

DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS AND GRANT OF EASEMENTS FOR
ONE FORD ROAD COMMUNITY ASSOCIATION

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND GRANT OF EASEMENTS ("Declaration") is made on the 20th day of March, 1998, by PACIFIC BAY PROPERTIES, a California corporation ("Declarant").

R E C I T A L S:

A. Declarant is the owner of fee title to certain real property in the City of Newport Beach, County of Orange, State of California, more particularly described on Exhibit "A" and generally depicted on Exhibit "A-1" attached hereto and incorporated herein by reference, which real property so described is referred to herein sometimes as the "Original Property" and sometimes as the "Property" (it being understood that the term Property shall mean the Original Property and such additions thereto as hereafter may be brought under the coverage of the Declaration and within the jurisdiction of the Association).

B. Declarant also owns fee title to that certain additional real property which is located in the City of Newport Beach, County of Orange, State of California, which is adjacent to the Original Property. Such additional real property is sometimes referred to herein as the "Additional Property" and is more particularly described on Exhibit "B" and generally depicted on Exhibit "B-1" attached hereto and incorporated herein by reference (without warranty that the Additional Property will be subdivided or configured as set forth on the Exhibit "B-1").

C. Declarant intends (without being obligated to do so) to later develop the Additional Property and to annex and bring the Additional Property within the coverage of this Declaration and within the jurisdiction of the Association, and in such event the Owners of Lots within the Additional Property will join the Owners of Lots within the Original Property as Members of the said Association, and all such Lots and the Owners thereof will then be subject to assessment for Common Expenses as herein provided.

D. Subject to the specific terms, covenants and conditions set forth herein and in other instruments pertaining to the creation of such easements, and notwithstanding the fact that the Original Property and the Additional Property (if annexed) will be developed as separate projects, Declarant intends to create or cause to be created certain reciprocal exclusive and/or nonexclusive easements, rights and/or licenses for particular purposes, which easements, rights and/or licenses will be appurtenant to each lot located within such projects.

E. If the Additional Property is annexed by utilizing the annexation procedures provided for herein, then following such

annexation the term "Property" shall also mean and include the Additional Property so annexed.

F. Declarant intends by this document to impose upon the Original Property, together with such additions thereto, if any, as may hereafter be annexed and brought within the coverage of this Declaration and the jurisdiction of the Association, mutually beneficial restrictions under a general plan of improvement for the benefit of all of the lots and the owners thereof and to create thereby a planned development within the meaning of California Civil Code Section 1351(k).

NOW, THEREFORE, Declarant hereby declares that the Original Property, together with such additions thereto, if any, as may hereafter be annexed and brought within the coverage of this Declaration and the jurisdiction of the Association, shall be held, sold, conveyed, mortgaged, encumbered, leased, rented, used, occupied, and improved, subject to the following easements, limitations, restrictions, covenants, conditions, liens and charges, all of which are for the purpose of establishing a general plan for the development of a residential community and of protecting the value and desirability of, and which shall run with, such real property, and shall be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof, and all of which are imposed on such Property and every portion thereof as a servitude in favor of each and every Lot thereof as the dominant tenement and may be enforced by Declarant, its successors and assigns, each Owner, his successors and assigns, or by the Association, its successors and assigns, including those through merger, consolidation or reorganization.

ARTICLE I.

DEFINITIONS

Unless the context otherwise specifies or requires, the following words and phrases, when used in the Restrictions (as herein defined), shall have the meanings hereinafter specified:

Section 1.1 "Additional Property" shall mean and refer to the real property described in Paragraph B of the Recitals above.

Section 1.2 "Approval" of the Association or the Architectural Committee shall mean prior written approval.

Section 1.3 "Architectural Committee" shall mean the committee created pursuant to the provisions of Article VII hereof.

Section 1.4 "Articles" shall mean the Articles of Incorporation of the Association filed in the Office of the Secretary of State of the State of California, as such Articles may be from time to time amended.