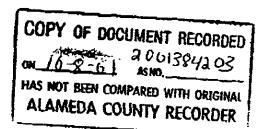
Recording Requested By:
Aetna Real Estate Associates, L.P.
c/o UBS Realty Investors LLC
242 Trumbull Street
Hartford, Connecticut 06103-1212

When Recorded, Mail To:
Mee Ling Tung, Director
Alameda County Department of Environmental Health
1131 Harbor Bay Parkway
Alameda, California 94502



COVENANT AND ENVIRONMENTAL RESTRICTION ON PROPERTY

PÒWELL STREET PLAZA 5700-5795 Christie Avenue, Emeryville, CA

This Covenant and Environmental Restriction on Property (this "Covenant") is made as of the 21" day of <2001 by Actna Real Estate Associates, L.P., a Delaware limited partnership ("Covenantor") who is the Owner of record of that certain property situated at 5700-5795 Christie Avenue, in the City of Emeryville, County of Alameda, State of California (Parcel Nos. 049-1515-011-07; 049-1515-011-14; 049-1515-001-06 (portions); 049-1515-010-11; 049-1515-012-05; 049-1515-007-07; 049-1515-008-01; 049-1515-009) a portion of all of which is more particularly described in Exhibit A hereto and incorporated herein by this reference (Exhibit A is hereinafter referred to as the "Burdened Property"), for the benefit of the Alameda County Environmental Health Services (the "County"), with reference to the following facts:

- A. The Burdened Property and groundwater underlying the property contains hazardous materials.
- B. Contamination of the Burdened Property. As detailed in the Case Closure Summary Report for this Site, soil and groundwater at the Burdened Property was contaminated by petroleum hydrocarbons, i.e., leaking (diesel, gasoline, lubricating oils) fuel storage tanks from a trucking operation conducted by Pacific Intermountain Express, the owner of the property until approximately 1986 (the "Petroleum Hydrocarbons"), which constitute hazardous materials as that term is defined in Health & Safety Code Section 25260.
- C. Exposure Pathways. Without the mitigation measures which have already been performed on the Burdened Property, exposure to the Petroleum Hydrocarbons could have occurred through in-place contact, inhalation of indoor air, dermal contact, and ingestion. However, the future risk of exposure to the Petroleum Hydrocarbons has been reduced to insignificant levels by the previous remediation measures and the measures in Article 3 if they

are followed. The risk of public exposure to the contaminants has been substantially lessened by the remediation and controls described herein.

- D. <u>Adjacent Land Uses and Population Potentially Affected</u>. The Burdened Property is developed into a shopping center and is adjacent to other commercial use property.
- E. Full and voluntary disclosure to the County of the presence of the Petroleum Hydrocarbons on the Burdened Property has been made and extensive sampling and remediation to remove the Petroleum Hydrocarbons has been conducted.
- F. Covenantor desires and intends that in order to benefit the County, and to protect the present and future public health and safety, the Burdened Property shall be used in such a manner as to avoid potential harm to persons or property that may result from Petroleum Hydrocarbons that may have been deposited on portions of the Burdened Property.

ARTICLE I GENERAL PROVISIONS

- 1.1 Provisions to Run with the Land. This Covenant sets forth protective provisions, covenants, conditions and restrictions (collectively referred to as "Restrictions") upon and subject to which the Burdened Property and every portion thereof shall be improved, held, used, occupied, leased, sold, hypothecated, encumbered, and/or conveyed. The Alameda County Department of Environmental Health has indicated that the restrictions set forth in Article III are reasonably necessary to protect present and future human health and safety or the environment as a result of the presence on the land of residual Petroleum Hydrocarbons. Each and all of the Restrictions shall run with the land, and pass with each and every portion of the Burdened Property, and shall apply to, inure to the benefit of, and bind the respective successors in interest thereof, for the benefit of the County, all Owners of the Burdened Property other than the Current Owner or Owners, and the Former Eastshore Partners. Each and all of the Restrictions are imposed upon the entire Burdened Property unless expressly stated as applicable to a specific portion of the Burdened Property. Each and all of the Restrictions run with the land pursuant to section 1471 of the Civil Code. Each and all of the Restrictions are enforceable by the County.
- 1.2 <u>Concurrence of Owners and Lessees Presumed.</u> All purchasers, lessees, or possessors of any portion of the Burdened Property shall be deemed by their purchase, lease or possession of such Burdened Property to be in accord with the foregoing and to agree for and among themselves, their heirs, successors, and assignees, and the agents and employees of such owners, heirs, successors, and assignees, that the Restrictions as herein established must be adhered to for the benefit of the County, all Owners of the Burdened Property other than the Current Owner or Owners, and the Former Eastshore Partners, and that the interest of the Owners of the Burdened Property shall be subject to the Restrictions contained herein.
- 1.3 <u>Incorporation into Deeds and Leases</u>. Covenantor desires and covenants that the Restrictions set out herein shall be incorporated in and attached to each and all deeds and Ground

Leases of any portion of the Burdened Property. Recordation of this Covenant shall be deemed binding on all successors, assigns, and Ground Lessees regardless of whether a copy of this Covenant and Agreement has been attached to or incorporated into any given deed or Ground Lease. In addition, Owner shall assure that all Retail Space Leases executed after the date of this Covenant for any portion of the Burdened Property prohibit the tenant from causing or permitting contact with native soil and groundwater.

1.4 <u>Purpose</u>. It is the purpose of this instrument to convey to the County real property rights, which will run with the land, to facilitate the remediation of past environmental contamination and to protect human health and the environment by reducing the risk of exposure to residual hazardous materials.

ARTICLE II DEFINITIONS

- 2.1 <u>County</u>. "County" shall mean the Alameda County Department of Environmental Health and shall include its successor agencies, if any.
- 2.2 <u>Former Eastshore Partners</u>. "Former Eastshore Partners" shall mean East Bay Park Company, Emeryville Terranomics, Martin-Eastshore, J. David Martin, Thomas J. Gram, Walter Kaczmarek, Edmund B. Taylor, Jr., Barry Culbertson, and Merritt Sher.
- 2.3 <u>Improvements</u>. "Improvements" shall mean all buildings, roads, driveways, regradings, and paved parking areas, constructed or placed upon any portion of the Burdened Property.
- 2.4 Owner or Owners. "Owner" or "Owners" shall mean the owner of all or any portion of the Burdened Property at any time after recordation hereof, either the Covenantor or a successor-in-interest in fee ownership of all or a portion of the Burdened Property.
- 2.5 <u>Current Owner or Owners</u>. The "Current Owner or Owners" shall mean an Owner or Owners of all or any portion of the Burdened Property that has/have not conveyed all of its/their interest in the Burdened Property to an unrelated third party.
- 2.6 Ground Lease. "Ground Lease" means a long-term lease of both land and improvements on the land.
- 2.7 Ground Lessee. "Ground Lessee" means a tenant under a Ground Lease.
- 2.8 <u>Retail Space Lease</u>. "Retail Space Lease" means a lease of space within the improvements on land.

415-538-8141

ARTICLE III DEVELOPMENT, USE AND CONVEYANCE OF THE BURDENED PROPERTY

- 3.1 Restrictions on Development and Use. Owner promises to restrict the use of the Burdened Property as follows:
- a. Development of the Burdened Property shall not include detached single family homes, schools, day-care centers, or hospitals.
- b. No Owner of the Burdened Property or any portion thereof shall conduct any excavation work on the Burdened Property, unless the workplan conforms to the soil management procedures in the Long-Term Management Strategy approved by the Alameda County Health Agency on October 15, 1997, as it may from time to time hereafter be amended ("LTMP"), or unless expressly permitted in writing by the County. Any contaminated soils brought to the surface by grading, excavation, trenching, or backfilling shall be managed by Owner or his agent in accordance with the LTMP and with all applicable provisions of local, state and federal law;
- c. All uses and development of the Burdened Property shall be consistent with the LTMP and any applicable County Cleanup Order or Risk Management Plan (except that Owner reserves the right to challenge any future Order or Risk Management Plan in accordance with law), each of which is hereby incorporated by reference including future amendments thereto. All uses and development shall preserve the integrity of any remedial measures taken or remedial equipment installed, and any groundwater monitoring system installed on the Burdened Property pursuant to the requirements of the County, unless otherwise expressly permitted in writing by the County.
- d. No Owner of the Burdened Property or any portion thereof shall drill, bore, otherwise construct, or use a well for the purpose of extracting water for any use, including but not limited to, domestic, potable, or industrial uses, unless expressly permitted in writing by the County.
- c. The Owner shall notify the County of each of the following: (1) The type, cause, location and date of any disturbance to any remedial measures taken or remedial equipment installed, and of any groundwater monitoring system installed on the Burdened Property pursuant to the requirements of the County, which could affect the ability of such remedial measures, remedial equipment, or monitoring system to perform their respective functions and (2) the type and date of repair of such disturbance. Notification to the County shall be made by registered mail within ten (10) working days of both the discovery of such disturbance and the completion of repairs.
- f. The Covenantor agrees that the County, and/or any persons acting pursuant to County cleanup orders, shall have reasonable access to the Burdened Property for the purposes of inspection, surveillance, maintenance, or monitoring, as provided for in Division 7 of the Water Code.
- g No Owner of the Burdened Property shall act in any manner that will materially aggravate or contribute to the existing environmental conditions of the Burdened Property.

000.0912001 19:34 penphysh solve.

415-508-8141

- Enforcement. Failure of an Owner to comply with any of the restrictions, as set forth in 3.2 paragraph 3.1, shall be grounds for the County, by reason of this Covenant, to have the authority to require that the Owner modify or remove any Improvements constructed in violation of that paragraph. Violation of the Covenant shall be grounds for the County to file civil actions against the Owner as provided by law.
- Notice in Agreements. After the date of recordation hereof, all Owners shall execute a written instrument which shall accompany or be included in all purchase agreements and Ground Leases relating to the property. Any such instrument shall contain the following statement:

The land described on Exhibit A contains residual levels of petroleum
hydrocarbons in soil and groundwater that have been evaluated by the
California Regional Water Quality Control Board, San Francisco Bay Region,
which has concluded that adverse health effects will not be associated with
activities at the site by current and future construction workers, maintenance
workers, or building occupants, if the LTMP is followed. The property is
subject to a Covenant dated as of, 2001, and recorded on
, 2001, in the Official Records of Alameda
County, California, as Document No, which Covenant and
Restriction imposes certain covenants, conditions, and restrictions on usage
of the property described herein. This statement is not a declaration that a
hazard exists.

ARTICLE IV VARIANCE AND TERMINATION

- Variance. Any Owner may apply to the County for a written variance from the provisions of this Covenant
- Termination. Any Owner may apply to the County for a termination of the Restrictions 4.2 as they apply to all or any portion of the Burdened Property. If the County grants the application, Owner and the County will cooperate in arranging for the withdrawal of this Covenant from record title to the Burdened Property by execution and recordation of an appropriate notice of termination of the effect of this Covenant.
- 4.3 Term. Unless terminated in accordance with paragraph 4.2 above, by law or otherwise, this Covenant shall continue in effect in perpetuity

ARTICLE V **MISCELLANEOUS**

No Dedication Intended. Nothing set forth herein shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Burdened Property or any portion thereof to the

415~538-8141

general public.

5.2 Notices. Whenever any person gives or serves any notice, demand, or other communication with respect to this Covenant, each such notice, demand, or other communication shall be in writing and shall be deemed effective (1) when delivered, if personally delivered to the person being served or official of a government agency being served, or (2) three (3) business days after deposit in the mail if mailed by United States mail, postage paid certified, return receipt requested:

If To: "Covenantor"

c/o UBS Realty Investors LLC

242 Trumbull Street

Hartford, CT 06103-1212

[or, if different, to the Owner(s) of the Burdened Property at the time of the notice]

If To: "Former Eastshore Partners" c/o Thomas J. Gram 5801 Christic Avenue, No. 608 Emeryville, CA 94608

If To: County
Alameda County Department of Environmental Health
Attention: Director
1131 Harbor Bay Parkway
Alameda, California 94502

- 5.3 Partial Invalidity. If any portion of the Restrictions or terms set forth herein is determined to be invalid for any reason, the remaining portion shall remain in full force and effect as if such portion had not been included herein.
- 5.4 <u>Article Headings</u>. Headings at the beginning of each numbered article of this Covenant are solely for the convenience of the parties and are not a part of the Covenant.
- Recordation. This instrument shall be executed by the Covenantor and by the Director of Environmental Health Services. This instrument shall be recorded by the Covenantor in the County of Alameda within ten (10) days of the date of execution.
- 5.6 <u>References</u> All references to Code sections include successor provisions.
- 5.7 <u>Construction</u>. Any general rule of construction to the contrary notwithstanding, this instrument shall be liberally construed in favor of the Covenant to effect the purpose of this instrument and the policy and purpose of the Water Code. If any provision of this instrument is found to be ambiguous, an interpretation consistent with the purpose of this instrument that would render the provision valid shall be favored over any interpretation that would render it

invalid.

5.8 Governing Law. The provisions of this instrument shall be interpreted according to California law.

IN WITNESS WHEREOF, the parties execute this Covenant as of the date set forth above.

Covenantor:

AETNA REAL ESTATE ASSOCIATES, L.P., a Delaware limited partnership

By: Aetna/Area Corporation, a Connecticut corporation, general partner

By:	flus aux
Name:	Thomas Enger
Title:	Vice President
Date:	9/27/01

ALL-PURPOSE ACKNOWLEDGEMENT

State of California County of	ss. M. Jauxan and
On before me,	M. LAWSON ,
personally appeared	SIGNER(S)
M. LAWSON Comm. 11279354 My Comm. Expires Oct. 5, 2004	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 signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
OPTIONAL I	WITNESS my hand and official seal. M. January NOTARY'S SIGNATURE NFORMATION
The information below is not required by law. Howeve	r. it could prevent fraudulent attachment of this acknowl-
edgement to an unauthorized document. CAPACITY CLAIMED BY SIGNER (PRINCIPAL)	DESCRIPTION OF ATTACHED DOCUMENT
☐ INDIVIDUAL CORPORATE OFFICER VICE PRESIDENT	COVENANT & ENVIRONMENTAL RESTRICTION
PARTNER(S)	11 on riopary
ATTORNEY-IN-FACT	NUMBER OF PAGES
TRUSTEE(S)	9/27/01
☐ GUARDIAN/CONSERVATOR ☐ OTHER:	DATE OF DOCUMENT
	ОТНЕЖ
SIGNER IS REPRESENTING: NAME OF PERSON(S) OR ENTITY(IES) AREA AR	RIGHT THUMBPRINT OF SIGNER
1 Hetra Real Estate Associates	

APA 5/99

VALLEY-SIERRA, 800-362-3369

ALL-PURPOSE ACKNOWLEDGEMENT

State of California County of	SIGNERUS) SIGNERUS) (M. Lawson) (M. Lawson) (NOTEARY)	
M. LAWSON Comm. # 1279354 NOTARY PUBLIC CALIFORNIA Cry & County of San Francisco My Comm. Expires Oct. 5, 2804	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(ics), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. WITNESS my hand and official seal.	
OPTIONAL INFORMATION The information below is not required by law. However, it could prevent fraudulent attachment of this acknowledgement to an unauthorized document.		
CAPACITY CLAIMED BY SIGNER (PRINCIPAL)	DESCRIPTION OF ATTACHED DOCUMENT	
INDIVIDUAL CORPORATE OFFICER Director (Environmenta)	Covenant and Environmental Restriction	
PARTNER(S) ATTORNEY-IN-FACT	NUMBER OF PAGES	
TRUSTEE(S) GUARDIAN/CONSERVATOR OTHER	9 27 01 DATE OF DOCUMENT	
	OTHER	
SIGNER IS REPRESENTING: NAME OF PERSON(S) ON ENTITY(LES) DEAT. OF PRISONMENTAL HEALTH	RIGHT THUMBPRINT OF SIGNER SIGNER	

APA 5/99

VALLEY-SIERRA, 800-362-3369

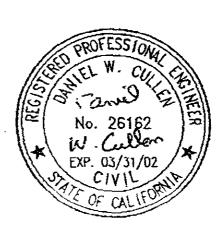
LEGAL DESCRIPTION

Portion of Parcel B as shown on Map No. 4223, Filed January 17, 1984, in Book 141 of Parcel Maps, at Pages 91 and 92, Alameda County Records.

Southerly 350 feet of said Parcel B, more particularly described as:

Beginning at the southeast corner of Parcel B as shown on said map; said point also lying on the westerly right-of-way line of Shellmound Street; THENCE along the southerly line of said Parcel B South 75°44'45" West 557.35 feet to the easterly right-of-way line of the Eastshore Freeway as shown on said map; THENCE along said right-of-way line North 17°26'33" West 350.54 feet; THENCE North 75°44'45" East 638.46 feet to the westerly right-of-way line of Shellmound Street; THENCE along said right-of-way line South 04°16'15" East 355.38 feet to the POINT OF BEGINNING.

See Exhibit 'A' attached hereto and made a part hereof.





October 10, 2001

CASÉ LOSED CASÉ LOSED ROXE GAT

Asset Management 455 Market Street Suite 1540 San Francisco, CA 94131 415 538-4800 www.ubs.com

Jeffrey D. Mills Director Asset Management Tel: 415 538-4812 Fax: 415 538-8141 jeff.mills@ubs.com

Ms. Susan L. Hugo Supervising Hazardous Materials Specialist Alameda County Health Care Services Agency 1131 Harbor Bay Parkway 2nd Floor Alameda, CA 94502-6577

Powell Street Plaza

Dear Susan,

Enclosed for your files is a copy of the Covenant for Powell Street Plaza that was recorded on October 8, 2001.

I still need confirmation that the approved long term risk management plan ("RMP") that you referenced in your September 27 letter is the Risk Assessment and Long-Term Management Strategy for Petroleum Product, dated July 1997 and amended on March 22, 2001 prepared by Geomatrix.

Please forward to me at your earliest convenience a letter acknowledging your understanding that this the approved RMP. Thank you.

Very truly yours,

Je₩rey D. Mills

Director

Asset Management

Enclosure

MORRISON & FOERSTER LLP

LOS ANGELES
PALO ALTO
WALNUT CREEK
SACRAMENTO
ORANGE COUNTY
SAN DIEGO
DENVER
WASHINGTON, D.C.

ATTORNEYS AT LAW

425 MARKET STREET

SAN FRANCISCO, CALIFORNIA 94105-2482

TELEPHONE (415) 268-7000

TELEFACSIMILE (415) 268-7522

NEW YORK
BUENOS AIRES
LONDON
BRUSSELS
BEIJING
HONG KONG

SINGAPORE

ΤΟΚΥΟ

July 31, 2001

Writer's Direct Contact (415) 268-7117 BSandals@mofo.com

By Messenger

Krisida Nishioka, Esq. Deputy County Counsel County of Alameda 333 Hegenberger Road, 4th Floor Oakland, CA 94612

Re: Powell Street Plaza

Dear Krisida:

As we discussed on Friday, July 27, I am enclosing a signature original of the Powell Street Plaza covenant. Other than conforming the signature page, I have made two small changes to the July 11 draft, the last one I sent to you and Susan (these are shown for your convenience on the enclosed redline version): 1) in Recital B, I have eliminated the date of the Case Closure Report to make it one less thing to worry about and 2) as we discussed on Friday, I have added a phrase to Section 1.3 in recognition of the fact that Owner cannot unilaterally amend leases already in place. Once signed by the Director, please overnight the document to:

Thomas Enger UBS Realty Investors LLC 455 Market Street, Suite 1540 San Francisco, CA 94105

Thank you very much for your assistance, and I hope we will have a signed document in the near future.

Very truly yours

Barry S. Sandals

Enclosure

MORRISON & FOERSTER LLP

Krisida Nishioka, Esq. Deputy County Counsel County of Alameda July 31, 2001 Page Two

cc w/encl. (via e-mail):
Paul Canning
Garrett Delehanty
Lee Dodge
Thomas Enger
Jeffrey Fraulino
Anita Hochstein
Jeff Mills

Recording Requested By:

Aetna Real Estate Associates, L.P. c/o UBS Realty Investors LLC 242 Trumbull Street
Hartford, Connecticut 06103-1212

When Recorded, Mail To:

Mee Ling Tung, Director Alameda County Department of Environmental Health 1131 Harbor Bay Parkway Alameda, California 94502

COVENANT AND ENVIRONMENTAL RESTRICTION ON PROPERTY

POWELL STREET PLAZA 5700-5795 Christie Avenue, Emeryville, CA

This Covenant and Environmental Restriction on Property (this "Covenant") is made as of the \$\frac{77\text{t}}{2001}\$ day of \$\frac{560}{2001}\$ ("Covenantor") who is the Owner of record of that certain property situated at 5700-5795 Christie Avenue, in the City of Emeryville, County of Alameda, State of California (Parcel Nos. 049-1515-011-07; 049-1515-011-14; 049-1515-001-06 (portions); 049-1515-010-11; 049-1515-012-05; 049-1515-007-07; 049-1515-008-01; 049-1515-009) a portion of all of which is more particularly described in Exhibit A hereto and incorporated herein by this reference (Exhibit A is hereinafter referred to as the "Burdened Property"), for the benefit of the Alameda County Environmental Health Services (the "County"), with reference to the following facts:

- A. The Burdened Property and groundwater underlying the property contains hazardous materials.
- B. <u>Contamination of the Burdened Property</u>. As detailed in the Case Closure Summary Report for this Site, soil and groundwater at the Burdened Property was contaminated by petroleum hydrocarbons, i.e., leaking (diesel, gasoline, lubricating oils) fuel storage tanks from a trucking operation conducted by Pacific Intermountain Express, the owner of the property until approximately 1986 (the "Petroleum Hydrocarbons"), which constitute hazardous materials as that term is defined in Health & Safety Code Section 25260.
- C. <u>Exposure Pathways</u>. Without the mitigation measures which have already been performed on the Burdened Property, exposure to the Petroleum Hydrocarbons could have occurred through in-place contact, inhalation of indoor air, dermal contact, and ingestion. However, the future risk of exposure to the Petroleum Hydrocarbons has been reduced to insignificant levels by the previous remediation measures and the measures in Article 3 if they

are followed. The risk of public exposure to the contaminants has been substantially lessened by the remediation and controls described herein.

- D. <u>Adjacent Land Uses and Population Potentially Affected</u>. The Burdened Property is developed into a shopping center and is adjacent to other commercial use property.
- E. Full and voluntary disclosure to the County of the presence of the Petroleum Hydrocarbons on the Burdened Property has been made and extensive sampling and remediation to remove the Petroleum Hydrocarbons has been conducted.
- F. Covenantor desires and intends that in order to benefit the County, and to protect the present and future public health and safety, the Burdened Property shall be used in such a manner as to avoid potential harm to persons or property that may result from Petroleum Hydrocarbons that may have been deposited on portions of the Burdened Property.

ARTICLE I GENERAL PROVISIONS

- 1.1 Provisions to Run with the Land. This Covenant sets forth protective provisions, covenants, conditions and restrictions (collectively referred to as "Restrictions") upon and subject to which the Burdened Property and every portion thereof shall be improved, held, used, occupied, leased, sold, hypothecated, encumbered, and/or conveyed. The Alameda County Department of Environmental Health has indicated that the restrictions set forth in Article III are reasonably necessary to protect present and future human health and safety or the environment as a result of the presence on the land of residual Petroleum Hydrocarbons. Each and all of the Restrictions shall run with the land, and pass with each and every portion of the Burdened Property, and shall apply to, inure to the benefit of, and bind the respective successors in interest thereof, for the benefit of the County, all Owners of the Burdened Property other than the Current Owner or Owners, and the Former Eastshore Partners. Each and all of the Restrictions are imposed upon the entire Burdened Property unless expressly stated as applicable to a specific portion of the Burdened Property. Each and all of the Restrictions run with the land pursuant to section 1471 of the Civil Code. Each and all of the Restrictions are enforceable by the County.
- 1.2 Concurrence of Owners and Lessees Presumed. All purchasers, lessees, or possessors of any portion of the Burdened Property shall be deemed by their purchase, lease or possession of such Burdened Property to be in accord with the foregoing and to agree for and among themselves, their heirs, successors, and assignees, and the agents and employees of such owners, heirs, successors, and assignees, that the Restrictions as herein established must be adhered to for the benefit of the County, all Owners of the Burdened Property other than the Current Owner or Owners, and the Former Eastshore Partners, and that the interest of the Owners of the Burdened Property shall be subject to the Restrictions contained herein.
- 1.3 <u>Incorporation into Deeds and Leases</u>. Covenantor desires and covenants that the Restrictions set out herein shall be incorporated in and attached to each and all deeds and Ground

Leases of any portion of the Burdened Property. Recordation of this Covenant shall be deemed binding on all successors, assigns, and Ground Lessees regardless of whether a copy of this Covenant and Agreement has been attached to or incorporated into any given deed or Ground Lease. In addition, Owner shall assure that all Retail Space Leases executed after the date of this Covenant for any portion of the Burdened Property prohibit the tenant from causing or permitting contact with native soil and groundwater.

1.4 <u>Purpose</u>. It is the purpose of this instrument to convey to the County real property rights, which will run with the land, to facilitate the remediation of past environmental contamination and to protect human health and the environment by reducing the risk of exposure to residual hazardous materials.

ARTICLE II DEFINITIONS

- 2.1 <u>County</u>. "County" shall mean the Alameda County Department of Environmental Health and shall include its successor agencies, if any.
- 2.2 <u>Former Eastshore Partners</u>. "Former Eastshore Partners" shall mean East Bay Park Company, Emeryville Terranomics, Martin-Eastshore, J. David Martin, Thomas J. Gram, Walter Kaczmarek, Edmund B. Taylor, Jr., Barry Culbertson, and Merritt Sher.
- 2.3 <u>Improvements</u>. "Improvements" shall mean all buildings, roads, driveways, regradings, and paved parking areas, constructed or placed upon any portion of the Burdened Property.
- 2.4 Owner or Owners. "Owner" or "Owners" shall mean the owner of all or any portion of the Burdened Property at any time after recordation hereof, either the Covenantor or a successor-in-interest in fee ownership of all or a portion of the Burdened Property.
- 2.5 <u>Current Owner or Owners</u>. The "Current Owner or Owners" shall mean an Owner or Owners of all or any portion of the Burdened Property that has/have not conveyed all of its/their interest in the Burdened Property to an unrelated third party.
- 2.6 <u>Ground Lease</u>. "Ground Lease" means a long-term lease of both land and improvements on the land.
- 2.7 Ground Lessee. "Ground Lessee" means a tenant under a Ground Lease.
- 2.8 <u>Retail Space Lease</u>. "Retail Space Lease" means a lease of space within the improvements on land.

ARTICLE III DEVELOPMENT, USE AND CONVEYANCE OF THE BURDENED PROPERTY

- 3.1 <u>Restrictions on Development and Use</u>. Owner promises to restrict the use of the Burdened Property as follows:
- a. Development of the Burdened Property shall not include detached single family homes, schools, day-care centers, or hospitals.
- b. No Owner of the Burdened Property or any portion thereof shall conduct any excavation work on the Burdened Property, unless the workplan conforms to the soil management procedures in the Long-Term Management Strategy approved by the Alameda County Health Agency on October 15, 1997, as it may from time to time hereafter be amended ("LTMP"), or unless expressly permitted in writing by the County. Any contaminated soils brought to the surface by grading, excavation, trenching, or backfilling shall be managed by Owner or his agent in accordance with the LTMP and with all applicable provisions of local, state and federal law;
- c. All uses and development of the Burdened Property shall be consistent with the LTMP and any applicable County Cleanup Order or Risk Management Plan (except that Owner reserves the right to challenge any future Order or Risk Management Plan in accordance with law), each of which is hereby incorporated by reference including future amendments thereto. All uses and development shall preserve the integrity of any remedial measures taken or remedial equipment installed, and any groundwater monitoring system installed on the Burdened Property pursuant to the requirements of the County, unless otherwise expressly permitted in writing by the County.
- d. No Owner of the Burdened Property or any portion thereof shall drill, bore, otherwise construct, or use a well for the purpose of extracting water for any use, including but not limited to, domestic, potable, or industrial uses, unless expressly permitted in writing by the County.
- e. The Owner shall notify the County of each of the following: (1) The type, cause, location and date of any disturbance to any remedial measures taken or remedial equipment installed, and of any groundwater monitoring system installed on the Burdened Property pursuant to the requirements of the County, which could affect the ability of such remedial measures, remedial equipment, or monitoring system to perform their respective functions and (2) the type and date of repair of such disturbance. Notification to the County shall be made by registered mail within ten (10) working days of both the discovery of such disturbance and the completion of repairs.
- f. The Covenantor agrees that the County, and/or any persons acting pursuant to County cleanup orders, shall have reasonable access to the Burdened Property for the purposes of inspection, surveillance, maintenance, or monitoring, as provided for in Division 7 of the Water Code.
- g. No Owner of the Burdened Property shall act in any manner that will materially aggravate or contribute to the existing environmental conditions of the Burdened Property.

- 3.2 <u>Enforcement</u>. Failure of an Owner to comply with any of the restrictions, as set forth in paragraph 3.1, shall be grounds for the County, by reason of this Covenant, to have the authority to require that the Owner modify or remove any Improvements constructed in violation of that paragraph. Violation of the Covenant shall be grounds for the County to file civil actions against the Owner as provided by law.
- 3.3 <u>Notice in Agreements</u>. After the date of recordation hereof, all Owners shall execute a written instrument which shall accompany or be included in all purchase agreements and Ground Leases relating to the property. Any such instrument shall contain the following statement:

The land described on Exhibit A contains residual levels of petroleum
hydrocarbons in soil and groundwater that have been evaluated by the
California Regional Water Quality Control Board, San Francisco Bay Region
which has concluded that adverse health effects will not be associated with
activities at the site by current and future construction workers, maintenance
workers, or building occupants, if the LTMP is followed. The property is
subject to a Covenant dated as of, 2001, and recorded on
, 2001, in the Official Records of Alameda
County, California, as Document No, which Covenant and
Restriction imposes certain covenants, conditions, and restrictions on usage
of the property described herein. This statement is not a declaration that a
hazard exists.

ARTICLE IV VARIANCE AND TERMINATION

- 4.1 <u>Variance</u>. Any Owner may apply to the County for a written variance from the provisions of this Covenant.
- 4.2 <u>Termination</u>. Any Owner may apply to the County for a termination of the Restrictions as they apply to all or any portion of the Burdened Property. If the County grants the application, Owner and the County will cooperate in arranging for the withdrawal of this Covenant from record title to the Burdened Property by execution and recordation of an appropriate notice of termination of the effect of this Covenant.
- 4.3 <u>Term.</u> Unless terminated in accordance with paragraph 4.2 above, by law or otherwise, this Covenant shall continue in effect in perpetuity.

ARTICLE V MISCELLANEOUS

5.1 <u>No Dedication Intended.</u> Nothing set forth herein shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Burdened Property or any portion thereof to the

general public.

Notices. Whenever any person gives or serves any notice, demand, or other communication with respect to this Covenant, each such notice, demand, or other communication shall be in writing and shall be deemed effective (1) when delivered, if personally delivered to the person being served or official of a government agency being served, or (2) three (3) business days after deposit in the mail if mailed by United States mail, postage paid certified, return receipt requested:

If To: "Covenantor"
c/o UBS Realty Investors LLC
242 Trumbull Street
Hartford, CT 06103-1212
[or, if different, to the Owner(s) of the Burdened Property at the time of the notice]

If To: "Former Eastshore Partners" c/o Thomas J. Gram 5801 Christie Avenue, No. 608 Emeryville, CA 94608

If To: County
Alameda County Department of Environmental Health
Attention: Director
1131 Harbor Bay Parkway
Alameda, California 94502

- 5.3 <u>Partial Invalidity</u>. If any portion of the Restrictions or terms set forth herein is determined to be invalid for any reason, the remaining portion shall remain in full force and effect as if such portion had not been included herein.
- 5.4 <u>Article Headings</u>. Headings at the beginning of each numbered article of this Covenant are solely for the convenience of the parties and are not a part of the Covenant.
- 5.5 <u>Recordation</u>. This instrument shall be executed by the Covenantor and by the Director of Environmental Health Services. This instrument shall be recorded by the Covenantor in the County of Alameda within ten (10) days of the date of execution.
- 5.6 References. All references to Code sections include successor provisions.
- 5.7 <u>Construction</u>. Any general rule of construction to the contrary notwithstanding, this instrument shall be liberally construed in favor of the Covenant to effect the purpose of this instrument and the policy and purpose of the Water Code. If any provision of this instrument is found to be ambiguous, an interpretation consistent with the purpose of this instrument that would render the provision valid shall be favored over any interpretation that would render it

invalid.

	Governing Law. The provisions of this instrument shall be interpreted according to ornia law.
IN W	ITNESS WHEREOF, the parties execute this Covenant as of the date set forth above.
Cove	nantor:
	NA REAL ESTATE ASSOCIATES, L.P., aware limited partnership
Ву:	Aetna/Area Corporation, a Connecticut corporation, general partner
	By:
	Name: Title: Date:
STAT	TE OF CALIFORNIA) NTY OF)
perso	, 20 before me, the undersigned a Notary Public in and for said state, nally appeared [Covenantor], personally known to me or proved to me on the basis of actory evidence to be the person who executed the within instrument.
WITI	NESS my hand and official seal.
Notar	y Public in and for said County and State
Ву:	AREA GP Corporation, a Delaware corporation, general partner
	By: Name: Title: Date:

Agency: ALAMEDA COUNTY DEPARTMENT OF ENVIRON	MENTAL HEALTH
By: West LINGTUNGS Title: Director Date: 9/27/0	
STATE OF CALIFORNIA) COUNTY OF	
	rsigned a Notary Public in and for said state, ally known to me or proved to me on the basis of executed the within instrument.
WITNESS my hand and official seal.	9/27/01 9:09a. Mod Sa attached certificate
Notary Public in and for said County and State	
•	Approved as to Form RICHARD E. WINNIE, County Counsel By Kush Muhok
	J. Howard War

ALL-PURPOSE ACKNOWLEDGEMENT

State of California County of Alamed	ss. (M. Lawson) na
On 9/27/01 before me, personally appeared Me Ling Tun	Middleine A. Lawson,
M. LAWSON Comm. # 1279354 NOTARY PUBLIC-CALIFORNIA City & County of San Francisco My Comm. Expires Oct. 5, 2004	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 signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. WITNESS my hand and official seal.
The information below is not required by law. However, edgement to an unauthorized document. CAPACITY CLAIMED BY SIGNER (PRINCIPAL) INDIVIDUAL	
INDIVIDUAL CORPORATE OFFICER ITILE(S) HOUTH) PARTNER(S) ATTORNEY-IN-FACT TRUSTEE(S) GUARDIAN/CONSERVATOR OTHER:	Covenant and Environmental Restriction TITLE OR TYPE OF DOCUMENT ON Property 1 Number of pages 9 27 01 DATE OF DOCUMENT
SIGNER IS REPRESENTING: NAME OF PERSONSFOR ENTITYHES! DEPT. A ENTROPMENTAL HEALTH	RIGHT THUMBPRINT OF SIGNER OTHER

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

LEGAL DESCRIPTION

Portion of Parcel B as shown on Map No. 4223, Filed January 17, 1984, in Book 141 of Parcel Maps, at Pages 91 and 92, Alameda County Records.

Southerly 350 feet of said Parcel B, more particularly described as:

Beginning at the southeast corner of Parcel B as shown on said map; said point also lying on the westerly right-of-way line of Shellmound Street; THENCE along the southerly line of said Parcel B South 75°44'45" West 557.35 feet to the easterly right-of-way line of the Eastshore Freeway as shown on said map; THENCE along said right-of-way line North 17°26'33" West 350.54 feet; THENCE North 75°44'45" East 638.46 feet to the westerly right-of-way line of Shellmound Street; THENCE along said right-of-way line South 04°16'15" East 355.38 feet to the POINT OF BEGINNING.

See Exhibit 'A' attached hereto and made a part hereof.



