RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:

DELPHI ASSOCIATES C/O MARVIN B. STARR 1331 NORTH CALIFORNIA BOULEVARD FIFTH FLOOR WALNUT CREEK, CA 94596



OFFICIAL RECORDS SONOMA COUNTY BERNICE A. PETERSON

07/27/1998

13.00 PG\$/ADD . 00

09:02:40

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COVENANT AND ENVIRONMENTAL RESTRICTION ON PROPERTY

21600 Eighth Street East County of Sonoma

This Covenant and Restriction on Property ("Covenant") is made July 1997, 1998 between Niels A. Chew, Trustee, and Susan W. Chew, Trustee, of the Chew Family Revocable Trust, dated August 14, 1991, As Amended, the fee owner of the property commonly known as 21600 Eighth Street East, Sonoma, California, which is more particularly described in Exhibit "A" (the "Property"), and the Regional Water Quality Control Board, San Francisco Bay Region ("Regional Board").

- Restrictions: Residual hydrocarbons remain in the soil beneath the Main Building presently located on the Property; residual hydrocarbons are considered hazardous materials as defined in Health and Safety Code 25260. In the event of construction or demolition of the existing structure the contaminated soil thereunder shall be disposed of in the appropriate manner approved by the Regional Board. Also, the asphalt cap on the Property shall at all times be maintained in good condition and repair. The identification and the location of the "Main Building" and the "Asphalt Cap" referred to herein are as shown on the map prepared by Allwest Environmental, Inc. dated March 16, 1998, attached hereto as Exhibit "B" to this document.
- 2. Enforceable Covenant Running with the Land: This Covenant is an enforceable agreement pursuant to the Water Code and Civil Code section 1471. All restrictions described herein are for the mutual benefit of the Property and the Regional Board and shall run with the land pursuant to Civil Code section 1471. Such restrictions shall pass with each and every portion of the Property, and shall apply to, inure to the benefit of, and bind the respective successors in interest thereof. All purchasers, lessees, or possessors of any portion of the Property shall be deemed by their purchase, lease, or possession, to be in accord with the foregoing and to agree for themselves, their successors, heirs, and assigns, including their agents and employees, that their interest in the Property

shall be subject to the foregoing restrictions. Recordation of this Covenant shall make its terms binding on all purchasers, lessees, successors, and assigns, regardless of whether a copy of the Covenant has been attached to a given deed or lease. For information purposes, a copy of this Covenant shall be attached to future leases of the Property. This Covenant shall be specifically enforceable by the Regional Board.

3. Application for Variance Or Termination: Any Owner, or with Owner's consent, any Occupant of the Property or any portion thereof may apply to the Regional Water Board for a Written variance from or termination of the provisions of this Covenant. Any applicant seeking a variance or termination of the Restrictions shall pay the Board all costs incurred by the Board in processing the application.

4. Requirement of Notice:

Within thirty (30) days after the closing of any sale, lease or other conveyance of all or any portion of the Property, the Owner shall provide a written notice to the Regional Water Board of the name of the purchaser, lessee or any other person or entity acquiring an interest in the Property. The Owner shall also provide not less than thirty (30) days written notice to the Regional Water Board of any construction or demolition that will impact on the main building.

5. Notice: 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 to all other parties, if personally delivered to the person being served or to an officer of a corporate party being served or an official of a government agency being served or (2) three (3) business days after deposit in the mail to all other parties if sent by United States mail, postage paid certified, return receipt requested:

If to the Board: CA Regional Water Quality Control Board

San Francisco Bay Region

2101 Webster Street, Suite 500

Oakland, CA 94612

Attention: Executive Officer

If to the Owner: Owner of the Property

21600 East Eighth Street

Sonoma, CA 95476

Unless terminated by law or otherwise, this Covenant shall continue in effect in perpetuity.

In witness whereof the parties execute this Covenant as of the date set forth above.

CHEW FAMILY REVOCABLE TRUST

REGIONAL WATER QUALITY CONTROL BOARD, SAN FRANCISCO BAY REGION

Title:

Trustee

Title:

Susan W. Chew

Title:

Trustee

STATE OF CALIFORNIA

COUNTY OF SOLOMA

SS.

, before me, the undersigna, a Notary Public in and for said County, personally appeared Niels A. Chew and Susan W. Chew proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities as Trustees of the Chew Family Revocable Trust, and that by their signatures on the instrument the persons executed the instrument.

WITNESS my hand and official

Notary Public

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CATHERINE N. SOWELL COMM. #1128326 NOTARY PUBLIC - CALIFORNIA SONOMA COUNTY My Comm. Expires Mer. 11, 2001

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