Areas or the Exterior Maintenance Areas/Property and the Improvements thereon and by the Owners with respect to their Unit and the Improvements therein shall provide, if reasonably possible, for waiver of: (1) any right of setoff, counterclaim, apportionment, proration or contribution by reason of other insurance not carried by the Association; and (2) any invalidity, other adverse effect or defense on account of any breach of warranty or condition caused by the Association. As to each policy of property insurance maintained or required to be maintained pursuant to Sections 10.1, 10.2 and/or 10.3 above, the insured hereby waives and releases all claims against the Association, the Board, Declarant, and the respective agents, officers and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by negligence of or breach of any agreement by such persons, but only to the extent that insurance proceeds are received in compensation for such loss. The foregoing waiver shall be

enforceable against the Owner, regardless of whether the Owner carries the insurance he is required to carry hereunder. Notwithstanding the foregoing, (i) any increase in costs of insurance coverage to the Association caused by use of an Owner or such Owner's Permittees shall be charged to such Owner as a Special Assessment; and (ii) any increase in costs of insurance coverage to an Owner caused by another Owner or such other Owner's Permittees in connection with any damage to any Common Wall Maintenance Areas pursuant to Section 7.6 above shall be charged to such other Owner.

10.5 Other Insurance Requirements. All insurance required under this Article X shall be procured from companies with a financial standing equal to or better than the financial standing of companies issuing comparable insurance to that being maintained by prudent commercial property owners in Riverside County. All policies maintained or required to be maintained hereunder the Owners shall not adversely affect or diminish any liability under any insurance obtained by or on behalf of the Association, and duplicate copies of such other policies shall be deposited with the Board upon the Board's request. If any loss intended to be covered by insurance carried by or on behalf of 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 him 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. The Association and, as long as Declarant owns any Unit, Declarant shall be named as an additional insured on all policies of insurance carried by each Owner pursuant to Sections 10.2 and 10.3 above. Upon request of the Association, each Owner shall cause certificates of insurance reasonably evidencing compliance with the requirements of this Article X to be delivered to the Association. The insurance policies required pursuant to Sections 10.2 and 10.3 above and the certificate required pursuant to this Section shall contain a provision requiring the insurance company to furnish the Association thirty (30) days' prior written notice of any cancellation or lapse, or the effective date of any reduction in the amounts or scope of coverage. Additionally, without limiting the generality of the foregoing, the Association shall be named as a loss payee with respect to all casualty insurance carried by an Owner relating to any Common Areas that Association is required to maintain hereunder. If any Owner fails to procure and/or maintain any of the insurance required under this Article X, then the Association may, but shall not be required to, procure and maintain the same, and the cost thereof shall be charged to the applicable Owner as a Special Assessment.

10.6 Liability and Other Insurance. Subject to Section 5.10 above, the Association shall have the power and duty to and shall obtain comprehensive public liability insurance, including medical payments and malicious mischief, in such limits as it shall deem desirable (but in no event less than Two Million Dollars (\$2,000,000) in Constant Dollars covering all claims for personal injury and property damage arising out of a single occurrence), insuring against liability for bodily injury, death and property damage arising from the activities of the Association or with respect to property maintained or required to be maintained by the Association including, if obtainable, a cross-liability endorsement insuring each insured against liability to each other insured. An adjustment to the foregoing insurance limit shall occur on January 1 of the sixth (6th) calendar year following the date of this Declaration, and thereafter at five (5) year intervals. Subject to Section 5.10 above, the Association may also obtain, through the Board, such other insurance as it deems necessary or desirable, the premiums for which shall be a Common Expense included in the

Annual Assessments levied against the Owners. All insurance policies shall be reviewed at least annually by the Board and the limits increased in its discretion. The Board may also obtain such errors and omissions insurance, indemnity bonds, fidelity bonds and other insurance as it deems advisable, insuring the Board and the officers of the Association against any liability for any act or omission in carrying out their obligations hereunder, or resulting from their membership on the Board or on any committee thereof, the costs of which shall be a Common Expense included in the Annual Assessments levied against the Owners.

ARTICLE XI ARCHITECTURAL CONTROL

11.1 Architectural Approval. No building, fence, wall or other structure or Improvement shall be commenced, erected or maintained upon the Covered Property, including without limitation within any Unit, nor shall any addition to or change or alteration therein or change in use thereof including, without limitation, tenant improvements, roof installations, wall coverings, shelving or cabinetry of other Improvement exerting a horizontal or vertical load on any wall of a Condominium Building, lettering or similar decorative features located on the interior of an Improvement, be made, until the plans and specifications showing the nature, kind, shape, height, materials and location of the same and/or details of the proposed change in use shall have been submitted to and approved in writing by the Association (or Declarant, if the Association has not yet been established) or to an architect and/or structural engineer designated by the Association or Declarant, as the case may be, together with a fee to cover the fees and costs of such architect or engineer, and approved by the Association or Declarant, as the case may be. Notwithstanding the foregoing provisions of this Section 11.1, neither Declarant nor Association approval shall be required for the attachment of conduits, piping and similar items to the face of shared interior walls or the interior of walls which are Exterior Maintenance Areas/Property as long as the same could not affect the structural integrity of such wall or the operation of utilities outside such Unit. If Declarant or the Association, as applicable, fails to approve or disapprove such plans and specifications within thirty (30) days after the same have been submitted to it, said plans and specifications shall be deemed approved and this Section 11.1 will be deemed to have been fully complied with.

11.2 Scope of Review. The Association (or Declarant, prior to formation of the Association) shall (a) review and approve, conditionally approve or disapprove all plans submitted to it for any proposed construction, alteration or addition to any Improvements, solely on the basis of aesthetic and intended use considerations, consistency with this Declaration, and the overall benefit or detriment which would result to adjacent Units, the immediate vicinity and the Covered Property generally and (b) take into consideration the aesthetic aspects of the Architectural designs, placement of buildings, landscaping, color schemes, exterior finishes and materials and similar features.

11.3 No Waiver of Future Approvals. The Association's (or Declarant's, prior to formation of the Association) approval of any proposals or plans and specifications or drawings for any work done or proposed or in connection with any other matter requiring the approval and consent of the Association (or Declarant, prior to formation of the Association), shall not be

deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters subsequently or additionally submitted for approval or consent.

11.4 Compensation of Association. The Association shall receive no compensation for services rendered, other than reimbursement for expenses incurred by them in the performance of their duties under this Article XI, all of which shall be Special Assessments payable by the Owner for whose benefit or Condominium incurred.

11.5 Inspection of Work; Presumption of Compliance. The Association (or Declarant, prior to formation of the Association) or its duly authorized representative may at any time inspect any work for which approval of plans is required under this Article XI, which right to inspect shall include the right to require any Owner to take such action as may be necessary to remedy any noncompliance with the approved plans for the work or with the requirements of this Declaration.

11.6 Architectural Rules. The Association or the Board may, from time to time, and at its sole discretion, adopt, amend and repeal rules and regulations, to be known as "Architectural Rules." Said rules shall interpret and implement the provisions hereof by setting forth standards and procedures, and impose fees, for the Association's review and guidelines for Architectural design with respect to the Covered Property.

11.7 Liability. Neither the Association nor the Board nor Declarant shall be liable to any Person for any damage, loss or prejudice suffered or claimed on account of such Person's approval or disapproval of any plans, drawings and specifications, whether or not defective, or delay therein, or the construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications, or the development of any portion of the Property.

ARTICLE XII DECLARANT EXEMPTION

Notwithstanding any provision of the Restrictions to the contrary, neither the Owners nor the Association shall do anything to interfere with, and nothing in the Restrictions shall prevent, Declarant from taking the actions set forth in this Article XII; provided, however, Declarant, in the exercise of its rights under this Article XII, shall not unreasonably interfere with the use of the Common Areas by any Owner or the Association:

(a) On any Unit owned by Declarant, Declarant may do whatever Declarant determines to be necessary or advisable, including without limitation the alteration of construction plans and designs as Declarant deems advisable in the course of development; and

(b) Declarant may erect, construct and maintain on any portion of the Covered Property owned or controlled by Declarant such structures as Declarant deems necessary for the conduct of its business of completing the Covered Property as a commercial/industrial development and disposing of the same by sale, lease or otherwise; and

(c) Declarant may conduct on any Unit, or any portion thereof, owned or controlled by Declarant its business of developing, altering, subdividing, grading and constructing Improvements to or on any portion of the Covered Property and of disposing of the same by sale, lease or otherwise; and

(d) Declarant may maintain such sign or signs on any portion of the Covered Property as may be necessary in connection with the sale, lease or other marketing of Condominiums in the Covered Property; and

(e) Declarant may, at any time when Declarant owns any portion of the Covered Property, establish on that Condominium and/or over the Common Areas 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 Covered Property.

ARTICLE XIII GENERAL PROVISIONS

13.1 Enforcement of Restrictions.

(a) Violations Identified by the Association. If the Board determines that there is a violation of any provision of the Restrictions, then the Board shall give written notice to the responsible Owner identifying (i) the condition or violation complained of, and (ii) the length of time the Owner has to remedy the violation. If an Owner does not perform such corrective action as is required by the Board within the time allotted by the Board pursuant to clause (ii) above, the Board may undertake to remedy such condition or violation complained of in accordance with Sections 7.1 and 7.4 above, and the cost thereof shall be charged to the Owner as a Special Assessment, subject to enforcement and collection by the Board in accordance with the procedures provided for in this Declaration. If the violation involves nonpayment of any type of Assessment, then the Board shall be entitled to collect such delinquent Assessment pursuant to the procedures set forth in Article VI. In addition, with respect to any violation, whether monetary or non-monetary, the Board may assess a daily late charge, in an amount determined by the Board, for every day the Owner fails to come into cure the violation of the Restrictions and be in full compliance therewith. Such late charge shall be charged to the Owner as a Special Assessment, subject to enforcement and collection by the Board in accordance with the procedures provided for in this Declaration.

(b) Violations Identified by an Owner. In the event that an Owner alleges that another Owner or his Permittees is violating the Restrictions (other than nonpayment of any type of Assessment), the complaining Owner must first submit the matter to the Board for Notice and Hearing before the complaining Owner may resort to alternative dispute resolution if required by Section 1367.1 of the California Civil Code or to litigation for relief.

(c) Legal Proceedings. Failure to comply with any of the terms of the Restrictions by an Owner or his Permittees shall be grounds for relief which may include, without

limitation, an action to recover sums due for damages, injunctive relief, foreclosure of any lien, or any combination thereof; provided however, that the procedures established in Section 1367.1 of the California Civil Code and in Sections 13.1(a) and (b) above must first be followed, if applicable.

(d) Schedule of Fines. The Board may adopt and revise from time to time a schedule of fines or penalties which, in its reasonable discretion, it may assess against an Owner for the failure of such Owner, or of a Permittee of such Owner, to comply with any provisions of the Restrictions for which the Association is responsible. Such fines or penalties may only be assessed by the Board after Notice and Hearing.

(e) No Waiver; Association's Right to Waive. Failure to enforce any provision hereof shall not constitute a waiver of the right to enforce that provision, or any other provision hereof. Additionally, notwithstanding anything to the contrary contained herein, the Association shall have the right to waive one or more of the provisions of this Declaration for the benefit of a particular Owner or Condominium, in the Association's reasonable discretion.

(f) Right to Enforce. The Association and any Owner shall be entitled to enforce the Restrictions as described in this Article, subject to Sections 1354 and 1367.1 of the California Civil Code. Each remedy provided for in this Declaration shall be cumulative and not exclusive or exhaustive.

(g) Attorneys' Fees. Any judgment rendered in any action or proceeding pursuant to this Declaration shall include a sum for attorneys' fees in such amount as the court or arbitrator, as applicable, may deem reasonable, in favor of the prevailing party, as well as the amount of any delinquent payment, interest thereon, costs of collection and costs of court or alternative dispute resolution, as applicable.

(h) City Enforcement Rights. The City, in its discretion, shall have the right but not the obligation to enforce the provisions of this Declaration insofar as such enforcement applies to areas of public concern such as, but not limited to, the maintenance of Common Areas and compliance with laws, to the same extent as an Owner or the Association and, in the enforcement of such provisions, the City shall have the right to exercise or utilize any and all remedies available at law or in equity and all such remedies shall be deemed cumulative and not mutually exclusive; provided, however, except in cases of emergency, prior to taking any such enforcement action, the City shall only pursue the same if it has delivered written notice of such violation to the Association and the violation has not been remedied within thirty (30) days after such written notice (or with respect to violations that require more than thirty (30) days to be remedied, the remedy has not been commenced within such thirty (30) day period and thereafter diligently prosecuted to completion).

13.2 Severability. The provisions hereof shall be deemed independent and severable, and a determination of validity or partial invalidity or unenforceability of any one provision or portion hereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision thereof.

13.3 Term. This Declaration shall continue in full force for a term of fifty (50) years from the date of Recordation hereof, after which the term shall be automatically extended for successive periods of ten (10) years, unless a Declaration of Termination satisfying the requirements of an amendment to the Declaration as set forth in Section 13.5 is Recorded.

13.4 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a commercial/industrial planned development and for the maintenance of the Exterior Maintenance Areas/Property, the Cloud Common Area and the Common Areas, and any violation of this Declaration shall be deemed to be a nuisance. 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. As used herein, the singular shall include the plural and the plural the singular; and the masculine, feminine and neuter shall each include the other, unless the context dictates otherwise.

13.5 Termination and Amendment.

(a) Subject to Section 5.4 above, notice of the subject matter of a proposed amendment to this Declaration in reasonably detailed form shall be included in the notice of any meeting or election of the Association then in existence at which a proposed amendment is to be considered. To be effective, a proposed amendment must be adopted by the vote, in person or by proxy, or written consent of Members representing not less than two-thirds (2/3) of the voting power of the Association then in existence. In no event shall any future amendment to this Declaration be enforceable to prohibit an existing, non-conforming use of a Unit which was not prohibited prior to such amendment.

(b) A copy of each amendment shall be certified by at least two (2) officers of the Association, and the amendment shall be effective when a Certificate of Amendment is Recorded. The Certificate, signed and sworn to by at least two (2) officers of the Association, attesting that the requisite number of Owners have either voted for or consented in writing to any termination or amendment adopted as provided above (or that such vote or consent is not required pursuant to Section 5.5 above), when Recorded, shall be conclusive evidence of that fact. The Association shall maintain in its files the record of all such votes or written consents for a period of at least four (4) years. The certificate reflecting any termination or amendment which requires the written consent of Declarant shall include a certification that the requisite approval of Declarant has been obtained.

(c) Notwithstanding any other provisions of this Section 13.5 or this Declaration, so long as Declarant owns any interest in any Condominium in the Covered Property, Declarant shall have the sole right to amend this Declaration, without the consent or vote of any

other Person, by Recording a written instrument which effects the amendment that is signed and acknowledged by Declarant; provided, however, but subject to Section 5.4, in no event shall Declarant have the right to amend the number of votes or fractional share of Assessments assigned to a Unit pursuant to Exhibit "B" and Sections 4.1 or 5.4 above without approval of not less than two-thirds (2/3) of the voting power of the Association as provided in Section 13.5(a) above. In addition, so long as Declarant owns any interest in any Condominium or in the Covered Property, Declarant's prior written approval is required for any amendment to this Declaration.

13.6 No Public Right or Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Covered Property to the public, or for any public use.

13.7 Constructive Notice and Acceptance. Every Person who owns, occupies or acquires any right, title, estate or interest in or to any Condominium or other portion of the Covered Property does hereby consent and agree, and shall be conclusively deemed to have consented and agreed, to every limitation, restriction, easement, reservation, condition and covenant contained herein, whether or not any reference to the Restrictions is contained in the instrument by which such person acquired an interest in the Covered Property, or any portion thereof.

13.8 Notices. Any notice required or permitted to be made or given hereunder shall be in writing and may be made or served personally or by registered or certified mail, return receipt requested. If served by mail it shall be properly addressed to the Person to whom directed. For the purpose of this Section, "properly addressed" means: (a) if such Person maintains an office within its Condominium, addressed to such Person at such office; (b) if such Person does not maintain an office within its Condominium, then addressed (i) to such Person at the last address furnished by such Person in writing to the Person sending such notice or (ii) if clause (i) is not applicable, to the address furnished, if any, by such Person for notice purposes at the time such Person acquired its interest in a Condominium; or (iii) if clauses (i) and (ii) are not applicable, to the address used by the County Tax Assessor for delivery of property tax bills to such Person with respect to such Person's interest in a Condominium; (c) any notice delivered to an Owner pursuant to (a) or (b) above in connection with any enforcement action under Section 13.1 above shall also be delivered to any Mortgagee under a Deed of Trust encumbering such Owner's Condominium; and (d) if sent to Declarant, addressed to it at c/o Ted Deits, 4021 Aladdin Drive, Huntington Beach, CA 92649, with a copy to Croudace & Dietrich, 5 Park Plaza, Suite 1150, Irvine, CA 92614, Attention: Virginia P. Croudace, Esq. or to such other address as Declarant may at any time or from time to time set forth as its address for notices hereunder either (i) in an amendment to this Declaration recorded with the office of the County Recorder of Riverside County, California, or (ii) in a written notice duly given to each Owner as provided above. Any notice which is personally served shall be effective upon service; any notice given by mail as provided above shall be deemed effectively given, if deposited in the United States mail, registered or certified, postage prepaid and properly addressed as specified above, on the date of receipt or refusal indicated on the return receipt. Any Person may by written notice to the others from time to time specify a different address for notice purposes, but no new address shall be effective until at least twenty (20) days after receipt of notice of the same by the Persons to whom such notice is

directed. For the purposes of this provision, personal service shall include service by a reputable overnight carrier which provides a receipt indicating date and time of delivery, location of delivery and Person to whom delivered.

13.9 Priorities and Inconsistencies. If there are conflicts or inconsistencies between this Declaration and any of the other Restrictions, the terms and provisions of this Declaration shall prevail.

13.10 No Representations or Warranties. No representations or warranties of any kind, express or implied, have been given or made by Declarant, or its agents or employees 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, taxes or regulation thereof as an industrial planned development, except as specifically and expressly set forth in this Declaration.

13.11 Mortgagee Request for Notice. If any Mortgagee shall make written request to the Association for a copy of any notice given by the Association to the Owner of the Condominium encumbered by such Mortgagee's Mortgage, then a copy of such notice given to such Owner shall simultaneously be given by the Association to such Mortgagee. Such Mortgagee shall have the right (but in no event shall be obligated) to perform or cause to be performed the work or take such other action required to be taken by the Owner, to the same extent and upon the same conditions (including, without limitation, any applicable grace and/or cure periods afforded the Owner, which period(s) shall commence upon the date that notice is given to the Mortgagee) as the Owner.

13.12 Estoppel Certificate. Within fifteen (15) business days of receipt of any written request from time to time from any other Owner who is a Member of the Association, the Association shall issue to a prospective mortgagee or successor of such other Owner an estoppel certificate stating:

(a) whether the party to whom the request has been directed knows of any default by the requesting Owner under this Declaration and, if there are known defaults, specifying the nature thereof;

(b) whether this Declaration has been modified or amended in any way (and if it has, then stating the nature thereof); and

(c) that to the Association's knowledge, this Declaration, as amended as of that date, is in full force and effect.

Such statement shall act as a waiver of any claim by the Association to the extent such claim is based upon facts contrary to those asserted in the statement and to the extent the claim is asserted against a bona fide encumbrancer or purchaser for value without knowledge of facts contrary to those contained in the statement, and who has acted in reasonable reliance upon the statement; however, such statement shall in no event subject the Association to any liability

whatsoever, notwithstanding any negligent or other inadvertent failure of the Association to disclose correct and/or relevant information. In the event the Association fails to give such certificate within the above specified time period, it shall be deemed that, as of the date of the request: (i) the Association knows of no default by the requesting Owner under this Declaration, (ii) this Declaration has not, to the Association's knowledge, been assigned or modified or amended in any way, except as may be of Record, and (iii) this Declaration as amended on Record is, to the Association's knowledge, in full force and effect.

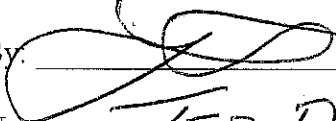
Additionally, the Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by two (2) members of the Board, setting forth whether the Assessments assessed by the Association on a specified Condominium have been paid. A properly executed certificate of the Association as to the status of Assessments against a Condominium shall be conclusive upon the Association and the Owners as to the amount of such indebtedness as of the date of the certificate, in favor of all persons who rely thereon in good faith.

13.13 Additional Provisions. Notwithstanding the provisions contained in the Restrictions, the Association and the Owners should be aware that there may be provisions of various laws, including without limitation the Act, which may supplement or override the Restrictions. Declarant makes no representations or warranties regarding the enforceability of any portion of the Restrictions.

13.14 Prohibition Against Partition. No Owner shall attempt to seek partition of (a) any of the Condo Common Area included in such Owner's Condominium or such Owner's interest therein from the Unit included within such Condominium or such Owner's interest therein or (b) such Owner's Condominium or such Owner's interest therein from any other Unit or Units.

This Declaration is dated for identification purposes July 24 2008.

20 SECONDS AND BUILDING LLC, a
California limited liability company

By:  _____

Name: TED DEITS _____

Title: PRESIDENT _____

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

Notary Public

On July-24-2008 before me, Sergio Medina N.P. personally appeared Theodore Robert D. [unclear] 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 *Sergio Medina* (Seal)



SUBORDINATION

The undersigned, as Beneficiary of the beneficial interest in and under that certain Deed of Trust (as modified to date, herein, the "Deed of Trust") recorded on May 24, 2007, as Instrument No. 20070342727, in the Official Records, hereby expressly subordinates such Deed of Trust and its beneficial interest thereunder to the foregoing Declaration of Covenants, Conditions and Restrictions and Reservation of Easements for Eucalyptus at Beaumont RV Storage Condominiums (the "Declaration"). By executing this Subordination, the undersigned agrees that should the undersigned acquire title to all or any portion of the Property by foreclosure (whether judicial or nonjudicial), deed-in-lieu of foreclosure or any other remedy in or relating to the Deed of Trust, the undersigned will acquire title subject to the provisions of the Declaration, which shall remain in full force and effect.

Dated July 25, 2008

Bank Midwest N.A., a national banking association

By: *Ted Emmons*

Name: Ted Emmons

Title: Senior Vice President

STATE OF CALIFORNIA)
)
COUNTY OF ORANGE)

On JULY 28, 2008 before me, HANA PETERS, PUBLIC ^{NOTARY} personally appeared TED EMMONS 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 *Hana Peters* (Seal)



EXHIBIT "A"
DEPICTION OF COVERED PROPERTY
(including depiction of Condominium Buildings, Clubhouse and Utility Rooms)

See attached sheets

EXHIBIT "B"
ASSESSMENT ALLOCATIONS

| Unit | Address | Square Footage | Share of Cloud Common Area | Allocation Of Assessments | No. of Class A Votes |
|-----------|---------|----------------|----------------------------|---------------------------|----------------------|
| A-1 | | 643 | 0.8640% | 1/116 th | 1 |
| A-2 | | 643 | 0.8640% | 1/116 th | 1 |
| A-3 | | 643 | 0.8640% | 1/116 th | 1 |
| A-4 | | 643 | 0.8640% | 1/116 th | 1 |
| A-5 | | 643 | 0.8640% | 1/116 th | 1 |
| A-6 | | 643 | 0.8640% | 1/116 th | 1 |
| A-7 | | 643 | 0.8640% | 1/116 th | 1 |
| A-8 | | 643 | 0.8640% | 1/116 th | 1 |
| A-9 | | 643 | 0.8640% | 1/116 th | 1 |
| A-10 | | 643 | 0.8640% | 1/116 th | 1 |
| A-11 | | 414 | 0.5563% | 1/116 th | 1 |
| A-12 | | 414 | 0.5563% | 1/116 th | 1 |
| B-1 | | 844 | 0.7310% | 1/116 th | 1 |
| B-2 | | 842 | 0.7283% | 1/116 th | 1 |
| B-3 | | 843 | 0.7296% | 1/116 th | 1 |
| B-4 | | 844 | 1.1341% | 1/116 th | 1 |
| B-5 | | 842 | 1.1314% | 1/116 th | 1 |
| B-6 | | 843 | 1.1328% | 1/116 th | 1 |
| CLUBHOUSE | | 2284 | 3.0691% | 0 | 0 |
| C-1 | | 643 | 0.8640% | 1/116 th | 1 |
| C-2 | | 643 | 0.8640% | 1/116 th | 1 |
| C-3 | | 643 | 0.8640% | 1/116 th | 1 |
| C-4 | | 643 | 0.8640% | 1/116 th | 1 |
| C-5 | | 643 | 0.8640% | 1/116 th | 1 |
| C-6 | | 643 | 0.8640% | 1/116 th | 1 |
| C-7 | | 643 | 0.8640% | 1/116 th | 1 |
| C-8 | | 643 | 0.8640% | 1/116 th | 1 |
| C-9 | | 643 | 0.8640% | 1/116 th | 1 |
| C-10 | | 643 | 0.8640% | 1/116 th | 1 |
| C-11 | | 414 | 0.5563% | 1/116 th | 1 |
| C-12 | | 414 | 0.5563% | 1/116 th | 1 |
| D-1 | | 643 | 0.8640% | 1/116 th | 1 |
| D-2 | | 643 | 0.8640% | 1/116 th | 1 |
| D-3 | | 643 | 0.8640% | 1/116 th | 1 |
| D-4 | | 643 | 0.8640% | 1/116 th | 1 |
| D-5 | | 643 | 0.8640% | 1/116 th | 1 |
| D-6 | | 643 | 0.8640% | 1/116 th | 1 |
| D-7 | | 643 | 0.8640% | 1/116 th | 1 |
| D-8 | | 643 | 0.8640% | 1/116 th | 1 |
| D-9 | | 643 | 0.8640% | 1/116 th | 1 |

| Unit | Address | Square Footage | Share of Cloud Common Area | Allocation Of Assessments | No. of Class A Votes |
|------|---------|----------------|----------------------------|---------------------------|----------------------|
| D-10 | | 643 | 0.8640% | 1/116 th | 1 |
| D-11 | | 414 | 0.5563% | 1/116 th | 1 |
| D-12 | | 414 | 0.5563% | 1/116 th | 1 |
| E-1 | | 528 | 0.8734% | 1/116 th | 1 |
| E-2 | | 650 | 0.8734% | 1/116 th | 1 |
| E-3 | | 650 | 0.8734% | 1/116 th | 1 |
| E-4 | | 650 | 0.8734% | 1/116 th | 1 |
| E-5 | | 650 | 0.8734% | 1/116 th | 1 |
| E-6 | | 650 | 0.8734% | 1/116 th | 1 |
| E-7 | | 650 | 0.8734% | 1/116 th | 1 |
| E-8 | | 650 | 0.8734% | 1/116 th | 1 |
| E-9 | | 528 | 0.7095% | 1/116 th | 1 |
| E-10 | | 650 | 0.8734% | 1/116 th | 1 |
| E-11 | | 650 | 0.8734% | 1/116 th | 1 |
| E-12 | | 650 | 0.8734% | 1/116 th | 1 |
| E-13 | | 650 | 0.8734% | 1/116 th | 1 |
| E-14 | | 650 | 0.8734% | 1/116 th | 1 |
| E-15 | | 650 | 0.8734% | 1/116 th | 1 |
| E-16 | | 650 | 0.8734% | 1/116 th | 1 |
| E-17 | | 416 | 0.5590% | 1/116 th | 1 |
| E-18 | | 416 | 0.5590% | 1/116 th | 1 |
| E-19 | | 416 | 0.5590% | 1/116 th | 1 |
| E-20 | | 416 | 0.5590% | 1/116 th | 1 |
| F-1 | | 643 | 0.8640% | 1/116 th | 1 |
| F-2 | | 643 | 0.8640% | 1/116 th | 1 |
| F-3 | | 643 | 0.8640% | 1/116 th | 1 |
| F-4 | | 643 | 0.8640% | 1/116 th | 1 |
| F-5 | | 643 | 0.8640% | 1/116 th | 1 |
| F-6 | | 643 | 0.8640% | 1/116 th | 1 |
| F-7 | | 643 | 0.8640% | 1/116 th | 1 |
| F-8 | | 643 | 0.8640% | 1/116 th | 1 |
| F-9 | | 643 | 0.8640% | 1/116 th | 1 |
| F-10 | | 643 | 0.8640% | 1/116 th | 1 |
| F-11 | | 414 | 0.5563% | 1/116 th | 1 |
| F-12 | | 414 | 0.5563% | 1/116 th | 1 |
| G-1 | | 643 | 0.8640% | 1/116 th | 1 |
| F-2 | | 643 | 0.8640% | 1/116 th | 1 |
| G-3 | | 643 | 0.8640% | 1/116 th | 1 |
| G-4 | | 643 | 0.8640% | 1/116 th | 1 |
| G-5 | | 643 | 0.8640% | 1/116 th | 1 |
| G-6 | | 643 | 0.8640% | 1/116 th | 1 |
| G-7 | | 643 | 0.8640% | 1/116 th | 1 |
| G-8 | | 643 | 0.8640% | 1/116 th | 1 |

| Unit | Address | Square Footage | Share of Cloud Common Area | Allocation Of Assessments | No. of Class A Votes |
|--------------------------|---------|----------------|----------------------------|---------------------------|----------------------|
| G-9 | | 643 | 0.8640% | 1/116 th | 1 |
| G-10 | | 643 | 0.8640% | 1/116 th | 1 |
| G-11 | | 643 | 0.8640% | 1/116 th | 1 |
| H-1 | | 649 | 0.8721% | 1/116 th | 1 |
| H-2 | | 649 | 0.8721% | 1/116 th | 1 |
| H-3 | | 649 | 0.8721% | 1/116 th | 1 |
| H-4 | | 649 | 0.8721% | 1/116 th | 1 |
| H-5 | | 649 | 0.8721% | 1/116 th | 1 |
| H-6 | | 649 | 0.8721% | 1/116 th | 1 |
| H-7 | | 649 | 0.8721% | 1/116 th | 1 |
| H-7 | | 649 | 0.8721% | 1/116 th | 1 |
| H-8 | | 649 | 0.8721% | 1/116 th | 1 |
| H-9 | | 649 | 0.8721% | 1/116 th | 1 |
| H-10 | | 649 | 0.8721% | 1/116 th | 1 |
| H-11 | | 649 | 0.8721% | 1/116 th | 1 |
| H-12 | | 649 | 0.8721% | 1/116 th | 1 |
| H-13 | | 649 | 0.8721% | 1/116 th | 1 |
| H-14 | | 649 | 0.8721% | 1/116 th | 1 |
| H-15 | | 649 | 0.8721% | 1/116 th | 1 |
| H-16 | | 649 | 0.8721% | 1/116 th | 1 |
| H-17 | | 649 | 0.8721% | 1/116 th | 1 |
| H-18 | | 649 | 0.8721% | 1/116 th | 1 |
| H-19 | | 649 | 0.8721% | 1/116 th | 1 |
| H-20 | | 649 | 0.8721% | 1/116 th | 1 |
| I-1 | | 643 | 0.8640% | 1/116 th | 1 |
| I-2 | | 643 | 0.8640% | 1/116 th | 1 |
| I-3 | | 643 | 0.8640% | 1/116 th | 1 |
| I-4 | | 643 | 0.8640% | 1/116 th | 1 |
| I-6 | | 643 | 0.8640% | 1/116 th | 1 |
| I-7 | | 643 | 0.8640% | 1/116 th | 1 |
| I-8 | | 643 | 0.8640% | 1/116 th | 1 |
| I-9 | | 643 | 0.8640% | 1/116 th | 1 |
| I-10 | | 643 | 0.8640% | 1/116 th | 1 |
| I-11 | | 643 | 0.8640% | 1/116 th | 1 |
| | | | | | 1 |
| Condominium Total | | 74,220 | 100% | 100% | 116 |

EXHIBIT "C"
RULES

The following Rules shall be in effect at the Covered Property. The Association shall have the right to adopt reasonable modifications and additions hereto with respect to the Common Areas and/or Condominium Buildings. In the case of any conflict between the Rules and the Declaration, the Declaration shall be controlling. The Association shall have the right to waive one or more rules for the benefit of a particular Owner in the Association's reasonable discretion.

1. The Common Areas consisting of Utility Rooms and roof are not for the use of the general public, and the Association shall in all cases retain the right to control and prevent access thereto of all persons whose presence in the judgment of the Association shall be prejudicial to the safety, character, reputation and interests of the Condominium Buildings and their Owners, provided that nothing in this rule shall be construed to prevent such access to persons with whom an Owner normally deals only for the purpose of conducting its business in its Condominium (such as clients, customers, office suppliers and equipment vendors, and the like) unless such persons are engaged in illegal activities. No Owner or its Permittees shall go upon the roof of any Condominium Building without the written consent of the Association.
2. The sashes, sash doors, windows, glass lights, and any lights or skylights that reflect or admit light into any Condominium Building shall not be covered or obstructed. Any water apparatus within a Unit shall not be used for any purpose other than that for which they were constructed, and no foreign substance of any kind whatsoever shall be thrown therein, and the expense of any breakage, stoppage or damage, resulting from the violation of this rule shall be borne by the Owner who, or whose Permittees, shall have caused it.
3. No sign, advertisement or notice visible from the exterior of the Unit or Condominium Buildings shall be inscribed, painted or affixed by an Owner thereon without the prior written consent of the Association, and only then in accordance with all applicable governmental requirements. If the Association shall have given such consent at any time, such consent shall in no way operate as a waiver or release of any of the provisions hereof or of the Declaration, and shall be deemed to relate only to the particular sign, advertisement or notice so consented to by the Association and shall not be construed as dispensing with the necessity of obtaining the specific written consent of the Association with respect to each and every such sign, advertisement or notice other than the particular sign, advertisement or notice, as the case may be, so consented to by the Association.
4. No Owner shall do or permit anything to be done in its Unit, or bring or keep anything therein, which shall in any way increase the rate of fire insurance on the Condominium Buildings, or on the property kept therein, or obstruct or interfere with the rights of other Owners, or in any way injure or annoy them, or conflict with the regulations of the City's fire department or the fire laws, or with any insurance policy upon the Condominium Buildings, or any part thereof, or with any rules and ordinances established by the City's board of health or other governmental authority. No Owner shall bring into, or permit or suffer in, the Condominium Buildings or the Covered Property, any weapons or firearms of any kind. The Association shall have the right, in

order to conduct such fire drills as may be required by applicable governmental authorities and/or insurance requirements, and in all other situations where the Association reasonably deems the same necessary to avoid property damage and/or personal injury, to cause Owners and their Permittees to vacate the Condominium Buildings and/or the Covered Property for such period as is required or reasonably necessary, and each Owner shall cause its Permittees to cooperate in connection therewith.

5. No Owner shall sweep or throw or permit to be swept or thrown from its Unit any dirt or other substance into any of the corridors or halls or elevators, or out of the doors or windows or stairways of, the Condominium Buildings, and no Owner shall use, keep or permit to be used or kept any foul or noxious gas or substance in its Unit, or permit or suffer its Unit to be occupied or used in a manner offensive or objectionable to the Association or other occupants of the Condominium Building by reason of noise, odors and/or vibrations, or interfere in any way with other Owners and their Permittees, nor shall any animals (other than guide dogs for disabled persons), firearms or birds be kept in or about the Condominium Buildings. The Condominium Buildings are non-smoking buildings. Smoking or carrying lighted cigars or cigarettes in any buildings located in the Covered Property, including the Condominium Buildings, is prohibited.
6. Nothing may be affixed to any wall of any Unit for any purpose, including without limitation, shelves, any apparatus for hanging tools, posters, calendars, artwork, or any material that could result in any additional vertical or horizontal load on the walls of the Units.
7. No Owner shall use or keep in its Unit or in the Condominium Buildings any kerosene, gasoline, or inflammable fluid or any other illuminating material, other than propane or other fuel properly maintained within a vehicle stored in a Unit in accordance with the manufacturer's instructions, all applicable laws and prudent practice. Without limiting the generality of the foregoing, at any time any vehicle or equipment powered by natural gas, propane, diesel, gasoline or other fuel having any emissions is in operation inside the Unit, the roll-up door to the Unit shall be open at least halfway to allow proper ventilation.
8. If an Owner desires telephone or cable connections, the Association will direct electricians or other service providers as to where and how the wires are to be introduced. No boring or cutting for wires or otherwise shall be made without directions from the Association.
9. In case of invasion, mob, riot, public excitement, or other commotion, the Association reserves the right but shall not be obligated to prevent access to the Condominium Buildings during the continuance of the same, for the safety of the Owners and their Permittees and protection of property in the Condominium Buildings.
10. The Association shall have the right to prohibit the use of the name of the Condominium Buildings or Covered Property or any other publicity by an Owner which in the Association's opinion tends to impair the reputation of Covered Property or its desirability for other Owners and occupants, and upon written notice from the Association, an Owner will refrain from or discontinue such publicity.

11. No Owner shall erect any aerial or antenna on the roof or exterior walls of the Units or Condominium Buildings without the prior written consent of the Association.