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EXHIBIT "C"

RECORDING REQUESTED BY
CHICAGO TITLE COMPANY

2003673007
11/13/2003

Recording Requested By:

Pulte Home Corporation
7031 Koll Center Parkway, Suite 150
Pleasanton, California 94566

2001482609 12/12/2001 08:30 AM
OFFICIAL RECORDS OF RECORDING FEE 37 00
ALAMEDA COUNTY
PATRICK O'CONNELL



11 PGS

When Recorded, Mail To:

Mee Ling Tung, Director
Alameda County
Department of Environmental Health
1131 Harbor Bay Parkway, 2nd Floor
Alameda, California 94502

A978
1/6

COVENANT AND ENVIRONMENTAL RESTRICTION
ON PROPERTY

LIQUID SUGAR
1274 65TH STREET
EMERYVILLE, CALIFORNIA 94608

This Covenant and Environmental Restriction on Property (this "Covenant") is made as of the 4th day of December, 2001, by Pulte Home Corporation, a Michigan Corporation ("Covenantor") who is the Owner of record of that certain property situated at 1274 65th Street, in the City of Emeryville, County of Alameda, State of California, which is more particularly described in Exhibit A attached hereto and incorporated herein by this reference (such portion 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. Conditions at the Burdened Property. The Burdened Property and ground water underlying the property contains hazardous materials

B. Contamination of the Burdened Property Soil and ground water at the Burdened Property was contaminated by petroleum hydrocarbons from leaking underground storage tanks (USTs) at the Liquid Sugar Inc, facility formerly located on Burdened Property. Soil at another location at the Burdened Property was contaminated by lead from an unknown source. Ground water beneath the Burdened Property also was contaminated by volatile organic compounds (VOCs) from an unknown off-site source. Inorganic and organic chemicals including lead, diesel fuel, gasoline, oil, benzene, toluene, ethylbenzene, xylenes, methyl-tertiary butyl ether (MTBE), 1,1-dichloroethane (DCA), 1,1-dichloroethene (DCE), perchloroethylene (PCE), and 1,1,1,-trichloroethane (TCA) were detected in soil and /or ground water at the Burdened Property, which constitute hazardous materials as that term is defined in California Health & Safety Code Section 25260. Such materials are present due to the historical operation of the former USTs and/ or historic industrial activities conducted at the site and /or from one or more

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unknown off-site source. Three USTs (two 1,000-gallon gasoline and one 10,000-gallon diesel) from the former Liquid Sugars Inc. facility were removed from the property in November 1990. Ground water monitoring wells were installed on and off-site to determine the extent of ground water contamination associated with the former USTs at the Burdened Property. Ground water quality beneath the Burdened Property has been monitored periodically since 1993. A Remedial Action Completion Certification was issued on September 7, 2001 for the tank case.

C. Exposure Pathways. The contaminants addressed in this Covenant are present in soil and ground water at the Burdened Property. Without the mitigation measures, which will be performed on the Burdened Property, exposure to these contaminants could take place via dermal contact, inhalation, or ingestion by humans. The risk of public exposure to the contaminants has been substantially lessened by the remediation and controls described herein.

D. Adjacent Land Uses and Population Potentially Affected. The Burdened Property is used for residential use (townhomes, lofts and flats) and is adjacent to industrial and commercial land uses.

E. Mitigation Measures. In connection with development of residential structures on the Burdened Property, Covenantor shall undertake the following mitigation measures:

- Lead detected in soil above the California Regional Water Quality Control Board's ("CRWQCB's") action level of 255 parts per million ("ppm") will be excavated prior to construction and disposed at an appropriate waste disposal facility.
- Vapor barriers approved by the CRWQCB and Alameda County Health Services Agency will be installed beneath all units on the Burdened Property
- The upper three feet of in-place soil in landscaped outdoor communal areas will be excavated and replaced with clean imported soil.
- Covenantor has prepared and the County and CRWQCB have approved an Operations and Maintenance Risk Management Plan dated November 27, 2001 for the Burdened Property.

F. Voluntary Disclosure. Full and voluntary disclosure to the County of the presence of hazardous materials on the Burdened Property has been made and extensive sampling of the Burdened Property has been conducted.

G. Future Use 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 hazardous materials 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 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 hazardous materials. 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 and all Owners and Occupants. 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 California 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, leasing, 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, employees, and lessees of such owners, heirs, successors, and assignees, that the Restrictions as herein established must be adhered to for the benefit of the County and the Owners and Occupants of the Burdened Property and that the interest of the Owners and Occupants of the Burdened Property shall be subject to the Restrictions contained herein.

1.3 Incorporation into Deeds and Leases Covenantor desires and covenants that the Restrictions set out herein shall be incorporated in and attached to each and all deeds and leases of any portion of the Burdened Property. Recordation of this Covenant shall be deemed binding on all successors, assigns, and lessees, regardless of whether a copy of this Covenant and Agreement has been attached to or incorporated into any given deed or lease.

1.4 Purpose. 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 County. "County" shall mean the Alameda County Environmental Health Services and shall include its successor agencies, if any

2.2 Improvements. "Improvements" shall mean all buildings, roads, driveways, regradings and paved parking areas, constructed or placed upon any portion of the Burdened Property

2.3 Occupants "Occupants" shall mean Owners and those persons entitled by ownership, leasehold, or other legal relationship to the exclusive right to use and/or occupy all or any portion of any Improvement constructed on the Burdened Property.

2.4 Owner or Owners "Owner" or "Owners" shall mean the Covenantor and/or its successors in interest, who hold title to all or any portion of the Burdened Property.

ARTICLE III.
DEVELOPMENT, USE AND CONVEYANCE OF THE BURDENED PROPERTY

3.1 Restrictions on Development and Use. Covenantor promises to restrict the use of the Burdened Property as follows.

- a. No hospitals shall be permitted on the Burdened Property.
- b. No schools for persons under 21 years of age shall be permitted on the Burdened Property; no day care centers for children or day care centers for senior citizens shall be permitted on the Burdened Property
- c. No Owner of the Burdened Property or any portion thereof, or no Occupant of any Improvement constructed on the Burden Property, shall conduct any excavation work on the Burdened Property, unless expressly permitted by the Operations and Maintenance Risk Management Plan for the Burdened Property or in writing by the County. Any contaminated soils brought to the surface by grading, excavation, trenching, or backfilling shall be managed by Covenantor or his agent in accordance with the Operations and Maintenance Risk Management Plan and all applicable provisions of local, state and federal law.
- d. All uses and development of the Burdened Property shall be consistent with any applicable County Cleanup Order and the Operations and Maintenance Risk Management Plan, each of which is hereby incorporated by reference including future amendments thereto. All uses and development shall preserve the integrity of any cap, any remedial measures taken or remedial equipment installed, and any ground water monitoring system installed on the Burdened Property pursuant to the requirements of the County, unless otherwise expressly permitted in writing by the County.
- e. No Owner of the Burdened Property or any portion thereof, or no Occupant of any Improvement constructed on the Burden Property, 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
- f. The Owner shall notify the County of each of the following: (1) the type, cause, location and date of any disturbance to any cap, any remedial measures taken or remedial equipment installed, or to the ground water monitoring system installed on the Burdened Property pursuant to the requirements of the County, which could affect the ability of such cap or 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.
- g. 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 California Water Code

h No Owner of the Burdened Property or any portion thereof shall act or allow any other person to act in any manner that will aggravate or contribute to the existing environmental conditions of the Burdened Property. All use and development of the Burdened Property shall preserve the integrity of any capped areas

3.2 Enforcement Failure of an Owner or Occupant 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 Notice in Agreements. After the date of recordation hereof, all Owners and Occupants shall execute a written instrument that shall accompany all purchase agreements or leases relating to the Burdened Property. Any such instrument shall contain the following statement

The land described herein contains hazardous materials in soils and in the ground water under the property, and is subject to a deed restriction dated as of Dec. 4 2001, and recorded on _____, 200_, 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 Variance. Any Owner of the Burdened Property or any portion thereof or, with the Owner's consent, any Occupant of an Improvement constructed on the Burdened Property may apply to the County for a written variance from the provisions of this Covenant.

4.2 Termination Any Owner of the Burdened Property or any portion thereof or, with the Owner's consent, any Occupant of an Improvement constructed on the Burdened Property may apply to the County for a termination of the Restrictions as they apply to all or any portion of the Burdened Property.

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

5.1 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 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"
Pulte Home Corporation
7031 Koll Center Parkway, Suite 150
Pleasanton, California 94566
Attn Land Department

If To "County"
Alameda County Environmental Health Services
1131 Harbor Bay Parkway
Alameda, California 94502
Attention Director

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 Article Headings 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 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 References. All references to Code sections include successor provisions.

5.7 Construction. 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 California 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.

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

Covenantor. Pulte Home Corporation

By: [Signature]
Title: STEVE KRAMBACH VICE PRESIDENT
Date: 12.4.01

Agency Alameda County
Environmental Health Services

By: [Signature]
Title: Director Mee Ling Tung
Date: 12/4/01

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

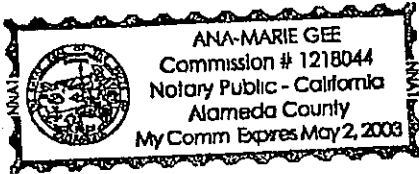
State of California

County of Alameda

On 12.4.01 before me, Ana Marie Gee
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared MEE LING ANNA TUNG
Name(s) of Signer(s)

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



WITNESS my hand and official seal

Ana-Marie Gee
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document

Description of Attached Document

Title or Type of Document _____

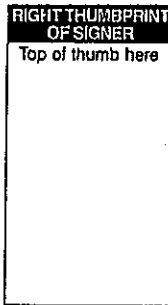
Document Date _____ Number of Pages _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name _____

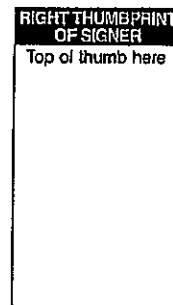
- Individual
- Corporate Officer
Title(s) _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing _____

Signer's Name _____

- Individual
- Corporate Officer
Title(s) _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

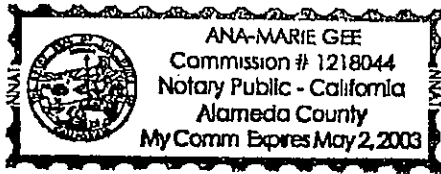
State of California

County of Alameda

On 12.4.01 before me, Ana-marie Gee
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Steve Kalmbach
Name(s) of Signer(s)

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



WITNESS my hand and official seal

Ana-Marie Gee

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document

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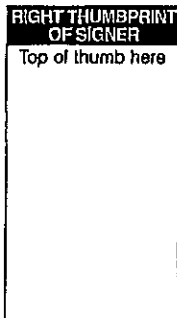
Document Date _____ Number of Pages _____

Signer(s) Other Than Named Above _____

Capacity(ies) Claimed by Signer(s)

Signer's Name _____

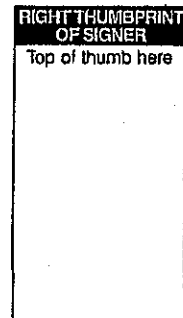
- Individual
- Corporate Officer
Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing _____

Signer's Name _____

- Individual
- Corporate Officer
Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing _____

The land referred to in this report is situated in the State of California, County of Alameda and is described as follows:

CITY OF EMERYVILLE

PARCEL 1:

LOT 67, BLOCK 5, MAXWELL TRACT, FILED SEPTEMBER 19, 1872, MAP BOOK 5, PAGE 21, ALAMEDA COUNTY RECORDS.

PARCEL 2:

LOT 95, BLOCK 5, MAXWELL TRACT, FILED SEPTEMBER 19, 1872, MAP BOOK 5, PAGE 21, ALAMEDA COUNTY RECORDS.

PARCEL 3:

LOT 96, BLOCK 5, MAXWELL TRACT, FILED SEPTEMBER 19, 1872, MAP BOOK 5, PAGE 21, ALAMEDA COUNTY RECORDS.

EXCEPTING THEREFROM, THAT PORTION THEREOF CONVEYED TO THE SOUTHERN PACIFIC COMPANY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERN LINE OF 65TH STREET, FORMERLY DALTON AVENUE, DISTANT THEREON 190 FEET WESTERLY FROM THE INTERSECTION THEREOF WITH THE WESTERN LINE OF VALLEJO STREET, FORMERLY MAPLE STREET; THENCE NORTHERLY, PARALLEL WITH SAID LINE OF VALLEJO STREET, 155 FEET; THENCE AT RIGHT ANGLES WESTERLY, PARALLEL WITH SAID LINE OF 65TH STREET, 25 FEET; THENCE SOUTHWESTERLY, IN A STRAIGHT LINE, 159.6 FEET, MORE OR LESS, TO A POINT ON SAID NORTHERN LINE OF 65TH STREET; THENCE EASTERLY ALONG SAID LAST NAMED LINE, 63 FEET TO THE POINT OF BEGINNING.

PARCEL 4:

BEGINNING AT A POINT ON THE SOUTHERN LINE OF 66TH STREET, FORMERLY HALLETT AVENUE, DISTANT THEREON WESTERLY, 215 FEET FROM THE INTERSECTION THEREOF WITH THE WESTERN LINE OF VALLEJO STREET, FORMERLY MAPLE STREET, AS THE SAID STREET AND AVENUE ARE SHOWN UPON THE MAP HEREINAFTER REFERRED TO; RUNNING THENCE EASTERLY ALONG SAID LINE OF 66TH STREET, 60.356 FEET; THENCE SOUTH $6^{\circ} 41' 8\text{-}5/10''$ WEST, 166.028 FEET; THENCE SOUTH $75^{\circ} 41' 8\text{-}5/10''$ WEST, $857/1000$ OF A FOOT; THENCE NORTH $14^{\circ} 18' 51\text{-}5/10''$ WEST, 155 FEET TO THE POINT OF BEGINNING.

BEING PORTIONS OF LOTS NUMBERED 65 AND 66 IN BLOCK NUMBERED 5, AS THE SAID LOTS AND BLOCK ARE SHOWN ON "MAP OF THE MAXWELL TRACT, ALAMEDA COUNTY, CALIFORNIA", FILED SEPTEMBER 19, 1872, IN BOOK 5 OF MAPS, AT PAGE 21, IN THE OFFICE OF THE COUNTY RECORDER OF THE SAID COUNTY OF ALAMEDA.

PARCEL 5:

BEGINNING AT A POINT ON THE SOUTHERN LINE OF 66TH STREET, FORMERLY HALLETT AVENUE, DISTANT THEREON WESTERLY, 215 FEET FROM THE POINT OF INTERSECTION THEREOF WITH THE WESTERN LINE OF VALLEJO STREET, FORMERLY MAPLE STREET; RUNNING THENCE WESTERLY ALONG SAID LINE OF 66TH STREET, 75 FEET; THENCE AT RIGHT ANGLES, SOUTHERLY 155 FEET; THENCE AT RIGHT ANGLES, EASTERLY 75 FEET; THENCE AT RIGHT ANGLES, NORTHERLY 155 FEET TO THE POINT OF BEGINNING.

BEING THE WESTERN SEVENTY-FIVE FEET OF LOT NUMBERED 66 IN BLOCK NUMBERED 5, AS SAID

LOT AND BLOCK ARE SHOWN ON "MAP OF THE MAXWELL TRACT, ALAMEDA COUNTY, CALIFORNIA", FILED SEPTEMBER 19, 1872, IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF ALAMEDA, IN BOOK 5 OF MAPS, AT PAGE 21.

PARCEL 6:

BEGINNING AT A POINT IN THE SOUTHERN LINE OF 66TH STREET, FORMERLY HALLETT AVENUE, DISTANT THEREON SOUTH 75° 41' 08.5" WEST, 154.644 FEET FROM THE WESTERN LINE OF VALLEJO STREET, FORMERLY MAPLE STREET; THENCE SOUTH 6° 41' 08.5" WEST, 166.03 FEET TO THE SOUTHERN LINE OF LOT 66 IN BLOCK 5, AS SHOWN ON THE MAP HEREINAFTER REFERRED TO; THENCE NORTH 75° 41' 08.5" EAST ALONG SAID SOUTHERN LINE, 21.42 FEET; THENCE NORTH 6° 41' 08.5" EAST, 166.03 FEET TO THE SOUTHERN LINE OF 66TH STREET; THENCE SOUTH 75° 41' 08.5" WEST THEREON, 21.42 FEET TO THE POINT OF BEGINNING; BEING A PORTION OF LOTS 65 AND 66 IN BLOCK 5, AS SHOWN ON THE MAP ENTITLED "MAP OF THE MAXWELL TRACT, ALAMEDA COUNTY, CALIFORNIA", FILED SEPTEMBER 19, 1872, IN THE OFFICE OF THE RECORDER OF SAID COUNTY OF ALAMEDA.

CERTIFICATE OF COMPLIANCE BY THE CITY OF EMERYVILLE RECORDED SEPTEMBER 2, 1999, SERIES NO. 99-337958, OFFICIAL RECORDS.

ASSESSOR'S PARCEL NO. 049-1509-023