

Recording Requested By  
CHICAGO TITLE COMPANY

385481

OFFICIAL BUSINESS.  
Document entitled to free  
recording per Government  
Code Section 6103.

RECEIVED FOR RECORD  
AT 8:00AM

SEP 10 1998

Recording Requested by and  
When Recorded Mail to:

Recorded in Official Records  
of Riverside County, California

Recorder

Fees \$

THE CITY CLERK'S OFFICE  
OF THE CITY OF RIVERSIDE  
3900 Main Street  
Riverside, CA 92522

SPACE ABOVE THIS LINE  
FOR RECORDING USE

**DECLARATION OF COVENANTS,**  
**CONDITIONS AND RESTRICTIONS**

87046258-ES7

This Declaration of Covenants, Conditions and Restrictions (the "Declaration"), is dated for referenced purposes as of July 28, 1998.

**RECITALS**

A. The Redevelopment Agency of the City of Riverside, a corporate public body politic (the "Agency") has conveyed that certain residence and real property located at 3207 Orange Street in the City of Riverside, Riverside County, California, as more particularly described in **Exhibit "A"** attached hereto (the "Property") to Thomas E. & Ella M. Hoesman ("the Developer").

B. This conveyance is in accordance with, and subject to, the Amended and Restated Redevelopment Plan for the Merged Downtown and Airport Industrial Development Projects as approved and adopted by the City Council of the City of Riverside on May 6, 1997 by Ordinance Nos. 6373 and 6374, and the Mission Village Homeownership Zone (collectively the "Redevelopment Plan"). The Redevelopment Plan and related documents are public records on

Redevelopment Plan and related documents are public records on file in the offices of the City Clerk of the City of Riverside located at 3900 Main Street, Riverside, California 92522. The Redevelopment Plan and related documents are incorporated herein by reference.

C. This conveyance is also in accordance with, and subject to, that certain Disposition and Development Agreement dated July 28, 1998 ("Agreement") entered into by the Agency and the Developer for the Heritage Square Homes Project. The Agreement and related documents are public records on file in the offices of the City Clerk of the City of Riverside located at 3900 Main Street, Riverside, California 92522. The Agreement and related documents are incorporated herein by reference. Unless otherwise specified herein, all terms used in this Declaration shall have the meaning ascribed to them in the Agreement.

D. The specific purpose of the Agreement is to decrease blight and foster historic preservation in the Project Area by securing the Developer's rehabilitation of the Property in a manner that complies with the terms and conditions of the Agreement and the development standards, policies, and procedures of the Agency and the City of Riverside (the "City"). Therefore, fulfillment of the Agreement is in the vital and best interests of the Agency and the City of Riverside (the "City"), is in accord with the applicable State and Federal laws, and will serve the health, safety, and general welfare of the citizens and residents of the City.

E. The Agency has found that the cost to the Developer of completing the Project specified in the Agreement is in excess of the Fair Reuse Value of the Property at the use permitted, and under the conditions specified, in the Agreement. The Developer understands and acknowledges, for itself, its successors and its assigns, that purchase of the Property and completion of the Project would have been economically unfeasible without the assistance of the Agency. The Developer further understands and acknowledges, for itself, its successors and its assigns, that the purchase, use, maintenance, and transfer of the Property are not to be for the purposes of speculation or excess profitmaking within the meaning of California Health and Safety Code §33437 as that section now exists or as it may hereafter be amended, repealed and reenacted, or otherwise modified.

F. This Declaration of Covenants, Conditions, and Restrictions ("Declaration") was expressly required by the Agreement and is in furtherance of the goals and objectives of both the Redevelopment Plan and the Agreement. Therefore, the Developer, for itself, its successors, and its assigns, has agreed to acquire, use, maintain and transfer the Property under the Conditions, Covenants and Restrictions contained in this Declaration to ensure the success of the Agency's goal that the Property will be rehabilitated and blight will be removed from the Project Area.

**NOW, THEREFORE**, the Agency covenants and declares that the Property shall be held and conveyed subject to the Covenants, Conditions and Restrictions of this Declaration as described below.

**COVENANTS, CONDITIONS, AND RESTRICTIONS ON THE USE,  
MAINTENANCE, AND TRANSFER OF THE PROPERTY**

1. **Covenants, Conditions, and Restrictions Run With the Land:** The Covenants, Conditions, and Restrictions ("Covenants") set forth herein shall run with title to the Property and shall be binding upon the Developer, its successors, and its assigns. The Covenants established by this Declaration may be enforced by the Agency or any successor or assign of the Agency. The Developer, for itself and its successors, and its assigns, has covenanted and agreed not to challenge the Covenants as set forth in this Declaration or any right of the Agency created under this Declaration or the Agreement. The Developer, for itself and its successors, and its assigns, has further covenanted and agreed that these Covenants are not unreasonable restraints on any right to sell, convey, or otherwise transfer the interest of the Developer, its successors or assigns.

2. **Completion of the Project:** The Developer shall carry out and complete the Project as provided for under, and subject to, the terms and conditions of the Agreement. This Covenant shall terminate upon Completion as defined in the Agreement.

3. **Permitted Uses:** From and after the Closing Date as defined in the Agreement, the Developer, its successors, and its assigns, shall devote the Property to a use as an owner occupied Single Family Residence as defined in the Agreement. The Agency, or its successors, shall have the right, in its sole and absolute discretion, to permit such other or additional uses of the Property, provided,

however, that in no event shall any such uses be contrary to the Redevelopment Plan or the City's General Plan, Zoning Ordinance, or any Specific Plan that may be applicable to the Property (as any of the same may be in existence from time to time).

4. **Maintenance of the Property:** From and after the Closing Date as defined in the Agreement, the Developer, its successors and its assigns, shall, at their sole cost and expense, maintain the Property, including its improvements, fixtures and landscaping in good order, condition, and repair, and in accordance with the ordinances, rules, and regulations of the Agency and the City. From and after the Closing Date as defined in the Agreement, the Developer, its successors, and its assigns shall keep the Property (including its improvements, fixtures and landscaping), free from debris, waste materials, and graffiti and shall maintain the landscaping required under this Agreement, in a neat and healthy condition. In addition to whatever remedies the Agency may have for breach of the Covenants as set forth in this Declaration, if the Developer, its successors, or assigns, fails to cure any default relating to the foregoing maintenance of exterior improvements or landscaping within **thirty (30) days** after receipt of a written notice of default, the Agency, or its successor, may enter upon the Property without further notice and perform the necessary maintenance and repair and Developer, its successors, or its assigns, shall pay such costs as are incurred by Agency for said maintenance and repair, including, but not limited to, the costs of administrative services and legal services. The Agency shall also be entitled to a lien upon the Property to the extent of such costs, including, but not limited to, the costs of administrative services and legal services, and may perfect such lien by filing notice thereof with the appropriate entities. Any such lien shall be subordinate and subject to mortgages, deeds of trust, or other security instruments executed for the sole purpose of obtaining funds to complete the Project that are in accordance with the Agreement.

5. **Transfer Subsequent to Completion:** The Developer covenants and agrees for itself, its successors, and its assigns that the following restrictions shall apply to transfer of the Property subsequent to Completion as defined in the Agreement:

5.1 **Transfer to Governmental Agency:** From and after the Closing Date as defined in the Agreement, the Developer, its successors, and its assigns, shall not sell or transfer the fee interest

in the Property to any governmental or nongovernmental tax exempt entity that would result in the Property becoming exempt from the payment of real property taxes. The foregoing restrictions shall not apply to any of the following:

5.1.1 The conveyance or dedication of any part of the Property to the City or Agency or other appropriate governmental agency for street, utility, or other public purposes consistent with City and Agency Regulations;

5.1.2 A conveyance of less than a fee interest (e.g., a leasehold estate or easement rights); and

5.1.3 A conveyance resulting from eminent domain action or an acquisition under threat of an acquisition under threat of eminent domain.

5.1.4 A conveyance resulting from operation of Paragraph 7 of this Declaration.

5.2 **Prohibition on Leasing:** The Property (including any improvement or fixture thereto) or any part thereof, shall only be used and maintained as an owner occupied Single Family Residence as defined in the Agreement. The Developer, its successors, and its assigns, shall not rent, lease, or sublease the Property (including any improvement or fixture thereto) or any part thereof, or otherwise transfer or attempt to transfer a tenancy or leasehold interest in the Property (including any improvement or fixture thereto) or any part thereof. Nothing in Paragraph 6 of this Declaration shall vest, or be interpreted as vesting, the Developer, its successors, or its assigns with any right to transfer the Property, or any interest therein, in contravention of this Paragraph 5.

5.3 **Notice of Transfer:** Prior to selling, conveying or otherwise transferring any interest in the Property, the Developer, its successors, and its assigns, shall deliver a written notice to the Agency setting forth the name, address and phone number of the transferee, and the type of transfer (i.e. sale, lease, mortgage, deed of trust, foreclosure). The notice shall be sent by certified mail, return receipt requested to the Agency at the address set forth below:

REDEVELOPMENT AGENCY  
City of Riverside  
3900 Main Street  
Riverside, California 92622

6. **Nondiscrimination and Nonsegregation:**

6.1 **Obligation to Refrain from Discrimination:** The Developer, its successors, and its assigns, shall refrain from restricting the rental, sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property (or any part thereof) on the basis of race, color, creed, religion, sex, marital status, ancestry, national origin, familial status, physical disability, mental disability, or medical condition (including, but not limited to, Acquired Immune Deficiency Syndrome (AIDS), the Human Immune Deficiency Virus (HIV), or condition relating thereto), of any person or group of persons, and shall comply with the applicable anti-discrimination provisions of the Americans with Disabilities Act (42 U.S.C. §12101 *et seq.*) and the California Fair Employment and Housing Act (Cal. Government Code §12900 *et seq.*) as they may now exist or as they may hereafter be amended, repealed and reenacted, or otherwise modified. Neither the Developer, its successors, its assigns, nor any person claiming under or through it, shall establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy or tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed.

6.2 **Nondiscrimination and Nonsegregation Clauses:** Any deeds, leases, or contracts which are proposed to be, or which are, entered into with respect to the rental, sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property (or party thereof), shall be subject to, and shall expressly contain, nondiscrimination or nonsegregation clauses in substantially the following form:

6.2.1 **In Deeds:** "The grantee herein covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that it shall comply with the applicable anti-discrimination provisions of the Americans with Disabilities Act (42 U.S.C. §12101 *et seq.*) and the California Fair Employment and Housing Act (Cal. Government Code §12900 *et seq.*) as they may now exist or as they may hereafter be amended, repealed and

reenacted, or otherwise modified, and that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, ancestry, national origin, familial status, physical disability, mental disability, or medical condition (including, but not limited to, Acquired Immune Deficiency Syndrome (AIDS), the Human Immune Deficiency Virus (HIV), or condition relating thereto), in the rental, sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee itself or any person claiming under or through it, establish or permit any such practice or practices or discrimination or segregation with reference to the selection, location, number, use or occupancy or tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

6.2.2 **In Leases:** "The lessee covenants by and for itself, its successors and assigns, and all persons claiming under or through them, that it shall comply with the applicable anti-discrimination provisions of the Americans with Disabilities Act (42 U.S.C. §12101 *et seq.*) and the California Fair Employment and Housing Act (Cal. Government Code §12900 *et seq.*) as they may now exist or as they may hereafter be amended, repealed and reenacted, or otherwise modified, and that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, ancestry, national origin, familial status, or physical disability, mental disability, or medical condition (including, but not limited to, Acquired Immune Deficiency Syndrome (AIDS), the Human Immune Deficiency Virus (HIV), or condition relating thereto), in the rental, leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased, nor shall the lessee itself or any person claiming under or through it, establish or permit any such practice or practices or discrimination or segregation with reference to the selection, location, number, use or occupancy or tenants, lessees, subtenants, sublessees, or vendees in the premises herein leased."

6.2.3 **In Contracts:** "There shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, ancestry, national origin, familial status, or physical disability, mental disability, or medical condition (including, but not

limited to, Acquired Immune Deficiency Syndrome (AIDS), the Human Immune Deficiency Virus (HIV), or condition relating thereto), in the rental, sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the land or premises affected by this instrument, nor shall the contracting or subcontracting party or parties, or other transferees under this instrument, or any person claiming under or through it, violate shall the applicable anti-discrimination provisions of the Americans with Disabilities Act (42 U.S.C. §12101 *et seq.*) and the California Fair Employment and Housing Act (Cal. Government Code §12900 *et seq.*) as they may now exist or as they may hereafter be amended, repealed and reenacted, or otherwise modified, establish or permit any such practice or practices or discrimination or segregation with reference to the selection, location, number, use or occupancy or tenants, lessees, subtenants, sublessees, or vendees of the land. This provision shall obligate the contracting and subcontracting party or parties, and other transferees under this instrument or any person claiming under or through it."

7. **Use of City of Riverside Utilities:** The Developer, its successors, and its assigns, shall purchase from the City (including its constituent agencies) electrical utility service, and all other utility services, for the Property as are available for purchase from the City (including its constituent agencies).

8. **Speculation in Land Prohibited:** The Developer, its successors, and its assigns, shall use, maintain, and transfer the Property in such a manner as to prevent speculation and/or excess profttaking in the Property within the meaning of California Health and Safety Code §33437 as that section exists on the date of this Agreement or as it may thereafter be amended, repealed and reenacted, or otherwise modified.

9. **Compliance with Applicable Laws:** The Developer, its successors, and its assigns, shall use, maintain, and transfer the Property in conformity with all applicable federal, state, and local laws, rules, regulations, and ordinances, including, but not limited to, the Americans with Disabilities Act (42 U.S.C. §12101 *et seq.*) and the California Fair Employment and Housing Act (Cal. Government Code §12900 *et seq.*), as they exist on the date of this Agreement or as they may thereafter be amended, repealed and reenacted, or otherwise modified.



10. **Effect and Duration of Covenants, Conditions, and Restrictions:** The Covenants established in this Declaration shall, without regard to technical classification and designation, be binding on the Developer, its successors and assigns, for the benefit and in favor of the Agency, its successors, and its assigns, and these Covenants shall remain in effect until July 28, 2028, being a date **thirty (30) years** from the date of the Agreement, except that the Covenants regarding non-discrimination and non-segregation (as set forth in Paragraph 6 of this Declaration) shall remain in effect in perpetuity, and except that the Covenants regarding purchase of City utilities (as set forth in Paragraph 7 of this Declaration), as to each utility service that is available for purchase from the City, shall remain in effect until the earlier of July 28, 2028, being a date **thirty (30) years** from the date of this Agreement, or until such utility service is no longer available for purchase from the City, and further except that the Covenants regarding carrying out and completing the Project (as set forth in Paragraph 2 of this Declaration), shall terminate upon Completion as defined in the Agreement.

11. **Remedies Resulting From Enforcement of Declaration:** The disposition of the Property and completion of the Project in accordance with the Agreement is of a special and unique kind and character and the rights granted to the Agency, its successors, and its assigns, hereunder are of a similar special and unique kind and character so that if there is a breach by the Developer, its successors, or its assigns, of any material provision of the Covenants embodied in this Declaration, the Agency, its successors, and its assigns, would not have an adequate remedy at law. Therefore, the Agency's rights, and those of its successors, and its assigns hereunder may be enforced by an action for specific performance and such other equitable relief as is provided by the laws of the State of California. Further, by acquiring title to the Property, Developer, its successors, and its assigns, acknowledge that during the effective period of these Covenants, the ownership of the Property is not an unrestricted right or entitlement. Therefore, upon any determination by a court of law or equity that the Developer, its successors or assigns, has breached the terms of these Covenants, such court of law or equity is specifically authorized to order the sale of the Property by the Developer, its successors or assigns, to the Agency, its successors, or its assigns for the Fair Reuse Value of the Property as determined by an appraisal procured by the Agency, its successors, or its assigns.

Such payment of the purchase price shall be made in cash to the Agency, its successors, or its assigns within **sixty (60) days** of the court's determination that Developer, its successors or assigns, is in breach and title shall be conveyed to Agency, concurrently with such payment. In any action seeking enforcement or interpretation of any of the terms or provisions of the Covenants, the prevailing party shall be awarded, in addition to damages, injunctive relief, or other relief, its reasonable costs and expenses, including, but not limited to taxable costs, reasonable attorneys's fees, and reasonable fees of expert witnesses.

**12. Enforcement of Covenants, Conditions and Restrictions by Agency:** The Agency, its successors, or its assigns has the right, but not the duty, to enforce the provisions of these Covenants, Conditions and Restrictions, whether embodied in the Agreement, Grant Deed or Declaration. However, the Agency, its successors, or its assigns shall have no obligation to enforce these Covenants, Conditions and Restrictions and shall have no liability for not enforcing the same.


**IN WITNESS WHEREOF**, the Agency has executed this Declaration which shall be effective as of the date of recordation hereof in the Official Records of the County of Riverside, State of California.

**GRANTOR**


**Redevelopment Agency of the  
City of Riverside**

By:   
Executive Director

**ATTESTATION**

By:   
For Agency Secretary

**APPROVED AS TO FORM**

By:   
Agency General Counsel

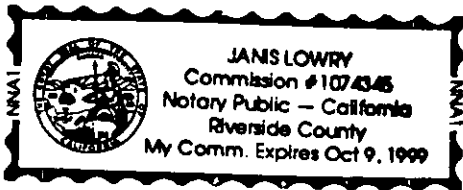
**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California }  
County of RIVERSIDE } ss.

On JULY 29, 1998, before me, JANIS LOWRY NOTARY PUBLIC,  
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")  
personally appeared ROBERT C. WALKES & EVA A. CORREA,  
Name(s) of Signer(s)

personally known to me  
 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.



Place Notary Seal Above

WITNESS my hand and official seal.

Janis Lowry  
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**

Signer's Name: \_\_\_\_\_

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

Signer Is Representing: \_\_\_\_\_



CIA 622

## Exhibit "A"

## Legal Description

3207 Orange Street  
Riverside, California

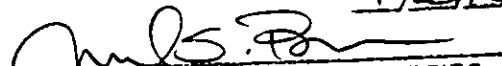
That portion of Block 2, Range 6 of the Town of Riverside, City of Riverside, County of Riverside, State of California, as shown by Map on file in Book 7, Page 17 of Maps, Records of Riverside County, described as follows:

Beginning at the Northeasterly Corner of said block;  
Thence southerly, along the Westerly Line of Orange Street, 60 feet;  
Thence at right angles Westerly, Parallel with the Southerly line of Second Street 157.5 feet;  
Thence at right angles Northerly, parallel with the Westerly line of Orange Street, 60 feet, to the Southerly line of Second Street;  
Thence Easterly, along the Southerly line of Second Street, 157.5 feet, to the point of beginning.

Said Land is pursuant to that certain Certificate of Compliance for Lot Line Adjustment recorded September 22, 1997 as Instrument No. 345128, Official Records

DESCRIPTION APPROVAL

7/28/98

  
CITY OF RIVERSIDE