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04/11/2018 01:51 PM

OFFICIAL RECORDS OF ALAMEDA COUNTY
STEVE MANNING
RECORDING FEE: 138.00

Recording Requested By:

San Lorenzo Res, LLC
Attn: Mike Serra III
100 Saint Paul Street, Suite 300
Denver, Colorado 80206



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When Recorded, Mail To:

Paresh Khatri
Alameda County Environmental Health Services
1131 Harbor Bay Parkway
Alameda, California 94502

**COVENANT AND ENVIRONMENTAL RESTRICTION
ON PROPERTY**

San Lorenzo Res, LLC
"The Bungalows Townhomes"
East Portion, Tract 8284
San Lorenzo, California

This Covenant and Environmental Restriction on Property (this "Covenant") is made as of the 9TH day of APRIL, 2018 by San Lorenzo Res, LLC, a Colorado limited liability company, ("Covenantor"), on behalf of itself and its successors and assigns, who is the Owner of record of that certain property consisting of the eastern portion of Tract 8284 situated in San Lorenzo, County of Alameda, State of California, which is more particularly described in Exhibit A attached hereto and incorporated herein by this reference (hereinafter referred to as the "Burdened Property"), for the benefit of the Alameda County Department of Environmental Health (the "County"), with reference to the following facts:

A. Contamination of the Burdened Property. Soil vapor at the Burdened Property was apparently contaminated by historic dry cleaner operations on the Burdened Property from 1960 to 1979, with possible contaminant migration from releases associated with operations at adjacent facilities. These operations resulted in contamination of soil vapor at the Burdened Property with the following organic chemicals detected above residential environmental screening levels (ESLs) established by the San Francisco Bay Regional Water Quality Control Board (Regional Water Board): tetrachloroethylene (PCE); benzene and ethylbenzene. These compounds constitute hazardous materials as that term is defined in Health & Safety Code Section 25260; however, the presence of a chemical at concentrations in excess of the conservative ESLs does not necessarily indicate adverse effects on human health or the environment.

B. Mitigation of the Hazardous Material. Corrective actions consisting of soil excavation and removal and vapor mitigation measures have been implemented to mitigate the risk of exposure to Occupants from volatile organic compounds on the Burdened Property. Vapor mitigation measures at the Burdened Property include vapor mitigation systems installed beneath selected buildings and utility trench plugs at key locations on the Property as documented in Exhibit B attached hereto and incorporated herein by this reference. The vapor mitigation system consists of a subslab vapor membrane and a passive subslab venting system beneath the membrane within the footprint of selected Buildings on the Property. The utility trench plugs are designed to mitigate the potential migration of soil vapor along selected utility corridors on the Burdened Property.

The operations and maintenance of the vapor mitigation systems, and the utility trench plugs, is pursuant to The Bungalows Townhomes Site Management Plan (SMP), prepared by Pangea Environmental, Inc., dated April 6, 2017 which is incorporated by reference, including future amendments hereto. The SMP may be found on the State Water Resources Control Board Geotracker website

http://geotracker.waterboards.ca.gov/profile_report?global_id=T10000011212.

The Covenantor and its successors and assigns shall hire a Qualified Environmental Professional to inspect the integrity of the vapor mitigation measures at the Burdened Property as specified in the SMP, and submit all requisite reports to the County via electronic transmittal to the State Water Board's Geotracker website (Geotracker Global ID: T10000011212) for the life of the Improvements at the Burdened Property. Covenantor on behalf of itself and its successors and assigns accepts ongoing annual County fees for oversight and review of annual reports by the County, as provided by Health and Safety Code §101480 and maintenance of a deposit/refund account as authorized in Alameda County Ordinance Code § 6.92.040L.

C. Exposure Pathways. The contaminants addressed in this Covenant were previously detected and may still be present in soil vapor on the Burdened Property. Without the mitigation measures which have been installed on the Burdened Property, exposure to these contaminants could take place via inhalation of vapor. The risk of public exposure to the contaminants has been substantially lessened by the remediation and mitigation measures described herein.

D. Adjacent Land Uses and Population Potentially Affected. The Burdened Property is used for residential purposes and is adjacent to residential and commercial land and uses.

E. Disclosure. Full and voluntary disclosure to the County of the presence of hazardous materials in the soil vapor under the Burdened Property has been made and extensive sampling of the Burdened Property has been conducted.

F. Use Restrictions. 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 not be redeveloped with new structures for occupancy or new utility corridors unless expressly permitted in writing by the County and shall continue to be used in such a manner as to avoid potential harm to persons or property that may result from exposure to hazardous materials that 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 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 of any portion of the Burdened Property, 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 Burdened Property. "Burdened Property" shall mean that certain portion of the Property particularly described in Exhibit A attached hereto as the "East Portion" or "East Sector".

2.2 County. "County" shall mean the Alameda County Department of Environmental Health and shall include its successor agencies, if any.

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

2.4 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 the Burdened Property.

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

2.6. Qualified Environmental Professional. "Qualified Environmental Professional" shall mean a person qualified to practice in California in the branch of civil engineering as a Registered Civil Engineer, or a subordinate working under the oversight of a Registered Civil Engineer.

ARTICLE III DEVELOPMENT, USE AND CONVEYANCE OF THE BURDENED PROPERTY

3.1 Restrictions on Development and Use. Covenantor on behalf of itself and its successors and assigns promises to restrict the use of the Burdened Property as follows:

a. No Owners or Occupants of the Burdened Property or any portion thereof shall conduct any excavation work on the Burdened Property, 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 Covenantor or his agent in accordance with all applicable provisions of local, state and federal law;

b. No Owners or Occupants of the Burdened Property shall cut, core, or otherwise penetrate the concrete slab of any buildings on the Burdened Property.

c. All uses and development of the Burdened Property shall be consistent with any applicable County cleanup orders or SMP, each of which is hereby incorporated by reference including future amendments thereto. All uses shall preserve the integrity of the vapor mitigation measures installed on the Burdened Property pursuant to the requirements of the County, unless otherwise expressly permitted in writing by the County.

d. The Owner shall notify the County of each of the following: (1) the type, cause, location and date of any disturbance to vapor mitigation system and trench plugs installed on the Burdened Property pursuant to the requirements of the County, which could affect the ability of such vapor mitigation systems and trench plugs 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 and shall be included in requisite reports in accordance with the SMP;

e. The Covenantor agrees that the County, and/or any persons acting pursuant to County cleanup orders, or responsible for implementing operations and maintenance activities, with respect to the vapor mitigation systems, and utility trench plugs, 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.

f. No Owner or Occupant of the Burdened Property shall 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 the vapor mitigation systems and utility trench plugs.

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 repair any damage to the vapor mitigation systems and trench plugs installed on the Burdened Property. 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 initial and subsequent Owners and Occupants shall execute a written instrument which 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 soil vapor, and is subject to a deed restriction dated as of APRIL 09, 2018, and recorded on APRIL 11, 2018 in the Official Records of Alameda County, California, as Document No. 2018072610 which Covenant and Restriction imposes certain covenants, conditions, and restrictions on usage of the Burdened Property described herein. This statement is not a declaration that a hazard exists.

ARTICLE IV VARIANCE AND TERMINATION

4.1 Variance. Any Owner or, with the Owner's consent, any Occupant of the Burdened Property or any portion thereof may apply to the County for a written variance from the provisions of this Covenant.

4.2 Termination. Any Owner or, with the Owner's consent, any Occupant of the Burdened Property or a portion thereof 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"

San Lorenzo Res, LLC
Attn: Mike Serra III
100 Saint Paul Street, Suite 300
Denver, Colorado 80206

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 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 the Department of Environmental Health. This instrument shall be recorded by the Covenantor in the County of Alameda within ten (10) days of the date of execution.

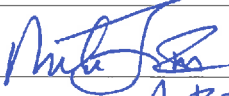
5.6 References. All references to Code sections include successor provisions.

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 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: San Lorenzo Res, LLC, a Colorado limited liability company

_____ MIKE SERNA - III
By: 
Title: Authorized Signatory
Date: April 9, 2018

Agency: Alameda County Department of Environmental Health

By: 
Title: Director RONALD BROWDER
Date: 04-11-2018

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

State of California

County of Alameda

On 4-11-2018 before me, C. CASTRO-JONES, Notary Public, personally appeared Ronald Browder

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 signatures(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.

Cj

Signature of Notary Public



(Notary Seal)

NOTARY INFORMATION

Notary Name: C. Castro-Jones
Commission Expires: March 11, 2021
Notary Commission Number: 2183091

Notary Phone: 925-323-4525
County of Principal Place of Business: Contra Costa

OPTIONAL INFORMATION

DESCRIPTION OF ATTACHED DOCUMENT

Covenant d Environmental

(Title of Document)

Number of Pages 4 (including acknowledgment)

Document Date 4-9-2018

(Additional Information)

CAPACITY CLAIMED BY THE SIGNERS

- Individual
- Corporate Officer
- Partner
- Attorney-In-Fact
- Trustee
- Other: _____

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

STATE OF ~~CALIFORNIA~~, COUNTY OF DENVER
COLORADO

On 4/9/18, before me CARMEN M. LIKINS, Notary Public,
personally appeared

MIKE SERRA III

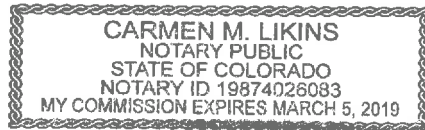
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is /are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s),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

Carmen M. Likins

Notary Public in and for said
County and State



STATE OF CALIFORNIA, COUNTY OF ALAMEDA

On 4-11-2018, before me CARSTO JONES, Notary Public,
personally appeared

RONALD BROWDER

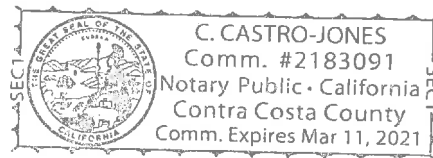
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is /are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s),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

Cj Jones

Notary Public in and for said
County and State



**LEGAL DESCRIPTION
EAST SECTOR – ENVIRONMENTAL CLOSURE SUMMARY
PORTION LOT 1, TRACT 8284 (343 M 20)**

REAL PROPERTY SITUATE IN THE UNINCORPORATED AREA OF ALAMEDA COUNTY, STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:

BEING A PORTION OF LOT 1, AS SAID LOT IS SHOWN ON THE FINAL MAP OF TRACT 8284 FILED ON SEPTEMBER 23, 2016 IN BOOK 343 OF MAPS AT PAGE 20, ALAMEDA COUNTY RECORDS AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID LOT 1; THENCE ALONG SOUTHERLY LINE OF SAID LOT NORTH 82°41'39" EAST 316.37 FEET TO THE **TRUE POINT OF BEGINNING**; THENCE NORTH 07°18'21" WEST 182.33 FEET; THENCE SOUTH 82°41'39" WEST 36.00 FEET; THENCE NORTH 07°18'21" WEST 91.57 FEET TO A POINT ON THE NORTHWESTERLY LINE OF SAID LOT, SAID POINT DISTANCE NORTH 56°31'25" EAST 372.45 FEET FROM THE NORTHWESTERLY CORNER OF SAID LOT; THENCE ALONG LAST SAID LINE NORTH 56°31'25" EAST 272.94 FEET TO THE EASTERLY LINE OF SAID LOT; THENCE ALONG LAST SAID LINE THE FOLLOWING THREE (3) COURSES: 1) SOUTH 27°23'45" EAST 182.83 FEET, 2) SOUTH 18°03'45" EAST 105.26 FEET AND 3) SOUTH 07°18'21" EAST 119.17 FEET TO SAID SOUTHERLY LINE OF SAID LOT; THENCE ALONG LAST SAID LINE SOUTH 82°41'39" WEST 291.40 FEET TO THE **POINT OF BEGINNING**.

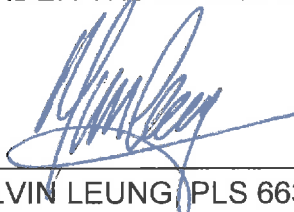
CONTAINING 98,003 SQUARE FEET, MORE OR LESS.

SEE EXHIBIT A – PLAT TO ACCOMPANY LEGAL DESCRIPTION WHICH ATTACHED HERETO AND MADE A PART HEREOF.

THE SOLE PURPOSE OF THIS DESCRIPTION IS FOR ITS USE IN CONJUNCTION WITH THE ENVIRONMENTAL CLOSURE SUMMARY FOR SAID LOT 1 (343 M 20).

END OF DESCRIPTION

THIS DESCRIPTION AND IT ACCOMPANYING PLAT WERE PREPARED BY OR UNDER THE DIRECTION OF:

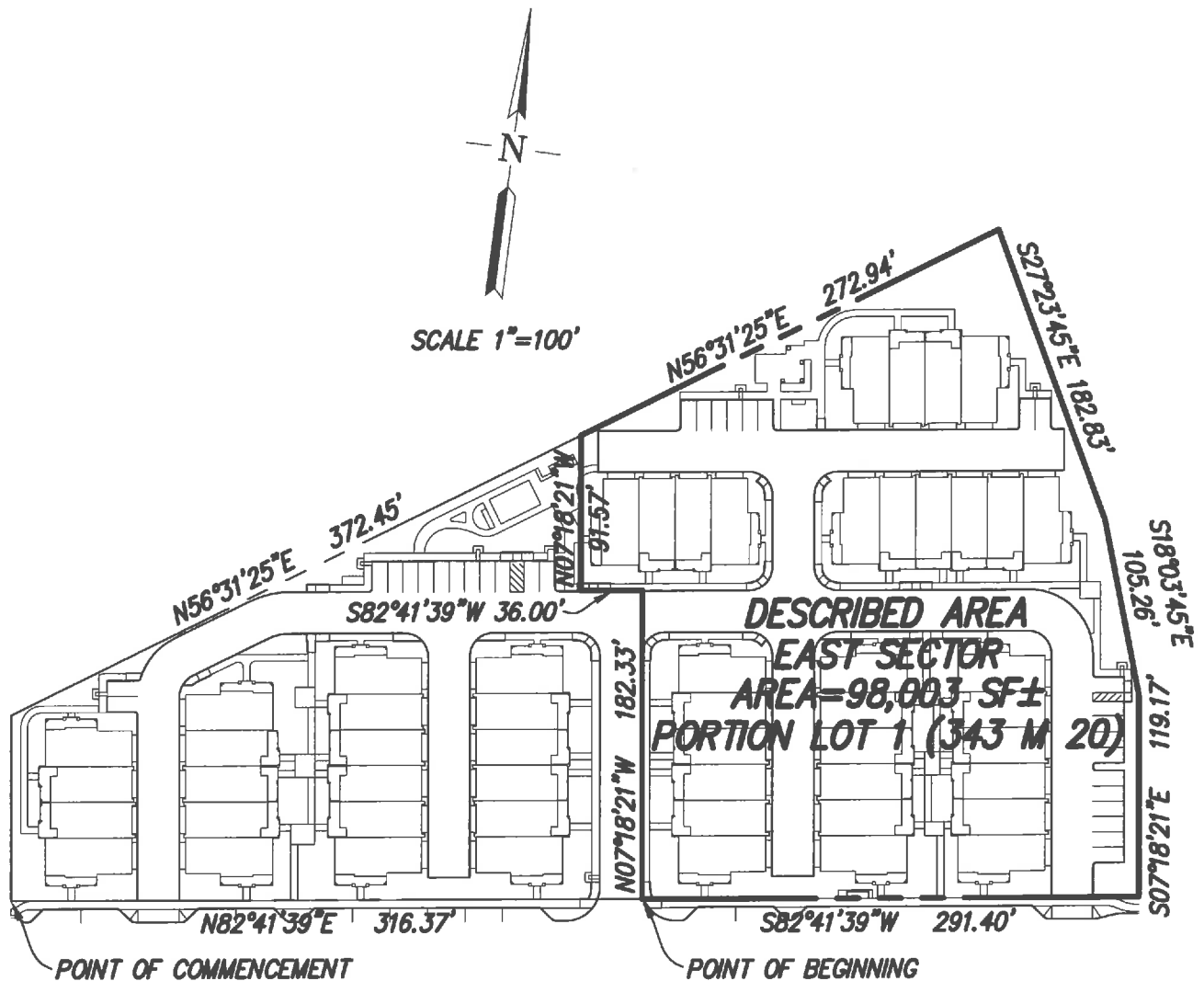

ALVIN LEUNG, PLS 6630

February 17, 2017

DATE



EXHIBIT A: LEGAL DESCRIPTION OF BURDENED PROPERTY [PAGE 2 OF 2]



FEBRUARY 17, 2017

EXHIBIT A
PLAT TO ACCOMPANY LEGAL DESCRIPTION
EAST SECTOR
ENVIRONMENTAL CLOSURE SUMMARY
PORTION LOT 1, TRACT 8284 (343 M 20)
ALAMEDA COUNTY CALIFORNIA

RJA
RUGGERI-JENSEN-AZAR
ENGINEERS • PLANNERS • SURVEYORS
4690 CHABOT DRIVE, SUITE 200 PLEASANTON, CA 94588
PHONE: (925) 227-9100 FAX: (925) 227-9300

SCALE:
1"=100'

DATE:
02-17-2017

JOB NO.:
151072

EXHIBIT B: TRENCH PLUG SURVEYED LOCATIONS [PAGE 1 OF 2]



1 inch = 30 ft.

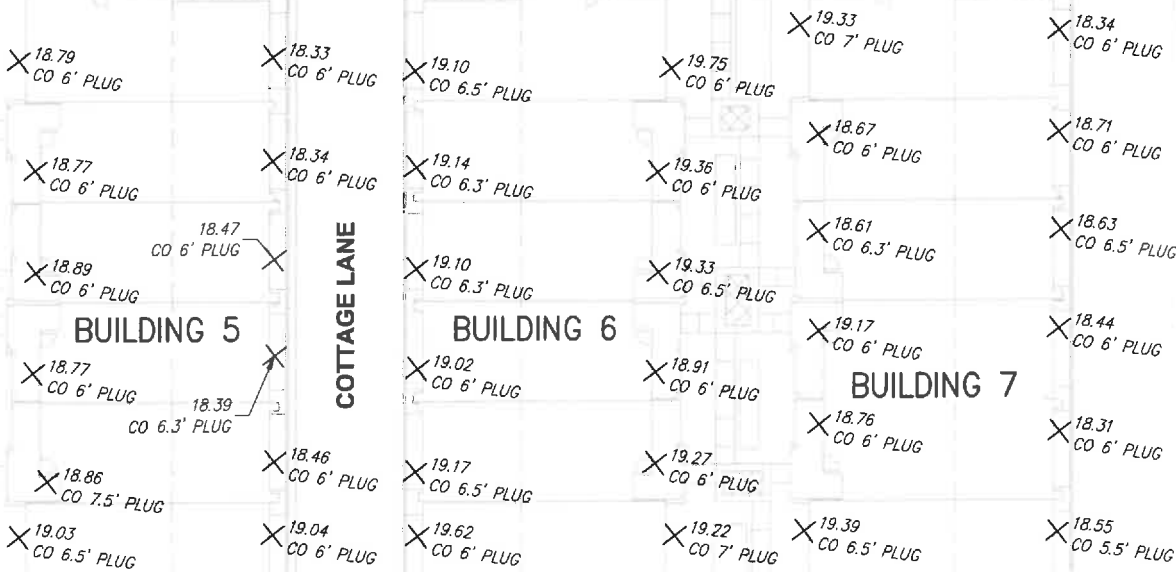


CARRIAGE LANE

COTTAGE LANE

CARRIAGE CIRCLE

BOCKMAN ROAD



SHEET 1 OF 2

**EXHIBIT B - TRACT 8284 (THE BUNGALOWS)
SURVEYED TRENCH PLUG LOCATIONS AT BUILDINGS 5, 6 & 7**

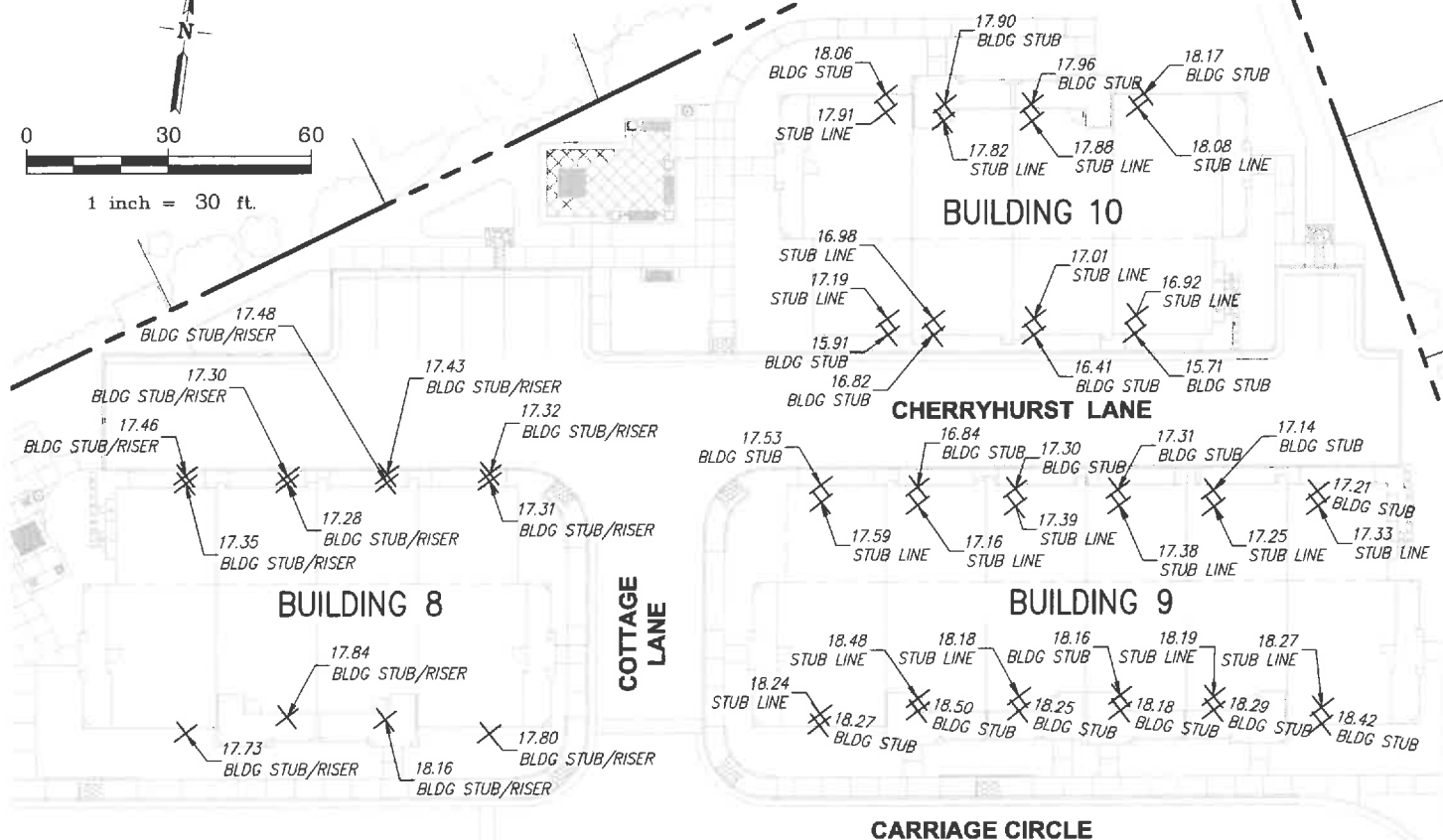
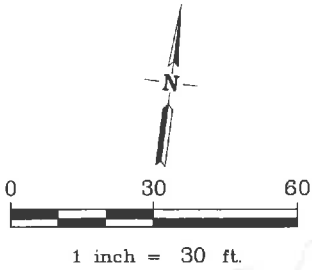
SAN LORENZO, COUNTY OF ALAMEDA, STATE OF CALIFORNIA



RUGGERI-JENSEN-AZAR
ENGINEERS • PLANNERS • SURVEYORS
4690 CHABOT DRIVE, SUITE 200 PLEASANTON, CA 94588
PHONE: (925) 227-9100 FAX: (925) 227-9300
DATE: MARCH 15, 2018 JOB NO: 151072

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EXHIBIT B: TRENCH PLUG SURVEYED LOCATIONS [PAGE 2 OF 2]



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EXHIBIT B - TRACT 8284 (THE BUNGALOWS)
SURVEYED TRENCH PLUG LOCATIONS AT BUILDINGS 8, 9 & 10

SAN LORENZO, COUNTY OF ALAMEDA, STATE OF CALIFORNIA

SHEET 2 OF 2

RJA
RUGGERI-JENSEN-AZAR
 ENGINEERS • PLANNERS • SURVEYORS
 4690 CHABOT DRIVE, SUITE 200 PLEASANTON, CA 94588
 PHONE: (925) 227-9100 FAX: (925) 227-9300
 DATE: MARCH 15, 2018 JOB NO.: 151072