

First American Title Company

Escrow No. NCS - 131038-SC

CONFORMED COPY

Recording Requested By:

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Hewlett-Packard Company
Attn: Jonathan Bauer
3000 Hanover Street
Palo Alto, CA 94304

When Recorded, Mail To:

Bruce H. Wolfe, Executive Officer
California Regional Water Quality Control Board
San Francisco Bay Region
1515 Clay Street, Suite 1400
Oakland, California 94612

COVENANT AND ENVIRONMENTAL RESTRICTION ON PROPERTY

690 East Middlefield Road, Mountain View, California

This Covenant and Environmental Restriction on Property (this "Covenant") is made as of the 19th day of April, 2007 by Hewlett-Packard Company ("Covenantor") who is the fee Owner of record of that certain property situated at 690 East Middlefield Road, in the City of Mountain View, County of Santa Clara, State of California (hereinafter referred to as the "Burdened Property"), which is more particularly described in Exhibit A attached hereto and incorporated herein by this reference for the benefit of the California Regional Water Quality Control Board for the San Francisco Bay Region (the "Board") with reference to the following facts:

A. The Burdened Property and groundwater underlying the Burdened Property contains hazardous materials.

B. Contamination of the Property. The Burdened Property contains hazardous materials as that term is defined in Health & Safety Code Section 25260, including without limitation volatile organic chemicals that were released from an underground solvent storage tank area and a loading dock area that existed on the Burdened Property. Remediation activities were, and are being, conducted to remediate any soil and/or groundwater contamination; however, the groundwater contains contaminants at concentrations that exceed drinking water standards. Due to the presence of buildings on the Burdened Property, investigation and remediation activities have been restricted. The current level of investigation on the Burdened Property is not adequate to consider unrestricted uses (i.e. sensitive uses) of the Burdened Property. Prior to considering sensitive uses of the Burdened Property, additional investigation, risk analysis and possible remediation may be necessary.

C. Exposure Pathways. The hazardous materials addressed in this Covenant are present

in soil and groundwater on the Burdened Property. The risk of public exposure to these contaminants has been substantially lessened by the remediation and controls described herein. Without this Covenant, exposure to these contaminants could take place via ingestion of groundwater, dermal contact, or inhalation of dust or vapor.

D. Adjacent Land Uses and Population Potentially Affected. The Burdened Property is currently used for commercial purposes and is adjacent to commercial and light industrial properties.

E. Disclosure and Sampling. Full and voluntary disclosure to the Burdened Board of the presence of such hazardous materials on the Burdened Property has been made and limited sampling of the Burdened Property has been conducted, due to the presence of existing buildings.

F. Purpose of Covenant. Covenantor desires and intends that in order to benefit the Board, and to protect 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 in and on the Burdened Property. The Order provides for the remediation of any soil and groundwater contamination at the property subject to the Order. Covenantor desires to implement a deed restriction for the site, prohibiting any use of contaminated on-site groundwater until a determination has been made that groundwater cleanup standards have been achieved and pollutant levels have stabilized in the aquifers beneath the Property. In addition, the Covenantor desires to restrict the use of the Burdened Property to commercial/industrial uses and prohibit sensitive uses on the Burdened Property.

Covenantor desires and intends that the use of contaminated groundwater under the Burdened Property for any purpose be prohibited, subject to the requirements stated herein. This Covenant is being made pursuant to Civil Code § 1471.

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, future purchasers, ground lessees, or possessors of the Burdened Property and shall be deemed for the benefit of the Board and all Owners and Occupants. Each and all of the Restrictions are imposed upon the entire Property unless expressly stated as applicable to a specific portion of the 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 Board.

1.2 Concurrence of Owners and Lessees Presumed. All future purchasers, lessees, or possessors of any portion of the Burdened Property shall be deemed by their purchase, leasing, or possession of such 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 Board and such Owners and Occupants of the Burdened Property and that the interest of such 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. Covenantor desires and covenants that pursuant to Section 3.3 below, the Owner shall provide notice of the existence of the Covenant and Environmental Restrictions until removed.

1.4 Purpose. It is the purpose of this instrument to convey to the Board real property rights and to restrict the use of the Burdened Property as provided herein, which restrictions will run with the land, to facilitate the remediation of any past environmental contamination and to protect human health and the environment by reducing the risk of potential exposure to residual hazardous materials.

ARTICLE II DEFINITIONS

2.1 Board. "Board" shall mean the California Regional Water Quality Control Board for the San Francisco Bay Region 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 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. Development and use of the Burdened Property shall be restricted to industrial, commercial (including retail) or office space;
- b. No residences for human habitation, hospitals, schools for persons under 21 years of age, day care centers for children, or day care centers for Senior Citizens shall be permitted on the Burdened Property, except as otherwise allowed through the variance process in paragraph 4.1;
- c. All uses and development of the Burdened Property shall be consistent with any applicable Board Order or 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 groundwater monitoring system installed on the Burdened Property pursuant to the requirements of the Board, unless otherwise expressly permitted in writing by the Board;
- d. No Owners or Occupants of the Burdened Property or any portion thereof shall drill, bore into contaminated groundwater, otherwise construct, or use a well for the purpose of extracting groundwater for any use, including but not limited to, domestic, potable, or industrial uses, unless expressly permitted in writing by the Board;
- e. The Owners or Occupants shall notify the Board 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 the groundwater monitoring system installed on the Burdened Property pursuant to the requirements of the Board, 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 Board shall be made by registered mail within ten (10) business days of both the discovery of such disturbance and the completion of repairs;
- f. The Covenantor agrees that the Board, and/or any persons acting pursuant to Board 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; and
- g. No Owner or Occupant of the Burdened Property shall act in any manner that will aggravate or contribute to the existing hazardous materials in the soil and groundwater at the Burdened Property.

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 Board, by reason of this Covenant, to have the authority to require that the Owner modify or remove any Improvements (including groundwater wells) constructed in violation of that paragraph. Violation of the Covenant shall be grounds for the Board to file civil actions as provided by law against the Owner and/or Occupant violating the Covenant.

3.3 Notice in Agreements. After the date of recordation hereof, all Owners, Occupants, their agents and assigns, shall execute a written instrument, which shall accompany all future 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 groundwater under the property, and is subject to a Covenant and Environmental Restriction dated as of April 19, 2007, and recorded on _____, 2007, in the Official Records of Santa Clara 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 or, with the Owner's consent, any Occupant of the Burdened Property or any portion thereof may apply to the Board 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 Board for a termination of the Restrictions as they apply to all or any portion of the Burdened Property. This Covenant shall terminate upon the recordation of a written notice from the Board stating that this Covenant has so terminated. Additionally, the obligations of an Owner under this Covenant shall terminate at such time as such Owner ceases to hold fee title to the Burdened Property, and the obligations of an Occupant under this Covenant shall terminate at such time as such Occupant ceases to have the exclusive right to use and/or occupy any portion of the Burdened Property.

4.3 Term. Unless altered in accordance with paragraph 4.1 or 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"

Hewlett-Packard Company
3000 Hanover Street
Palo Alto, CA 94304
Attn: Environmental Counsel

If To: "Board"

Regional Water Quality Control Board
San Francisco Bay Region
Attention: Executive Officer
1515 Clay Street, Suite 1400
Oakland, California 94612

Any notice, demand, or other communication to be given to any Owner with respect to this Covenant shall be delivered at or mailed to such address(es) as such Owner may from time to time specify by written notice given the Board in accordance with the provisions of this Section.

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 Executive Officer of the Board. This instrument shall be recorded by the Covenantor in the County of Santa Clara 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: Hewlett-Packard Company

By: Steve Brashers
 steve Brashers
Title: VP of Real Estate
Date: 4/19/2007

Agency: State of California
 Regional Water Quality Board,
 San Francisco Bay Region

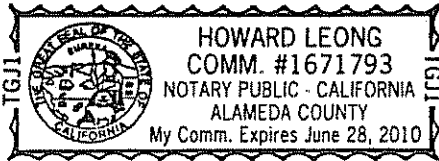
By: Bruce H. Wolfe
 Bruce H. Wolfe
Title: Executive Officer
Date: April 18, 2007

STATE OF CALIFORNIA)
) ss.
COUNTY OF ALAMEDA)

On APRIL 18, 2007, before me, HOWARD LEONG, a Notary Public in and for said County and State, personally appeared BRUCE H WOLFE, 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.

Howard Leong
Signature of Notary Public



STATE OF CALIFORNIA)
) ss.
COUNTY OF SANTA CLARA)

On APRIL 19, 2007, before me, VALYNN VALANDANI, a Notary Public in and for said County and State, personally appeared STEVE BRASHEAR, 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.

Valynn Valandani
Signature of Notary Public

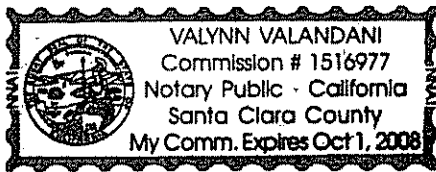


EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

Real property in the City of Mountain View, County of Santa Clara, State of California, described as follows:

PORTION OF LOT 6 and 6A, as shown upon that certain Map entitled, "Map of the Partition of that part of the Rancho Pastoria de Las Borregas Patented to Martin Murphy, Jr.", which Map was filed for record in the office of the Recorder of the County of Santa Clara, State of California, on April 29, 1893 in Book G of Maps at Pages 74 and 75, and more particularly described as follows: BEGINNING at the point of intersection of the center line of Mountain View-Alviso Road (60.00 feet in width), with the Southeasterly prolongation of the Northeasterly line of Middlefield Road, as said line was established by Deed from Ira M. Higgins et ux, to the City of Mountain View, a municipal corporation, dated January 18, 1961, recorded February 7, 1961 in Book 5066 Official Records, Page 212, Santa Clara County Records; thence from said point of beginning North 51° 48' East along said center line of Mountain View-Alviso Road for a distance of 59.56 feet to a granite monument No. 3; thence North 49° 12' East continuing along said center line of Mountain View-Alviso Road for a distance of 915.09 feet to an iron bar from which the granite monument No. 4 bears North 49° 12' East 3.05 ½ chains to said iron bar being also the Southernmost corner of the 101.56 acre tract sold by George Swall to James Logue and wife, by Deed of November 16, 1905 and recorded in the office of the County Recorder of the County of Santa Clara in Book 301 of Deeds, Page 336; said point being the point of intersection of the said center line of Mountain View-Alviso Road, with the Southeasterly prolongation of the Southwesterly line of Lot 1, as said Lot is shown upon that certain Map entitled, "Tract No. 2917", which Map was filed for record in the office of the Recorder of the County of Santa Clara, State of California, on July 26, 1961 in Book 138 of Maps at Pages 24 and 25; thence North 50° 32' 40" West along said prolongation and the Southwesterly line of said Lot 1 for a distance of 1093.74 feet to the point of intersection thereof with the Southeasterly line of Logue Avenue, as said line was established by Deed from Ira M. Higgins et ux, to the City of Mountain View, a municipal corporation, dated May 3, 1962, recorded May 10, 1962 in Book 5570 Official Records, Page 520, Santa Clara County Records; thence along the said Southeasterly line of Logue Avenue for the following courses and distances: South 16° 18' West 666.31 feet; thence Southwesterly along an arc of a curve to the right, tangent to the preceding course, with a radius of 290.00 feet through a central angle of 34° 36' 21", for an arc distance of 175.16 feet; thence on a reverse curve to the left, with a radius of 35.00 feet, through a central angle of 89° 07' 06", for an arc distance of 54.44 feet to a point in the said Northeasterly line of Middlefield Road; thence South 38° 12' 45" East along said Northeasterly line of Middlefield and its Southeasterly prolongation thereof for a distance of 635.94 feet to the Point of Beginning.

EXCEPTING THEREFROM that portion of the above described lands conveyed to the State of California in the instrument recorded September 6, 1968 Book 8254, Page 160.

APN: 160-59-007