

WHEN RECORDED MAIL TO:

City Clerk
City of Riverside
City Hall, 3900 Main Street
Riverside, CA 92522

Project P08-0074
7211 & 7223 Magnolia Avenue
APNs: 227-283-025 & 227-283-028

DOC # 2008-0520812

09/24/2008 08:00A Fee:30.00

Page 1 of 8

Recorded in Official Records

County of Riverside

Larry W. Ward

Assessor, County Clerk & Recorder



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**COVENANT AND AGREEMENT AND DECLARATION OF RESTRICTIONS
TO HOLD PROPERTY AS A UNIFIED PROJECT**

THIS COVENANT AND AGREEMENT AND DECLARATION OF RESTRICTIONS ("Agreement") is made and entered into this 26th day of August, 2008, by Mike D. Munaretto and Carol E. Munaretto, Trustees of the Munaretto Family Trust, Dated August 22, 1990 ("Owner"), and Jean Williams, an individual, ("Declarant") with reference to the following facts.

A. Owner is the fee simple title owner of that certain real property located at 7211 and 7223 Magnolia Avenue, Riverside, California APN Nos. 227-283-025 and 227-283-028 (collectively the "Property" and individually "Parcel") as legally described on Exhibits "A" and "B" which are attached hereto and incorporated herein by reference.

B. Owner leases the Property to Declarant under that certain AIR Commercial Real Estate Association Standard Industrial / Commercial Single-Tenant Lease - Gross, dated for November 6, 2007 (the "Lease").

C. Declarant has submitted an application to the City of Riverside ("City") for a conditional use permit ("CUP") under Planning Case P08-0074 for the development and operation of the Property as a Montessori School during the term of the Lease.

D. As a condition for approval of the CUP, the City is requiring Owner and Declarant to execute and record this Agreement restricting the use of the Property to a unified parcel ("Unified Parcel") for the school use contemplated in the CUP application during the Term (as defined below).

E. Owner and Declarant offer and agree to record this Agreement to put future owners, lessees, successors and assigns on notice of the Unified Parcel.

NOW, THEREFORE, for the purpose of putting future owners, lessees, successors and assigns on notice, Owner and Declarant hereby covenant and agree to the following covenants, conditions, and restrictions:

CIA 1057

1. Leasehold as a Unified Parcel. Declarant and Owner hereby agree that for so long as the Property, or the Parcel, is leased to Delcarant, its successor and assigns, under the Lease for the school use contemplated in the CUP application and the CUP remains in effect for such use (collectively, the "Term"), the Property and the Parcel shall only be occupied, sold, transferred, conveyed, leased and used as a Unified Parcel.

2. Notice of Sale or Transfer. In the event of any sale, lease or transfer (voluntary or involuntary) of the Property or the Parcel during the Term, Owner covenants and agrees to provide notice to the Planning Director of the City not less than thirty (30) days prior to the transfer of any interest in the Property or the Parcel. The foregoing notice requirement shall not apply to estate distributions upon the death of either trustee of Owner, gifting or other like transfers by Owner.

3. Notice of Lease Termination. Owner hereby covenants and agrees to provide notice to the Planning Director of the City not less than thirty (30) days prior to the early termination of the Lease.

4. Noncompliance. In the event of noncompliance with any provision under this Agreement, the City may take any and all enforcement actions provided for by any provision of the Riverside Municipal Code, or exercise any other remedy under the law to which the City may be entitled. Should the City or any party hereto bring an action to enforce the terms of this Agreement, the prevailing party shall be entitled to costs of suit, including reasonable attorneys' fees.

5. Successors. This Agreement during the Term hereof shall run with the land and shall be binding upon and inure to the benefit of Owners, their heirs, successors, future owners, encumbrancers, and assigns with respect to the subject Property, without any rights herein being deemed personal to any of them.

6. Deemed Consent. Any person who now or hereafter owns or acquires any right, title or interest in or to the Parcel of the Property during the Term hereof shall be deemed to have consented and agreed to every covenant, condition and restriction contained herein whether or not any reference to this Agreement is contained in the instrument by which such person acquired an interest in the Parcel of the Property.

7. Consent of the City Planning Director. This Agreement shall not be modified or amended without the prior written consent (not to be unreasonably withheld, conditioned or delayed) of the Planning Director of the City duly recorded.


8. Merger. This Agreement shall not be subject to the doctrine of merger, even though the underlying fee ownership of the Property described herein may become vested in one party or entity.



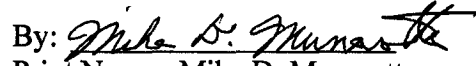
9. Termination of this Agreement. Notwithstanding the foregoing provisions of this Agreement, this Agreement shall terminate and be of no further force or effect upon the expiration or earlier termination of the Lease or the abandonment of the use of the Property for the purposes permitted under the Lease and requiring the CUP, whichever shall first occur. Upon such termination, Declarant shall sign, acknowledge and record in the official records of the County in which the Property is located a quitclaim deed in form and content reasonably acceptable to Owner terminating the record title effect of this Agreement.


IN WITNESS WHEREOF, Owner and Declarant have caused this Agreement to be executed as of the day and year first written above.

DECLARANT
Jean Williams, an individual

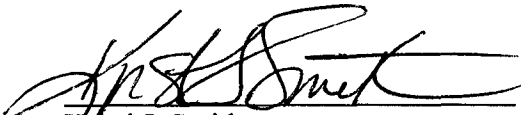
By: 
Printed Name: Jean Williams
Title: Individual

OWNER
Mike D. Munaretto and Carol E. Munaretto,
Trustees of the Munaretto Family Trust,
Dated August 22, 1990


By: 
Print Name: Mike D. Munaretto
Title: Trustee

By: 
Print Name: Carol E. Munaretto
Title: Trustee

APPROVED AS TO FORM


Kristi J. Smith
Supervising Deputy City Attorney

APPROVED AS TO CONTENT


Kyle Smith
Planning Division



ACKNOWLEDGMENT

State of California
County of RIVERSIDE

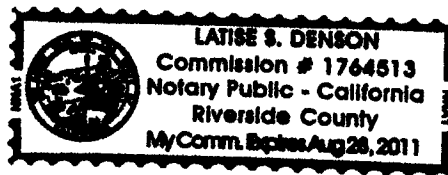
On Aug. 26, 2008, before me, LATISE S. DENSON, a

notary public, personally appeared MIKE D. MUNARETTO, who proved to me on the basis of satisfactory evenidence 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.

Latise S. Denson (SEAL)
Signature



ACKNOWLEDGMENT

State of California
County of RIVERSIDE

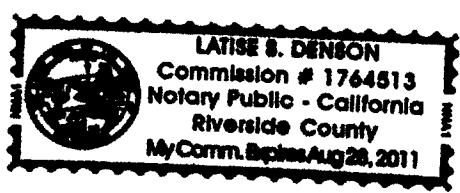
On Aug. 26, 2008, before me, LATISE S. DENSON, a

notary public, personally appeared JEAN K. WILLIAMS, who proved to me on the basis of satisfactory evenidence 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.

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WITNESS my hand and official seal.

Latise S. Denson (SEAL)
Signature



ACKNOWLEDGMENT

State of California
County of Riverside

On Aug. 26, 2008, before me, LATISE S. DENSON, a

notary public, personally appeared CAROL E. MUNARETTO, who proved to me on the basis of satisfactory evenidence to be the person(s) whose name(s) is/a/e 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.

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Latisé S. Denson (SEAL)
Signature

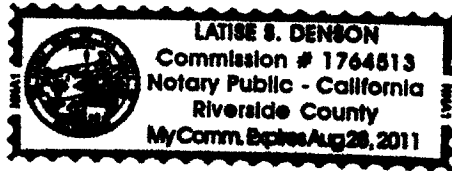


EXHIBIT "A"

7223 Magnolia Avenue

All those portions of Lots 2 and 3 of El Padro Rancho, as shown by map on file in Book 8 of Maps at page 14 thereof, Records of Riverside County, California, more particularly described as follows:

BEGINNING at the southwest corner of said Lot 2, thence southwesterly along the boundary of said Lot 3, a distance of 67.00 feet to a point therein;

THENCE Northwesterly, at a right angle, a distance of 195.00 feet;

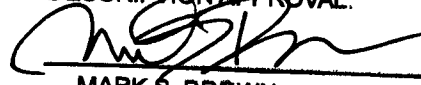
THENCE Northeasterly, at a right angle, a distance of 71.00 feet;

THENCE Southeasterly, at a right angle, a distance of 195.00 feet to a point in the southeasterly line of said Lot 2;

THENCE Southwesterly, at a right angle, along said southeasterly line, a distance of 4.00 feet to the point of beginning.

EXCEPTING therefrom that portion conveyed to the City of Riverside by Deed recorded September 28, 1979 as Instrument No. 206326, Official Records of Riverside County, California.

DESCRIPTION APPROVAL:


MARK S. BROWN
CITY SURVEYOR

9/19/08
DATE



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C/A 1057

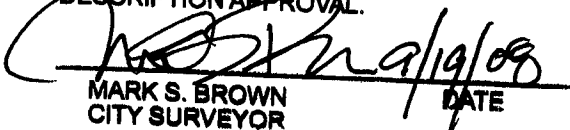
EXHIBIT "B"

7211 Magnolia Avenue

All those portions of Lots 1 and 2 of El Padro Rancho, as shown by map on file in Book 8 of maps, page 14 thereof, Records of Riverside County, California, more particularly described as follows:

COMMENCING at the Southwest corner of said Lot 2; thence Northeasterly along the Southeasterly line of said Lot 2, a distance of 4.00 feet for the true point of beginning; thence continuing Northeasterly along said Southeasterly line and along the Southeasterly line of said Lot 1, a distance of 86.00 feet to a point therein; thence Northwesterly, at a right angle, a distance of 195.00 feet; thence Southwesterly, at a right angle, a distance of 86.00 feet; thence Southeasterly, at a right angle, a distance of 195.00 feet to the true point of beginning.

EXCEPTING therefrom that certain parcel of land conveyed to the City of Riverside by deed recorded November 9, 1979, as Instrument No. 240614 of Official Records of Riverside County, California.

DESCRIPTION APPROVAL.

MARK S. BROWN
CITY SURVEYOR
DATE 9/19/08



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09/24/2008 08 00A
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C/A 1057