

**EXCHANGE, DISPOSITION
AND
DEVELOPMENT AGREEMENT**

**BY
AND
AMONG**

CITY OF RIVERSIDE

FRIENDS OF RIVERSIDE AIRPORT, LLC

VAN BUREN GOLF CENTER, LLC

AND

RIVERSIDE GATEWAY PLAZA

MAY 23, 2003

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EXCHANGE, DISPOSITION AND DEVELOPMENT AGREEMENT
(Friends of Riverside Airport, LLC Project)

1. **Parties and Date.**

This Exchange, Disposition and Development Agreement (the "Agreement") is made as of the 23rd day of May, 2003 (the "Effective Date"), by and among the City of Riverside, a municipal corporation (the "City"), having its office at 3900 Main Street, Riverside, California 92555, Friends of Riverside Airport, LLC, a California limited liability company ("FRA") having its principal offices at 8175 Limonite, Riverside, California 92505, Van Buren Golf Center, LLC, a California limited liability company ("VBGC") having its principal office at 6720 Van Buren Boulevard, Riverside, California 92505, and Riverside Gateway Plaza, a California general partnership ("RGP") having its principal office at 8175 Limonite, Riverside, California 92505.

2. **Recitals.**

2.1 **Ownership Interests**

2.1.1 **FRA Ownership.** FRA is the fee owner of the FRA Parcel (as such term is defined below) which Parcel is located within the City Municipal Airport Runway Protection Zone ("RPZ") and lies westerly of Doolittle and the Van Buren Golf Course ("Existing Golf Course"). FRA desires to exchange the FRA Parcel for that property owned in fee by the City and described herein below as the AG Parcel (the "Exchange") pursuant to an exchange transaction qualifying for deferral of gain under Internal Revenue Code Section 1031 and the applicable provisions of the California Revenue and Taxation Code. FRA may assign to a third party FRA's right to exchange the FRA parcel for the AG Parcel.

2.1.2 **VBGC Ownership.** The Existing Golf Course is owned by the City and leased to, and operated by, VBGC. VBGC desires to expand the Existing Golf Course by amending its existing lease agreement with the City (the "Existing Golf Course Lease") to include the FRA Parcel and the other parcels described in this Agreement (the "Expanded Golf Course").

2.1.3 **RGP Ownership.** RGP is the fee owner of the Commercial Parcel (as such term is defined below) and the Adjacent Commercial Parcel (as such term is defined below) which Parcels are located at the northwest and southwest quadrants of the proposed intersection of Van Buren Boulevard and Jurupa Avenue. RGP desires to develop the Commercial Parcel and the Adjacent Commercial Parcel for commercial purposes, consistent with the City's plan for improving and beautifying gateways in and to the City (collectively the "Gateway Commercial Project").

2.1.4 City Ownership. City is the fee owner of the AG Parcel (as such term is defined below). City desires to engage in the Exchange for the purpose of developing equestrian, bicycle and recreational trails on the Trails Parcel (as such term is defined below), expanding the Existing Golf Course, and preventing encroachment of residential development within the RPZ. City further desires to acquire the FRA Parcel for the purpose of: (a) increasing and improving recreational facilities within the City; (b) improving and beautifying one of the Van Buren Boulevard gateways to the City; and (c) preserving open space and parkland within the City.

2.2 Gateway Project Components.

2.2.1 Exchange of AG Parcel.

(i) The AG Parcel is currently designated as parkland and was acquired by the City for the purpose of developing an agricultural-oriented park. Since the date of acquisition the surrounding residential community has expanded, bringing with it the development of Rutland Park, which serves the surrounding residential community. The use of the AG Parcel for agricultural-oriented park purposes is no longer feasible. Given its proximity to the Santa Ana River Trail, a portion of the FRA Parcel is available for trailhead and access to the Santa Ana River. Further, due to the proximity of a portion of the FRA Parcel to the Existing Golf Course, the FRA Parcel is available for the expansion of the Existing Golf Course into the Expanded Golf Course (the "Golf Course Expansion Project") thereby creating new parkland within the City. The Exchange also creates an opportunity for the City to convert the AG Parcel from unused parkland in an unsightly condition to viable residential uses in the foreseeable future.

(ii) The Exchange facilitates the Jurupa Avenue Extension Project, the Gateway Commercial Project, the Residential Project, the Gateway Project (as such terms are defined below), all of which are consistent with the City's plans for the improvement of gateways in and to the City. The Exchange will further facilitate the development of single-family home ownership opportunities within the City by creating one or more residential subdivisions on the AG parcel consisting of not less than one hundred fifty-five (155) single family residential lots on which single family residential homes will be located outside of the RPZ.

(iii) The Exchange will require that FRA remove certain known saline substances (which may also be referred to as "Brine Dirt" elsewhere in this Agreement) from the AG Parcel and obtain the written approval from the State of California Regional Water Quality Control Board - Santa Ana Region (the "Board") relating to such removal. The Exchange will also require that FRA transport such saline substances to the Adjacent Commercial Parcel and, with the consent of RGP which is hereby granted, dispose of the same thereon. FRA will also clear the AG Parcel of concrete deposits which are currently

proposed to be used as fill material in conjunction with the expansion of the Existing Golf Course.

(iv) Except as otherwise provided in Section 2.2.4, relating to the Jurupa Avenue Extension Project and notwithstanding any provision to the contrary contained herein, the obligations of the parties created by this Agreement are contingent upon the following: (a) City Council's approval of the Exchange; and (b) compliance with all applicable state, federal and local laws and regulations.

2.2.2 The Gateway Project. The Gateway Project consists of sub-projects, described below, each of which: (a) are severable; (b) may otherwise proceed as separate stand-alone projects; and (c) are joined in this Agreement for the purpose of effectuating the various acquisitions and exchanges of real property that must first occur in order to: (i) facilitate the individual sub-projects contemplated by the Gateway Project; and (ii) assure timely completion of such sub-projects once the City has committed itself to such acquisitions and exchanges. Nothing contained in this Agreement is intended to require the City to approve the various components of the Gateway Project and each component is subject to independent review by appropriate City departments, boards and commissions, and the discretionary judgment of the City Council. The sub-projects are more particularly described as follows:

(i) **Expansion of Existing Golf Course and Expansion of Airport Zones.** The Airport Department of the City (the "AD") in conjunction with the City's Park and Recreation Department desires to: (a) protect the AD's: (i) Western Runway Protection Zone (the "RPZ"); (ii) Outer Safety Zone ("OSZ"); (iii) Emergency Touchdown Zone (the "ETZ") through the acquisition of certain land and the expansion of the Existing Golf Course; and (b) establish and create additional open space parkland through the Exchange and the Golf Course Expansion.

(ii) **Creation of Trailhead, Parking Facility and City Entrance on Adjacent Commercial Parcel.** The City desires to utilize a portion of the Adjacent Commercial Parcel: (a) to provide for continuity of equestrian and bicycle trails through the Adjacent Commercial Parcel; (b) to create a trailhead and a parking facility as shown on Exhibit "G-1" attached hereto and incorporated herein by this reference; and (c) to create a monumented entrance to the City.

(iii) **Creation of Trails Park on Trails Parcel.** The City desires to utilize the Trails Parcel to create thereon, at its sole cost and expense, equestrian, bicycle and recreational trails (collectively, the "Trails Park").

2.2.3 The Gateway Commercial Project.

(i) RGP desires to: (a) develop the Commercial Parcel and the Adjacent

Commercial Parcel with mixed commercial uses which may include, among others, a drug store, fast food outlets, general retail facilities, a full service restaurant, and an office building so as to create the Gateway Commercial Project; and (b) incorporate into the Gateway Commercial Project, the existing office buildings located on parcels of real property immediately adjacent to, and southerly of, the Commercial Parcel (collectively, the "Adjacent Parcel") so as to increase the accessibility of such office buildings to public streets and otherwise create a fully integrated commercial project which is compatible with the Expanded Golf Course.

(ii) In order to execute the Gateway Commercial Project, the parties acknowledge that: (a) a portion of the existing right-of-way for Doolittle Avenue consisting of approximately one and three-tenths (1.30) acres and more particularly described and depicted on Exhibit "H" and incorporated herein by this reference (the "Doolittle Parcel") must be conveyed to RGP; (b) a portion of the Existing Golf Course Parcel consisting of approximately thirty-nine hundredths (.39) acres and more particularly described and depicted on Exhibit "T" attached hereto and incorporated herein by this reference (the "Transferred Golf Course Parcel") must be conveyed to RGP and incorporated into the Gateway Commercial Project; and (c) the Strip Parcel (as such term is defined below) and more particularly described in Exhibit "L" attached hereto, must be conveyed to Semper-Fi, LP, a California limited partnership the owner of the Adjacent Parcel (the "Adjacent Parcel Owner") so as to create a buffer between the Expanded Golf Course and the Adjacent Parcel.

(iii) City desires to: (a) vacate the Doolittle Parcel subject to appropriate conditions; (b) amend the Existing Golf Course Lease so as to eliminate therefrom the Transferred Golf Course Parcel and add thereto the Golf Course Expansion Parcel; (c) convey the Doolittle Parcel to RGP following the occurrence of conditions established by City of Riverside Planning Commission Vacation Case No. VC-006-023; (d) convey the Strip Parcel to the Adjacent Parcel Owner on or before the date upon which the Exchange is consummated pursuant to Section 4.5; and (e) convey the Transferred Golf Course Parcel to RGP upon acquisition of the City Parcel.

2.2.4 Jurupa Avenue Extension Project.

(i) City desires to extend Jurupa Avenue from its present terminus at Van Buren Boulevard westerly to Tyler Avenue in a manner consistent with that circulation plan adopted by the City (the "Jurupa Avenue Extension Project"). City requires dedications of right-of-way from the RGP and FRA for such extension and RGP and FRA desire the Jurupa Avenue Extension Project for the direct benefit of the Gateway Project's sub-projects.

(ii) In accordance with Section 4.6, RGP and FRA desire to make an irrevocable offer of dedication in and to the Jurupa Extension Parcel (as such term is

defined below) to the City concurrently with the execution of this Agreement by all parties thereto. Also, RGP and FRA desire to grant to City an easement for slope, storm drain and utility purposes in the area to the west of the westerly boundaries of the Commercial Parcel and the Adjacent Commercial Parcel, as shown and described in Exhibit "U" attached hereto and incorporated herein by this reference. In addition, RGP and FRA desire to grant to the City, a twenty-six (26) foot wide easement for equestrian and bicycle trails within the Adjacent Commercial Parcel as shown on Exhibit "G-1". Additionally, RGP and FRA desire to grant to the City, a blanket easement for the construction of twenty-six (26) foot wide equestrian and bicycle trails within the Trails Parcel. Additionally, all parties to this Agreement owning, operating or otherwise controlling the properties immediately adjacent to and co-terminus with the westerly right of way line of Van Buren Boulevard between Jurupa Avenue and Morris Street, desire to convey to the City a grant deed for the ultimate right-of-way of Van Buren Boulevard, which is fifty-two (52) feet from the centerline of the southbound lanes of Van Buren Boulevard as shown and described in Exhibit "W" attached hereto and incorporated herein by this reference.

2.2.5 The Residential Project.

FRA desires to: (a) engage in the Exchange; and (b) thereafter permit FRA's Assignee (as such term is defined below) to develop on the AG Parcel one or more single family residential subdivisions containing not less than one hundred and fifty-five (155) single family residential lots (collectively, the "Residential Project") in accordance with the Tentative Tract maps (as defined below). The location of the Residential Project is depicted on Exhibits "J-1" and "J-2" attached hereto and incorporated herein by this reference.

2.2.6 No City Subsidy.

The parties hereto, acknowledge that they have each conducted their own independent investigation and are not relying on any representations made by one party to the other regarding the economic value of the various transfers of real property, including costs of soils remediation or any other costs whether foreseen and unforeseen. It is understood and agreed that the exchange of the FRA Parcel and the AG Parcel, will be an exchange of substantially equal value when all of the following terms and conditions of this Agreement have been performed: Sections 4.6, 4.7, 5.1, 5.2, 5.3, 5.5 and 6.2. The parties further acknowledge that the City has not provided any financial assistance to developer out of "Public Funds" (as such term is defined for purposes of California Labor Code Section 1720) and that any and all sums paid by the City to any other party herein is a reimbursement or a fee offset in lieu of a reimbursement to the other party, made so as to keep the public and private components of the Gateway Project and sub-projects separate and distinct.

3. **Definitions**

As used herein the following terms shall have the following meaning:

(a) "Adjacent Commercial Parcel" shall mean and refer to that certain real property depicted on Exhibit "G" attached hereto and incorporated herein by this reference.

(b) "Adjacent Parcel" shall mean and refer to the existing office buildings located on parcels of real property immediately adjacent to, and southerly of, the Commercial Parcel (as such term is defined below).

(c) "AG Parcel" shall mean and refer to that certain real property consisting of approximately fifty-nine (59) acres and more particularly described and depicted on Exhibit "C" attached hereto and incorporated herein by this reference;

(d) "Brine Dirt" shall have the meaning set forth in Section 6.2(iii).

(e) "City Parcel" shall mean and refer to that certain real property consisting of approximately fourteen (14) acres and more particularly depicted on Exhibit "A" attached hereto and incorporated herein by this reference; and further consisting of the Doolittle Parcel as defined hereinbelow less any right of way for street purposes.

(f) "Commercial Parcel" shall mean and refer to that certain real property consisting of approximately eight and nine-tenths (8.90) acres and more particularly depicted on Exhibit "F" attached hereto and incorporated herein by this reference.

(g) "Doolittle Parcel" shall mean and refer to that certain real property depicted on Exhibit "H" attached hereto and incorporated herein by this reference.

(h) "Existing Golf Course Lease" shall mean and refer to that certain lease agreement between the City and WABI Limited, a California corporation dated February 16, 1988 as amended on August 9, 1988, July 23, 1996 and September 19, 2000.

(i) "Existing Golf Course Parcel" shall mean and refer to that certain real property consisting of approximately fifty (50) acres and more particularly described and depicted on Exhibit "D" attached hereto and incorporated herein by this reference.

(j) "Expanded Golf Course Parcel" shall mean and refer to the: (i) City Parcel (less that portion thereof defined below as the "Strip Parcel"); plus (ii) the FRA Parcel (less that portion thereof defined below as the "Trails Parcel"); plus (iii) the balance of the vacated portion of Doolittle Avenue after the conveyance of the Doolittle Parcel to RGP as provided for in Section 4.7 below.

(k) "FRA Parcel" shall mean and refer to that certain real property depicted on Exhibit "B" attached hereto and incorporated herein by this reference excepting and reserving therefrom a grading easement as shown on the grading plan attached as Exhibit "S" hereto for flood control access;

(l) "Gateway Project" shall mean and collectively refer to those certain sub-projects designated as: (i) the expansion of the Existing Golf Course into the Expanded Golf Course; (ii) the creation of a trailhead, parking facility and monumented city entrance on a portion of the Adjacent Commercial Project; and (iii) the creation of the equestrian, bicycle, and recreational trails on the Trail Parcel, all as more particularly described hereinabove.

(m) "Initial Jurupa Avenue Extension" shall mean and refer to that portion of the Jurupa Avenue Extension Project consisting of the extension of Jurupa Avenue from Van Buren Avenue to the westerly boundary of the Adjacent Commercial Parcel. RGP shall be responsible for those portions of the Jurupa Avenue improvements in the Initial Jurupa Avenue Extension not constructed by the City as defined in Exhibit "X" attached hereto and incorporated herein by this reference.

(n) "Jurupa Avenue Extension Project" shall have the meaning set forth in Section 2.2.4, and shall include all improvements from Van Buren to Tyler Avenue and improvements to Van Buren Boulevard; and shall further include those items specified in Section 6.4 of this Agreement.

(o) "Jurupa Extension Parcel" shall have the meaning set forth in Section 4.6.

(p) "Residential Project" shall have the meaning set forth in Section 2.2.5.

(q) "Second Jurupa Extension" shall mean and refer to that portion of the Jurupa Avenue Extension Project consisting of the extension of Jurupa Avenue from Rutland Avenue to Crest Avenue as depicted on Exhibit "N" attached hereto and incorporated herein by this reference.

(r) "SFR Parcel" shall mean and refer to that certain single-family residential lot depicted on Exhibit "Z" hereto, on which there currently exists a single-family residence occupied by the Santamato family.

(s) "Strip Parcel" shall mean and refer to that certain real property thirty (30) feet in width and consisting of approximately twenty-seven hundredths (.27) acres more particularly depicted on Exhibit "L" attached hereto and incorporated herein by this reference.

(t) "Tentative Tract Maps" shall mean and refer to those certain tentative tract maps to be processed by FRA or the FRA Assignee in connection with the development of the Residential Project as depicted on Exhibits "J-1" and "J-2".

(u) "Trails Parcel" shall mean and refer to that certain real property consisting of approximately six and two-tenth hundredths (6.20) acres and more particularly depicted on Exhibit "E" attached hereto and incorporated herein by this reference.

(v) "Transferred Golf Course Parcel" shall mean and refer to that certain real property depicted on Exhibit "I" attached hereto and incorporated herein by this reference.

(w) "Van Buren Parcel" shall mean and refer to that certain real property consisting of the City's excess right-of-way remaining after the construction by the City of the proposed intersection of Van Buren Boulevard and Jurupa Avenue as contemplated by this Agreement, which Parcel shall be conveyed to RGP.

4. Provisions Relating to Acquisition and Assemblage of City Parcels

4.1. Acquisition of City Parcel. The Golf Course Expansion requires the acquisition and assemblage of the City Parcel (which Parcel shall include the fee underlying Doolittle Avenue). FRA has: (a) used reasonable commercial efforts to acquire the City Parcel from record owners without assistance from the City; (b) given the City notice of FRA's inability to acquire the City Parcel; and (c) requested the City to assist in the acquisition of the City Parcel through the power of eminent domain.

4.2. Acquisition of City Parcel by City. In accordance with and subject to all of the other terms, covenants and conditions contained in this Agreement, and provided the City has adopted a Resolution of Necessity after due notice and hearing and obtained an Order for Prejudgment Possession, the City shall acquire the City Parcel and lease the same (less any right of way for street purposes) to VBGC for use in the Golf Course Expansion. Subsequent to its acquisition of the City Parcel and prior to its lease of the same (less the area which needs to be dedicated for street purposes for the proposed Doolittle Avenue cul-de-sac) to VBGC, City shall, at its sole cost and expense, remove all improvements therefrom except for: (i) that certain single family residence currently located on the southerly portion of the SFR Parcel; (ii) that certain real property commonly known as 6776 Doolittle Drive, Riverside, California 92503 (the "Welch Parcel"); and (iii) that certain single-family residence located on the northerly portion of the City Parcel. RGP agrees, at RGP's sole cost and expense, to remove the single-family residence located on such northerly portion of the City Parcel.

4.3. Lease of City Parcel. City may enter into a restatement and/or one or more lease amendments, as more specifically provided herein below, with VBGC for the City

Parcel (excepting therefrom a life estate in the SFR Parcel in favor of Antonio and Phyllis Santomato); provided however, that such lease amendments shall have no binding force or effect, unless and until the City has perfected title to the City Parcel or obtained an Order for Prejudgment Possession of the same and such order has been issued by a court of competent jurisdiction. City shall have no obligation to take possession and control of, or to remove improvements from, the City Parcel until such time as the City has perfected such rights in the manner provided in Sections 4.2, 4.3 and 4.4. Furthermore, City shall not be deemed in breach of this Agreement if a court determines, for any reason, that the City lacks the right to condemn.

4.4 No Commitment to Condemn. Nothing contained in this Agreement shall be deemed as a commitment to condemn for or on behalf of any party to this Agreement and all parties hereto acknowledge that City may or may not, in the exercise of its independent and unbridled discretion, make findings consistent with California Code of Civil Procedure Section 1245.230. The parties hereby acknowledge that the Exchange and the proposed lease amendments are not consideration for the acquisition by the City of the City Parcel and does not require or otherwise bind the City to acquire the City Parcel by eminent domain.

4.5 The Exchange. The Exchange shall be consummated by the parties as follows:

(i) Not later than 5:00 p.m. on the tenth (10th) day following the execution of this Agreement by all parties, and the satisfaction of all of the following conditions: (1) the City has approved the Exchange and the Tentative Tract Map for the residential development consisting of 113 lots as shown on Exhibit "J-1" hereto; (2) the City has received the permits from the Army Corp of Engineers required for the extension of Jurupa Avenue and other governmental agencies (State Department of Fish and Game, Regional Water Quality Control Board, US Fish and Wildlife Service, Riverside County Flood Control and Water Conservation District, Federal Aviation Administration) [which condition FRA may waive]; (3) the irrevocable offer of dedication in and to the Jurupa Extension Parcel has been made as provided in Section 2.2.4(ii); (4) satisfaction of the condition set forth in Section 4.5(iv); and (5) completion of the work described in Section 6.2, FRA shall execute and deliver to the City a fully executed grant deed for the FRA Parcel (which grant deed shall be in the form and substance identical to that grant deed attached hereto as Exhibit "O" and incorporated herein by this reference) [the "FRA Deed"], and the City shall execute and deliver to FRA or, at FRA's option, FRA's Assignee, a fully executed grant deed for the AG Parcel, subject to reservation of an easement for storm drain and utility purposes as defined in Exhibit "Y" attached hereto and incorporated herein by this reference and certain other rights for implementation and maintenance of environmental mitigation measures, which may be required by the Army Corp of Engineers and other governmental agencies as provided in (ii) below (which grant deed shall be in the form and substance identical to

that grant deed attached hereto as Exhibit "P" and incorporated herein by this reference [the "City Deed"].

(i)-a The parties acknowledge that, in conjunction with the construction of the Jurupa Ave Extension Project, the City has applied for certain permits from the Army Corp of Engineers and other governmental agencies for grading in wetlands and environmentally sensitive riparian areas. As a condition of approval of such permits, the City may have to satisfy the requirements of the governmental agencies by agreeing to implement and maintain certain mitigation measures, such as removal of undesirable invasive plants or planting of appropriate vegetations within the open space areas of the AG Parcel. To satisfy such conditions, the grant deed for the AG Parcel shall reserve a perpetual right for the City to use the open space areas within the AG Parcel as shown and described in the Tentative Tract Maps for the purpose of implementation and maintenance of mitigation measures due to environmental impacts.

(ii) Except for development rights, if any, which may now or hereafter exist with respect to the open space area depicted on the Tentative Tract Maps, which development rights, if any, are hereby reserved by FRA, nothing contained herein shall be construed as a reservation by FRA of any development rights associated with the Tentative Tract Maps. Such excepted development rights shall be reserved to FRA and treated in the same manner as the FRA Development Rights referred to in (iii) below.

(iii) There shall be excepted from the FRA Deed and reserved to FRA any and all development rights that now exist with respect to the FRA Parcel (collectively, the "FRA Development Rights"). City and FRA agree that: (1) City does not acknowledge that the FRA Development Rights exist; (2) FRA has reserved the right to transfer the FRA Development Rights before or after the consummation of the Exchange; (3) City will accept, and process on a timely basis, FRA's application to transfer the FRA Development Rights to another parcel of real property located within the City (which application will be filed within one (1) year after completion of the Exchange); (4) FRA has no vested right to transfer the FRA Development Rights; and (5) any application by FRA to transfer the FRA Development Rights shall be subject to discretionary review by the appropriate boards and commissions and the City Council.

(iv) The City's obligation to complete the Exchange is conditioned upon the City acquiring fee title to the City Parcel as provided in Section 4.2.

(v) City recognizes that, for tax purposes, FRA desires to engage in the Exchange. Accordingly, the City agrees to cooperate with FRA in completing an exchange qualifying for non-recognition of gain under the Internal Revenue Code and the applicable provisions of the California Revenue and Taxation Code. City shall execute all assignments (including without limitation the Partial Assignment of Exchange Agreement attached hereto as Exhibit "T" and incorporated herein by this reference),

escrow instructions, documents, agreements, or instruments reasonably requested by FRA to complete the Exchange.

(vi) The Exchange shall be free and clear of all monetary liens and encumbrances of whatever kind or nature.

4.6. Conveyance/Acquisition of Jurupa Avenue Right-of-Way. RGP and FRA hereby acknowledge that the City is authorized to acquire by eminent domain certain real property (consisting of approximately Two and Nine-Tenths (2.90) acres, and more particularly described and depicted on Exhibit "Q" attached hereto and incorporated herein by this reference) for street improvements associated with Jurupa Avenue Extension Project. Such real property shall be hereinafter referred to as the "Jurupa Extension Parcel." Concurrently with the execution of this Agreement by all parties, RGP and FRA shall deliver to the City, an offer of dedication for the Jurupa Extension Parcel and grant to the City: (a) an easement for a 26-foot wide path for equestrian and bicycle trails on the Adjacent Commercial Parcel; (b) a blanket easement for a 26-foot wide path for equestrian and bicycle trails on the Trails Parcel; (c) an easement for slopes, storm drain and utility purposes on the FRA Parcel and the Trails Parcel to the west of the westerly boundaries of the Commercial Parcel and the Adjacent Commercial Parcel; and (d) a grant deed for the ultimate right of way on Van Buren Boulevard measured to fifty-two (52) feet westerly of the centerline of the southbound lanes of the Van Buren Boulevard as shown and described on Exhibit "W". FRA and RGP shall make an irrevocable offer of dedication to City which shall include the street right-of-way and a 2 (horizontal):1 (vertical) slope easements on both sides of the Jurupa Extension Parcel as required for the Jurupa Avenue Extension. Conveyance of the Jurupa Extension Parcel shall be irrevocable. The Jurupa Extension Parcel and all other easements and deeds referenced above shall be deemed by the parties to have a fair market value of Three Hundred Fifty Thousand Dollars (\$350,000.00) as of the date of execution of this Agreement and is transferred to City in the manner specified hereinabove as partial consideration for the promises, terms and conditions contained in this Agreement. City shall have no obligation to compensate either RGP or FRA for the conveyance of the Jurupa Extension Parcel or any other one of the above-referenced easements and deeds during the performance of this Agreement. City shall be relieved of its obligation to compensate RGP and FRA for conveyance of the Jurupa Extension Parcel when the Exchange has been completed. In the event the City accepts the above-mentioned offer of dedication and (b) the Exchange is not consummated then the City shall pay FRA and RGP the sum of Three Hundred Fifty Thousand Dollars (\$350,000.00) as just compensation for the taking of property required for the Jurupa Avenue Extension Project.

4.7 Doolittle Right-of-Way. Upon occurrence of the conditions established in the vacation case for Doolittle Avenue, Case No. VC-006-023 and any condition established by the City Council, City shall record the resolution vacating Doolittle

Avenue. City shall convey the Doolittle Parcel to RGP as more particularly described in Exhibit "H" hereto. Subject to the terms and conditions of Sections 4.1 and 4.6 hereof, City shall lease the balance of the vacated portion of Doolittle Avenue to VBGC; provided, however that such lease shall not include the cul-de-sac referred to in the immediately following sentence. FRA shall, at City's sole cost and expense, construct a cul-de-sac at a location to be approved by the City, and in accordance with City standards and specifications. The total amount so expended by FRA in connection with the construction of such cul-de-sac shall be offset by an amount not to exceed Twenty-Five Thousand Dollars (\$25,000.00) against any future development fees (excluding park fees) required to be paid by RGP in connection with the development of the Commercial Parcel and the Adjacent Commercial Parcel. City shall, at its sole cost and expense, remove all road and other improvements in the cul-de-sac area of the Doolittle Parcel prior to the conveyance and/or lease of the same as provided herein.

4.8 Conveyance of the Strip Parcel. Subject to City's acquisition of the City Parcel in the manner specified herein, City shall convey the Strip Parcel to the Adjacent Parcel Owner so as to create a buffer between the Expanded Golf Course Parcel and Adjacent Parcel. In the event the Adjacent Parcel Owner fails to accept such conveyance, City may, but is not required to, use the Strip Parcel for such buffer.

4.9 Lease of City Owned Parcels. Subject to the acquisition of the City Parcel in the manner and subject to the terms and conditions specified in Sections 4.2 and 4.4 of this Agreement, City shall, as more particularly provided below, amend or restate the Existing Golf Course Lease to, among other things, add the following parcels of real property to VBGC: (i) the balance of the vacated portion of Doolittle Avenue excepting therefrom rights of way in the future cul-de-sac; (ii) the City Parcel, less the Strip Parcel; and (iii) the FRA Parcel less: (a) the Jurupa Extension Parcel; and (b) the Trails Parcel to VBGC's leasehold interest for the limited purpose of using the City Parcel for the Golf Course Expansion.

4.9.1 Amendment to Existing Golf Course Lease.

(i) City and VBGC agree to execute and deliver to each other: (a) concurrently with the execution hereof, that certain Fourth Amendment to Lease Agreement marked Exhibit "K-1" attached hereto, and incorporated herein by this reference (the "Fourth Lease Amendment"); and (b) concurrently with the acquisition by the City of fee simple title to the FRA Parcel from FRA, that certain Fifth Amendment to Lease Agreement. The terms and conditions of the Fifth Amendment shall be negotiated by the City and VBGC within ten (10) days after the date hereof and added hereto as Exhibit "K-2" (the "Fifth Lease Amendment").

(ii) Lease Approval. The obligations of City under the provisions of Section 4.9.1 are subject to, and contingent upon, the prior review and approval of the

Fourth Lease Amendment and the Fifth Lease Amendment by the City Council in accordance with the laws of the State of California.

(iii) Reclaimed Water. The parties acknowledge and agree that: (a) in order to permit VBGC to economically operate the Expanded Golf Course on the Expanded Golf Course Parcel, it will be necessary for VBGC to continue to use reclaimed water now provided to it by the City pursuant to certain agreements now existing in connection with its operation of the Existing Golf Course; (b) the existing City facilities (collectively, the "Reclamation Plant") required to provide Reclaimed Water to VBGC for use in the operation of the Expanded Golf Course may be inadequate to do so; and (c) VBGC shall, at its sole cost and expense provide, install and maintain all piping necessary to distribute reclaimed water to the Expanded Golf Course.

4.10 Van Buren Parcel.

4.10.1 Consideration. As consideration for the construction of those improvements described in Section 6.1(ii) and as further consideration for the conveyance of the grant deed for the ultimate right of way of Van Buren Boulevard as described in Section 4.6 and the grant of a fifty foot (50') wide temporary construction easement as further described herein ("TCE Parcel"), City shall convey to RGP all remaining and unused rights-of-way fronting on Van Buren Boulevard and Jurupa Avenue contiguous to and coterminous with the Commercial Parcel and Adjacent Commercial Parcel, provided that RGP commences and completes a vacation case with City for those Parcels and the City approves of the vacation.

4.10.2 Temporary Construction Easement. A temporary construction easement and right of entry is hereby granted to City, for the Van Buren Street widening project south of Jurupa Avenue in and to the TCE Parcel. The TCE Parcel shall consist of all property owned, operated or otherwise controlled by the parties to this Agreement as follows: a twenty-five (25) foot strip of land on the east side and a twenty-five (25) foot strip of land on the west side of Van Buren Boulevard, which strip shall be contiguous and coterminous with the Van Buren Boulevard frontage. The width of each twenty-five (25) foot strip shall be calculated from the ultimate westerly and easterly right-of-way lines, which are fifty-two (52) feet and ninety-four (94) feet from the centerline of the southbound lanes of Van Buren Boulevard, respectively. The parties shall execute a written temporary construction easement not later than ten (10) days following a written request from the City. In addition, a temporary construction easement and right of entry, extending to seventy-five (75) feet beyond the right of way of the Jurupa Extension Parcel, is hereby granted to the City for the Jurupa Avenue Extension Project, for which the parties shall execute a written temporary construction easement not later than ten (10) days following a written request from the City.

4.10.3 Van Buren Street Widening Project. The parties acknowledge that

the Van Buren Street widening project (the "VBS Project") will require: (a) the removal and replacement of the existing fences on the Existing Golf Course; and (b) the disturbance and subsequent modification of the fairways and other improvements located thereon. City agrees, at its sole cost and expense, to: (a) remove and replace such fences; and (b) restore such fairway and other improvements to their respective condition prior to the commencement of the VBS Project.

5. City's Obligations

5.1 Initial Jurupa Avenue Extension City agrees that, upon completion by RGP of the mass grading of the Initial Jurupa Avenue Extension, the Commercial Parcel, the Adjacent Commercial Parcel and City obtaining all permits required to construct the Initial Jurupa Avenue Extension, City will commence construction of the Initial Jurupa Avenue Extension and thereafter diligently pursue the completion of the same at its sole cost and expense and use reasonable best efforts to complete such construction on or before eleven (11) months after the date upon which the City receives all permits from the Army Corps of Engineers required for the Initial Jurupa Avenue Extension. The above time limitation is subject to limitations imposed by the Endangered Species Act and the parties acknowledge that the eleven (11) month period may be extended to accommodate mating habits of certain indigenous species of wildlife.

5.2 Second Jurupa Avenue Extension. The scope of work to be performed with respect to the Second Jurupa Avenue Extension and the allocation between the City and the developer of the AG Parcel of the costs to be incurred in connection with such construction is shown on and shall be determined pursuant to Exhibit "N" attached hereto and incorporated herein by this reference. FRA and the City agree that City, at its sole cost and expense, shall complete the portions of the Second Jurupa Avenue Extension designated as being the responsibility of the City on Exhibit "N". City agrees that upon issuance to City of all required permits for the Second Jurupa Avenue Extension, City will diligently pursue the completion of the same and shall cause such work to be completed within one hundred eighty (180) days after issuance of such permits. Notwithstanding the foregoing, the City may request, and on request of FRA's Assignee shall allow, FRA's Assignee to construct all or a portion of City's portion of the Second Jurupa Avenue Extension, in which case the City shall reimburse FRA's Assignee, pursuant to a separate reimbursement agreement between the City's Public Works Department and FRA's Assignee, for any and all costs and expenses incurred with such construction, provided; however, that in no event the amount of such reimbursement shall exceed Three Hundred Thousand Dollars (\$300,000.00). City shall have the right to approve FRA's Assignee's plans for the construction of the City's portion of the Second Jurupa Avenue Extension. City shall have the right to approve FRA's Assignee's plans for the construction of the City's portion of the Second Jurupa Avenue Extension. FRA's Assignee shall certify that all work related to the Second Jurupa Avenue Extension was performed by workers paid on a prevailing wage basis.

5.3 Brine Dirt Removal Permits. City shall, at its sole cost and expense, provide FRA with a grading permit, subject to FRA meeting all of the requirements of the grading permit and the Board. FRA shall submit and obtain a current approval of a Brine Dirt remediation plan to remove the Brine Dirt from Board to remove the Brine Dirt from the AG Parcel, blend it with non-saline dirt and place the blended dirt on the Adjacent Commercial Parcel.

5.4 Reclaimed Water. City shall, at its sole cost and expense and from time to time, increase the capacity of the Reclamation Plant so as to permit it to provide VBGC, at the prevailing rate, the Reclaimed Water required by VBGC to operate the Expanded Golf Course

5.5 Reimbursement to FRA for Remediation and Other Costs: As more particularly provided in Sections 4.7 and 6.2(ii), City shall reimburse FRA for any and all actual and verifiable costs and expenses incurred by FRA in: (a) remediating the Pre-Existing Conditions on the AG Parcel; and (b) constructing the cul-de-sac pursuant to Section 4.7 hereof. Such reimbursement shall be in the form of offsets against any future development fees (excluding park fees) required to be paid by FRA's Assignee and RGP as follows: (a) costs and expenses incurred by FRA in remediating the Pre-Existing Conditions on the AG Parcel shall be offset against development fees (excluding park fees) to be paid by FRA's Assignee in connection with the development of the AG Parcel (provided, however that the reimbursement for remediation of the Pre-Existing Conditions shall in no event exceed Three Hundred Thousand Dollars [\$300,000.00], and provided, further that, in the event the Brine Dirt removed by RGP pursuant to Section 6.2(iii) exceeds fifteen thousand (15,000) cubic yards [such excess Brine Dirt being hereinafter referred to as the "EBD"], then City shall: (i) terminate this Agreement; or (ii) reimburse FRA for any and all actual verifiable costs and expenses of removing the EBD from the AG Parcel and placing the same on the Adjacent Commercial Parcel); and (b) costs and expenses incurred by FRA in constructing the cul-de-sac pursuant to Section 4.7 hereof shall be offset by an amount not to exceed Twenty Five Thousand Dollars (\$25,000.00), against development fees (excluding park fees) to be paid by RGP in connection with the development of the Commercial Parcel and the Adjacent Commercial Parcel.

5.6 No Cost to Parks Department. Any obligation incurred by the City shall not be a direct or indirect cost to the Parks Department unless otherwise directed by the City Council.

5.7 FRA Right of Entry. By execution hereof City hereby agrees that FRA and its agents and contractors shall have the right to enter the AG Parcel for the purposes of discharging the obligations of FRA hereunder so long as such entry is on the terms and conditions of that certain right of entry agreement between City and FRA dated

December 3, 2002 (the "REA"), a copy of which REA is attached hereto, marked Exhibit "R" and incorporated herein by this reference. FRA agrees, on behalf of itself, its agents and contractors, that the REA shall apply to its activities on the AG Parcel under this Agreement.

6. Other Obligations

6.1 Development of Gateway Commercial Project.

(i) Not later than thirty (30) days after the execution of this Agreement, RGP shall prepare and file with the City, for approval pursuant to its existing ordinances, the Parcel Map or Maps (collectively, the "Gateway Commercial Map") required to implement the Gateway Commercial Project.

(ii) The Jurupa Avenue Extension Project requires the extension of the Santa Ana River Trail through the Adjacent Commercial Site Parcel. RGP shall construct a ten (10) foot wide equestrian trail with two (2) foot wide shoulders (26-feet in total width, if adjacent to each other) and a ten (10) foot wide bicycle trail at its sole cost and expense. RGP's obligations under this paragraph shall be completed subject to the same limitations contained in Section 5.1 (Initial Jurupa Avenue Extension). The characteristics and alignment of the equestrian trail shall be to the reasonable satisfaction of the City's Public Works Department. RGP shall also, at its sole cost and expense, construct a trailhead parking facility on the Adjacent Commercial Parcel providing at least ten (10) parking spaces for non-compact vehicles and three (3) parking spaces for horse-trailers. Concurrently with the execution of this Agreement, RGP shall deliver to City an executed easement granting to City the perpetual rights of ingress, egress, construction, maintenance and reconstruction over and under the aforementioned equestrian and bicycle trails and the trailhead parking facilities. RGP shall also grant to City slope easements for any portions of the equestrian trail that are to be constructed and maintained on fill-slopes. RGP shall also provide, at its sole cost and expense, a hitching post, separate water meter and water line to the meter for City at a location on the trailhead or in the Trails Parcel to be approved by City.

(iii) Not later than one (1) year after receipt of Plot Plan approval for the Adjacent Commercial Parcel, RGP shall complete the grading of the trailhead facilities on the Adjacent Commercial Parcel in the manner depicted on the grading plan attached hereto as Exhibit "S" attached hereto and incorporated herein by this reference.

(iv) Within six (6) months from the date of issuance of building permits, RGP shall complete paving, striping, and foundation work, and started vertical construction of the buildings proposed for construction on the first phase of the Gateway Commercial Project and shall use its reasonable commercial efforts to complete construction of the

first phase of the Gateway Commercial Project not later than twelve (12) months following the date of issuance of building permits. RGP shall also use its reasonable commercial best efforts to complete the balance of the Gateway Commercial Project within three (3) years after the date of this Agreement.

6.2 Relocation of Excess Dirt and Remediation of AG Parcel.

(i) Subject to the issuance of, and obtaining by the City, at City's sole cost and expense, of all governmental permits required to permit the removal of up to fifty thousand (50,000) cubic yards of dirt (the "Excess Dirt") from the area that will be the Initial Jurupa Avenue Extension, FRA shall remove the Excess Dirt (other than that surrounding the existing telephone poles located in such area if the same have not been relocated prior to the close of the Exchange) on or before the close of the Exchange.

(ii) The parties acknowledge that the AG Parcel has been: (a) utilized by the City as a sewer plant and for the disposal and evaporation of water softener brine waste; (b) the subject of dumping by, or on behalf of, the City; and (c) unauthorized dumping by others, (collectively, the "Pre-Existing Conditions"). In order to: (a) facilitate the development of the Residential Project; and (b) recognize the difference between the condition and value of the FRA Parcel (which the non-City parties represent and warrant has none of the Pre-Existing Conditions) and the condition and value of the AG Parcel (which has the Pre-Existing Conditions), FRA shall, at City's sole cost and expense subject to Section 6.2(iv) and prior to and as a condition of completion of the Exchange, remediate the Pre-Existing Conditions on the AG Parcel.

(iii) With the consent of RGP (which consent is hereby given by RGP), FRA shall, subject to the approval by the Board, remove the brine-contaminated soil the quantity of which is estimated at ten thousand (10,000) cubic yards (collectively, the "Brine Dirt"), currently located in the northern brine basin, from the AG Parcel and blend the Brine Dirt with clean soil located on the Adjacent Commercial Parcel so as to reduce the Specific Conductance (the "SC") to a final concentration of the blended soils (Brine Dirt and Adjacent Commercial Parcel soil) to less than 2000 $\mu\text{mhos/cm}$ as required by the June 7, 2002, issued by Dixie B. Lass, Chief, Land Disposal Section of the Santa Ana Regional Water Quality Contract Board (the "Board") to Debbie Anderson, Associate Engineer for the City (the "Board Letter"). Promptly upon completion of such work, FRA shall obtain and provide City with written evidence that such work has been completed to the satisfaction of the Board.

(iv) FRA shall, upon completion of the removal and blending of the Brine Dirt, deliver to City an invoice for the costs actually incurred in so doing (which costs shall specifically include the costs incurred with SID Geotechnical, Inc., to observe and monitor the removal and blending of the Brine Dirt). City shall, upon receipt of such invoice, either: (a) pay the same; or (b) credit the amount of such invoice against fees

otherwise payable by FRA's Assignee to the City in connection with the development of the Residential Project in accordance with Section 5.5.

(v) In addition, concurrently with, and as part of the removal and blending of the Brine Dirt, FRA, subject to obtaining a grading permit from the City, shall also: (a) demolish and remove from the AG Parcel, the concrete, asphalt and sewer debris currently located thereon (collectively, the "AG Parcel Debris") to the reasonable satisfaction of the City; (b) with the consent of the VBGC and the City (which consent is hereby given by VBGC and the City) place the AG Parcel Debris on the Expanded Golf Course; and (c) with the consent of the VBGC and the City (which consent is hereby given by VBGC and the City) cover the AG Parcel Debris with excess dirt available as a result of RGP's grading activities in connection with the development of the Gateway Commercial Project. The costs actually incurred by FRA in so removing the AG Parcel Debris, and placing such debris on the Expanded Golf Course shall be paid by the City in the same manner as provided in the immediately preceding paragraph of this Section 6.2. The costs actually incurred to cover such debris shall be paid by VBGC.

(vi) Prior to the close of the Exchange and before the vacation of Doolittle Avenue becomes final, RGP shall apply for a grading permit and, upon issuance of same, shall promptly commence grading of the Doolittle Parcel.

(vii) The earthwork for the Jurupa Avenue Extension Project may require borrowing or disposal of up to 15,000 cubic yard of dirt, depending on whether or not the FRA's Assignee exercises its right to construct the City's portion of the improvements for the Second Jurupa Avenue Extension within the AG Parcel and the progress of FRA's earthwork in the Initial Jurupa Avenue Extension. To assist this City in this regard, the parties to this Agreement hereby grant the right to the City or its contractors, at no cost to the City or its contractors, to dispose within or extract from the properties owned by parties to this Agreement other than the City ("Non-City Parties"), up to 15,000 cubic yards of uncontaminated dirt; provided, however, that: (a) the Non-City Parties whose property or properties may be impacted by this provision shall have the right to direct the City as to the placement or removal of such dirt; (b) any dirt placed on a property pursuant to this paragraph shall, at City's sole cost and expense, be so placed in conformity with the then applicable grading plans for such property; and (c) the Non-City Parties shall retain the right to direct the City as to which of the then properties are to be impacted by the City's activities pursuant to this paragraph.

6.3 Development of Residential Project.

(i) Subject to and conditioned upon: (a) the acquisition of the AG Parcel from the City; (b) the City's approval of the Tentative Tract Maps; (c) the completion of the relocation of the Brine Dirt pursuant to Section 6.2(iii); (d) the removal of AG Parcel Debris to the reasonable satisfaction of the City's Public Works Department; and (e)

completion of the Jurupa Avenue Extension Project, FRA's Assignee shall develop, at its sole cost and expense, the Residential Project on the AG Parcel within five (5) years after the date upon which the City's approves the applicable Tentative Tract Maps. The obligation of FRA's Assignee under the immediate preceding sentence is subject to the then prevailing economic conditions and demands for residential housing.

(ii) As part of the development of the Residential Project FRA's Assignee shall, at City's sole cost and expense, install on that portion of Jurupa Avenue adjacent to the AG Parcel in accordance with FRA's Assignee's approved street plans for the improvement of Jurupa Avenue pipelines required by the City's Public Utilities Department extending approximately One Thousand Seven Hundred Ninety Feet (1790') between Crest Avenue and Rutland Avenue. FRA's Assignee shall, upon completion of such work, deliver to City an invoice for the costs actually incurred in so doing. City shall, upon receipt of such invoice either: (1) pay the same; (2) credit the amount of such invoice initially against back-up facility charges ("BFC'S) otherwise payable by FRA's Assignee in connection with the development of the Residential Project; and (3) to the extent such amount exceeds the BFC's, then against public utility fees payable by FRA's Assignee in connection with such development.

(iii) Notwithstanding the provisions of this Agreement, FRA shall have the right to: (a) assign some or all of FRA's rights and obligations under this Agreement to the extent the same relate to the Exchange to another entity (the "FRA's Assignee") for the purpose of implementing FRA's election to consummate the Exchange; and (b) substitute FRA's Assignee in place of FRA hereunder with respect to some or all of FRA's rights and obligations. Any such substitution, however, shall not relieve FRA of any obligation of FRA contained in this Agreement that is to survive the Exchange. City shall execute all assignments (including without limitation the Partial Assignment of Exchange Agreement attached hereto as Exhibit "T" and incorporated herein by this reference), escrow instructions, documents, agreements, or instruments reasonably requested by FRA to complete such assignment.

6.4 Development of Trails Park.

Concurrently with the execution of the Agreement, FRA shall deliver to City an executed blanket easement (the "Blanket Easement") over the Trails Parcel granting to City perpetual rights of ingress, egress, construction, maintenance and reconstruction over and under the Trails Parcel for the purposes of creating and maintaining thereon the Trails Park. In the event the Exchange is not consummated, the Blanket Easement shall, within one (1) year after the Effective Date, be superceded by an easement for the Trails Park which specifically locates the same on such portions of the Trails Parcel as the parties may then agree (the "Specific Easement"), it being further understood and agreed that, after the negotiation, delivery and recordation of the Specific Easement and the release of the Blanket Easement if the Exchange is not consummated, FRA shall retain

the right to develop the balance of the Trails Parcel so long as such development does not materially interfere with the use of the same by the City pursuant to the Specific Easement. The parties also agree that: (a) the width of the Trails Park pursuant to the Specific Easement shall not exceed, at any point, twenty-six (26) feet in width; and (b) they shall use reasonable commercial efforts during such one (1) year period, to agree upon the location of the Trails Park. Any and all improvements to the Trails Park shall be at the sole cost and expense of the City.

6.5 Development of Expanded Golf Course.

FRA and City agree that: (a) within one (1) year after the date of issuance to FRA's Assignee of the initial grading permits for the AG Parcel (the "Grading Permit Date"), FRA shall commence construction of the golf course on the Expanded Golf Course Parcel; (b) FRA shall complete construction of the golf course on the Expanded Golf Course Parcel no later than the date which is five (5) years after the Effective Date ("Completion Date"); and (c) in the event that the golf course on the Expanded Golf Course Parcel has not been completed by the Completion Date, City may use the Expanded Golf Course Parcel for other park and open space purposes.

7. Coordination of Activities.

Each of the parties hereto agrees to use its best efforts to schedule and coordinate its activities under this Agreement so as to minimize the impact of the same upon other parties hereto and upon such other parties' activities hereunder. Such coordination shall include consultation with the City's Public Utilities Department to assure timely and cost-effective undergrounding of utilities. In addition, in connection with the Initial Jurupa Avenue Extension, City and VBGC agree as follows: (a) VBGC shall permit City to place excess dirt generated by City ("City Excess Dirt") on the Expanded Golf Course Parcel so long as the mass grading of such Parcel by VBGC has not been completed; and (b) City shall, at City's sole cost and expense, place the City Excess Dirt on the Golf Course Parcel in such area or areas as directed by VBGC and grade the same so as to comply with VBGC's final grading plan for the Expanded Golf Course.

8. Indemnification Period.

Each of the parties hereto shall indemnify, hold harmless and defend the other parties hereto from and against any and all liability for any personal injury or property damage to any worker employed to perform work permitted pursuant to this Agreement, or to any third persons resulting from or arising out of any of such party's activities hereunder.

9. Joint Cooperation.

The parties hereto shall both endeavor to fully cooperate with each other in connection with the matters which are the subject of this Agreement and each of them shall execute such documents and take all such other action reasonable requested by the other in connection with such matters. Coordination shall include the City's Public Utility Department and the parties expressly agree that City may require the other parties hereto, jointly and severally, to install utilities in the Jurupa Avenue extensions, subject to reimbursement by the Public Utilities Department.

10. **Assignment.**

Any party hereto may assign its rights and obligations hereunder to any purchaser of such party's property, and, upon such assignment and the assumption by the purchaser of such party's obligations hereunder, the assigning party shall, except as herein expressly provided, be released from any further obligations under this Agreement.

11. **Amendment**

This Agreement may be amended from time to time only by a writing executed by the parties hereto. The parties agree to consider reasonable requests for amendments to this Agreement, which may be made by any of the parties hereto, lending institutions, bond counsel or financial consultants. Any amendments to this Agreement must be in writing and signed by the parties. The City Manager of the City is authorized on behalf of the City to approve and execute minor amendments to this Agreement, including, but not limited to, the approval of minor changes in legal descriptions and the granting of one or more extensions of time to the other parties hereto.

12. **Notices.**

12.1 The address of each of the parties shall for all purposes be as set forth hereinabove, unless otherwise changed by the applicable party by notice to the other as provided herein.

12.2 All notices of any kind which either party may be required or desire to give to or serve upon the other party shall be in writing, and may be given or served: (a) by personal delivery, including by means of professional messenger services or by a recognized and reputable private delivery service; (b) by United States certified or registered mail, postage prepaid, return receipt requested; or (c) by facsimile transmission followed by delivery of a "hard" copy. Notices shall be deemed given and received by the addressee upon the date of receipt thereof.

13. **Attorneys' Fees.**

In any judicial action among the parties to enforce any of the provisions of this Agreement or any right of any party under this Agreement, regardless of whether such action or proceeding is prosecuted to judgment and in addition to any other remedy, the unsuccessful party shall pay to the prevailing party all costs and expenses, including reasonable attorneys' fees, incurred therein by the prevailing party.

14. **Entire Agreement.**

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreement and negotiations between the parties with respect thereto.

15. **Governing Law.**

This Agreement shall be enforced, governed by, and construed in accordance with the laws of the State of California.

16. **No Waiver.**

No failure or delay of a party in the exercise of any right given to such party hereunder or by law shall constitute a waiver thereof, nor shall any single or partial exercise of any such right preclude other further exercise thereof or of any other right. The waiver by a party of any breach of any provision hereof shall not be deemed to be a waiver of any subsequent breach thereof, or of any breach of any other provision hereof.

17. **Successors and Assigns.**

Subject to the provisions of Section 10, this Agreement shall be binding upon the inure to the benefit of the parties and their respective successors and assigns.

18. **Force Majeure.**

Any time limits provided for a party's performance under this Agreement shall be extended for and throughout such additional period of time as such performance is prevented or delayed due to strikes, lockouts, acts of government, acts of God, wars, riots, civil insurrection or abnormal force of elements or other causes beyond such party's reasonable control; provided, however, that in no event shall any such extension be deemed to have occurred unless: (a) the party whose performance is delayed shall have given notice to the other parties within thirty (30) days after the occurrence of the event of delay, setting forth the facts giving rise to such extension; and (b) the applicable period or periods of time within which such other parties may exercise their rights hereunder shall be commensurately extended. The party whose performance is delayed shall give

prompt written notice to the party of the cessation of the event or condition giving rise to such delay.

19. **Remedies.**

The breach of any of the agreements or covenants contained in this Agreement and any continuation of any such breach may be enjoined, abated or remedied by appropriate legal action or equitable proceedings. In the event of a breach of any of the terms of this Agreement, the non-defaulting parties shall be entitled, in addition to all other rights and remedies at law and in equity, injunctive relief of such breach and/or specific performance of the terms of this Agreement, it being hereby expressly acknowledged and agreed that damages at law will be an inadequate remedy for a breach or a threatened breach of this Agreement. Notwithstanding the foregoing, nothing in this Agreement is intended to deprive the parties hereto from recovering appropriate damages in the event that the terms and conditions contained in this Agreement are breached.

20. **Non-Terminable Agreement.**

No breach of the provision of this Agreement shall entitle any party hereto to cancel, rescind or otherwise terminate this Agreement, but such limitation shall not affect, in any manner, any other rights or remedies which such party may have hereunder by reason of any breach of the provisions of this Agreement. No breach of the provisions of this Agreement shall defeat or render invalid the lien of any mortgage or deed of trust made in good faith for value covering any part of the real property described herein.

21. **No Agency or Partnership.**

Nothing contained in this Agreement shall be construed to make any party hereto, the partners, joint venturer or agents of its other parties hereto, render any of such parties liable for the debts or obligations of the other party.

22. **No Presumption.**

All the parties hereto and their attorneys have had full opportunity to review and participate in the drafting of the final form of this Agreement, and all documents attached, however, as exhibits. Accordingly, such documents shall be construed without regard to any presumption or other rule of construction whereby any ambiguities within this Agreement would be construed or interpreted against the party causing the document to be drafted.

23. **Exhibits.**

Except for exhibits containing legal descriptions, the exhibits attached hereto are

not intended to be precise legal descriptions. Parcels depicted in the attached exhibits generally follow recorded Parcel boundaries. All exhibits attached to this Agreement are hereby incorporated by this reference.

24. **Time of Essence.**

The parties hereto hereby acknowledge and agree that time is strictly of the essence with respect to each term and condition of this Agreement and that the failure to timely perform any of the terms and conditions by any party shall constitute a breach and default under this Agreement by the party failing to so perform.

25. **Partial Invalidity.**

If any portion of this Agreement shall be declared by any court of competent jurisdiction to be invalid, illegal or unenforceable, that portion shall be deemed severed from this Agreement and the remaining parts shall remain in full force as fully as though the invalid, illegal or unenforceable portion had never been part of this Agreement.

26. **No Third Parties Benefited.**

No person other than the parties hereto, and their permitted successors and assigns, shall have any right of action under this Agreement.

27. **Captions.**

The captions and Paragraph number of this Agreement are for convenience and in no way define or lit the scope or intent of the Paragraphs of this Agreement.

28. **Counterparts.**

To facilitate execution, this Agreement may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature of, or on behalf of, each party, or that the signature of all persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary in making proof of this instrument to produce or account for more than a single counterpart containing the respective signatures or, or on behalf of, each of the parties hereto. Any signature page to any counterpart may be detached from such counterpart without impairing the validity of this Agreement.

29. **Brokerage Commissions.**

Each party hereby represents and warrants to the other parties that such party has made no statement or representation not entered into any agreement with a broker,

salesman or finder in connection with the transactions contemplated by this Agreement. In the event of a claim for brokers' or finders fees or commissions in connection with the negotiation or execution of this Agreement or the transactions contemplated hereby, each party shall indemnify, hold harmless and defend the other parties from and against such claim if such claim shall be based upon any statement or representation or agreement alleged to have been made by such party.

[SIGNATURE PAGE FOLLOWS]

CITY:

City of Riverside, a
municipal corporation

By: 

Its: City Manager

Attest: 
City Clerk

FRA:

Friends of Riverside Airport, LLC, a
California limited liability company

By: 
Its: Manager

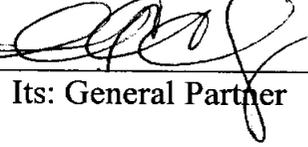
VBGC:

Van Buren Golf Center, LLC, a
California limited liability company

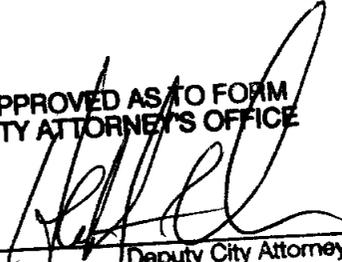
By: 
Its: Manager

RGP:

Riverside Gateway Partners, a
California general partnership

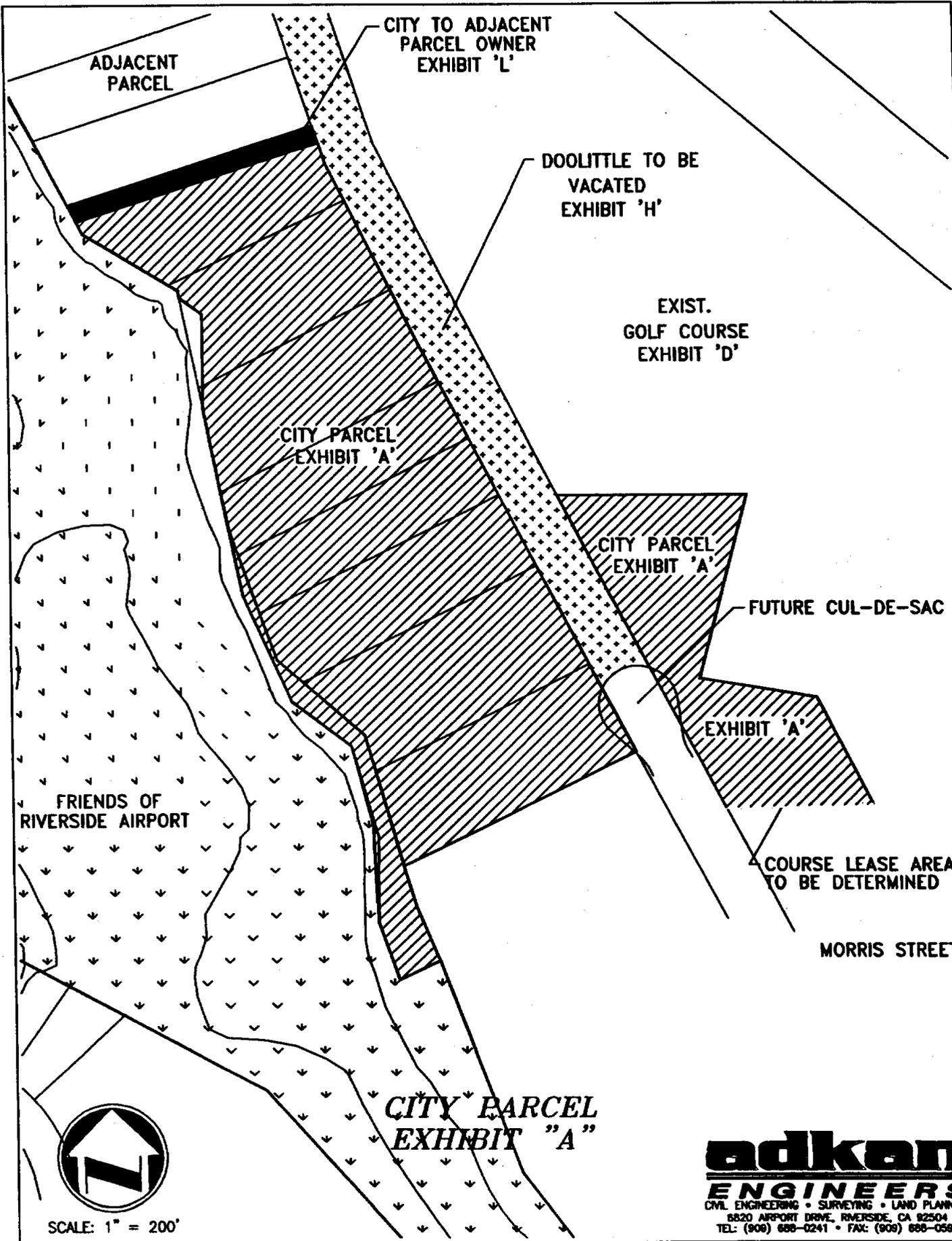
By: 
Its: General Partner

APPROVED AS TO FORM
CITY ATTORNEY'S OFFICE

BY 
Deputy City Attorney

DEPICTION OF CITY PARCEL

[TO FOLLOW]



adkan
ENGINEERS
CIVIL ENGINEERING • SURVEYING • LAND PLANNING
6820 AIRPORT DRIVE, RIVERSIDE, CA 92504
TEL: (909) 686-0241 • FAX: (909) 686-0599

DESCRIPTION AND DEPICTION OF FRA PARCEL

All that certain real property situated in the City of Riverside, County of Riverside, State of California described as:

[TO FOLLOW]



SCALE: 1"=400'

MORRIS STREET

FRIENDS OF RIVERSIDE AIRPORT
EXHIBIT "B"

CITY PARCEL

CITY PARCEL

FRIENDS OF RIVERSIDE AIRPORT

FRIENDS OF RIVERSIDE AIRPORT

5.5 AC.

EXIST.
GOLF COURSE

DOOLITTLE

FRIENDS OF RIVERSIDE AIRPORT
FUTURE OPEN SPACE
EXHIBIT "B"

RUTLAND
CITY PARK

EXIST.
GOLF COURSE
EXHIBIT "B"

VAN BUREN

Jurupa Ave

JURUPA AVE.

RODIERSON
ENGINEERS
CIVIL ENGINEERING • SURVEYING • PLANNING
9620 AIRPORT DRIVE, MENARD, CA 95204
TEL: (925) 888-0251 • FAX: (925) 888-0599

LEGAL DESCRIPTION

Real property in the City of Riverside, County of Riverside, State of California, described as follows:

Those portions of Lot F (Jurupa Avenue), Lot C (Green Avenue), Lot N (Lakeside Avenue), Lot M (Randolph Avenue), Lot G (Stover Avenue), Lot K (Beverly Avenue), Lot I (Green Avenue), Lot Y, Lot Z, Block 6, Block 8, Block 9 and Block 11 of Randolph Subdivision, as shown by map on file in book 16 page 39 of Maps, Records of Riverside County, California; Those portions of Lot K (Randolph Avenue), Lot O (Lakeside Avenue), Lot 14, Lot 24 and Lot 25 of Bixmill Tract, as shown by map on file in book 16 pages 28, 29 and 30 of Maps, Records of Riverside County, California; That portion of Mc Claskey Tract, as shown by map on file in book 10 pages 36 and 37 of Maps, Records of Riverside County, California;

Those portions of Tracts 2, 4 and 5 of River Farm Tract, as shown by map on file in book 7 page 52 of Maps, Records of Riverside County, California; And that portion of Section 36, Township 2 South, Range 6 West of the Rancho La Sierra, as shown by map on file in book 6 page 70 of Maps, Records of Riverside County, California, included within the following described parcel;

Beginning at the northwest corner of Lot 97 of Greenacres Downs Unit No. 6, as shown by map on file in book 36 page 77 of Maps, Records of Riverside County, California, said corner being an angle point in the boundary line of that certain parcel of land conveyed to P and T Davis Investment Company, et al, by deed recorded August 5, 1966 as instrument no. 79951 of Official Records of Riverside County, California;

Thence north 01 degrees 34' 00" west, 275.88 feet;

Thence south 68 degrees 58' 00" west, 130 feet;

Thence south 88 degrees 26' 00" west (Recorded as north 88 degrees 26' 00" east), 66 feet;

Thence south 01 degrees 34' 00" east, 90 feet;

Thence south 88 degrees 26' 00" west, 120 feet;

Thence north 26 degrees 38' 50" west, 175.34 feet;

Thence north 45 degrees 00' 00" west, 172.25 feet to an angle point in the boundary line of that certain parcel of land conveyed to Eadington Fruit Company, et al, by deed recorded December 30, 1965 as instrument no. 146105 of Official Records of Riverside County, California; The last seven courses and distances follow the boundary line of the parcel conveyed to P and T Davis Investment Company, et al, as aforesaid;

Thence north 45 degrees 00' 00" west, 227.75 feet;

Thence north 45 degrees 00' 00" east, 600 feet to an angle point in the boundary line of that certain parcel of land conveyed to Frank H. Ayres and Son as Parcel 1 of Division D, by deed recorded August 14, 1953 in book 1500 page 32 of Official Records of Riverside County, California; The last two courses and distances follow the boundary line of the parcel conveyed to Eadington Fruit Company, et al, as aforesaid;

Thence along the boundary line of said Parcel 1 of Division D, north 00 degrees 24' 30" east, 171.20 feet to an angle point therein, said point being the southwest corner of that certain parcel of land conveyed to Frank H. Ayres and Son, as parcel 2 of Division D, as aforesaid;

Thence along the westerly line of said Parcel 2 of Division D, north 00 degrees 25' 00" east, 68.7 feet to the northwest corner thereof; Said corner being an angle point in the boundary line of that certain parcel of land conveyed to Frank H. Ayres and Son, as Parcel 3 (A) of Division D, as aforesaid;

Thence north 00 degrees 25' east, 261.3 feet;

Thence north 89 degrees 35' west, 330 feet;

Thence north 00 degrees 24' east, 271.27 feet;

Thence south 82 degrees 54' east, 367.24 feet;
 Thence south 75 degrees 01' east, 185.26 feet;
 Thence south 23 degrees 01' east, 197.56 feet;
 Thence south 48 degrees 43' east, 198.44 feet to an angle point in the boundary line of said Parcel 2 of Division D, the last seven courses and distances follow the boundary line of said Parcel 3 (A) of Division D;
 Thence along the boundary line of said Parcel 2 of Division, north 79 degrees 59' east, 282.05 feet, more or less, to the northwest corner of that certain parcel of land described as Parcel 11 in that certain action in eminent domain recorded May 5, 1954 in book 1584, page 142 of Official Records of Riverside County, California;
 Thence along the southwesterly line of said Parcel 11, south 49 degrees 40' 25" east, 552.28 feet to the southwesterly corner thereof, said corner being in the boundary line of said Parcel 1 of Division D;
 Thence south 81 degrees 56' 30" west, 484.79 feet;
 Thence south 29 degrees 48' east, 358.58 feet;
 Thence south 11 degrees 57' east, 267.72 feet;
 Thence south 46 degrees 42' 30" east, 101.52 feet;
 Thence north 67 degrees 05' east, 116.70 feet;
 Thence south 00 degrees 19' east, 138 feet;
 Thence south 27 degrees 47' east, 259.94 feet;
 Thence south 58 degrees 36' east, 170.37 feet;
 Thence south 11 degrees 16' east, 487.76 feet;
 Thence south 23 degrees 15' east, 185.62 feet;
 Thence south 51 degrees 47' east, 111.87 feet;
 Thence south 15 degrees 30' east, 149.11 feet;
 Thence south 00 degrees 47' west, 135 feet;
 Thence south 18 degrees 52' 30" east, 94.53 feet;
 Thence north 63 degrees 22' 30" east, 67.5 feet to the most southwesterly corner of Lot 30 of Mc Claskey Tract, as shown by map on file in book 10 pages 36 and 37 of Maps, Records of Riverside County, California;
 Thence south 20 degrees 22' east, 341.8 feet;
 Thence south 36 degrees 29' east, 450.7 feet;
 Thence south 59 degrees 37' east, 350.7 feet;
 Thence south 38 degrees 50' east, 300 feet;
 Thence south 24 degrees 36' east, 248 feet;
 Thence south 56 degrees 50' east, 231.5 feet to the most southwesterly corner of Lot 37 of said Mc Claskey Tract; The last six courses and distances follow along the southwesterly line of said Mc Claskey Tract;
 Thence south 32 degrees 27' 35" east, (Formerly recorded as south 32 degrees 28' east), 1018.75 feet along the southwesterly line of that certain parcel of land conveyed to V. G. Vial by deed recorded October 10, 1927 in book 736 page 281 of Deeds, Records of Riverside County, California, to a point on the northerly line of that certain parcel of land conveyed to Arlington Mutual Water Company by deed recorded February 13, 1925 in book 629 page 218 of Deeds, Records of Riverside County, California;
 Thence north 83 degrees 10' west along said northerly line, 0.74 feet to the northwest corner thereof;
 Thence south 00 degrees 20' 10" west (Formerly recorded as south 0 degrees 18' west), 35.85 feet to the northeasterly corner of that certain parcel of land conveyed to Arlington Mutual Water Company by deed recorded March 1, 1928 in book 755 page 5 of Deeds, Records of Riverside County, California;
 Thence north 32 degrees 27' 35" west (Formerly recorded as north 32 degrees 27' 30" west), 60.49 feet to the most northerly corner of said parcel of land;
 Thence south 06 degrees 50' west, 85.55 feet to the northeast corner of that certain parcel of

land conveyed to the County of Riverside as Parcel 1 by deed recorded April 20, 1955 as instrument no. 25884 of Official Records of Riverside County, California; The last twenty-six courses and distances follow the boundary line of said Parcel 1 of Division D;

Thence along the boundary line of said Parcel 1 conveyed to the County of Riverside, as aforesaid, north 83 degrees 10' west, 18.48 feet to the northwest corner thereof, said corner being in the boundary line of said Parcel 1 of Division D;

Thence north 27 degrees 38' 20" west, 279.72 feet;

Thence north 32 degrees 27' 35" west, 464.20 feet;

Thence south 46 degrees 43' 10" west, 108.65 feet;

Thence south 47 degrees 58' 30" west, 91.97 feet;

Thence south 86 degrees 53' 30" west, 127.70 feet;

Thence south 74 degrees 16' 15" west, 76.84 feet;

Thence south 62 degrees 31' 10" west, 58.56 feet;

Thence south 48 degrees 55' 40" west, 57.79 feet;

Thence south 30 degrees 32' 45" west, 59.32 feet;

Thence south 16 degrees 40' 45" west, 73.35 feet;

Thence south 06 degrees 50' west, 183.26 feet to the northeast corner of that certain parcel of land conveyed to the County of Riverside as Parcel 2 by deed recorded April 20, 1955 in book 1725, page 382 of Official Records of Riverside County, California; The last eleven courses and distances follow said boundary line of Parcel 1 of Division D;

Thence along the northerly line of Parcel 2 conveyed to the County of Riverside as aforesaid, north 83 degrees 10' west, 186.33 feet to the northwest corner thereof, said corner being in the boundary line of said Parcel 1 of Division D;

Thence north 06 degrees 50' east, 175 feet;

Thence north 83 degrees 10' west, 45.61 feet to a point on the center line of Lot O (Lakeside Avenue), as shown by map of Bixmill Tract on file in book 16 pages 28, 29 and 30, of Maps, Records of Riverside County, California;

Thence north 36 degrees 00' 30" east, 461.57 feet to a point on a curve, to the left, having a radius of 200 feet and an angle of 77 degrees 10';

Thence along the arc of said curve, 269.36 feet;

Thence north 41 degrees 09' 30" west, 710.57 feet;

Thence north 40' 32' 3" west, 939.24 feet;

Thence north 61 degrees 43' 30" west, 553.50 feet to a point on a curve, to the right, having a radius of 150 feet;

Thence northwesterly along said curve, to the right, through a central angle of 16 degrees 21' 55", an arc distance of 42.84 feet to a point thereon, from which the center of said curve bears north 44 degrees 38' 25" east, said point being an angle in the boundary line of that certain parcel of land conveyed to P and T Davis Investment Company, et al, by deed recorded August 5, 1966 as instrument no. 79952 of Official Records of Riverside County, California; The last eight courses and distances follow the boundary line of said Parcel 1 of Division D;

Thence south 10 degrees 34' 00" west, 89.57 feet;

Thence south 88 degrees 26' 00" west, 325.15 feet;

Thence north 01 degrees 34' 00" west, 1098.06 feet;

Thence south 88 degrees 26' 00" west, 120 feet;

Thence north 01 degrees 34' 00" west, 38.71 feet;

Thence south 88 degrees 26' 00" west, 180 feet to the Point of Beginning; The last six courses and distances follow the boundary line of said parcel conveyed to P and T Davis Investment Company, et al, by said deed recorded August 5, 1966 as instrument no. 79952 of Official Records of Riverside County, California;

Excepting therefrom that portion thereof lying southeasterly of the following described line:

Commencing at the southeast corner of Tract No. 5002, as shown by map on file in book 84

pages 18 and 19 thereof, of Maps, Records of Riverside County, California;
Thence north 00 degrees 34' 30" east along the east line of said Tract No. 5002, a distance of 1267.20 feet to an angle point in Lot 15 of said Tract No. 5002;
Thence north 41 degrees 09' 30" west along the northeasterly line of said Lot 15, a distance of 50.00 feet to a point therein for the True Point of Beginning;
Thence north 80 degrees 56' 59" east, distance of 341.51 feet, more or less, to an angle point in the northeasterly line of that certain parcel of land quitclaimed to Charles W. Hostler, Trustee of the Charles W. Hostler Trust dated October 29, 1980 recorded January 22, 1981 as instrument no. 12189 of Official Records of Riverside County, California;

Also excepting therefrom that portion thereof conveyed to the City of Riverside by document recorded May 19, 1977 as instrument no. 89583 of Official Records of Riverside County, California described as follows:

That portion of Lot "N" (Lakeside Avenue-Vacated), Lots 7, 8, 10 and 11 in Block 9 of Randolph Subdivision, as shown by map on file in book 16 page 39 thereof, of Maps, Records of Riverside County, California, more particularly described as follows:

Commencing at the intersection of the centerline of Palos Drive (Lot A) with the north boundary of Greenacres Downs Unit No. 6, as shown by map on file in book 36 page 77 thereof, of Maps, Records of Riverside County, California;

Thence north 1 degrees 34' 00" west, along the north prolongation of said centerline of Palos Drive, 119.74 feet;

Thence north 88 degrees 26' 00" east, 33.00 feet to the True Point of Beginning;

Thence continuing north 88 degrees 26' 00" east, 123.77 feet;

Thence north 1 degrees 34' 00" west, 200.00 feet;

Thence south 88 degrees 26' 00" west, 123.77 feet;

Thence south 1 degrees 34' 00" east, 200.00 feet to said True Point of Beginning.

Also excepting therefrom, that portion of Tract 5 of the River Farm Tract as shown by map on file in book 7 page 52 Records of Riverside County, California, described as follows:

Beginning at the intersection of the centerline of Alabama Street and the northeasterly line of Tract No. 8960 as shown by map on file in book 161 pages 1 and 2 of Maps, Records of Riverside County, California;

Thence along the northeasterly prolongation of said centerline north 8 degrees 50' 00" east 237.40 feet to the beginning of a tangent curve concave southerly having a radius of 200 feet;

Thence along the arc of said curve through a central angle of 19 degrees 59' 53", 69.81 feet to the end of curve;

Thence south 78 degrees 10' 07" east 33.24 feet to a point in a curve concave southeasterly having a radius of 200 feet through which a radial line bears south 78 degrees 10' 07" east;

Thence northerly along the arc of said curve through a central angle of 28 degrees 55' 17" 100.95 feet to the end of curve;

Thence north 40 degrees 45' 10" east 10.29 feet;

Thence north 49 degrees 14' 50" west 308.66 feet;

Thence north 40 degrees 45' 10" east 30.00 feet to the True Point of Beginning;

Thence north 89 degrees 36' 25" west 37.24 feet;

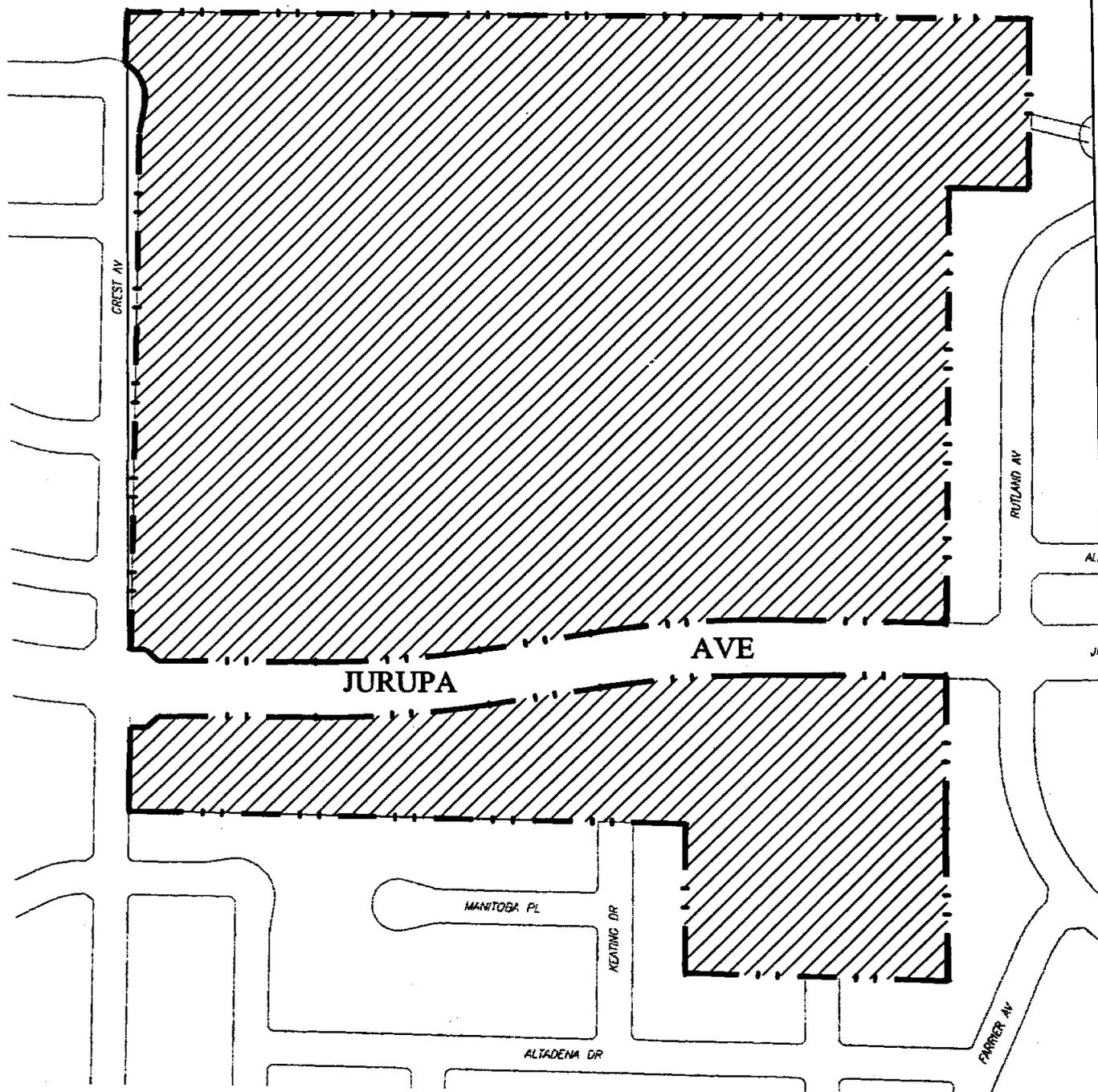
Thence north 0 degrees 16' 43" west 31.97 feet;

Thence south 49 degrees 14' 50" east 49.36 feet to the True Point of Beginning.

APN: 155-060-024 and 155-280-002 and 155-212-019

DEPICTION OF AG PARCEL

[TO FOLLOW]



SCALE: 1" = 300'

EXHIBIT "C"

adkan

ENGINEERS

CIVIL ENGINEERING • SURVEYING • LAND PLANNING
6820 AIRPORT DRIVE, RIVERSIDE, CA 92504
TEL: (909) 688-0241 • FAX: (909) 688-0599

DESCRIPTION AND DEPICTION OF EXISTING GOLF COURSE PARCEL

All that certain real property situated in the City of Riverside, County of Riverside, State of California described as:

[TO FOLLOW]

EXHIBIT D

LEGAL DESCRIPTION
FOR
LEASE PREMISES

PARCEL 1

LOTS 48, 49 AND 50 OF McCLASKEY TRACT, IN THE CITY OF RIVERSIDE, AS PER MAP RECORDED IN BOOK 10, PAGES 36 AND 37 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA;

EXCEPTING THEREFROM ANY PORTION OF SAID LOTS 48, 49 AND 50 LYING NORTHERLY AND NORTHEASTERLY OF THE SOUTHERLY AND SOUTHWESTERLY LINE OF THE PROPERTY DESCRIBED IN THE DEED TO THE COUNTY OF RIVERSIDE, RECORDED JULY 1, 1954, AS INSTRUMENT NO. 32866, OFFICIAL RECORDS.

ALSO EXCEPTING FROM A PORTION OF LOTS 48 AND 49 ALL MINERALS AND ALL MINERAL RIGHTS OF EVERY KIND AND CHARACTER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, OIL AND GAS AND RIGHTS THERETO, TOGETHER WITH THE SOLE, EXCLUSIVE AND PERPETUAL RIGHT TO EXPLORE FOR, REMOVE AND DISPOSE OF SAID MINERALS BY ANY MEANS OR METHODS SUITABLE TO GRANTOR, ITS SUCCESSORS AND ASSIGNS, BUT WITHOUT ENTERING UPON OR USING THE SURFACE OF THE LANDS HEREBY CONVEYED, AND IN SUCH MANNER AS NOT TO DAMAGE THE SURFACE OF SAID LANDS OR TO INTERFERE WITH THE USE THEREOF BY GRANTEE OR GRANTEE'S SUCCESSORS OR ASSIGNS, AS SET FORTH IN DEED RECORDED NOVEMBER 3, 1984 AS INSTRUMENT NO. 256839, OFFICIAL RECORDS.

CONTAINING 3.594 ACRES MORE OR LESS.

PARCEL 2

THAT PORTION OF CENTRAL AVENUE, (FORMERLY HANTON STREET), AS SHOWN ON McCLASKEY TRACT, AS PER MAP RECORDED IN BOOK 10, PAGES 36 AND 37 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, 60 FEET WIDE, LYING BETWEEN VAN BUREN BOULEVARD AND DOOLITTLE AVENUE.

CONTAINING 0.749 ACRES MORE OR LESS.

BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF CENTRAL AVENUE, FORMERLY KNOWN AS HANTON STREET, WITH THE CENTERLINE OF ACORN STREET AS SHOWN ON RECORD OF SURVEY RECORDED IN BOOK 33, PAGES 2 AND 3 OF RECORD OF SURVEYS, RECORDS OF RIVERSIDE COUNTY;

THENCE SOUTH 0°57'45" EAST ALONG THE CENTERLINE OF ACORN STREET 695.26 FEET TO THE TRUE POINT OF BEGINNING;

THENCE NORTH 76°17'19" WEST TO THE NORTHEASTERLY LINE OF SAID VAN BUREN BOULEVARD;

TOGETHER WITH THAT PORTION OF ACORN STREET, LYING SOUTHERLY OF THE SOUTHERLY LINE OF CENTRAL AVENUE AND NORTHERLY OF THE FOLLOWING DESCRIBED LINE AND ITS EASTERLY EXTENSION;

BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF CENTRAL AVENUE, FORMERLY KNOWN AS HANTON STREET, WITH THE CENTERLINE OF ACORN STREET AS SHOWN ON RECORD OF SURVEY RECORDED IN BOOK 33, PAGES 2 AND 3 OF RECORD OF SURVEYS, RECORDS OF RIVERSIDE COUNTY;

THENCE SOUTH 0°57'45" EAST ALONG THE CENTERLINE OF ACORN STREET 695.26 FEET TO THE TRUE POINT OF BEGINNING;

THENCE NORTH 76°17'19" WEST TO THE WESTERLY LINE OF SAID ACORN STREET;

TOGETHER WITH THOSE PORTIONS OF LOTS 65 AND 66 OF McCLASKEY TRACT, IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 10, PAGES 36 AND 37 OF MAPS, AND THAT PORTION OF MARGORY STREET (VACATED) AS SHOWN ON McCLASKEY TRACT NO. 2, IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 14, PAGE 27 OF MAPS, ALL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, BOUNDED BY THE FOLLOWING DESCRIBED LINE;

BEGINNING AT THE INTERSECTION OF THE EAST LINE OF ACORN STREET WITH THE SOUTH LINE OF MARGORY STREET AS SHOWN ON RECORD OF SURVEY RECORDED IN BOOK 33, PAGES 2 AND 3 OF RECORD OF SURVEYS, RECORDS OF RIVERSIDE COUNTY;

THENCE SOUTH 89°22'15" EAST ALONG SAID SOUTH LINE 2.24 FEET TO THE WEST LINE OF THE UNION PACIFIC RAILROAD RIGHT-OF WAY;

THENCE NORTH 0°57'45" EAST ALONG SAID WEST LINE 46.82 FEET TO THE BEGINNING OF TANGENT CURVE, CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 746.78 FEET;

THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 29°41'10" AN ARC DISTANCE OF 386.92 FEET TO A POINT ON SAID CURVE, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 59°21'10" EAST TO THE RADIUS POINT, SAID POINT ALSO BEING ON THE NORTHERLY LINE OF THE LAND CONVEYED TO THE CITY OF RIVERSIDE BY DEED RECORDED AUGUST 4, 1960 IN BOOK 2743 PAGE 322 OF OFFICIAL RECORDS OF SAID RIVERSIDE COUNTY;

THENCE NORTH 78°19'05" WEST ALONG SAID NORTHERLY LINE 102.75 FEET TO THE EAST LINE OF SAID ACORN STREET;

THENCE SOUTH 0°57'45" WEST ALONG SAID EAST LINE 450.72 FEET TO THE POINT OF BEGINNING.

CONTAINING 9.482 ACRES MORE OR LESS.

PARCEL 5

THOSE PORTIONS OF LOTS 65 THROUGH 68, INCLUSIVE, OF McCLASKEY TRACT, IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 10, PAGES 36 AND 37 OF MAPS, MARGORY STREET AS VACATED BY THE CITY OF RIVERSIDE, AND LOTS 1 THROUGH 6, INCLUSIVE, OF McCLASKEY TRACT NO. 2, IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 14, PAGE 27 OF MAPS, ALL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF CENTRAL AVENUE, FORMERLY KNOWN AS HANTON STREET, WITH THE CENTERLINE OF ACORN STREET AS SHOWN ON RECORD OF SURVEY RECORDED IN BOOK 33, PAGES 2 AND 3 OF RECORD OF SURVEYS, RECORDS OF RIVERSIDE COUNTY;

THENCE SOUTH 89°17'15" EAST ALONG THE CENTERLINE OF CENTRAL AVENUE 395.57 FEET;

THENCE SOUTH 0°42'45" WEST 44.00 FEET TO THE INTERSECTION OF THE SOUTHERLY LINE OF SAID CENTRAL AVENUE AND THE EASTERLY LINE OF THE UNION PACIFIC RAILROAD RIGHT-OF-WAY, SAID INTERSECTION BEING THE TRUE POINT OF BEGINNING;

THENCE SOUTH 89°17'15" EAST ALONG SAID SOUTHERLY LINE OF CENTRAL AVENUE 452.31 FEET;

THENCE SOUTH 0°42'45" WEST 206.00 FEET;

THENCE SOUTH 89°17'15" EAST 400.74 FEET;

4

Crouse/Beers & Associates. Inc.
1700 Hamner Avenue. Suite 104
Norco, California 91760-2957
909-736-2040 Fax 909-736-5292

(PAGE 5 OF 7)

THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 29°41'10" AN ARC DISTANCE OF 386.92 FEET TO A POINT ON SAID CURVE, A RADIAL LINE THROUGH SAID POINT BEARS SOUTH 59°21'10" EAST TO THE RADIUS POINT, SAID POINT ALSO BEING ON THE NORTHERLY LINE OF THE LAND CONVEYED TO THE CITY OF RIVERSIDE BY DEED RECORDED AUGUST 4, 1960 IN BOOK 2743 PAGE 322 OF OFFICIAL RECORDS OF SAID RIVERSIDE COUNTY;

THENCE NORTH 78°19'05" WEST ALONG SAID NORTHERLY LINE 102.75 FEET TO THE EAST LINE OF SAID ACORN STREET;

THENCE SOUTH 0°57'45" WEST ALONG SAID EAST LINE 450.72 FEET TO THE POINT OF BEGINNING.

CONTAINING 9.482 ACRES MORE OR LESS.

PARCEL 5

THOSE PORTIONS OF LOTS 65 THROUGH 68, INCLUSIVE, OF McCLASKEY TRACT, IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 10, PAGES 36 AND 37 OF MAPS, MARGORY STREET AS VACATED BY THE CITY OF RIVERSIDE, AND LOTS 1 THROUGH 6, INCLUSIVE, OF McCLASKEY TRACT NO. 2, IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 14, PAGE 27 OF MAPS, ALL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF CENTRAL AVENUE, FORMERLY KNOWN AS HANTON STREET, WITH THE CENTERLINE OF ACORN STREET AS SHOWN ON RECORD OF SURVEY RECORDED IN BOOK 33, PAGES 2 AND 3 OF RECORD OF SURVEYS, RECORDS OF RIVERSIDE COUNTY;

THENCE SOUTH 89°17'15" EAST ALONG THE CENTERLINE OF CENTRAL AVENUE 395.57 FEET;

THENCE SOUTH 0°42'45" WEST 44.00 FEET TO THE INTERSECTION OF THE SOUTHERLY LINE OF SAID CENTRAL AVENUE AND THE EASTERLY LINE OF THE UNION PACIFIC RAILROAD RIGHT-OF-WAY, SAID INTERSECTION BEING THE TRUE POINT OF BEGINNING;

THENCE SOUTH 89°17'15" EAST ALONG SAID SOUTHERLY LINE OF CENTRAL AVENUE 452.31 FEET;

THENCE SOUTH 0°42'45" WEST 206.00 FEET;

THENCE SOUTH 89°17'15" EAST 400.74 FEET;

4

Crouse/Beers & Associates, Inc.
1700 Hamner Avenue, Suite 104
Norco, California 91760-2957
909-736-2040 Fax 909-736-5292

(PAGE 6 OF 7)

THENCE SOUTH 0°42'45" WEST 195.50 FEET;

THENCE SOUTH 89°17'15" EAST 46.00 FEET;

THENCE SOUTH 0°42'45" WEST 291.63 FEET;

THENCE NORTH 76°19'50" WEST 640.09 FEET;

THENCE NORTH 13°40'10" EAST 112.35 FEET;

THENCE NORTH 76°19'50" WEST 561.50 FEET TO THE EAST LINE OF THE UNION PACIFIC RAILROAD RIGHT-OF WAY, SAID LINE BEING A CURVE, CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 686.78 FEET, A RADIAL LINE TO THE CENTER OF SAID CURVE BEARS SOUTH 65°18'13" EAST;

THENCE NORTHEASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 20°16'10" AN ARC DISTANCE OF 242.96 FEET;

THENCE NORTH 44°57'56" EAST TANGENT TO SAID CURVE 159.34 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 10.261 ACRES MORE OR LESS.

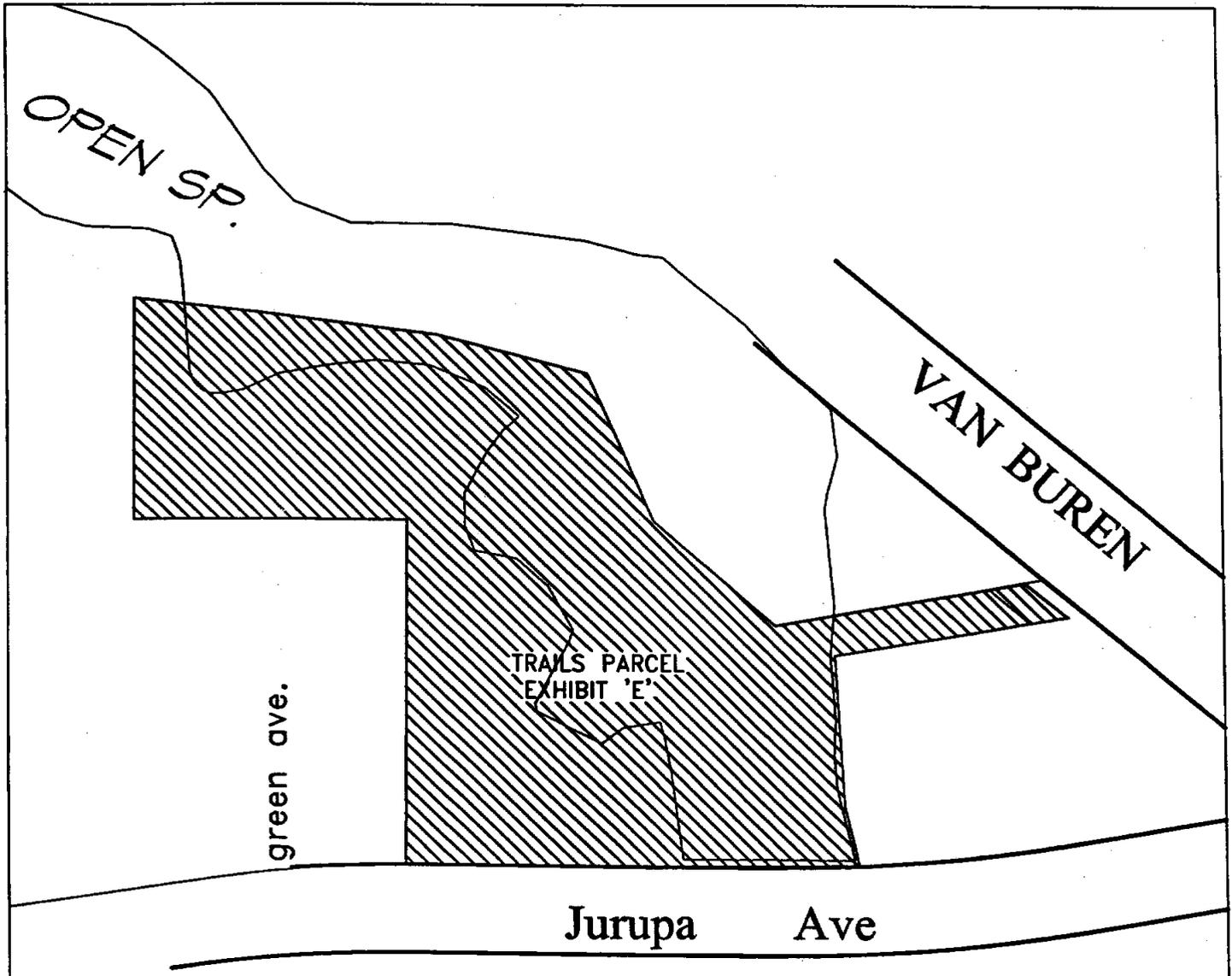


Douglas N. Crouse
DOUGLAS N. CROUSE R.C.E. 23796
EXPIRES 12-31-97

DESCRIPTION APPROVAL *6/17/96*
Mal S. Beers by *Cap*
SURVEYOR, CITY OF RIVERSIDE

DEPICTION OF TRAILS PARCEL

[TO FOLLOW]



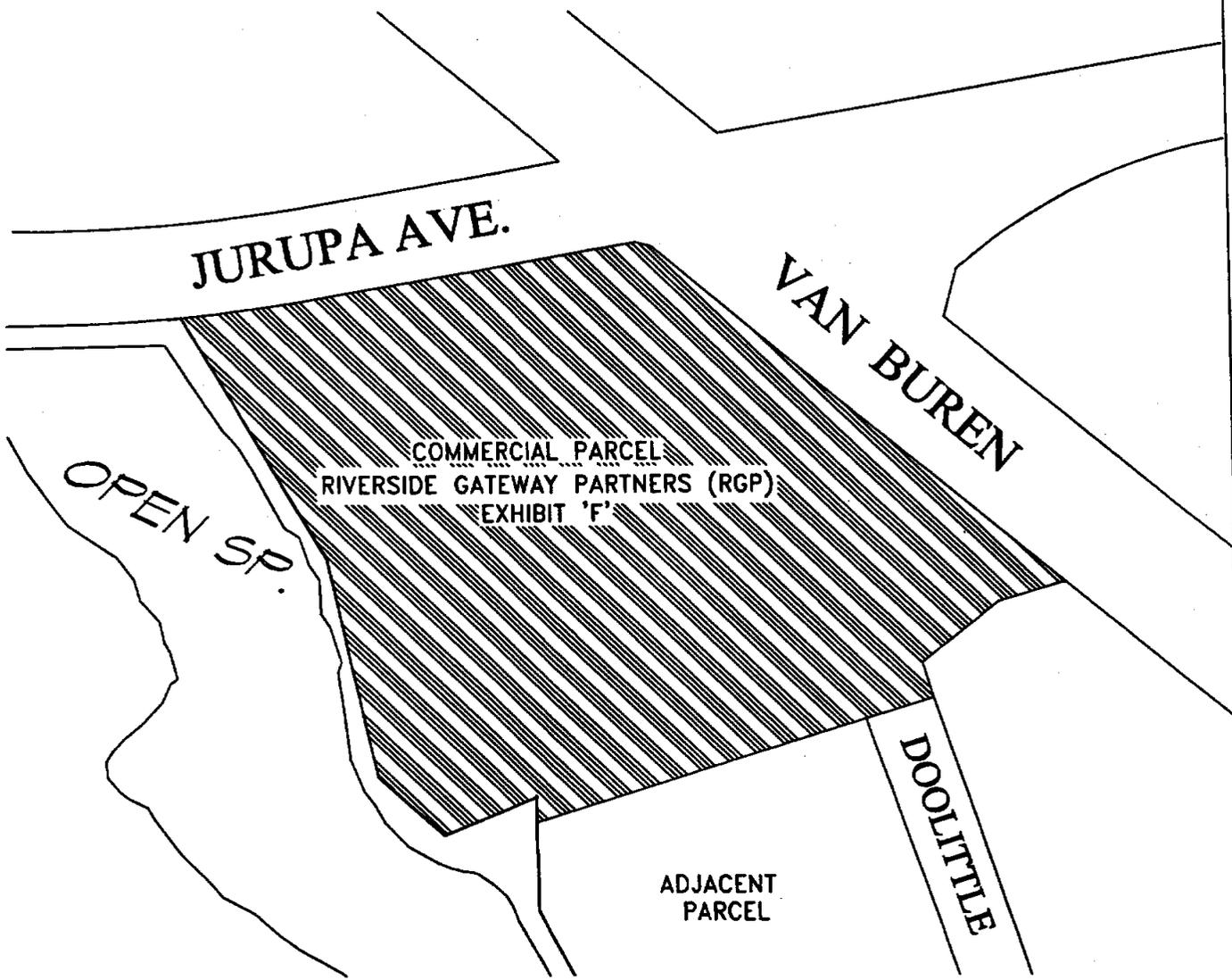
SCALE: 1" = 200'

**TRAILS PARCEL
EXHIBIT "E"**

adkan
ENGINEERS
CIVIL ENGINEERING • SURVEYING • LAND PLANNING
6820 AIRPORT DRIVE, RIVERSIDE, CA 92504
TEL: (909) 688-0241 • FAX: (909) 688-0599

DEPICTION OF COMMERCIAL PARCEL

[TO FOLLOW]



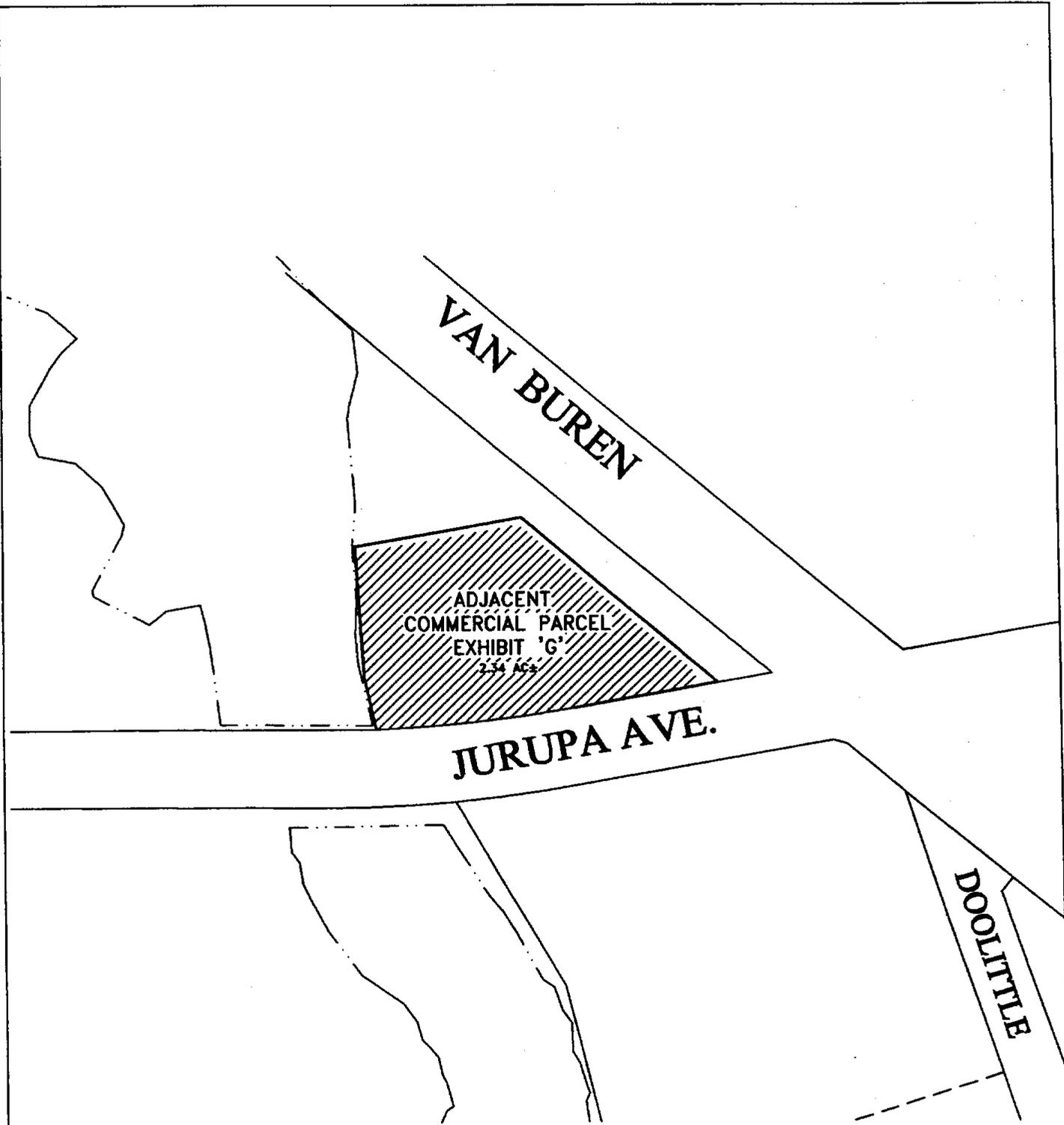
SCALE: 1" = 200'

COMMERCIAL PARCEL
RIVERSIDE GATEWAY PARTNERS (RGP)
EXHIBIT "F"

adkan
ENGINEERS
CIVIL ENGINEERING • SURVEYING • LAND PLANNING
6820 AIRPORT DRIVE, RIVERSIDE, CA 92504
TEL: (909) 688-0241 • FAX: (909) 688-0599

DEPICTION OF ADJACENT COMMERCIAL PARCEL

[TO FOLLOW]



SCALE: 1" = 200'

**ADJACENT
COMMERCIAL PROPERTY
EXHIBIT "G"**

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TEL: (909) 688-0241 • FAX: (909) 688-0599

GATEWAY COMMERCIAL PROJECT GRADING PLAN

[TO FOLLOW]



SCALE: 1"=60'

BOOKERS
ENGINEERS
Civil, Mechanical, Electrical, Surveying, and Landmark
1000 N. 10th St., Suite 100, Phoenix, AZ 85004
PH: 602-944-0001 FAX: 602-944-0000

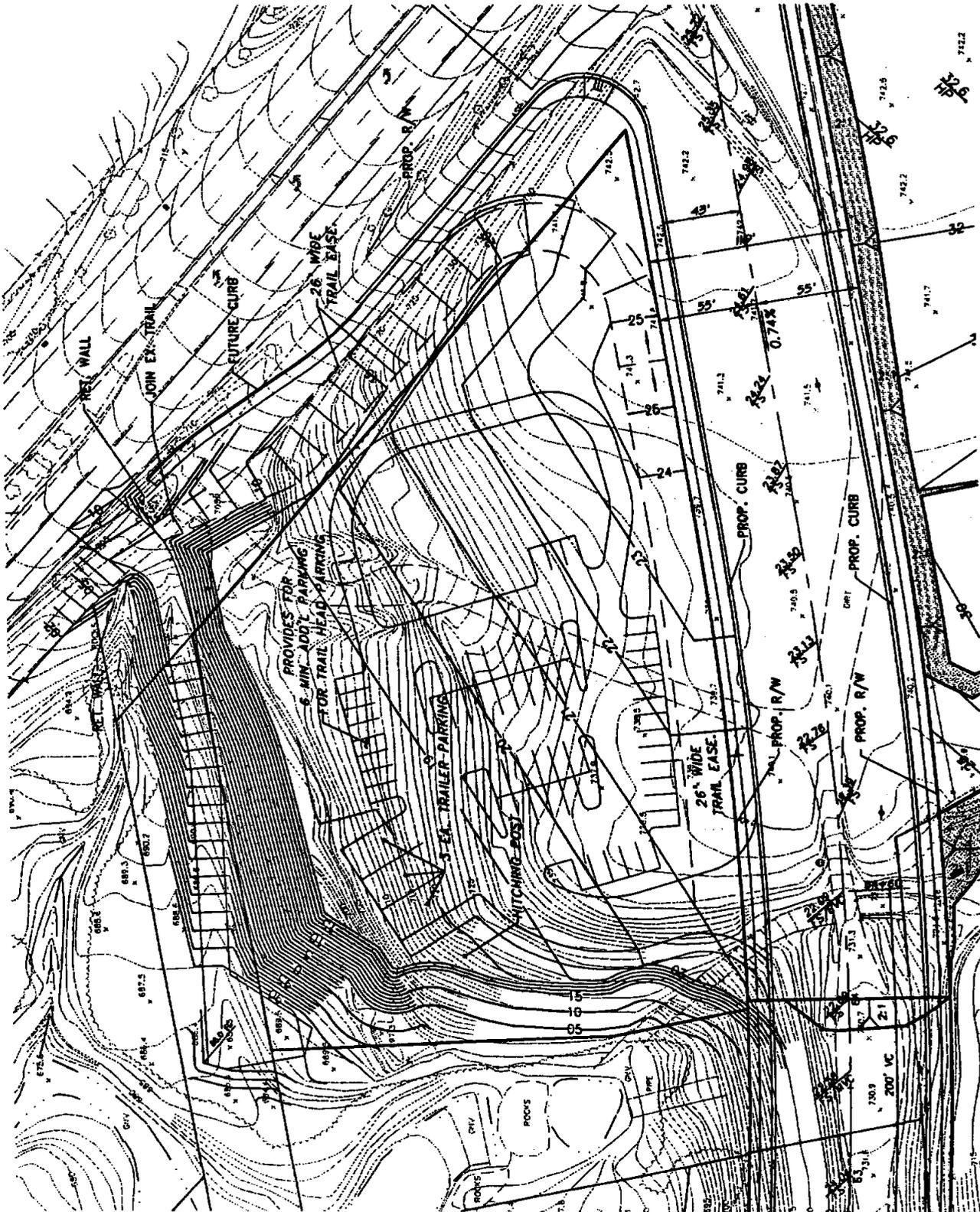


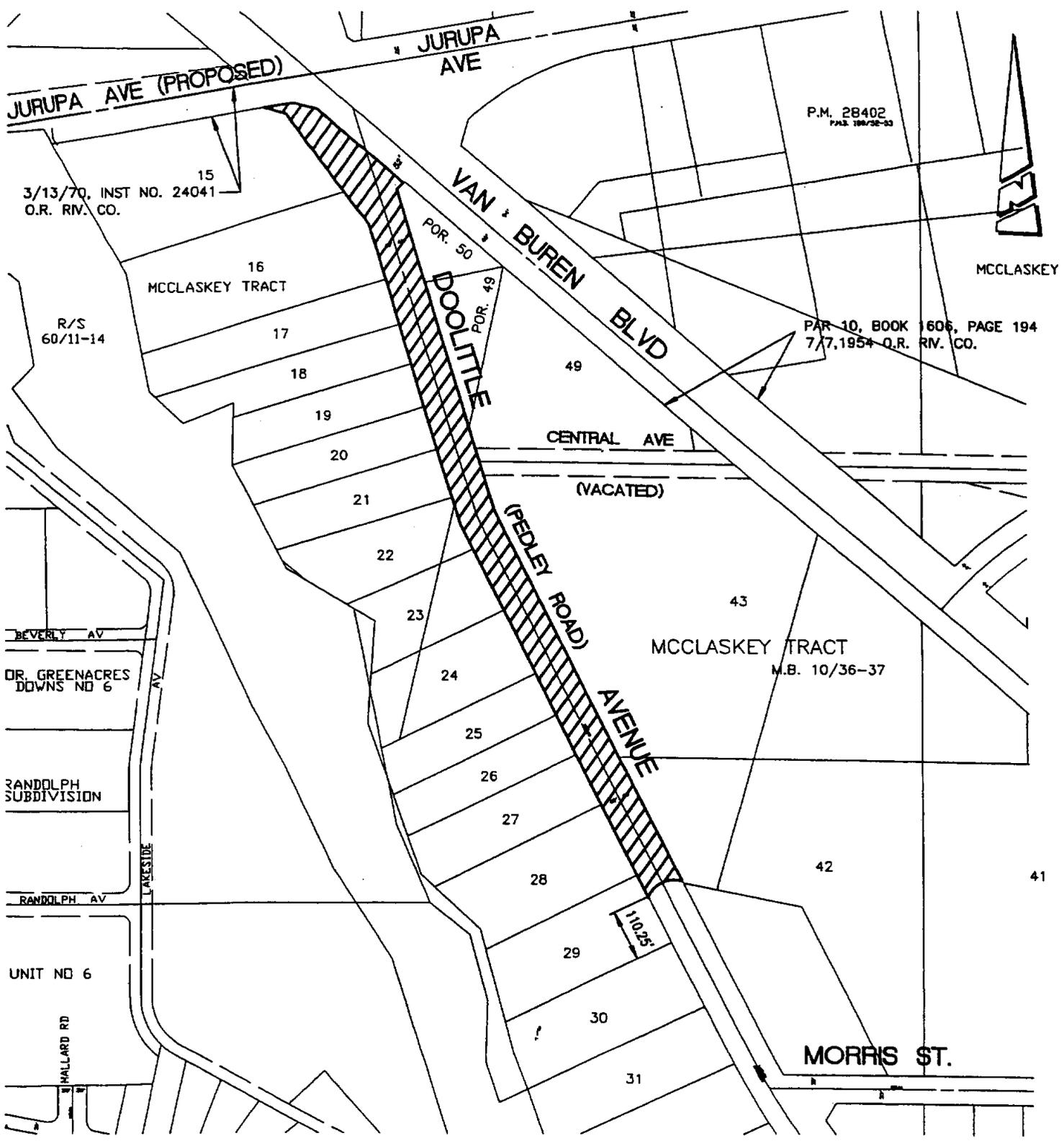
EXHIBIT "G-1"

DESCRIPTION AND DEPICTION OF DOOLITTLE PARCEL

All that certain real property situated in the City of Riverside, County of Riverside, State of California described as:

[TO FOLLOW]

EXHIBIT H



• CITY OF RIVERSIDE, CALIFORNIA •

THIS PLAT IS SOLELY AN AID IN LOCATING THE PARCEL(S) DESCRIBED IN THE ATTACHED DOCUMENT. IT IS NOT A PART OF THE WRITTEN DESCRIPTION THEREIN.

SHEET 1 OF 1

SCALE: 1"=300' | DRAWN BY: CS | DATE: 3/18/03 | SUBJECT: DOOLITTLE VACATION NW OF MORRIS ST (PAGE 2 OF 4)

EXHIBIT H

Project: Doolittle Vacation

Those portions of Lots 15, 16 and 50 and a portion of Doolittle Avenue (formerly Pedley Road) of the McClaskey Tract, as shown by map on file in Book 10, Pages 36 and 37 of Maps, records of Riverside County, California, being bounded as follows:

BOUNDED on the southeast by the following described line:

COMMENCING at the most easterly corner of Lot 29 of said McClaskey Tract;

THENCE North $29^{\circ}46'$ West a distance of 110.25 feet along the southwesterly line of said Doolittle Ave to a point in a non-tangent curve concave southeasterly and having a radius of 60 feet whose radial line bears North $68^{\circ}27'37''$ West and to THE TRUE POINT OF BEGINNING;

THENCE northerly to the right along said curve through a central angle of $83^{\circ}37'14''$ an arc length of 87.57 feet to the northeasterly line of said Doolittle Avenue and the END of this line description;

BOUNDED on the north by the following described line:

The easterly prolongation of the southerly line of that certain parcel of land described in deed to the City of Riverside by document recorded March 13, 1970 as instrument No. 24041 of Official Records of said Riverside County, (said southerly line having a bearing and distance recorded as North $80^{\circ}02'17''$ East, 458.77 feet), (this course is herein after referred to as Course "A"),

BOUNDED on the northeast by the following described line:

A line parallel with and distant 4 feet southwesterly, as measured at right angles, from the southwesterly line and its northwesterly prolongation of that certain parcel of land described as Parcel 10 in document to the County of Riverside in deed recorded July 7, 1954 in Book 1606, Page 188, et seq., of Official Records of said Riverside County (said southwesterly line having a bearing and distance recorded as South $49^{\circ}40'25''$ West, 942.64 feet), (this course is herein after referred to as Course "B");

EXCEPTING THEREFROM that portion lying northerly of the following described line:

COMMENCING at the intersection of the easterly prolongation of said Course "A" with the northwesterly prolongation of said Course "B";

THENCE westerly along said Course "A" a distance of 26.98 feet to the POINT OF BEGINNING of this line description;

THENCE southeasterly to a point in said Course "B" distant therein 26.98 feet southeasterly from said intersection, and the END of this line description;

(PAGE 3 OF 4)

RESERVING therefrom permanent easements and rights of way including the right to construct, reconstruct, maintain, operate, inspect, repair, replace, relocate, renew and remove sanitary sewers, storm drains, waterlines, gaslines, electrical energy distribution and transmission facilities, and aerial and underground telephone, telegraph and communication facilities and appurtenances.

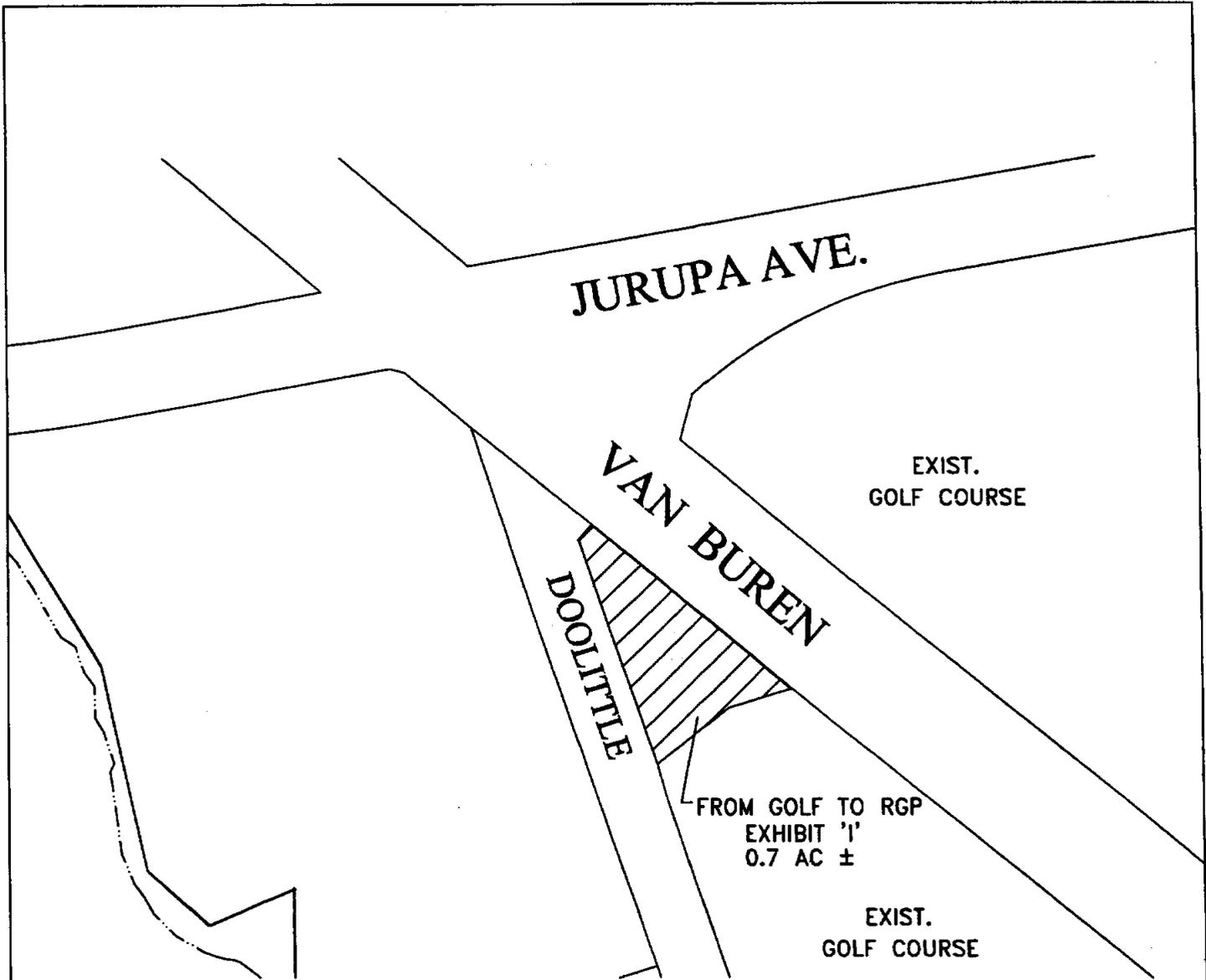
This description was prepared by me or under my direction in conformance with the requirements of the Land Surveyors Act.

 3/18/03 Prep. 
Mark S. Brown, L.S. 5655 Date
License Expires 9/30/03



DEPICTION OF TRANSFERRED GOLF COURSE PARCEL

[TO FOLLOW]

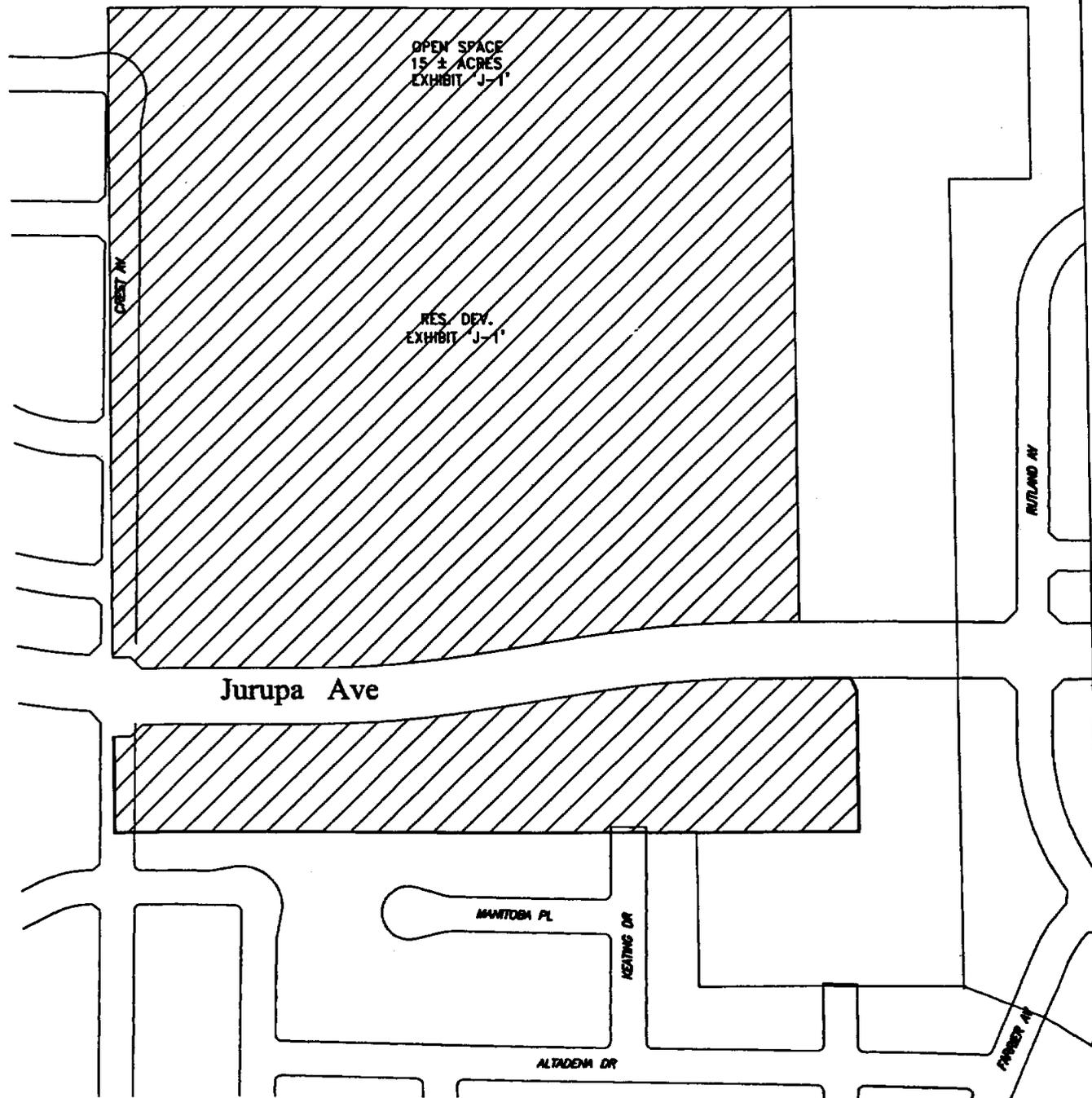


SCALE: 1" = 200'

**FROM GOLF TO RGP
EXHIBIT "1"**

adkan
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6820 AIRPORT DRIVE, RIVERSIDE, CA 92504
TEL: (909) 688-0241 • FAX: (909) 688-0599

DEPICTION OF RESIDENTIAL PROJECT
(1ST PHASE - 113 LOTS)



SCALE: 1" = 300'

**OPEN SPACE & RES. DEV.
EXHIBIT "J-1"**

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TEL: (909) 688-0241 • FAX: (909) 688-0599

DEPICTION OF RESIDENTIAL PROJECT
(2ND PHASE - 42 LOTS)



SCALE: 1" = 200'

**RES. DEV.
EXHIBIT "J-2"**

**RES. DEV.
EXHIBIT 'J-2'**

OPEN SP.

rutland
ave.

Jurupa Ave

**RUTLAND
CITY PARK**

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FOURTH AMENDMENT TO LEASE AGREEMENT

[TO FOLLOW]

FOURTH AMENDMENT TO LEASE AGREEMENT

(Executive Golf Course/Golf Driving Range- Riverside Municipal Airport)

THIS FOURTH AMENDMENT TO LEASE AGREEMENT is made and entered into this ____ day of _____, 2003, by and between the CITY OF RIVERSIDE, a municipal corporation of the State of California ("City"), and VAN BUREN GOLF CENTER, LLC, a California limited liability company, also known as VAN BUREN GOLF CENTER, a California limited liability company ("Lessee"), with reference to the following facts:

A. The City and WABI ("WABI"), entered into that certain Lease Agreement dated February 16, 1988, (the "Lease Agreement"), wherein the City leased to WABI certain real property for use as a Golf Driving Range and other activities directly associated therewith. The term of the Lease Agreement was for a period of 20 years commencing January 1, 1988 and terminating December 31, 2008, with an option to renew for an additional period of 5 years through December 31, 2013.

B. The City and WABI entered into an Amendment to the Lease Agreement dated August 9, 1988 (the "First Amendment"), revising Paragraphs 1 - (PREMISES), 6 - (RENTAL), 9 - (REQUIRED IMPROVEMENTS BY LESSEE), and adding Paragraph 45 - (ADDITIONAL PROPERTY).

C. The City, WABI, and Lessee entered into an Assignment of Lease and Assumption Agreement and Consent to Assignment effective October 1, 1995, transferring the interests of WABI in the Lease Agreement, as amended by the First Amendment, to Lessee.

D. The City and Lessee entered into a Second Amendment of the Lease Agreement dated July 23, 1996, (the "Second Amendment") which revised a number of lease terms including, but not limited to, 1 - (PREMISES), 3 - (PURPOSE), 4 - (TERM), 6 - (RENTAL), 7 - (GROSS REVENUE RECORDS), and Paragraph 45 - (ADDITIONAL PROPERTY) wherein Lessee leased from the City approximately forty-nine (49) acres of real property which are part of the Riverside Municipal Airport, in the City of Riverside, California. The improvements located on such property parcel were leased in their "as is" condition. Lessee constructed and continues to operate on such property a Golf Course, Golf Driving Range and other associated activities. By the Second Amendment, the term of the Lease was revised to commence July 10, 1996, and terminate July 9, 2016.

E. The City and Lessee entered into a Third Amendment of the Lease Agreement dated September 19, 2000 (the "Third Amendment") which revised Paragraph 4 - (TERM) and 6 - (RENTAL).

F. The City and Lessee have negotiated certain revisions to Paragraph 1 - (PREMISES) of the Lease Agreement.

NOW, THEREFORE, it is mutually agreed by and between the parties that Lease is hereby amended as follows:

1. Paragraph 1 of the Lease Agreement between the parties hereto dated February 16, 1988, and as amended on August 9, 1988 and on July 23, 1996, is hereby amended to read in full as follows:

"1. PREMISES. The City hereby leases to Lessee: (a) the approximately fifty (50) acres of real property which are part of the Riverside Municipal Airport in the City of Riverside, California, as shown in the following Exhibits attached hereto and incorporated herein by this reference: plat map (Exhibit 'A'), legal description for the leased premises (Exhibit 'B') less that portion of such fifty (50) acres defined hereinbelow as the "Transferred Golf Course Parcel"; plus (b) effective as of the date upon which it acquires fee simple title to the same, and not otherwise, approximately fourteen (14) acres of real property located in the City and defined hereinbelow as the "City Parcel".

"As used herein the following terms shall have the following meaning:

(a) "Transferred Golf Course Parcel" shall mean and refer to that certain real property described on Exhibit "I", attached hereto and incorporated herein by this reference.

(b) "City Parcel" shall mean and refer to that certain real property consisting of approximately fourteen (14) acres and more particularly described and depicted on Exhibit "A" attached hereto and incorporated herein by this reference.

"The Lease hereby granted shall be subject and subordinate to the existing Airport Land Leases between the City and the United States of America covering the operation and maintenance of the existing approach lighting system, which Leases affect a portion of the premises leased pursuant to this Lease Agreement."

2. With respect to the City Parcel, the parties agree as follows: (a) except for the single family residence located on the northeast corner of Doolittle Avenue and Morris Street, the City agrees that, within thirty (30) days after the execution of this

Amendment, it will, at its sole cost and expense, demolish and remove all structures currently located on the City Parcel; and (b) Lessee agrees that, within thirty (30) days after the execution of this Amendment, it will, at its sole cost and expense, acquire, or obtain the rights to acquire, the leasehold interest of the tenant of the premises commonly known as 6776 Doolittle Avenue, Riverside, CA 92505.

3. All other terms of the Lease Agreement between the City and Lessee dated February 16, 1998, and the First, Second and Third Amendment to the Lease Agreement dated August 9, 1998, July 23, 1996, and September 19, 2000, respectively, not inconsistent herewith shall remain in full force and effect.

IN WITNESS WHEREOF the parties hereto have caused this Fourth Amendment to Lease Agreement to be executed the date and year first written above.

CITY OF RIVERSIDE, a
municipal corporation

VAN BUREN GOLF CENTER, LLC,
a California limited liability company

By _____
City Manager

By: _____
Mike Hancock

By: _____
John L. West

Attest _____
City Clerk

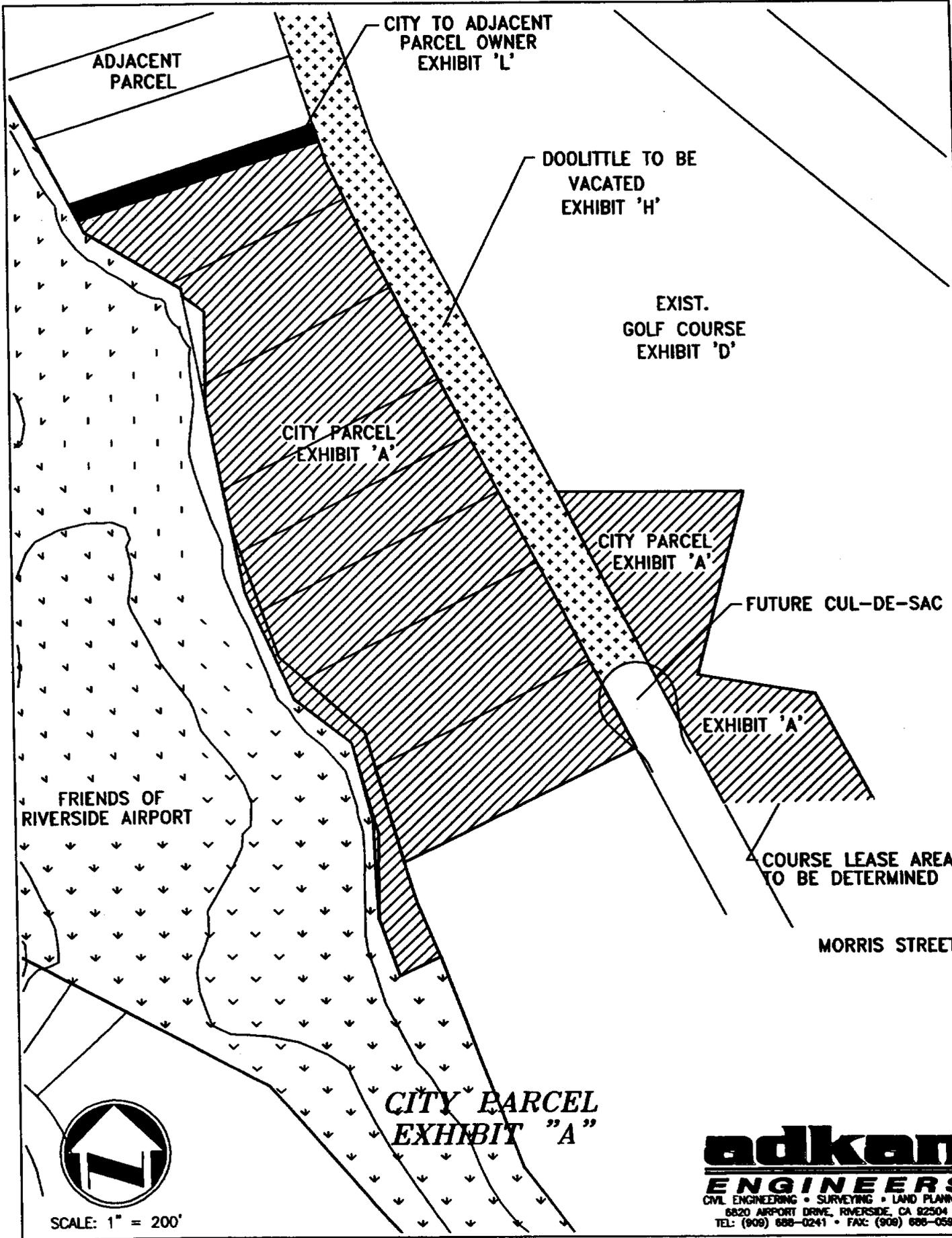
By: _____
Henry C. Cox

APPROVED AS TO FORM:

Deputy City Attorney

DEPICTION OF TRANSFERRED GOLF COURSE PARCEL

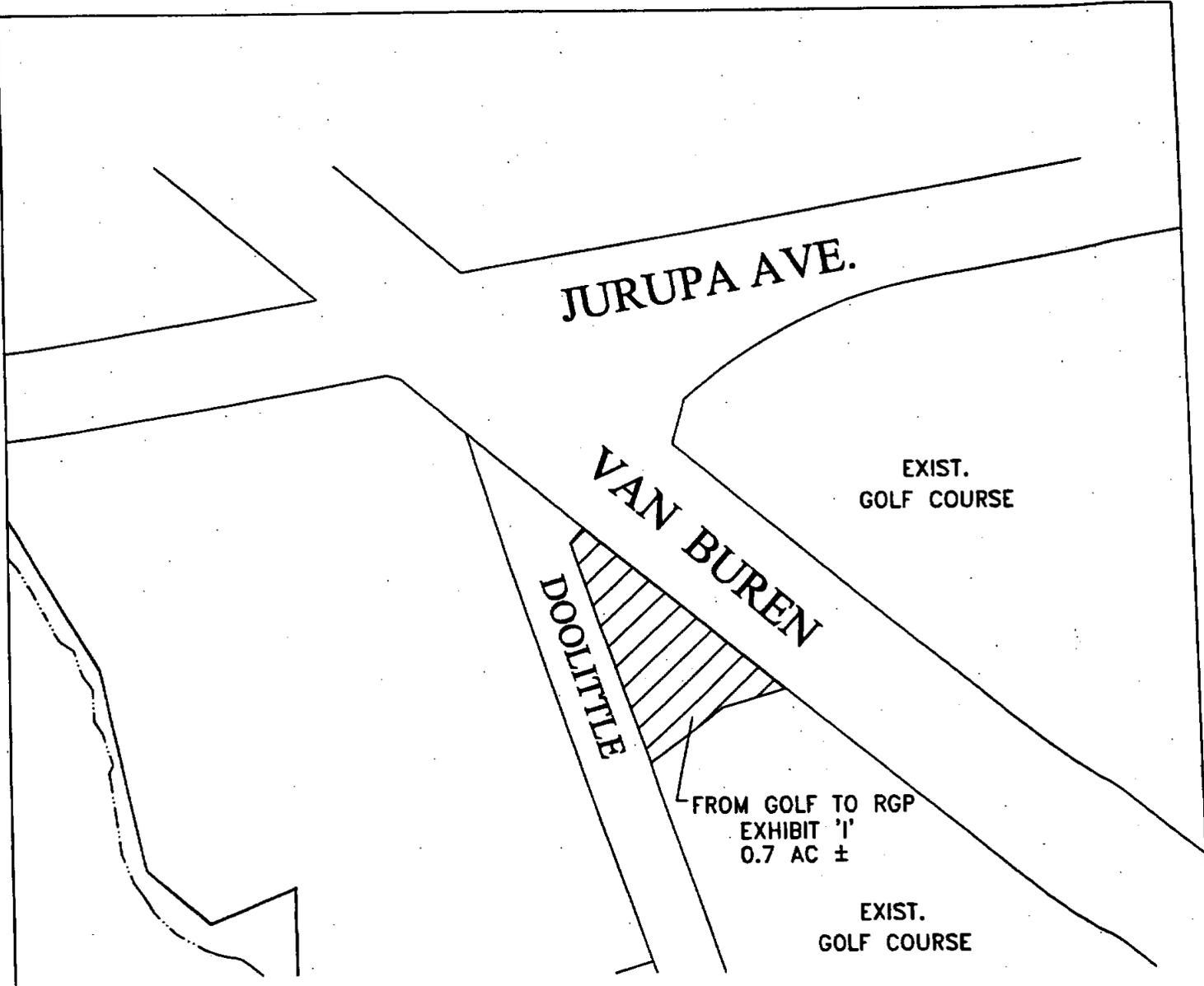
[FOLLOWS]



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DEPICTION OF TRANSFERRED GOLF COURSE PARCEL

[FOLLOWS]



SCALE: 1" = 200'

*FROM GOLF TO RGP
EXHIBIT "1"*

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FIFTH AMENDMENT TO LEASE AGREEMENT

[TO FOLLOW]

FIFTH AMENDMENT TO LEASE AGREEMENT

**(Executive Golf Course/Golf Driving Range-
Riverside Municipal Airport)**

THIS FIFTH AMENDMENT TO LEASE AGREEMENT is made and entered into this ____ day of _____, 2003, by and between the CITY OF RIVERSIDE, a municipal corporation of the State of California ("City"), and VAN BUREN GOLF CENTER, LLC, a California limited liability company, also known as VAN BUREN GOLF CENTER, a California limited liability company ("Lessee"), with reference to the following facts:

A. The City and WABI LIMITED, a California corporation ("WABI"), entered into that certain Lease Agreement dated February 16, 1988, ("Lease Agreement"), wherein the City leased to WABI certain real property for use as a Golf Driving Range and other activities directly associated therewith. The term of the Lease Agreement was for a period of 20 years commencing January 1, 1988 and terminating December 31, 2008, with an option to renew for an additional period of 5 years through December 31, 2013.

B. The City and WABI entered into an Amendment to the Lease Agreement dated August 9, 1988 (the "First Amendment"), revising Paragraphs 1 - (PREMISES), 6 - (RENTAL), 9 - (REQUIRED IMPROVEMENTS BY LESSEE), and adding Paragraph 45 - (ADDITIONAL PROPERTY).

C. The City, WABI, and Lessee entered into an Assignment of Lease and Assumption Agreement and Consent to Assignment effective October 1, 1995, transferring the interests of WABI in the Lease Agreement, as amended by the First Amendment, to Lessee.

D. The City and Lessee entered into a Second Amendment of the Lease Agreement dated July 23, 1996, (the "Second Amendment") which revised a number of lease terms including but not limited to 1 - (PREMISES), 3 - (PURPOSE), 4 - (TERM), 6 - (RENTAL), 7 - (GROSS REVENUE RECORDS), and Paragraph 45 - (ADDITIONAL PROPERTY) wherein Lessee leased from the City approximately forty-nine (49) acres of real property which are part of the Riverside Municipal Airport, in the City of Riverside, California. The improvements located on such property parcel were leased in their "as is" condition. Lessee constructed and continues to operate on such property a Golf Course, Golf Driving Range and other associated activities. By the Second Amendment, the term of the Lease was revised to commence July 10, 1996 and terminating July 9, 2016.

E. The City and Lessee entered into a Third Amendment of the Lease Agreement dated September 19, 2000 (the "Third Amendment") which revised Paragraph 4 - (TERM) and 6 - (RENTAL).

F. The City and Lessee entered into a fourth Amendment of the Lease Agreement dated _____, 200__ (the "Fourth Amendment") which revised Paragraph 1 - (PREMISES).

G. The City and Lessee have negotiated certain revisions to Paragraph 1 - (PREMISES) and 4 - (TERM).

NOW, THEREFORE, it is mutually agreed by and between the parties that Lease is hereby amended as follows:

1. Paragraph 1 of the Lease Agreement between the parties hereto dated February 16, 1988, and as amended on August 9, 1988, July 23, 1996 and _____, 2002, is hereby amended to read as follows:

"1. PREMISES. The City hereby leases to Lessee: (a) approximately fifty (50) acres of real property which are part of the Riverside Municipal Airport in the City of Riverside, California, as shown in the following Exhibits attached hereto and incorporated herein by this reference: plat map (Exhibit 'A'), legal description for the leased premises (Exhibit 'B') less that portion of such fifty (50) acres defined hereinbelow as the "Transferred Golf Course Parcel"; plus (b) the approximately fourteen (14) acres of real property located in the City and defined hereinbelow as the "City Parcel"; and plus (c) approximately _____ acres of real property located in the City and defined hereinbelow as the "Expanded Golf Course Parcel".

As used herein the following terms shall have the following meaning:

(a) "Transferred Golf Course Parcel" shall mean and refer to that certain real property described on Exhibit "I" attached hereto and incorporated herein by this reference;

(b) "City Parcel" shall mean and refer to that certain real property consisting of approximately fourteen (14) acres and more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference;

(c) "Expanded Golf Course Parcel" shall mean and refer to the: (i) the City Parcel (less that portion thereof defined hereinbelow as the "Strip Parcel"); plus (ii) the FRA Parcel (as such term is defined herein below) [less that portion of the FRA Parcel defined hereinbelow as the "Trails Parcel"] and plus (iii) the balance of the vacated portion of the Doolittle Parcel after the conveyance of the Doolittle Parcel to Riverside Gateway Plaza, a California general partnership;

(d) "Strip Parcel" shall mean and refer to that certain real property third (30) feet in width and consisting of approximately twenty-seven hundredths (.27) acres more particularly described and depicted on Exhibit "L" attached hereto and incorporated herein by this reference;

(e) "FRA Parcel" shall mean and refer to that certain real property described and depicted on Exhibit "B" attached hereto and incorporated herein by this reference excepting and reserving therefrom a grading easement as shown on the Grading Plan;

(f) "Grading Plan" shall mean and refer to the grading plan as shown on Exhibit "S" attached hereto and incorporated herein by this reference.

(g) "Trails Parcel" shall mean and refer to that certain real property consisting of approximately eight and seventy-seven hundredths (8.77) acres and more particularly described and depicted on Exhibit "E" attached hereto and incorporated herein by this reference; and

2. Paragraph 4 of the Lease Agreement between the parties hereto dated February 16, 1988, and as amended on August 9, 1988, July 23, 1996 and September 19, 2000, is hereby amended to read in full as follows:

"4. TERM. The term of this Lease shall be for a period of 40 years commencing _____, 2003, and terminating _____, 2013.

3. The Lease Agreement is amended to provide as follows:

(a) Lessee shall, at its sole cost and expense, provide golf teaching lessons to junior golfers (i.e., golfers under age 18) for two (2) days in each calendar year (collectively, the "Teaching Dates"); (b) the Teaching Dates shall be mutually determined by City and Lessor; and (c) City shall be responsible for the transportation of the junior golfers to and from the Premises on each Teaching Date.

4. All other terms of the Lease Agreement between the City and Lessee dated February 16, 1998, and the First, Second, Third and Fourth Amendment to the Lease

Agreement dated August 9, 1998, July 23, 1996, September 19, 2000 and _____, 2002, respectively, not inconsistent herewith shall remain in full force and effect.

IN WITNESS WHEREOF the parties hereto have caused this Fifth Amendment to Lease Agreement to be executed the date and year first written above.

CITY OF RIVERSIDE, a
municipal corporation

VAN BUREN GOLF CENTER, LLC,
a California Limited Liability Company

By _____
City Manager

By: _____
Mike Hancock

By: _____
John L. West

Attest _____
City Clerk

By: _____
Henry C. Cox

APPROVED AS TO FORM:

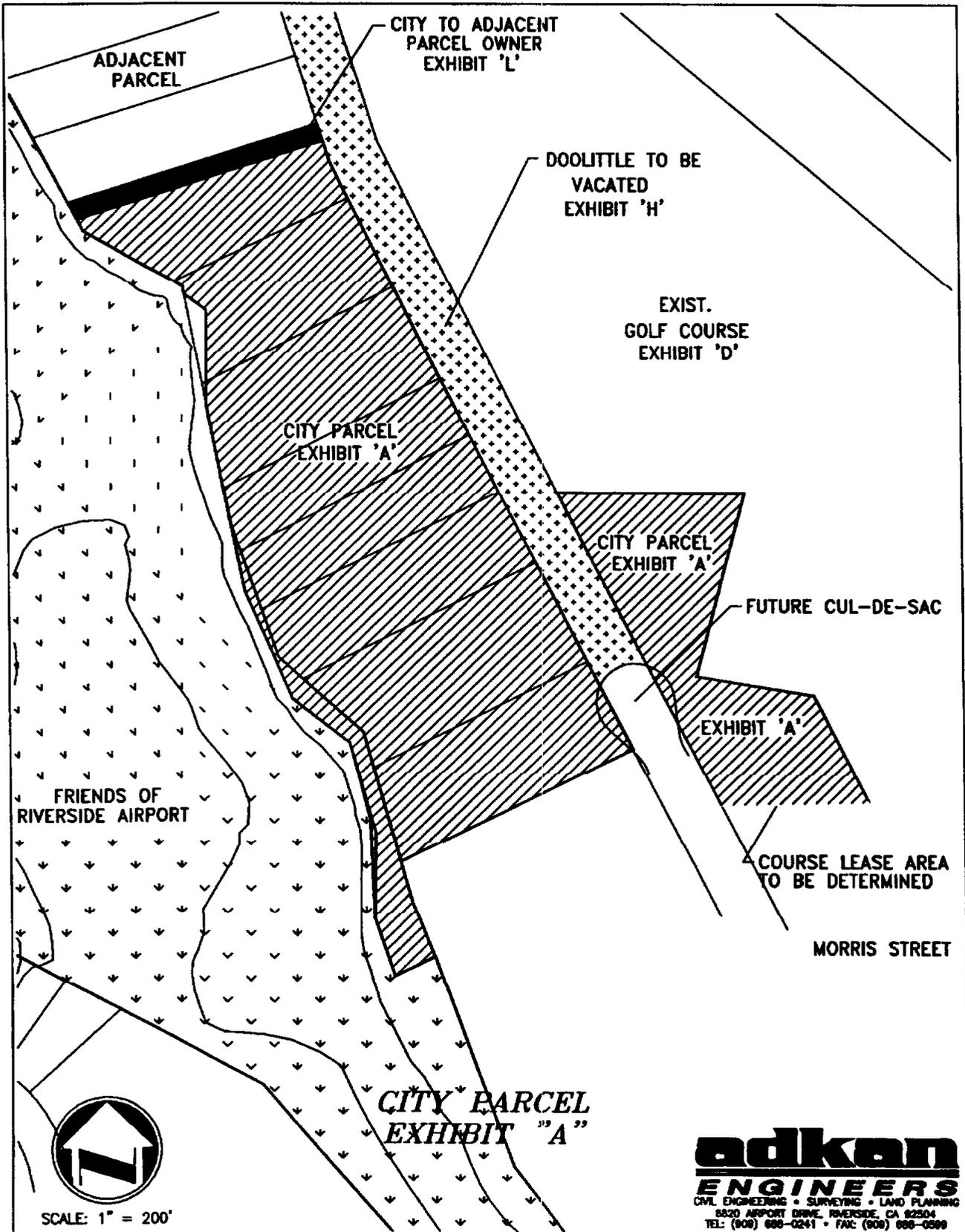
Deputy City Attorney

DEPICTION OF CITY PARCEL

[FOLLOWS]

(EXHIBIT "A" to EXHIBIT "K-2")

(PAGE 6 OF 19)



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ENGINEERS
 CIVIL ENGINEERING • SURVEYING • LAND PLANNING
 5820 AIRPORT DRIVE, RIVERSIDE, CA 92504
 TEL: (909) 688-0241 • FAX: (909) 688-0599

DESCRIPTION AND DEPICTION OF FRA PARCEL

All that certain real property situated in the City of Riverside, County of Riverside, State of California described as:

[FOLLOWS]

LEGAL DESCRIPTION

Real property in the City of Riverside, County of Riverside, State of California, described as follows:

Those portions of Lot F (Jurupa Avenue), Lot C (Green Avenue), Lot N (Lakeside Avenue), Lot M (Randolph Avenue), Lot G (Stover Avenue), Lot K (Beverly Avenue), Lot I (Green Avenue), Lot Y, Lot Z, Block 6, Block 8, Block 9 and Block 11 of Randolph Subdivision, as shown by map on file in book 16 page 39 of Maps, Records of Riverside County, California; Those portions of Lot K (Randolph Avenue), Lot O (Lakeside Avenue), Lot 14, Lot 24 and Lot 25 of Bixmill Tract, as shown by map on file in book 16 pages 28, 29 and 30 of Maps, Records of Riverside County, California; That portion of Mc Claskey Tract, as shown by map on file in book 10 pages 36 and 37 of Maps, Records of Riverside County, California;

Those portions of Tracts 2, 4 and 5 of River Farm Tract, as shown by map on file in book 7 page 52 of Maps, Records of Riverside County, California; And that portion of Section 36, Township 2 South, Range 6 West of the Rancho La Sierra, as shown by map on file in book 6 page 70 of Maps, Records of Riverside County, California, included within the following described parcel;

Beginning at the northwest corner of Lot 97 of Greenacres Downs Unit No. 6, as shown by map on file in book 36 page 77 of Maps, Records of Riverside County, California, said corner being an angle point in the boundary line of that certain parcel of land conveyed to P and T Davis Investment Company, et al, by deed recorded August 5, 1966 as instrument no. 79951 of Official Records of Riverside County, California;

Thence north 01 degrees 34' 00" west, 275.88 feet;

Thence south 68 degrees 58' 00" west, 130 feet;

Thence south 88 degrees 26' 00" west (Recorded as north 88 degrees 26' 00" east), 66 feet;

Thence south 01 degrees 34' 00" east, 90 feet;

Thence south 88 degrees 26' 00" west, 120 feet;

Thence north 26 degrees 38' 50" west, 175.34 feet;

Thence north 45 degrees 00' 00" west, 172.25 feet to an angle point in the boundary line of that certain parcel of land conveyed to Eadington Fruit Company, et al, by deed recorded December 30, 1965 as instrument no. 146105 of Official Records of Riverside County, California; The last seven courses and distances follow the boundary line of the parcel conveyed to P and T Davis Investment Company, et al, as aforesaid;

Thence north 45 degrees 00' 00" west, 227.75 feet;

Thence north 45 degrees 00' 00" east, 600 feet to an angle point in the boundary line of that certain parcel of land conveyed to Frank H. Ayres and Son as Parcel 1 of Division D, by deed recorded August 14, 1953 in book 1500 page 32 of Official Records of Riverside County, California; The last two courses and distances follow the boundary line of the parcel conveyed to Eadington Fruit Company, et al, as aforesaid;

Thence along the boundary line of said Parcel 1 of Division D, north 00 degrees 24' 30" east, 171.20 feet to an angle point therein, said point being the southwest corner of that certain parcel of land conveyed to Frank H. Ayres and Son, as parcel 2 of Division D, as aforesaid;

Thence along the westerly line of said Parcel 2 of Division D, north 00 degrees 25' 00" east, 68.7 feet to the northwest corner thereof; Said corner being an angle point in the boundary line of that certain parcel of land conveyed to Frank H. Ayres and Son, as Parcel 3 (A) of Division D, as aforesaid;

Thence north 00 degrees 25' east, 261.3 feet;

Thence north 89 degrees 35' west, 330 feet;

Thence north 00 degrees 24' east, 271.27 feet;

Thence south 82 degrees 54' east, 367.24 feet;
 Thence south 75 degrees 01' east, 185.26 feet;
 Thence south 23 degrees 01' east, 197.56 feet;
 Thence south 48 degrees 43' east, 198.44 feet to an angle point in the boundary line of said Parcel 2 of Division D, the last seven courses and distances follow the boundary line of said Parcel 3 (A) of Division D;
 Thence along the boundary line of said Parcel 2 of Division, north 79 degrees 59' east, 282.05 feet, more or less, to the northwest corner of that certain parcel of land described as Parcel 11 in that certain action in eminent domain recorded May 5, 1954 in book 1584, page 142 of Official Records of Riverside County, California;
 Thence along the southwesterly line of said Parcel 11, south 49 degrees 40' 25" east, 552.28 feet to the southwesterly corner thereof, said corner being in the boundary line of said Parcel 1 of Division D;
 Thence south 81 degrees 56' 30" west, 484.79 feet;
 Thence south 29 degrees 48' east, 358.58 feet;
 Thence south 11 degrees 57' east, 267.72 feet;
 Thence south 46 degrees 42' 30" east, 101.52 feet;
 Thence north 67 degrees 05' east, 116.70 feet;
 Thence south 00 degrees 19' east, 138 feet;
 Thence south 27 degrees 47' east, 259.94 feet;
 Thence south 58 degrees 36' east, 170.37 feet;
 Thence south 11 degrees 16' east, 487.76 feet;
 Thence south 23 degrees 15' east, 185.62 feet;
 Thence south 51 degrees 47' east, 111.87 feet;
 Thence south 15 degrees 30' east, 149.11 feet;
 Thence south 00 degrees 47' west, 135 feet;
 Thence south 18 degrees 52' 30" east, 94.53 feet;
 Thence north 63 degrees 22' 30" east, 67.5 feet to the most southwesterly corner of Lot 30 of Mc Claskey Tract, as shown by map on file in book 10 pages 36 and 37 of Maps, Records of Riverside County, California;
 Thence south 20 degrees 22' east, 341.8 feet;
 Thence south 36 degrees 29' east, 450.7 feet;
 Thence south 59 degrees 37' east, 350.7 feet;
 Thence south 38 degrees 50' east, 300 feet;
 Thence south 24 degrees 36' east, 248 feet;
 Thence south 56 degrees 50' east, 231.5 feet to the most southwesterly corner of Lot 37 of said Mc Claskey Tract; The last six courses and distances follow along the southwesterly line of said Mc Claskey Tract;
 Thence south 32 degrees 27' 35" east, (Formerly recorded as south 32 degrees 28' east), 1018.75 feet along the southwesterly line of that certain parcel of land conveyed to V. G. Vial by deed recorded October 10, 1927 in book 736 page 281 of Deeds, Records of Riverside County, California, to a point on the northerly line of that certain parcel of land conveyed to Arlington Mutual Water Company by deed recorded February 13, 1925 in book 629 page 218 of Deeds, Records of Riverside County, California;
 Thence north 83 degrees 10' west along said northerly line, 0.74 feet to the northwest corner thereof;
 Thence south 00 degrees 20' 10" west (Formerly recorded as south 0 degrees 18' west), 35.85 feet to the northeasterly corner of that certain parcel of land conveyed to Arlington Mutual Water Company by deed recorded March 1, 1928 in book 755 page 5 of Deeds, Records of Riverside County, California;
 Thence north 32 degrees 27' 35" west (Formerly recorded as north 32 degrees 27' 30" west), 60.49 feet to the most northerly corner of said parcel of land;
 Thence south 06 degrees 50' west, 85.55 feet to the northeast corner of that certain parcel of

land conveyed to the County of Riverside as Parcel 1 by deed recorded April 20, 1955 as instrument no. 25884 of Official Records of Riverside County, California; The last twenty-six courses and distances follow the boundary line of said Parcel 1 of Division D;

Thence along the boundary line of said Parcel 1 conveyed to the County of Riverside, as aforesaid, north 83 degrees 10' west, 18.48 feet to the northwest corner thereof, said corner being in the boundary line of said Parcel 1 of Division D;

Thence north 27 degrees 38' 20" west, 279.72 feet;

Thence north 32 degrees 27' 35" west, 464.20 feet;

Thence south 46 degrees 43' 10" west, 108.65 feet;

Thence south 47 degrees 58' 30" west, 91.97 feet;

Thence south 86 degrees 53' 30" west, 127.70 feet;

Thence south 74 degrees 16' 15" west, 76.84 feet;

Thence south 62 degrees 31' 10" west, 58.56 feet;

Thence south 48 degrees 55' 40" west, 57.79 feet;

Thence south 30 degrees 32' 45" west, 59.32 feet;

Thence south 16 degrees 40' 45" west, 73.35 feet;

Thence south 06 degrees 50' west, 183.26 feet to the northeast corner of that certain parcel of land conveyed to the County of Riverside as Parcel 2 by deed recorded April 20, 1955 in book 1725, page 382 of Official Records of Riverside County, California; The last eleven courses and distances follow said boundary line of Parcel 1 of Division D;

Thence along the northerly line of Parcel 2 conveyed to the County of Riverside as aforesaid, north 83 degrees 10' west, 186.33 feet to the northwest corner thereof, said corner being in the boundary line of said Parcel 1 of Division D;

Thence north 06 degrees 50' east, 175 feet;

Thence north 83 degrees 10' west, 45.61 feet to a point on the center line of Lot O (Lakeside Avenue), as shown by map of Bixmill Tract on file in book 16 pages 28, 29 and 30, of Maps, Records of Riverside County, California;

Thence north 36 degrees 00' 30" east, 461.57 feet to a point on a curve, to the left, having a radius of 200 feet and an angle of 77 degrees 10';

Thence along the arc of said curve, 269.36 feet;

Thence north 41 degrees 09' 30" west, 710.57 feet;

Thence north 40' 32' 3" west, 939.24 feet;

Thence north 61 degrees 43' 30" west, 553.50 feet to a point on a curve, to the right, having a radius of 150 feet;

Thence northwesterly along said curve, to the right, through a central angle of 16 degrees 21' 55", an arc distance of 42.84 feet to a point thereon, from which the center of said curve bears north 44 degrees 38' 25" east, said point being an angle in the boundary line of that certain parcel of land conveyed to P and T Davis Investment Company, et al, by deed recorded August 5, 1966 as instrument no. 79952 of Official Records of Riverside County, California; The last eight courses and distances follow the boundary line of said Parcel 1 of Division D;

Thence south 10 degrees 34' 00" west, 89.57 feet;

Thence south 88 degrees 26' 00" west, 325.15 feet;

Thence north 01 degrees 34' 00" west, 1098.06 feet;

Thence south 88 degrees 26' 00" west, 120 feet;

Thence north 01 degrees 34' 00" west, 38.71 feet;

Thence south 88 degrees 26' 00" west, 180 feet to the Point of Beginning; The last six courses and distances follow the boundary line of said parcel conveyed to P and T Davis Investment Company, et al, by said deed recorded August 5, 1966 as instrument no. 79952 of Official Records of Riverside County, California;

Excepting therefrom that portion thereof lying southeasterly of the following described line:
Commencing at the southeast corner of Tract No. 5002, as shown by map on file in book 84

First American Title

pages 18 and 19 thereof, of Maps, Records of Riverside County, California;
Thence north 00 degrees 34' 30" east along the east line of said Tract No. 5002, a distance of 1267.20 feet to an angle point in Lot 15 of said Tract No. 5002;
Thence north 41 degrees 09' 30" west along the northeasterly line of said Lot 15, a distance of 50.00 feet to a point therein for the True Point of Beginning;
Thence north 80 degrees 56' 59" east, distance of 341.51 feet, more or less, to an angle point in the northeasterly line of that certain parcel of land quitclaimed to Charles W. Hostler, Trustee of the Charles W. Hostler Trust dated October 29, 1980 recorded January 22, 1981 as instrument no. 12189 of Official Records of Riverside County, California;

Also excepting therefrom that portion thereof conveyed to the City of Riverside by document recorded May 19, 1977 as instrument no. 89583 of Official Records of Riverside County, California described as follows:

That portion of Lot "N" (Lakeside Avenue-Vacated), Lots 7, 8, 10 and 11 in Block 9 of Randolph Subdivision, as shown by map on file in book 16 page 39 thereof, of Maps, Records of Riverside County, California, more particularly described as follows:

Commencing at the intersection of the centerline of Palos Drive (Lot A) with the north boundary of Greenacres Downs Unit No. 6, as shown by map on file in book 36 page 77 thereof, of Maps, Records of Riverside County, California;

Thence north 1 degrees 34' 00" west, along the north prolongation of said centerline of Palos Drive, 119.74 feet;

Thence north 88 degrees 26' 00" east, 33.00 feet to the True Point of Beginning;

Thence continuing north 88 degrees 26' 00" east, 123.77 feet;

Thence north 1 degrees 34' 00" west, 200.00 feet;

Thence south 88 degrees 26' 00" west, 123.77 feet;

Thence south 1 degrees 34' 00" east, 200.00 feet to said True Point of Beginning.

Also excepting therefrom, that portion of Tract 5 of the River Farm Tract as shown by map on file in book 7 page 52 Records of Riverside County, California, described as follows:

Beginning at the intersection of the centerline of Alabama Street and the northeasterly line of Tract No. 8960 as shown by map on file in book 161 pages 1 and 2 of Maps, Records of Riverside County, California;

Thence along the northeasterly prolongation of said centerline north 8 degrees 50' 00" east 237.40 feet to the beginning of a tangent curve concave southerly having a radius of 200 feet;

Thence along the arc of said curve through a central angle of 19 degrees 59' 53", 69.81 feet to the end of curve;

Thence south 78 degrees 10' 07" east 33.24 feet to a point in a curve concave southeasterly having a radius of 200 feet through which a radial line bears south 78 degrees 10' 07" east;

Thence northerly along the arc of said curve through a central angle of 28 degrees 55' 17" 100.95 feet to the end of curve;

Thence north 40 degrees 45' 10" east 10.29 feet;

Thence north 49 degrees 14' 50" west 308.66 feet;

Thence north 40 degrees 45' 10" east 30.00 feet to the True Point of Beginning;

Thence north 89 degrees 36' 25" west 37.24 feet;

Thence north 0 degrees 16' 43" west 31.97 feet;

Thence south 49 degrees 14' 50" east 49.36 feet to the True Point of Beginning.

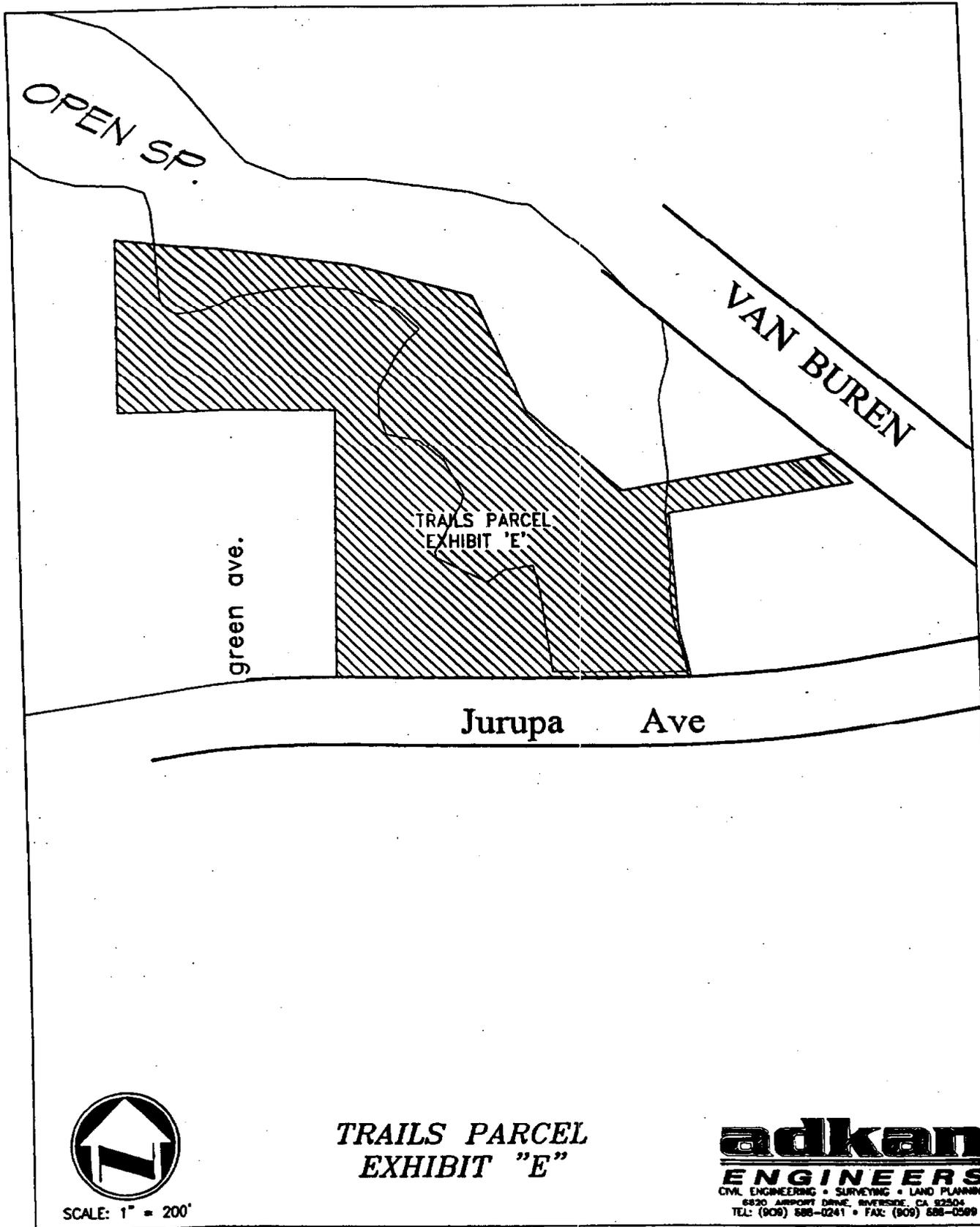
APN: 155-060-024 and 155-280-002 and 155-212-019

DEPICTION OF TRAILS PARCEL

[FOLLOWS]

(EXHIBIT "E" to EXHIBIT "K-2")

(PAGE 14 OF 19)



SCALE: 1" = 200'

**TRAILS PARCEL
EXHIBIT "E"**

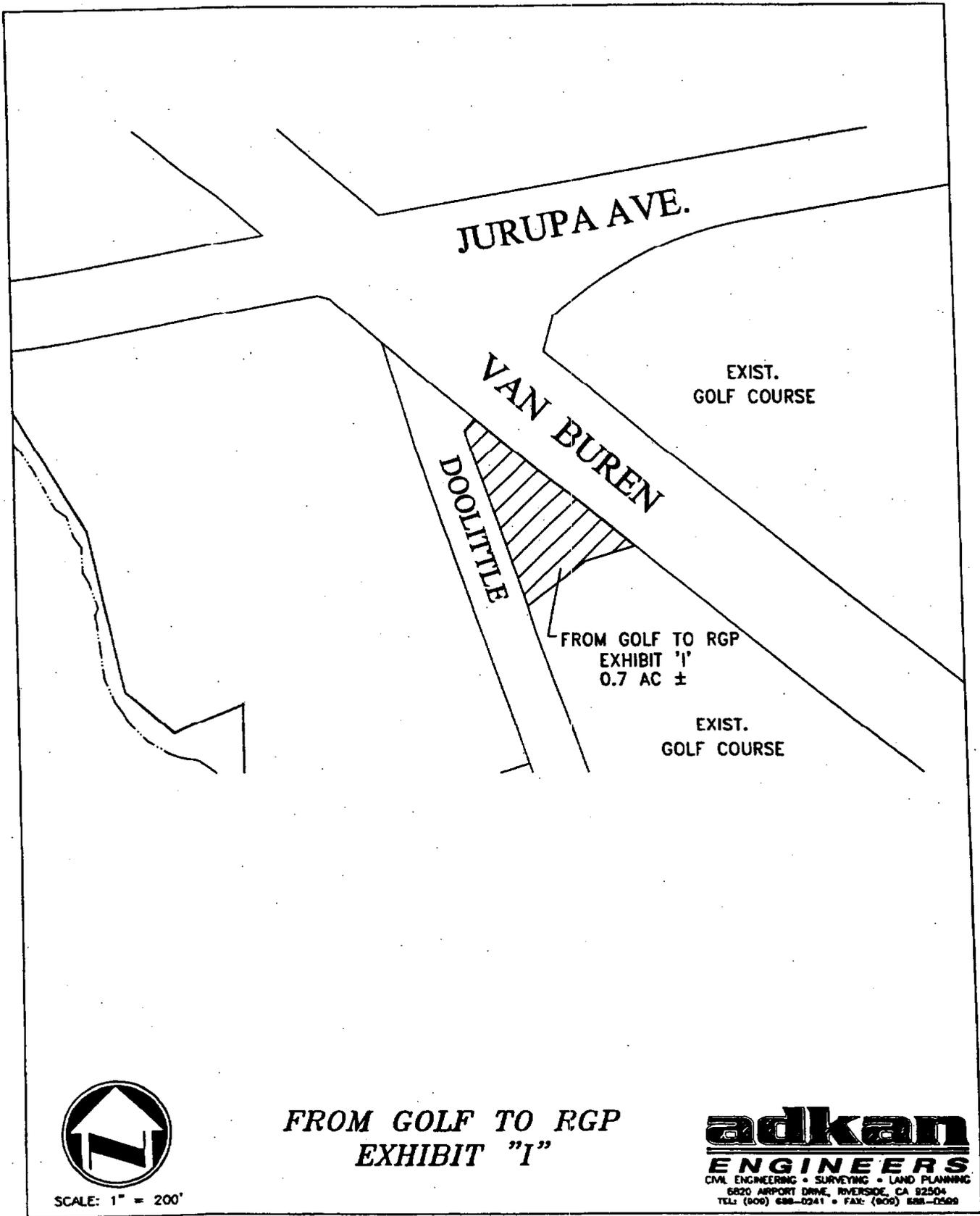
adkan
ENGINEERS
CIVIL ENGINEERING • SURVEYING • LAND PLANNING
6820 AIRPORT DRIVE, RIVERSIDE, CA 92504
TEL: (909) 888-0241 • FAX: (909) 888-0589

DEPICTION OF TRANSFERRED GOLF COURSE PARCEL

[FOLLOWS]

(EXHIBIT "I" to EXHIBIT "K-2")

(PAGE 16 OF 19)



SCALE: 1" = 200'

*FROM GOLF TO RGP
EXHIBIT "1"*

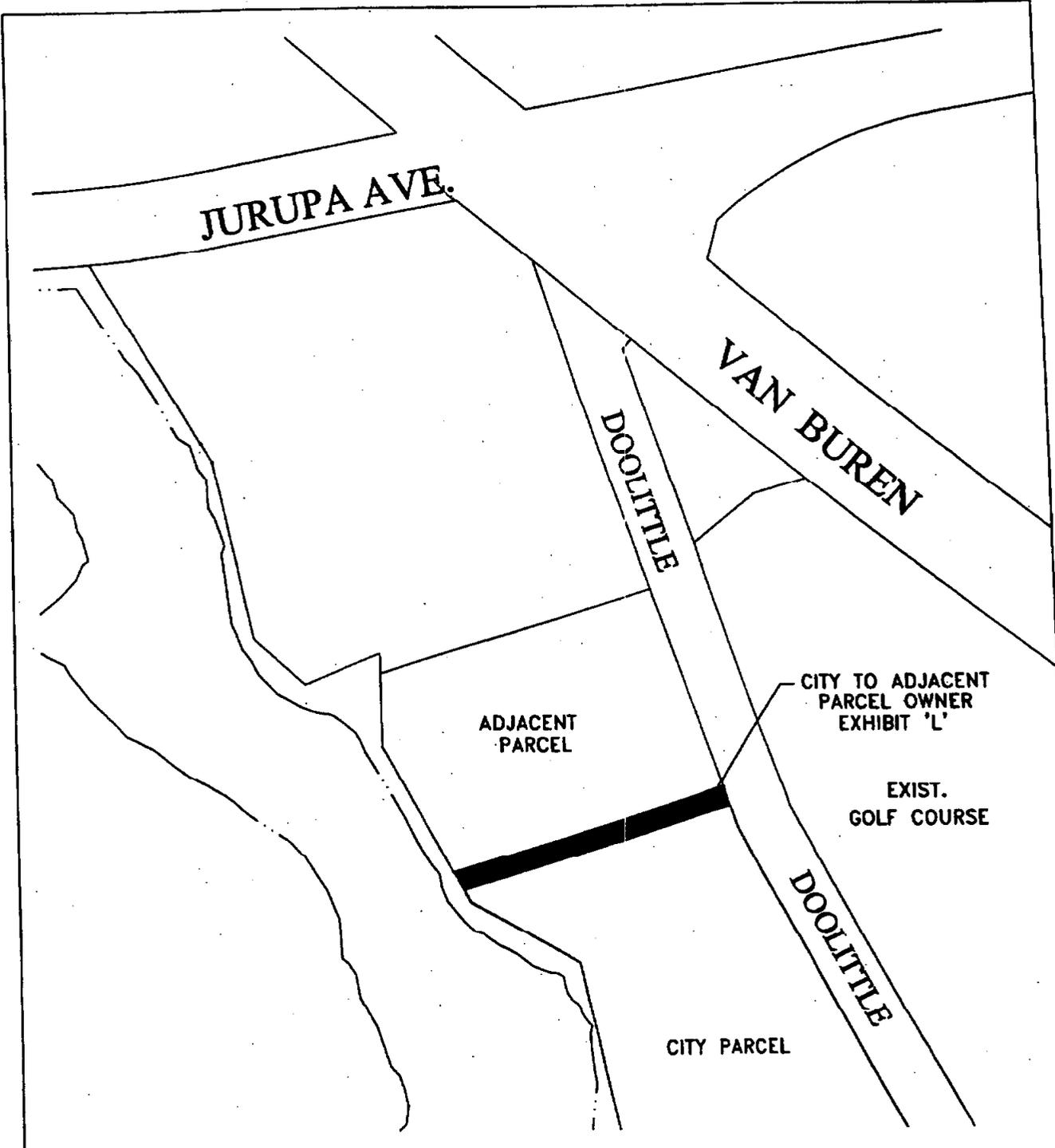
adkan
ENGINEERS
CIVIL ENGINEERING • SURVEYING • LAND PLANNING
6820 AIRPORT DRIVE, RIVERSIDE, CA 92504
TEL: (909) 688-0241 • FAX: (909) 688-0569

DEPICTION OF STRIP PARCEL

[FOLLOWS]

(EXHIBIT "L" to EXHIBIT "K-2")

(PAGE 18 OF 19)



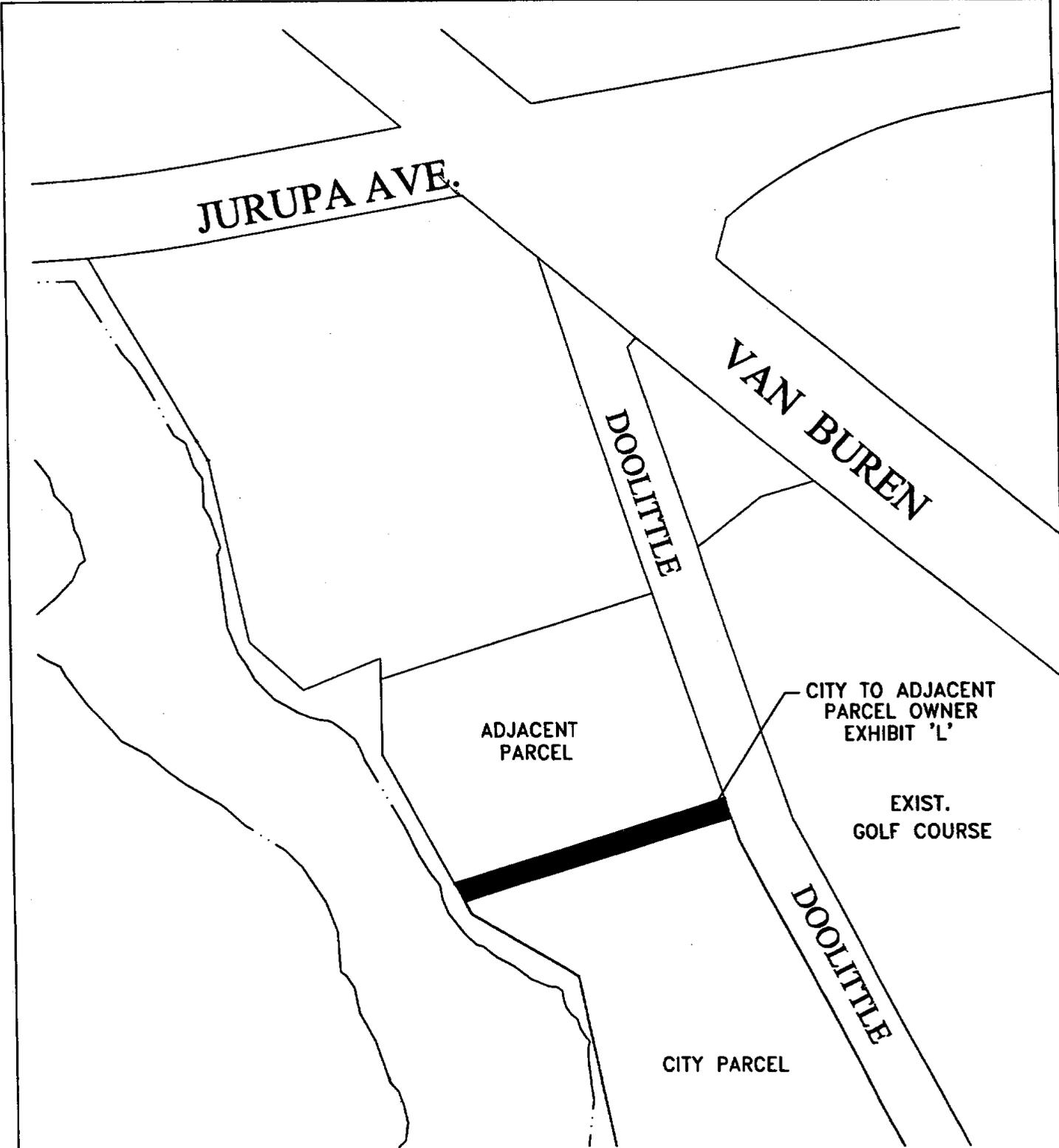
SCALE: 1" = 200'

**CITY TO ADJACENT
PARCEL OWNER
EXHIBIT "L"**

adkan
ENGINEERS
CIVIL ENGINEERING • SURVEYING • LAND PLANNING
6020 AIRPORT DRIVE, RIVERSIDE, CA 92504
TEL: (909) 888-0241 • FAX: (909) 888-0599

DEPICTION OF STRIP PARCEL

[TO FOLLOW]



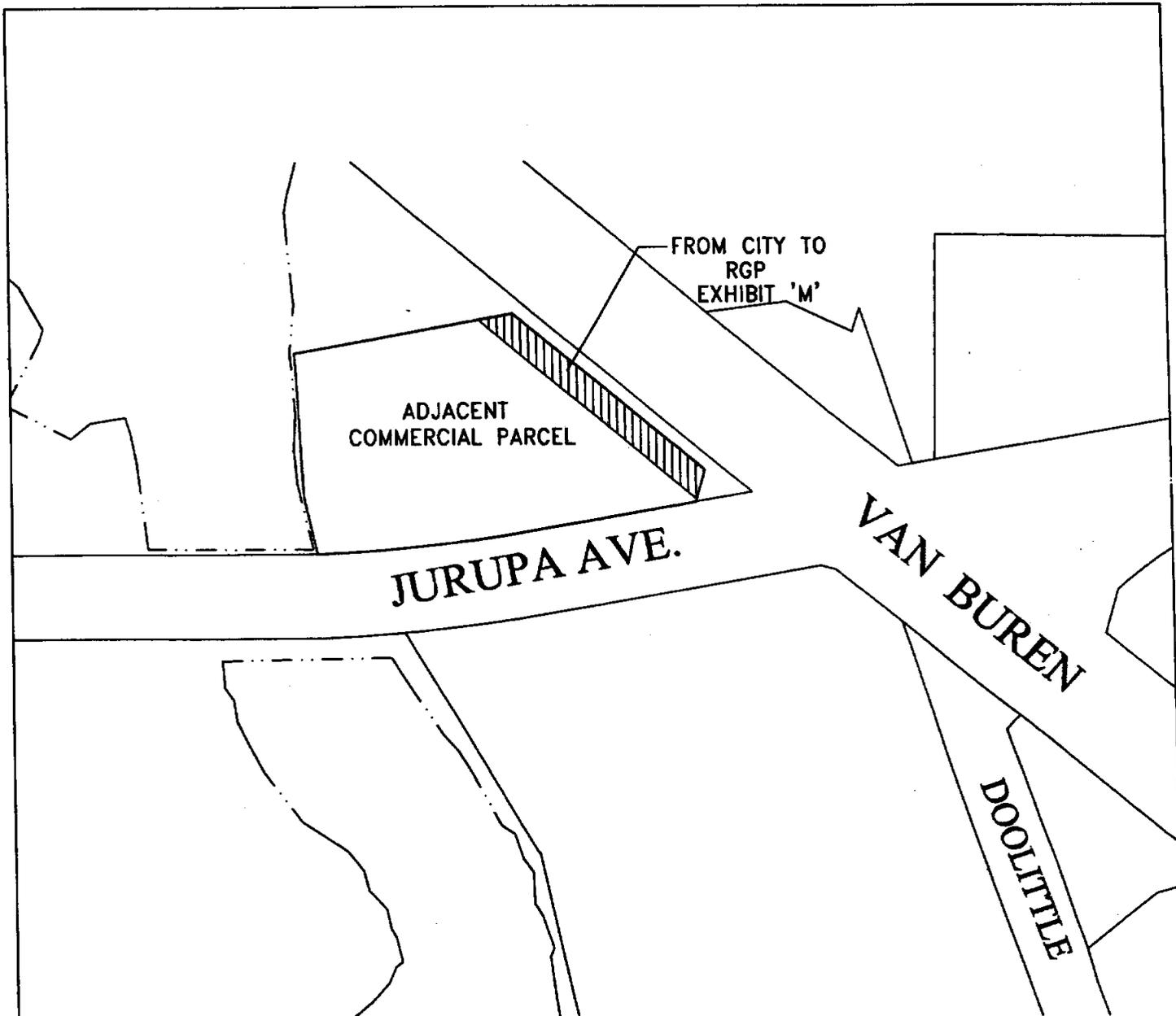
SCALE: 1" = 200'

**CITY TO ADJACENT
PARCEL OWNER
EXHIBIT "L"**

adkan
ENGINEERS
CIVIL ENGINEERING • SURVEYING • LAND PLANNING
6820 AIRPORT DRIVE, RIVERSIDE, CA 92504
TEL: (909) 688-0241 • FAX: (909) 688-0599

DEPICTION OF VAN BUREN PARCEL

[TO FOLLOW]



SCALE: 1" = 200'

*FROM CITY TO RGP
EXHIBIT "M"*

adkan
ENGINEERS
CIVIL ENGINEERING • SURVEYING • LAND PLANNING
6820 AIRPORT DRIVE, RIVERSIDE, CA 92504
TEL: (909) 688-0241 • FAX: (909) 688-0599

SECOND JURUPA EXTENSION SCOPE OF WORK SCHEDULE

[TO FOLLOW]

rutland
ave.

IMPROVEMENTS
BY DEVELOPER

Jurupa Ave

EXHIBIT "N"

IMPROVEMENTS
BY CITY

IMPROVEMENTS
BY DEVELOPER



SCALE: 1" = 200'

crest ave.

**STREET IMPROVEMENTS
EXHIBIT "N"**

adkan
ENGINEERS
CIVIL ENGINEERING • SURVEYING • LAND PLANNING
6820 AIRPORT DRIVE, RIVERSIDE, CA 92504
TEL: (909) 688-0241 • FAX: (909) 688-0599

MAIL TAX STATEMENTS AND
WHEN RECORDED MAIL TO:

SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

DOCUMENTARY TRANSFER TAX _____

- () computed on the consideration or value of property conveyed, or
- () computed on the consideration or value less value of encumbrances remaining at time of sale.

By: _____
Signature of Declarant or Agent determining tax.

APN: _____

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Friends of Riverside Airport, LLC, a California limited liability company ("Grantor") does hereby grant to the City of Riverside, a municipal corporation ("Grantee"), all of Grantor's right, title and interest in and to that certain real property located in the City of Riverside, County of Riverside, State of California, and more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference (the "Property").

Reservation of Grading Easement for Flood Control Access

Excepting and reserving unto Grantor, its successors and assigns, an easement for slopes, storm drain and utility purposes over that portion of the Property depicted on Exhibit "B" attached hereto and incorporated herein by this reference.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed this _____ day of _____.

Friends of Riverside Airport, LLC, a
California limited liability company

By: _____
Its: Manager
"Grantor"

STATE OF CALIFORNIA)
 : ss.
COUNTY OF _____)

On _____, before me, _____, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she/it executed the same in his/her/its authorized capacity and that by his/her/its signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

EXHIBIT "A" TO GRANT DEED

(FRA TO CITY)

[TO FOLLOW]

LEGAL DESCRIPTION

Real property in the City of Riverside, County of Riverside, State of California, described as follows:

Those portions of Lot F (Jurupa Avenue), Lot C (Green Avenue), Lot N (Lakeside Avenue), Lot M (Randolph Avenue), Lot G (Stover Avenue), Lot K (Beverly Avenue), Lot I (Green Avenue), Lot Y, Lot Z, Block 6, Block 8, Block 9 and Block 11 of Randolph Subdivision, as shown by map on file in book 16 page 39 of Maps, Records of Riverside County, California; Those portions of Lot K (Randolph Avenue), Lot O (Lakeside Avenue), Lot 14, Lot 24 and Lot 25 of Bixmill Tract, as shown by map on file in book 16 pages 28, 29 and 30 of Maps, Records of Riverside County, California; That portion of Mc Claskey Tract, as shown by map on file in book 10 pages 36 and 37 of Maps, Records of Riverside County, California;

Those portions of Tracts 2, 4 and 5 of River Farm Tract, as shown by map on file in book 7 page 52 of Maps, Records of Riverside County, California; And that portion of Section 36, Township 2 South, Range 6 West of the Rancho La Sierra, as shown by map on file in book 6 page 70 of Maps, Records of Riverside County, California, included within the following described parcel;

Beginning at the northwest corner of Lot 97 of Greenacres Downs Unit No. 6, as shown by map on file in book 36 page 77 of Maps, Records of Riverside County, California, said corner being an angle point in the boundary line of that certain parcel of land conveyed to P and T Davis Investment Company, et al, by deed recorded August 5, 1966 as instrument no. 79951 of Official Records of Riverside County, California;

Thence north 01 degrees 34' 00" west, 275.88 feet;

Thence south 68 degrees 58' 00" west, 130 feet;

Thence south 88 degrees 26' 00" west (Recorded as north 88 degrees 26' 00" east), 66 feet;

Thence south 01 degrees 34' 00" east, 90 feet;

Thence south 88 degrees 26' 00" west, 120 feet;

Thence north 26 degrees 38' 50" west, 175.34 feet;

Thence north 45 degrees 00' 00" west, 172.25 feet to an angle point in the boundary line of that certain parcel of land conveyed to Eadington Fruit Company, et al, by deed recorded December 30, 1965 as instrument no. 146105 of Official Records of Riverside County, California; The last seven courses and distances follow the boundary line of the parcel conveyed to P and T Davis Investment Company, et al, as aforesaid;

Thence north 45 degrees 00' 00" west, 227.75 feet;

Thence north 45 degrees 00' 00" east, 600 feet to an angle point in the boundary line of that certain parcel of land conveyed to Frank H. Ayres and Son as Parcel 1 of Division D, by deed recorded August 14, 1953 in book 1500 page 32 of Official Records of Riverside County, California; The last two courses and distances follow the boundary line of the parcel conveyed to Eadington Fruit Company, et al, as aforesaid;

Thence along the boundary line of said Parcel 1 of Division D, north 00 degrees 24' 30" east, 171.20 feet to an angle point therein, said point being the southwest corner of that certain parcel of land conveyed to Frank H. Ayres and Son, as parcel 2 of Division D, as aforesaid;

Thence along the westerly line of said Parcel 2 of Division D, north 00 degrees 25' 00" east, 68.7 feet to the northwest corner thereof; Said corner being an angle point in the boundary line of that certain parcel of land conveyed to Frank H. Ayres and Son, as Parcel 3 (A) of Division D, as aforesaid;

Thence north 00 degrees 25' east, 261.3 feet;

Thence north 89 degrees 35' west, 330 feet;

Thence north 00 degrees 24' east, 271.27 feet;

Thence south 82 degrees 54' east, 367.24 feet;
 Thence south 75 degrees 01' east, 185.26 feet;
 Thence south 23 degrees 01' east, 197.56 feet;
 Thence south 48 degrees 43' east, 198.44 feet to an angle point in the boundary line of said
 Parcel 2 of Division D, the last seven courses and distances follow the boundary line of said
 Parcel 3 (A) of Division D;
 Thence along the boundary line of said Parcel 2 of Division, north 79 degrees 59' east, 282.05
 feet, more or less, to the northwest corner of that certain parcel of land described as Parcel 11 in
 that certain action in eminent domain recorded May 5, 1954 in book 1584, page 142 of Official
 Records of Riverside County, California;
 Thence along the southwesterly line of said Parcel 11, south 49 degrees 40' 25" east, 552.28 feet
 to the southwesterly corner thereof, said corner being in the boundary line of said Parcel 1 of
 Division D;
 Thence south 81 degrees 56' 30" west, 484.79 feet;
 Thence south 29 degrees 48' east, 358.58 feet;
 Thence south 11 degrees 57' east, 267.72 feet;
 Thence south 46 degrees 42' 30" east, 101.52 feet;
 Thence north 67 degrees 05' east, 116.70 feet;
 Thence south 00 degrees 19' east, 138 feet;
 Thence south 27 degrees 47' east, 259.94 feet;
 Thence south 58 degrees 36' east, 170.37 feet;
 Thence south 11 degrees 16' east, 487.76 feet;
 Thence south 23 degrees 15' east, 185.62 feet;
 Thence south 51 degrees 47' east, 111.87 feet;
 Thence south 15 degrees 30' east, 149.11 feet;
 Thence south 00 degrees 47' west, 135 feet;
 Thence south 18 degrees 52' 30" east, 94.53 feet;
 Thence north 63 degrees 22' 30" east, 67.5 feet to the most southwesterly corner of Lot 30 of Mc
 Claskey Tract, as shown by map on file in book 10 pages 35 and 37 of Maps, Records of
 Riverside County, California;
 Thence south 20 degrees 22' east, 341.8 feet;
 Thence south 36 degrees 29' east, 450.7 feet;
 Thence south 59 degrees 37' east, 350.7 feet;
 Thence south 38 degrees 50' east, 300 feet;
 Thence south 24 degrees 36' east, 248 feet;
 Thence south 56 degrees 50' east, 231.5 feet to the most southwesterly corner of Lot 37 of said
 Mc Claskey Tract; The last six courses and distances follow along the southwesterly line of said
 Mc Claskey Tract;
 Thence south 32 degrees 27' 35" east, (Formerly recorded as south 32 degrees 28' east),
 1018.75 feet along the southwesterly line of that certain parcel of land conveyed to V. G. Vial by
 deed recorded October 10, 1927 in book 736 page 281 of Deeds, Records of Riverside County,
 California, to a point on the northerly line of that certain parcel of land conveyed to Arlington
 Mutual Water Company by deed recorded February 13, 1925 in book 629 page 218 of Deeds,
 Records of Riverside County, California;
 Thence north 83 degrees 10' west along said northerly line, 0.74 feet to the northwest corner
 thereof;
 Thence south 00 degrees 20' 10" west (Formerly recorded as south 0 degrees 18' west), 35.85
 feet to the northeasterly corner of that certain parcel of land conveyed to Arlington Mutual Water
 Company by deed recorded March 1, 1928 in book 755 page 5 of Deeds, Records of Riverside
 County, California;
 Thence north 32 degrees 27' 35" west (Formerly recorded as north 32 degrees 27' 30" west),
 60.49 feet to the most northerly corner of said parcel of land;
 Thence south 06 degrees 50' west, 85.55 feet to the northeast corner of that certain parcel of

land conveyed to the County of Riverside as Parcel 1 by deed recorded April 20, 1955 as instrument no. 25884 of Official Records of Riverside County, California; The last twenty-six courses and distances follow the boundary line of said Parcel 1 of Division D;

Thence along the boundary line of said Parcel 1 conveyed to the County of Riverside, as aforesaid, north 83 degrees 10' west, 18.48 feet to the northwest corner thereof, said corner being in the boundary line of said Parcel 1 of Division D;

Thence north 27 degrees 38' 20" west, 279.72 feet;

Thence north 32 degrees 27' 35" west, 464.20 feet;

Thence south 46 degrees 43' 10" west, 108.65 feet;

Thence south 47 degrees 58' 30" west, 91.97 feet;

Thence south 86 degrees 53' 30" west, 127.70 feet;

Thence south 74 degrees 16' 15" west, 76.84 feet;

Thence south 62 degrees 31' 10" west, 58.56 feet;

Thence south 48 degrees 55' 40" west, 57.79 feet;

Thence south 30 degrees 32' 45" west, 59.32 feet;

Thence south 16 degrees 40' 45" west, 73.35 feet;

Thence south 06 degrees 50' west, 183.26 feet to the northeast corner of that certain parcel of land conveyed to the County of Riverside as Parcel 2 by deed recorded April 20, 1955 in book 1725, page 382 of Official Records of Riverside County, California; The last eleven courses and distances follow said boundary line of Parcel 2 of Division D;

Thence along the northerly line of Parcel 2 conveyed to the County of Riverside as aforesaid, north 83 degrees 10' west, 186.33 feet to the northwest corner thereof, said corner being in the boundary line of said Parcel 1 of Division D;

Thence north 06 degrees 50' east, 175 feet;

Thence north 83 degrees 10' west, 45.61 feet to a point on the center line of Lot O (Lakeside Avenue), as shown by map of Bixmill Tract on file in book 16 pages 28, 29 and 30, of Maps, Records of Riverside County, California;

Thence north 36 degrees 00' 30" east, 461.57 feet to a point on a curve, to the left, having a radius of 200 feet and an angle of 77 degrees 10';

Thence along the arc of said curve, 269.36 feet;

Thence north 41 degrees 09' 30" west, 710.57 feet;

Thence north 40' 32' 3" west, 939.24 feet;

Thence north 61 degrees 43' 30" west, 553.50 feet to a point on a curve, to the right, having a radius of 150 feet;

Thence northwesterly along said curve, to the right, through a central angle of 16 degrees 21' 55", an arc distance of 42.84 feet to a point thereon, from which the center of said curve bears north 44 degrees 38' 25" east, said point being an angle in the boundary line of that certain parcel of land conveyed to P and T Davis Investment Company, et al, by deed recorded August 5, 1966 as instrument no. 79952 of Official Records of Riverside County, California; The last eight courses and distances follow the boundary line of said Parcel 1 of Division D;

Thence south 10 degrees 34' 00" west, 89.57 feet;

Thence south 88 degrees 26' 00" west, 325.15 feet;

Thence north 01 degrees 34' 00" west, 1098.06 feet;

Thence south 88 degrees 26' 00" west, 120 feet;

Thence north 01 degrees 34' 00" west, 38.71 feet;

Thence south 88 degrees 26' 00" west, 180 feet to the Point of Beginning; The last six courses and distances follow the boundary line of said parcel conveyed to P and T Davis Investment Company, et al, by said deed recorded August 5, 1966 as instrument no. 79952 of Official Records of Riverside County, California;

Excepting therefrom that portion thereof lying southeasterly of the following described line:
Commencing at the southeast corner of Tract No. 5002, as shown by map on file in book 84

pages 18 and 19 thereof, of Maps, Records of Riverside County, California;
Thence north 00 degrees 34' 30" east along the east line of said Tract No. 5002, a distance of 1267.20 feet to an angle point in Lot 15 of said Tract No. 5002;
Thence north 41 degrees 09' 30" west along the northeasterly line of said Lot 15, a distance of 50.00 feet to a point therein for the True Point of Beginning;
Thence north 80 degrees 56' 59" east, distance of 341.51 feet, more or less, to an angle point in the northeasterly line of that certain parcel of land quitclaimed to Charles W. Hostler, Trustee of the Charles W. Hostler Trust dated October 29, 1980 recorded January 22, 1981 as instrument no. 12189 of Official Records of Riverside County, California;

Also excepting therefrom that portion thereof conveyed to the City of Riverside by document recorded May 19, 1977 as instrument no. 89583 of Official Records of Riverside County, California described as follows:

That portion of Lot "N" (Lakeside Avenue-Vacated), Lots 7, 8, 10 and 11 in Block 9 of Randolph Subdivision, as shown by map on file in book 16 page 39 thereof, of Maps, Records of Riverside County, California, more particularly described as follows:

Commencing at the intersection of the centerline of Palos Drive (Lot A) with the north boundary of Greenacres Downs Unit No. 6, as shown by map on file in book 36 page 77 thereof, of Maps, Records of Riverside County, California;

Thence north 1 degrees 34' 00" west, along the north prolongation of said centerline of Palos Drive, 119.74 feet;

Thence north 88 degrees 26' 00" east, 33.00 feet to the True Point of Beginning;

Thence continuing north 88 degrees 26' 00" east, 123.77 feet;

Thence north 1 degrees 34' 00" west, 200.00 feet;

Thence south 88 degrees 26' 00" west, 123.77 feet;

Thence south 1 degrees 34' 00" east, 200.00 feet to said True Point of Beginning.

Also excepting therefrom, that portion of Tract 5 of the River Farm Tract as shown by map on file in book 7 page 52 Records of Riverside County, California, described as follows:

Beginning at the intersection of the centerline of Alabama Street and the northeasterly line of Tract No. 8960 as shown by map on file in book 161 pages 1 and 2 of Maps, Records of Riverside County, California;

Thence along the northeasterly prolongation of said centerline north 8 degrees 50' 00" east 237.40 feet to the beginning of a tangent curve concave southerly having a radius of 200 feet;

Thence along the arc of said curve through a central angle of 19 degrees 59' 53", 69.81 feet to the end of curve;

Thence south 78 degrees 10' 07" east 33.24 feet to a point in a curve concave southeasterly having a radius of 200 feet through which a radial line bears south 78 degrees 10' 07" east;

Thence northerly along the arc of said curve through a central angle of 28 degrees 55' 17" 100.95 feet to the end of curve;

Thence north 40 degrees 45' 10" east 10.29 feet;

Thence north 49 degrees 14' 50" west 308.66 feet;

Thence north 40 degrees 45' 10" east 30.00 feet to the True Point of Beginning;

Thence north 89 degrees 36' 25" west 37.24 feet;

Thence north 0 degrees 16' 43" west 31.97 feet;

Thence south 49 degrees 14' 50" east 49.36 feet to the True Point of Beginning.

APN: 155-060-024 and 155-280-002 and 155-212-019

EXHIBIT "B" TO GRANT DEED

(FRA TO CITY)

[TO FOLLOW]



SCALE: 1"=150'

ADKINS
ENGINEERS
INC. ENGINEERS ARCHITECTS
1000 WEST 10TH AVENUE, SUITE 1000
DENVER, COLORADO 80202



EXHIBIT "S"
GATEWAY COMMERCIAL PROJECT - GRADING RESERVATION

EXHIBIT 'P'

When recorded mail to:

SURVEYOR, City of Riverside
City of Riverside
City Hall, 3900 Main Street
Riverside, California 92522

FOR RECORDER'S OFFICE USE ONLY

Project: Jurupa Avenue Extension

DX -

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the CITY OF RIVERSIDE, a municipal corporation of the State of California, as Grantor does hereby grant to FRIENDS OF THE RIVERSIDE AIRPORT, L.L.C., a California Limited Liability Company the real property as described in **EXHIBIT A** attached hereto and incorporated herein by this reference, located in the City of Riverside, County of Riverside, State of California.

Dated _____ 20 _____

CITY OF RIVERSIDE,
a municipal corporation

By _____
City Manager

Attest _____
City Clerk

GENERAL ACKNOWLEDGEMENT

State of California }
County of _____ } ss _____

On _____, before me _____
(date) (name)

a Notary Public in and for said State, personally appeared

Name(s) of Signer(s)

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.

Signature

OPTIONAL SECTION

CAPACITY CLAIMED BY SIGNER

- () Attorney-in-fact
- () Corporate Officer(s)
- Title _____
- Title _____
- () Guardian/Conservator
- () Individual(s)
- () Trustee(s)
- () Other
- _____
- _____
- () Partner(s)
- () General
- () Limited

The party(ies) executing this document is/are representing:

EXHIBIT A

Project: Jurupa Avenue Extension
Ag Park Parcel

In the City of Riverside, County of Riverside, State of California being those portions of the Bixmill Tract shown by map recorded in Map Book 16, pages 28 through 30 thereof, and Randolph Subdivision as shown by map recorded in Map Book 16, page 39 thereof, both records of Riverside County, California described as follows:

Parcel 1 as described in a deed to the City of Riverside by document recorded April 2, 1962 in Book 3110, page 11 et. seq., records of Riverside County, California;

EXCEPTING THEREFROM:

That portion dedicated for street purposes by Resolution 16050, Resolution of the City Council of the City of Riverside and recorded March 4, 1986 as Instrument No. 50177, Official Records of Riverside County, California;

ALSO EXCEPTING THEREFROM:

That portion dedicated for street purposes by Resolution 15136, Resolution of the City Council of the City of Riverside and recorded October 13, 1983 as Instrument No. 212726, Official Records of Riverside County, California;

ALSO EXCEPTING THEREFROM:

That portion dedicated for street purposes by Resolution 15139, Resolution of the City Council of the City of Riverside and recorded October 13, 1983 as Instrument No. 212728, Official Records of Riverside County, California;

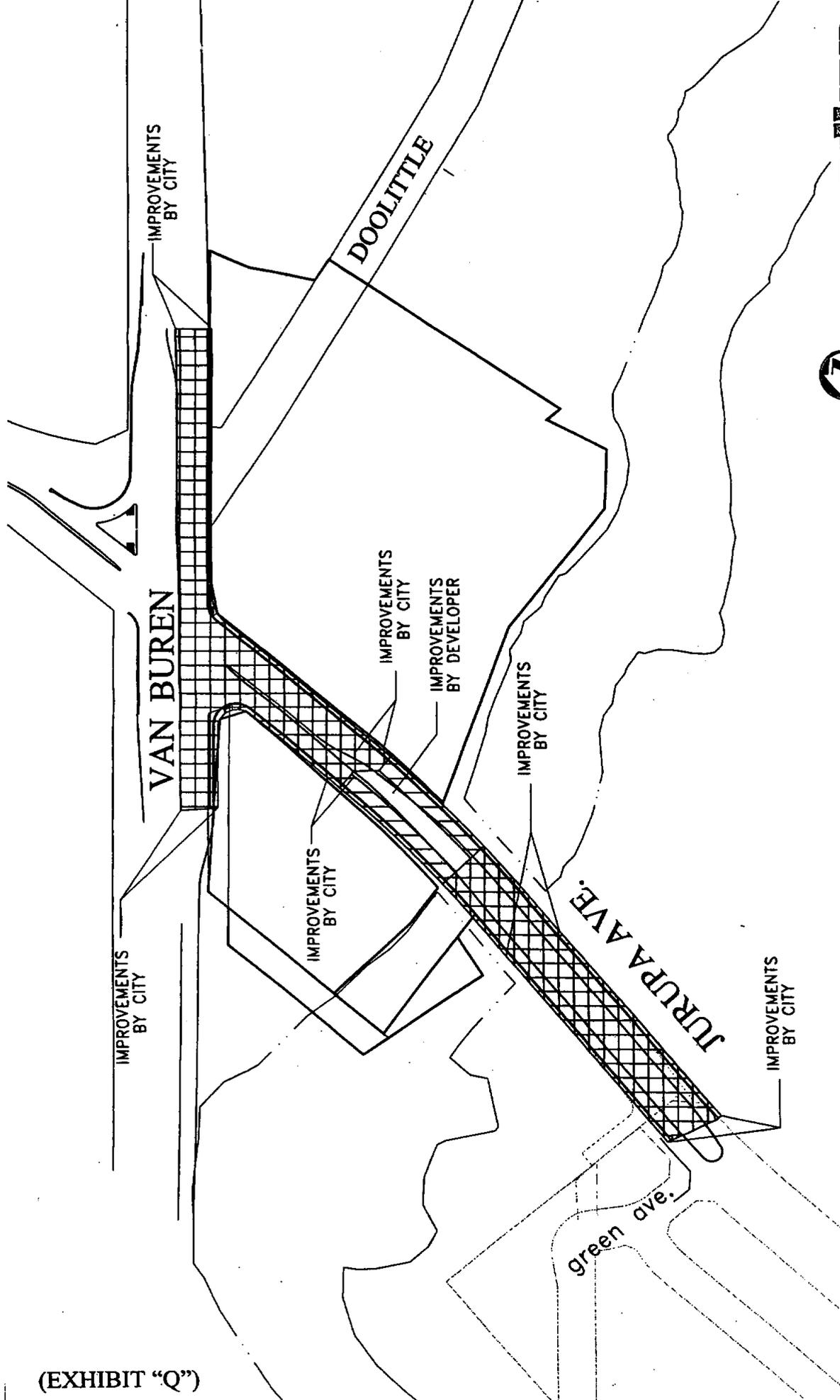
This description was prepared by me or under my direction in conformance with the requirements of the Land Surveyors Act.

 5/8/03 Prep. _____
Mark S. Brown, L.S. 5655 Date
License Expires 9/30/03



DEPICTION OF JURUPA EXTENSION PARCEL

[TO FOLLOW]



PAUL KERR
ENGINEERS
 CIVIL ENGINEERS - ARCHITECTS - SURVEYORS
 INC. 4000 24th Street, Suite 200, San Diego, CA 92108



SCALE: 1"=100'

JURUPA AND VAN BUREN
 STREET IMPROVEMENTS
 EXHIBIT "Q"

RIGHT OF ENTRY AGREEMENT

[TO FOLLOW]

Project: Agricultural Park
Site Location: Crest and Jurupa Avenues, Riverside
Assessor's Parcel Nos.: 155-040-004 and 005

RIGHT OF ENTRY AGREEMENT

This Right of Entry Agreement ("Agreement") is made and entered into this 3rd day of December 2002, by and between the City of Riverside, a municipal corporation ("City"), F.R.A. Limited Liability Company, a California limited liability company ("FRA") and SID Geotechnical, Inc., a California corporation ("SID"). City owns the real property known as the Agricultural Park and identified by Assessor's Parcel Numbers 155-040-004 and 005 ("Property") and FRA would like to conduct surveys, inspections and tests of the Property in connection with the possible purchase of the Property from City. These surveys, inspections and tests may include Phase I and Phase II Environmental Site Assessment, geotechnical soil tests, physical surveying of the Property, photographing of the property, and other investigations of the Property.

For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City hereby grants permission to FRA and SID, their officers, employees and/or agents, to enter upon the Property to conduct, at FRA's sole cost and expense, Phase I and Phase II Environmental Site Assessment, soil tests, engineering studies, feasibility studies, and any other studies, inspections and tests concerning the physical condition of the Property.

1. **Term.** This Agreement will be effective on the date first written above and shall terminate one hundred and twenty (120) days from the issuance of a Notice to Proceed, unless earlier terminated as set forth in this Agreement.

2. **Condition of Premises.** FRA and SID are to avoid damaging or contaminating the Property, including any existing trees, landscaping or plants, other than as specifically necessary to carry out its surveys, inspections and/or tests. FRA and SID shall take all reasonable steps to maintain the Property in an orderly and appealing manner. At the completion of the work, FRA and SID will restore the Property to a condition equal to or better than its condition at the commencement of the term of this Agreement.

3. **Termination.** This Agreement may be terminated by City for any reason.

4. **Workers' Compensation Insurance.** By executing this Agreement, FRA and SID both certify that they are aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation, or to undertake self-insurance before commencing any of the work. FRA and SID shall both carry the insurance or provide for self-insurance required by California law to protect FRA and/or SID from claims under the Workers' Compensation Act. Prior to City's execution of this Agreement, FRA and

SID shall each file with City either (1) a certificate of insurance showing that such insurance is in effect, or that they are self-insured for such coverage, or (2) a certified statement that they have no employees, and acknowledging that if they do employ any person, the necessary certificate of insurance will immediately be filed with City. Any certificate filed with City shall provide that City will be given ten (10) days prior written notice before modification or cancellation thereof.

5. **General Commercial Liability and Automobile Insurance:** Prior to City's execution of this Agreement, FRA and SID shall both obtain, and shall thereafter maintain during the term of this Agreement, commercial general liability insurance and automobile liability insurance as required to insure FRA and SID against damages for personal injury, including accidental death, as well as from claims for property damage, which may arise from or which may concern operations by anyone directly or indirectly employed by, connected with, or acting for or on behalf of FRA and/or SID. The City, and its officers, employees and agents, shall be named as additional insureds under the Contractor's insurance policies.

All liability insurance shall be issued by insurance companies authorized to transact liability insurance business in the State of California with a policy holder's rating of B+ or higher and a Financial Class of VII or higher.

FRA's and SID's commercial general liability insurance policies shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount not less than \$1,000,000 per occurrence and a general aggregate limit in the amount of not less than \$2,000,000, unless otherwise approved or reduced by the City's Risk Manager ("Risk Manager"), or his designee.

FRA's and SID's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$500,000 per occurrence unless otherwise approved or reduced by the Risk Manager, or his designee.

These minimum amounts of coverage shall not constitute any limitation or cap on FRA's and/or SID's indemnification obligations under Section 6 hereof.

Prior to City's execution of this Agreement, copies of insurance policies or original certificates and additional insured endorsements evidencing the coverage required by this Agreement, for both commercial general and automobile liability insurance, shall be filed with City and shall include the City and its officers, employees and agents, as additional insureds. Said policies shall be in the usual form of commercial general and automobile liability insurance policies, but shall include the following provisions:

It is agreed that the City of Riverside, and its officers, employees and agents, are added as additional insureds under this policy, solely for work done by and on behalf of the named insured for the City of Riverside.

The policies shall not be canceled unless thirty (30) days prior written notification of intended cancellation has been given to City by certified or registered mail, postage prepaid.

The City, its officers, employees and agents make no representation that the types or limits of insurance specified to be carried by FRA and SID pursuant to this Agreement are adequate to protect FRA and SID. If FRA and/or SID believe that any required insurance coverage is inadequate, they will obtain such additional insurance coverage as they deem adequate, at their sole expense.

6. **Indemnification.** Except as to the sole negligence or willful misconduct of City, FRA and SID shall defend, indemnify and hold City, and its officers, employees and agents, harmless from any and all loss, damage, claim for damage, liability, expense or cost, including attorneys' fees, which arise out of or is in any way connected with the performance of work under this Agreement by FRA and/or SID. FRA and/or SID shall repair any damage to the Property caused by entry, inspections, and implementation of tests, studies and inspections of the Property pursuant to this Agreement.

FRA and/or SID expressly agree that any payment, attorneys' fees, costs or expense that the City incurs or makes to or on behalf of an injured employee under the City's self-administered workers' compensation is included as a loss, expense or cost for the purposes of this Section, and that this Section shall survive the expiration or early termination of the Agreement.

7. **Venue and Attorneys' Fees.** Any action at law or in equity brought by any of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county. In the event any party hereto shall bring suit to enforce any term of this Agreement or to recover any damage for and on account of the breach of any term or condition of this Agreement, it is mutually agreed that the prevailing party in such action shall recover all costs thereof, including reasonable attorneys' fees, to be set by the court in such action.

8. **Nondiscrimination.** During FRA's and SID's performance of this Agreement, they shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition, including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex, or sexual orientation, in the selection and retention of employees and subcontractors and the procurement of materials and equipment, except as provided in Section 12940 of the California Government Code. Further, FRA and SID agree to conform to the requirements of the Americans with Disabilities Act in the performance of this Agreement.

9. Notices. Service of any notices, bills, invoices or other documents required or permitted under this Agreement shall be sufficient if sent by one party to the other by United States mail, postage prepaid and addressed as follows.

City

City of Riverside
Real Property Services
Attn: Kelly Kitasato
3787 University Avenue
Riverside, California 92501

FRA

F.R.A. Limited Liability Company
Attn: Henry C. Cox, II
P.O. Box 3617
Riverside, California 92519

SID

SID Geotechnical, Inc.
Attn: Sid Siddiqui
7265 Jurupa Avenue, Suite E
Riverside, California 92504

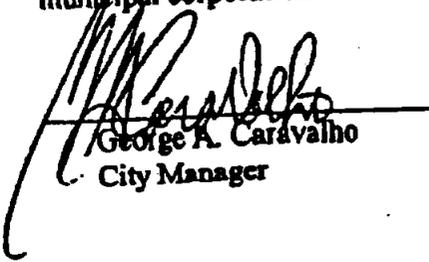
10. Assignment. It is mutually understood and agreed that this Agreement is personal to FRA and SID and shall be binding upon FRA, SID and City and their respective successors and may not be assigned or transferred in any way by any party.

11. Authority. The individuals executing this Agreement each represent and warrant that they have the legal power, right and actual authority to bind their respective entities to the terms and conditions hereof and thereof.

[signatures on next page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date and year first written above.

City of Riverside, a
municipal corporation


George A. Carvalho
City Manager

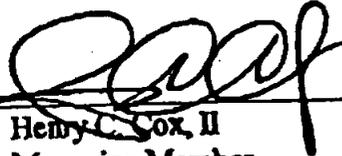
Attested by:


~~Colleen Nicol~~
Colleen Nicol
City Clerk

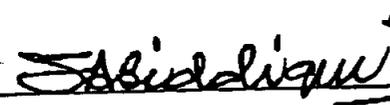
Approved as to Form:

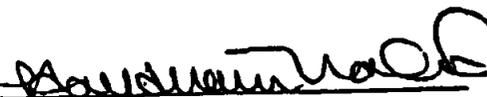

Deputy City Attorney

F.R.A., Limited Liability Company,
a California limited liability company

By 
Henry C. Cox, II
Managing Member

Geotechnical
SID Engineering, Inc.,
a California corporation

By 
Its: Principal Engr

By 
Its: Project Engineer

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CA: 02-3700

COMMERCIAL PARCEL GRADING PLAN

[TO FOLLOW]



SCALE: 1"=150'

ADKINS
ENGINEERS
 1000 HILL STREET, SUITE 200
 COSTA MESA, CALIFORNIA 92626
 TEL: (714) 440-8811 • FAX: (714) 440-8800

EXHIBIT "S"
 GATEWAY COMMERCIAL PROJECT - GRADING RESERVATION

Form of Assignment of Exchange Agreement

PARTIAL ASSIGNMENT OF EXCHANGE AGREEMENT

[Jurupa Avenue -- 155 Lots]

THIS PARTIAL ASSIGNMENT OF EXCHANGE AGREEMENT ("Assignment") is made and entered into as of _____, 2003, by and between FRIENDS OF RIVERSIDE AIRPORT, LLC, a California limited liability company ("Seller"), _____, a California corporation ("Buyer"), and the CITY OF RIVERSIDE, a municipal corporation ("City") with reference to the following facts:

- A. Seller is the owner of certain real property described, located in the City, in the County of Riverside (the "County"), State of California, more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference excepting and reserving therefrom a grading easement as shown on the Grading Plan attached as Exhibit "S" to the Exchange Agreement for flood control access (the "FRA Parcel").
- B. Pursuant to that certain Agreement for Purchase and Sale of Real Property and Escrow Instructions dated as of May ___, 2003, between Seller and Buyer (the "PSA"), Buyer has the right to acquire from Seller the FRA Parcel.
- C. Pursuant to that certain Exchange, Disposition and Development Agreement dated as of May ___, 2003, by and between Seller and the City (the "Exchange Agreement"), Seller has the right to exchange the FRA Parcel for certain real property owned by the City, comprised of approximately fifty-nine (59) acres, which the parties anticipate will be subdivided into one hundred fifty-five single family residential lots on which can be constructed a single family home (each a "Lot and collectively, the "Lots"), located in the City and County, more particularly described on Exhibit "B" attached hereto and incorporated herein by this reference (the "AG Parcel").
- D. Seller, the City and Buyer desire that, in lieu of Buyer taking title to the FRA Parcel, and then exchanging it with the City for title to the AG Parcel, Seller shall convey the FRA Parcel directly to the City and the City shall convey the AG Parcel directly to Buyer.
- E. In connection therewith, and effective upon and conditioned upon the Close of Escrow under the PSA, and the satisfaction of the conditions precedent to the City's obligation to convey the AG Parcel to Seller pursuant to the Exchange Agreement, Seller desires to assign to Buyer, and Buyer desires to accept such assignment from Seller, and

(EXHIBIT "T")

(PAGE 1 OF 5)

assume from Seller certain of Seller's rights and obligations under the Exchange Agreement with respect to the FRA Parcel and the AG Parcel. Buyer is requiring Seller and the City enter into this Assignment as a condition to Buyer's agreement to acquire the FRA Parcel from Seller and exchange the FRA Parcel with the City for the AG Parcel.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Effective Date; Other Defined Terms. The "Effective Date" shall be the date of the Close of Escrow under the PSA. Other capitalized terms which are used but not defined herein are used as defined in the Exchange Agreement.

2. Assignment; Assumption. Effective on the Effective Date, Seller hereby assigns to Buyer, and Buyer hereby assumes from Seller the following rights and obligations under the Exchange Agreement (collectively, the "Assigned Rights and Obligations"):

- (a) Rights and obligations of Seller under Section 4.5(i) of the Exchange Agreement.
- (b) Rights and obligations of Seller and FRA's Assignee under Sections 5.1, 5.2 and, to the extent of reimbursement for remediation of the Pre-Existing Conditions only, 5.5 of the Exchange Agreement.
- (c) Rights and obligations of Seller and FRA's Assignee under Section 6.3(i) of the Exchange Agreement.
- (d) Rights of Seller under Section 6.3(iii) of the Exchange Agreement, which rights are also being retained by Seller on a non-exclusive basis.
- (e) Any and all rights to reimbursement (by way of offsets against development fees incurred by Buyer in connection with the development of the AG Parcel) for remediation of the Pre-Existing Conditions under Section 5.5 of the Exchange Agreement.

3. Retained Obligations. Notwithstanding anything to the contrary contained in the PSA, in the Exchange Agreement or herein, and to the extent such obligations have
(EXHIBIT "T")

not been completed or satisfied prior to the Effective Date, Seller is not assigning to Buyer and Seller shall retain, and Buyer is not assuming, the following rights and obligations under the Exchange Agreement (collectively, the "Retained Obligations"):

- (a) Development rights which may now or hereafter exist in connection with the open space depicted on the Tentative Tract Maps.
- (b) Any and all other FRA Development Rights.
- (c) Any and all rights to reimbursement (by way of offsets against development fees incurred by RGP in connection with the development of the Commercial Parcel and Adjacent Commercial Parcel) for construction of the cul-de-sac under Section 5.5 of the Exchange Agreement.
- (d) Obligations of RGP and FRA under Sections 2.2.4(ii) and 4.6 of the Exchange Agreement.
- (e) Rights under Section 4.5(ii), (iii) and (v) of the Exchange Agreement.
- (f) Obligations under Section 4.7 of the Exchange Agreement.
- (g) Rights under Section 5.3 of the Exchange Agreement.
- (h) Rights and obligations under Sections 6.2 of the Exchange Agreement.
- (i) Rights under Section 6.3(iii) of the Exchange Agreement, which rights are also being assigned to Buyer on a non-exclusive basis.
- (j) Rights and obligations under Section 6.4 of the Exchange Agreement.

4. Seller Indemnity. From and after the Effective Date, Seller shall and hereby agrees to indemnify, defend (by counsel reasonably acceptable to Buyer) and hold harmless Buyer and Buyer's parents, subsidiaries and successors and assigns as owners of the AG Parcel, and the AG Parcel, from all loss, liability, damage, action, claim, cost
(EXHIBIT "T")

and expense (including reasonable attorneys' fees) arising from or related to (a) the Assigned Rights and Obligations, to the extent arising from events occurring, or otherwise accruing, prior to the Effective Date; and (b) the Retained Obligations.

5. Buyer Indemnity. From and after the Effective Date, Buyer shall and hereby agrees to indemnify, defend (by counsel reasonably acceptable to Seller) and hold harmless Seller and Seller's parents and subsidiaries, from all loss, liability, damage, action, claim, cost and expense (including reasonable attorneys' fees) arising from or related to the Assigned Rights and Obligations, to the extent arising from events occurring, or otherwise accruing, on or after to the Effective Date.

6. Conveyance of Parcels. As a matter of convenience to the parties, and notwithstanding anything to the contrary set forth in the Exchange Agreement or the PSA, the parties agree that, at the Close of Escrow under the PSA: (a) the City shall deposit with Escrow Holder (as defined in the PSA) a grant deed in the form attached as Exhibit "P" to the Exchange Agreement, pursuant to which the City shall convey title to the AG Parcel directly to Buyer; and (b) Seller shall deposit with Escrow Holder a grant deed in the form attached as Exhibit "O" to the Exchange Agreement pursuant to which Seller shall convey title to the FRA Parcel directly to the City.

7. Miscellaneous. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument and any executed counterpart may be delivered by facsimile transmission with the same effect as if an originally executed counterpart had been delivered. This Agreement and each and every related document are to be governed by, and construed in accordance with, the laws of the State of California. In the event that any party hereto institutes an action or proceeding for a declaration of the rights of the parties under this Agreement, for injunctive relief, for an alleged breach or default of, or any other action arising out of, this Agreement, or the transactions contemplated hereby, or in the event any party is in default of its obligations pursuant thereto, whether or not suit is filed or prosecuted to final judgment, the non-defaulting party or prevailing party shall be entitled to its reasonable attorneys' fees and to any court costs incurred, in addition to any other damages or relief awarded.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have caused this Assignment to be duly executed as of the day and year first set forth above.

FRIENDS OF RIVERSIDE AIRPORT, LLC,
a California limited liability company

THE CITY OF RIVERSIDE,
a municipal corporation

By: _____
Title: _____

By: _____
Title: _____

“SELLER”

“CITY”

APPROVED AS TO FORM: ..

By: _____
Title: _____

By: _____
Title: _____

“BUYER”

EASEMENT

***RGP AND FRA TO CITY FOR SLOPE, STORM DRAIN AND UTILITY
PURPOSES OVER COMMERCIAL PARCEL
AND ADJACENT COMMERCIAL PARCEL***

[TO FOLLOW]

EXHIBIT "U"

JURUPA AVENUE EXTENSION
SLOPE, STORM DRAIN, PUE - Culvert

That certain real property located in the City of Riverside, County of Riverside, State of California, described as follows:

That portion of Section 36, Township 2 South, Range 6 West, of the Rancho La Sierra, as shown by map on file in Book 6, Page 70 of Maps, and those portions of the River Farm Tract, as shown by map on file in Book 7, Page 52 of Maps, the Mc Claskey Tract, as shown by map on file in Book 10, Pages 36 and 37 of Maps, and the Randolph Subdivision, as shown by map on file in Book 16, Page 39 of Maps, all records of said Riverside County, described as follows:

PARCEL 1

COMMENCING at the intersection of the centerline of Jurupa Avenue with the centerline of Van Buren Boulevard as shown by Parcel Map No. 28402, as shown by map on file in Book 188, Pages 82 and 83 of Parcel Maps, records of Riverside County, California;

THENCE South $80^{\circ}42'44''$ West, along the westerly prolongation of said centerline of Jurupa Avenue, a distance of 418.20 feet to the beginning of a tangent curve concaving northerly and having a radius of 2000.00 feet;

THENCE westerly to the right along said curve through a central angle of $10^{\circ}27'15''$ an arc length of 364.92 feet;

THENCE North $88^{\circ}50'02''$ West, a distance of 216.59 feet;

SAID preceding three courses being the centerline of the proposed Jurupa Avenue Extension;

THENCE North $01^{\circ}09'58''$ East, a distance of 79.00 feet to a point on a 79 foot offset line, said line being parallel and concentric with and 79.00 feet northerly as measured at right angles from said proposed centerline of the Jurupa Avenue Extension and the POINT OF BEGINNING;

THENCE continuing North $01^{\circ}09'58''$ East, a distance of 121.00 feet to a point on a 200 foot offset line, said line being parallel and concentric with, and 200.00 feet northerly as measured at right angles from said proposed centerline of Jurupa Avenue Extension;

THENCE South $88^{\circ}50'02''$ East, along said 200 foot offset line a distance of 216.59 feet to the beginning of a tangent curve concaving northerly and having a radius of 1800.00 feet;

THENCE continuing along said 200 foot offset line, easterly to the left along said

curve through a central angle of $1^{\circ} 44' 29''$ an arc length of 54.71 feet to the easterly line of Parcel 1150-1D of Record of Survey on file in Book 60, Pages 11 through 14 of Record of Surveys, records of Riverside County, California;

THENCE South $02^{\circ}33'57''$ East along said easterly line of Parcel 1150-1D a distance of 70.22 feet to an angle point therein;

THENCE continuing along said easterly line South $11^{\circ}46' 07''$ East, a distance of 51.76 feet to said 79 foot offset line, said point being on a curve, concave northerly and having a radius of 1921.00 feet;

THENCE westerly to the right along said curve through a central angle of $2^{\circ}06'50''$ an arc length of 70.87 feet;

THENCE continuing along said 79 foot offset line, North $88^{\circ}50'02''$ West, a distance of 216.59 feet to the point of beginning.

PARCEL 2

COMMENCING at the intersection of the centerline of Jurupa Avenue with the centerline of Van Buren Boulevard as shown by Parcel Map No. 28402, as shown by map on file in Book 188, Pages 82 and 83 of Parcel Maps, records of Riverside County, California;

THENCE South $80^{\circ}42'44''$ West, along the westerly prolongation of said centerline of Jurupa Avenue, a distance of 418.20 feet to the beginning of a tangent curve concaving northerly and having a radius of 2000.00 feet;

THENCE westerly to the right along said curve through a central angle of $10^{\circ}27'15''$ an arc length of 364.92 feet;

THENCE North $88^{\circ}50'02''$ West, a distance of 216.59 feet;

SAID preceding three courses being the centerline of the proposed Jurupa Avenue Extension;

THENCE South $01^{\circ}09'58''$ West, a distance of 55.00 feet to a point on a 55 foot offset line, said line being parallel and concentric with and 55.00 feet southerly as measured at right angles from said proposed centerline of the Jurupa Avenue Extension and the POINT OF BEGINNING;

THENCE continuing South $01^{\circ}09'58''$ West, a distance of 115.00 feet to a point on a 170 foot offset line, said line being parallel and concentric with and 170.00 feet southerly as measured at right angles from said proposed centerline of Jurupa Avenue Extension;

THENCE South $88^{\circ}50'02''$ East, along said 170 foot offset line a distance of 216.59 feet to the beginning of a tangent curve concaving northerly and having a radius of 2170.00 feet;

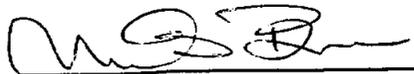
THENCE continuing along said 200 foot offset line, easterly to the left along said curve through a central angle of 6° 39' 15" an arc length of 252.01 feet to the easterly line of Parcel 1150-1D of Record of Survey on file in Book 60, Pages 11 through 14 of Record of Surveys, records of Riverside County, California;

THENCE North 29°05'56" West, a distance of 126.19 feet to said 55 foot offset line, said point being on a curve, concave northerly and having a radius of 2055.00 feet;

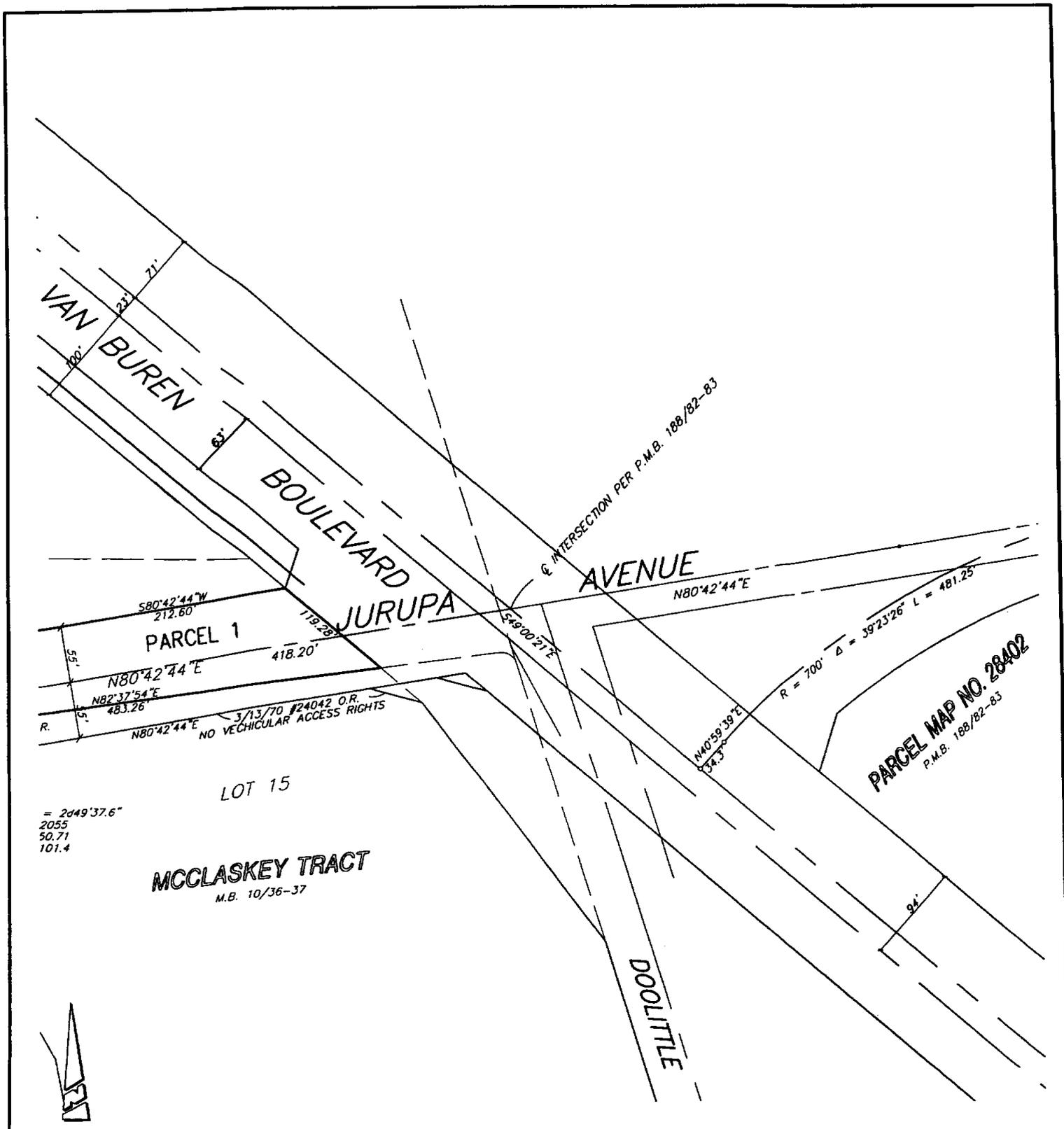
THENCE westerly to the right along said curve through a central angle of 5°14'42" an arc length of 188.11 feet;

THENCE continuing along said 55 foot offset line, North 88°50'02" West, a distance of 216.59 feet to the point of beginning.

This description was prepared by me or under my direction in conformance with the requirements of the Land Surveyors Act.

 5/8/03 Prep. _____
Mark S. Brown, L.S. 5655 Date
License Expires 9/30/03





● CITY OF RIVERSIDE, CALIFORNIA ●

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SHEET 1 OF 2

SCALE: N.T.S.

DRAWN BY: *Kgs* DATE: 3/25/03

SUBJECT: JURUPA AVENUE EXTENSION

EASEMENT

***RGP AND FRA TO CITY FOR EQUESTRIAN AND
BICYCLE TRAILS WITHIN ADJACENT COMMERCIAL PARCEL***

[TO FOLLOW]



SCALE: 1"=60'

EDWARDS
ENGINEERS
Civil Engineers, Surveyors, Planners
1125 10th St. S.W., P.O. Box 1000, Seattle, Wash. 98101

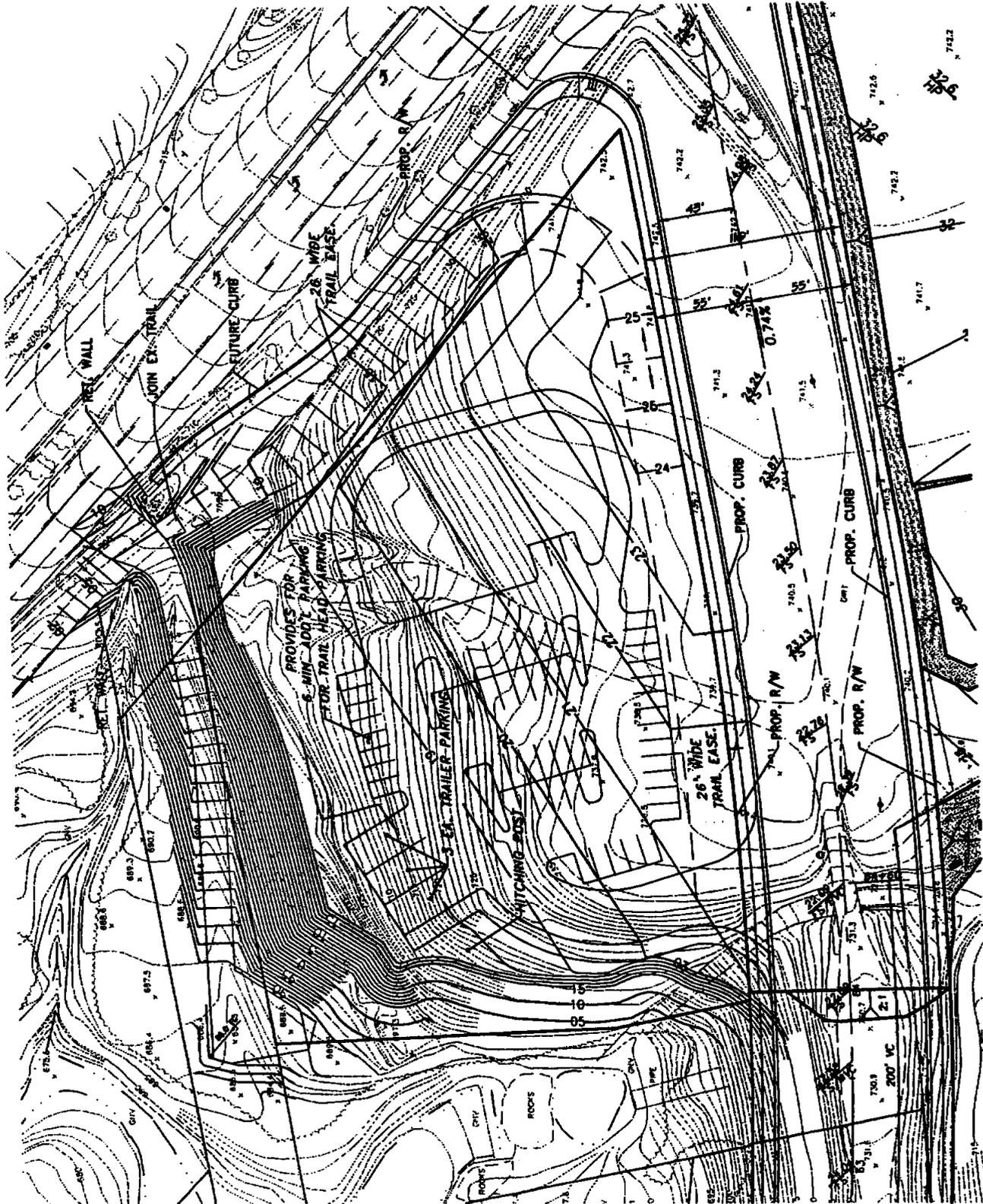


EXHIBIT "G-1"

DEPICTION OF ULTIMATE RIGHT-OF-WAY
FOR VAN BUREN BOULEVARD

[TO FOLLOW]

EXHIBIT "W"

JURUPA AVENUE EXTENSION
VAN BUREN BOULEVARD WIDENING

That certain real property located in the City of Riverside, County of Riverside, State of California, described as follows:

That portion of McClaskey Tract, as shown by map on file in Book 10, Pages 36 and 37 of Maps, records of Riverside County, California, lying northeasterly of a line that is parallel with, concentric to and distant 52.00 feet southwesterly, as measured at right angle and radial, to the following described line:

BEGINNING at the intersection of the centerline of Jurupa Avenue with the centerline of Van Buren Boulevard as shown by Parcel Map No. 28402, on file in Book 188, Pages 82 and 83 of Parcel Maps, records of Riverside County, California;

THENCE South 49°00'12" East, along said centerline of Van Buren Boulevard, a distance of 2093.58 feet to the beginning of a tangent curve concaving southwesterly and having a radius of 2000.00 feet;

THENCE southeasterly to the right along said curve and continuing along said centerline of Van Buren Boulevard through a central angle of 49°57'41" an arc length of 1743.98 feet;

THENCE South 0°57'29" West, continuing along said centerline of Van Buren Boulevard, a distance of 1791.41 feet to an intersection with the centerline of Arlington Avenue and the END of this line description;

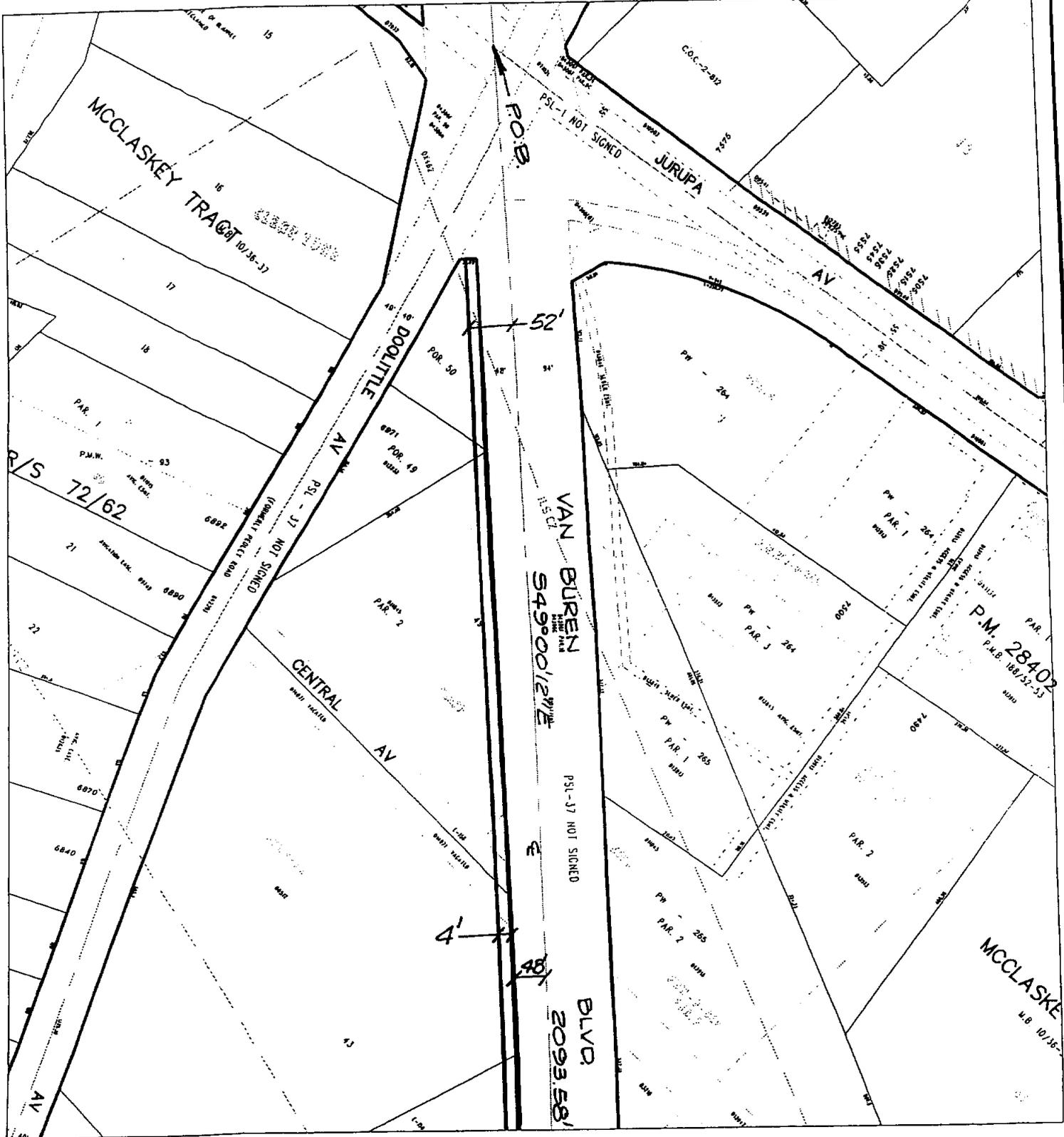
EXCEPTING THEREFROM that portion lying southeasterly of the northwesterly line of Morris Street;

ALSO EXCEPTING THEREFROM that portion lying northeasterly of a line that is parallel with, concentric to and distant 48.00 feet southwesterly, as measured at right angle and radial, to said centerline of Van Buren Boulevard as described hereinabove.

This description was prepared by me or under my direction in conformance with the requirements of the Land Surveyors Act.

 5/8/03 Prep. _____
Mark S. Brown, L.S. 5655 Date
License Expires 9/30/03





◆ CITY OF RIVERSIDE, CALIFORNIA ◆

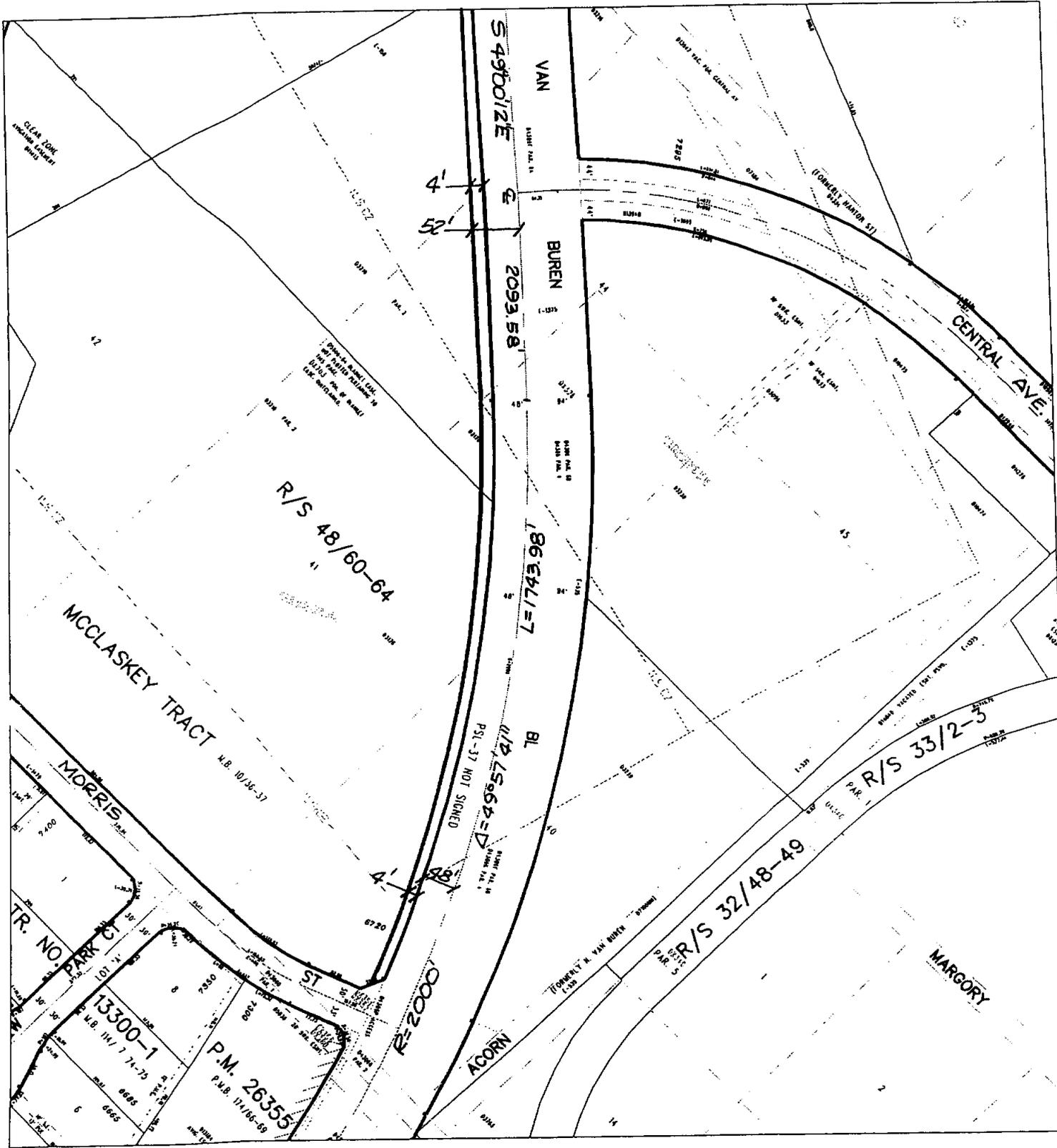
THIS PLAT IS SOLELY AN AID IN LOCATING THE PARCEL(S) DESCRIBED IN THE ATTACHED DOCUMENT. IT IS NOT A PART OF THE WRITTEN DESCRIPTION THEREIN.

Sheet 1



Scale: 1" = 200' | Drawn by: sken | Date: 05/09/03

Subject: JURUPA AVENUE EXTENSION



◆ CITY OF RIVERSIDE, CALIFORNIA ◆

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Sheet 2



Scale: 1" = 200'

Drawn by: skn

Date: 05/09/03

Subject: JURUPA AVENUE EXTENSION

RGP JURUPA AVENUE IMPROVEMENTS
WITHIN INITIAL JURUPA AVENUE EXTENSION

City's General Plan designates Jurupa Avenue as a 110-Foot Arterial, which requires 110 feet of right of way with 86 feet of curb-separation for accommodating two through traffic lanes and an 8-foot wide parking/bike lane for each bound of traffic (with a combined width of 34 feet), separated by an 18-foot wide landscaped median (collectively, the "Ultimate Improvements"). The Jurupa Avenue Extension Project contemplated by the City ("City's Project") includes less than the Ultimate Improvements. The City's Project generally includes one through traffic lane and an 8-foot wide parking/bike lane for each bound of traffic (with a combined width of 20 feet), separated by a 46-foot wide median with no landscaping, all within a curb-separation of 86 feet and a right of way of 110 feet (collectively, the "Interim Improvements"). The City's Project also includes the construction of additional street improvements at and near the intersection of Jurupa Avenue with Van Buren Boulevard, including curb, gutter, sidewalk, streetlights, storm drain and other improvements along the frontages of both the Commercial Parcel and the Adjacent Commercial Parcel.

RPG shall supplement the Interim Improvements to be constructed by the City's Project, such that the completed improvements on Jurupa Avenue between Van Buren Boulevard and the westerly boundary of the Adjacent Commercial Parcel will be in conformance with the characteristics of the Ultimate Improvements. Also, RPG shall construct additional street improvements to provide safe transitions from the Ultimate Improvements to the Interim Improvements, subject to accepted engineering practices for a 45-miles per hour design speed and to the approval of the Public Works Department.

Furthermore, the centerlines of the driveway entrances to the Commercial Parcel and the Adjacent Commercial Parcel shall be lined up at one common intersection with Jurupa Avenue, no closer than 500 feet from the centerline of southbound lanes of Van Buren Boulevard. Provision of a traffic signal on Jurupa Avenue at the entrances to the Commercial Parcel and the Adjacent Commercial Parcel shall be at the sole expense of RPG.

EASEMENT

***RESERVATION BY CITY IN CITY DEED TO FRA
OF FRA'S ASSIGNEE***

[TO FOLLOW]

EXHIBIT "Y"

JURUPA AVENUE EXTENSION
SLOPE, STORM DRAIN, PUE - AgPark

That certain real property located in the City of Riverside, County of Riverside, State of California, described as follows:

That portion of Section 36, Township 2 South, Range 6 West, of the Rancho La Sierra, as shown by map on file in Book 6, Page 70 of Maps, and those portions of the River Farm Tract, as shown by map on file in Book 7, Page 52 of Maps, the Mc Claskey Tract, as shown by map on file in Book 10, Pages 36 and 37 of Maps, and the Randolph Subdivision, as shown by map on file in Book 16, Page 39 of Maps, and Bixmill Tract as shown by map on file in Map Book 16, page 29 thereof, all records of said Riverside County, described as follows:

PARCEL 1

COMMENCING at the westerly intersection of Jurupa Avenue and Rutland Avenue as shown by Tract 8960-1, on file in Map Book 155, Pages 90 through 93 thereof, records of Riverside County, California;

THENCE North 88°57'33" West, along the said centerline of Jurupa Avenue and its westerly extension, a distance of 400.00 feet;

THENCE North 01°02'27" East, a distance of 55.00 feet to a point on a 55 foot offset line, said line being parallel and concentric with and 55.00 feet northerly as measured at right angles from said centerline of the Jurupa Avenue and the POINT OF BEGINNING;

THENCE continuing North 01°02'27" East, a distance of 95.00 feet to a point on a 150 foot offset line, said line being parallel with, and 150.00 feet northerly as measured at right angles from said centerline of Jurupa Avenue;

THENCE South 88°57'33" East, along said 150 foot offset line a distance of 145 feet;

THENCE South 1°22'27" West, a distance of 95.00 feet to said 55 foot offset line;

THENCE along said 55 foot offset line, North 88°57'33" West, a distance of 145.00 feet to the point of beginning.

PARCEL 2

COMMENCING at the westerly intersection of Jurupa Avenue and Rutland Avenue as shown by Tract 8960-1, on file in Map Book 155, Pages 90 through 93 thereof, records of Riverside County, California;

THENCE North 88°57'33" West, along the said centerline of Jurupa Avenue and its westerly extension, a distance of 350.00 feet;

THENCE South 01°02'27" West, a distance of 55.00 feet to a point on a 55 foot offset line, said line being parallel and concentric with and 55.00 feet southerly as measured at right angles from said centerline of the Jurupa Avenue and the POINT OF BEGINNING;

THENCE continuing South 01°02'27" West, a distance of 65.00 feet to a point on a 120 foot offset line, said line being parallel with, and 120.00 feet southerly as measured at right angles from said centerline of Jurupa Avenue;

THENCE South 88°57'33" East, along said 120 foot offset line a distance of 130 feet;

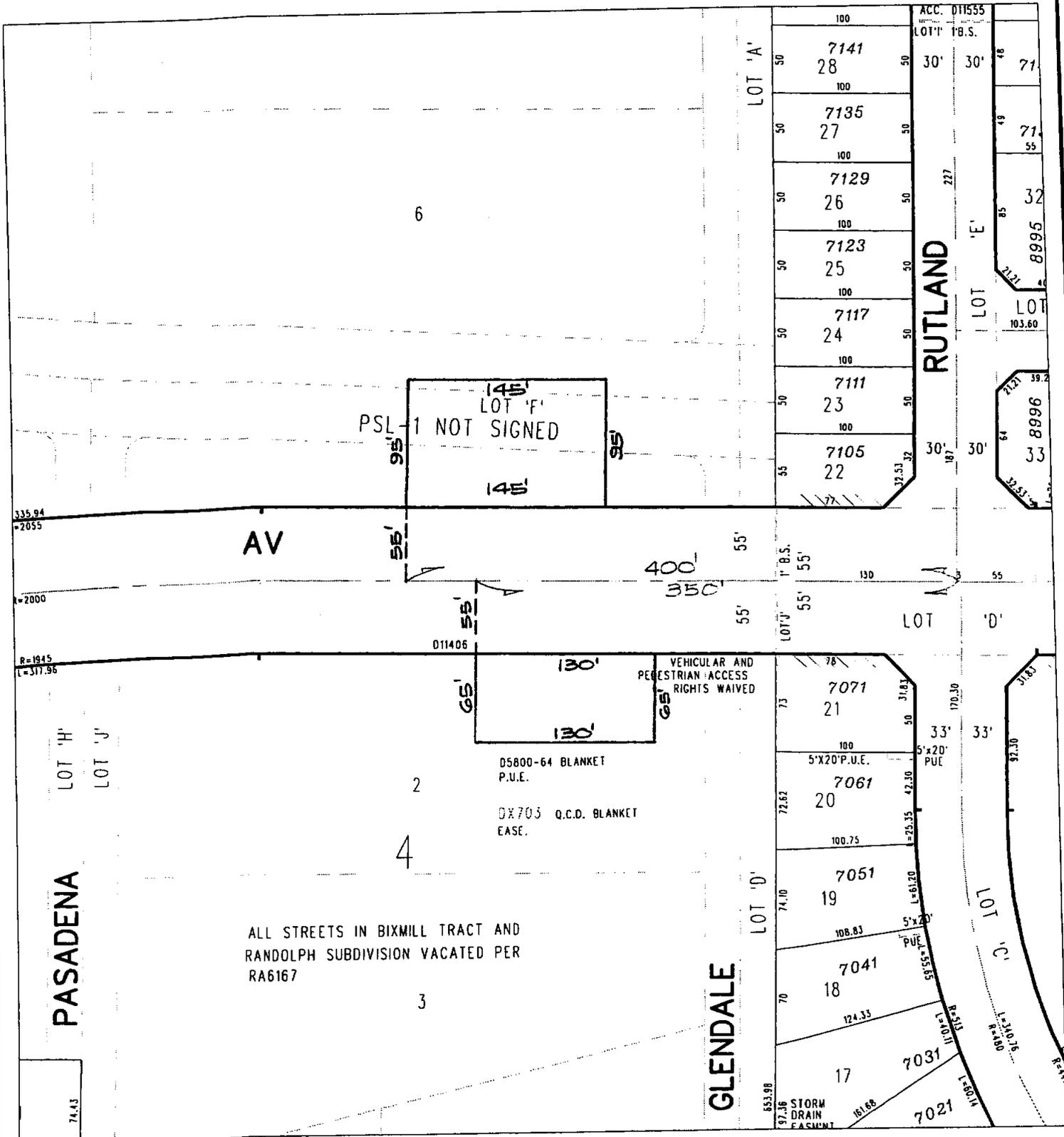
THENCE North 1°22'27" East, a distance of 65.00 feet to said 55 foot offset line;

THENCE along said 55 foot offset line, North 88°57'33" West, a distance of 130.00 feet to the point of beginning.

This description was prepared by me or under my direction in conformance with the requirements of the Land Surveyors Act.

 5/8/03 Prep. _____
Mark S. Brown, L.S. 5655 Date
License Expires 9/30/03





◆ CITY OF RIVERSIDE, CALIFORNIA ◆

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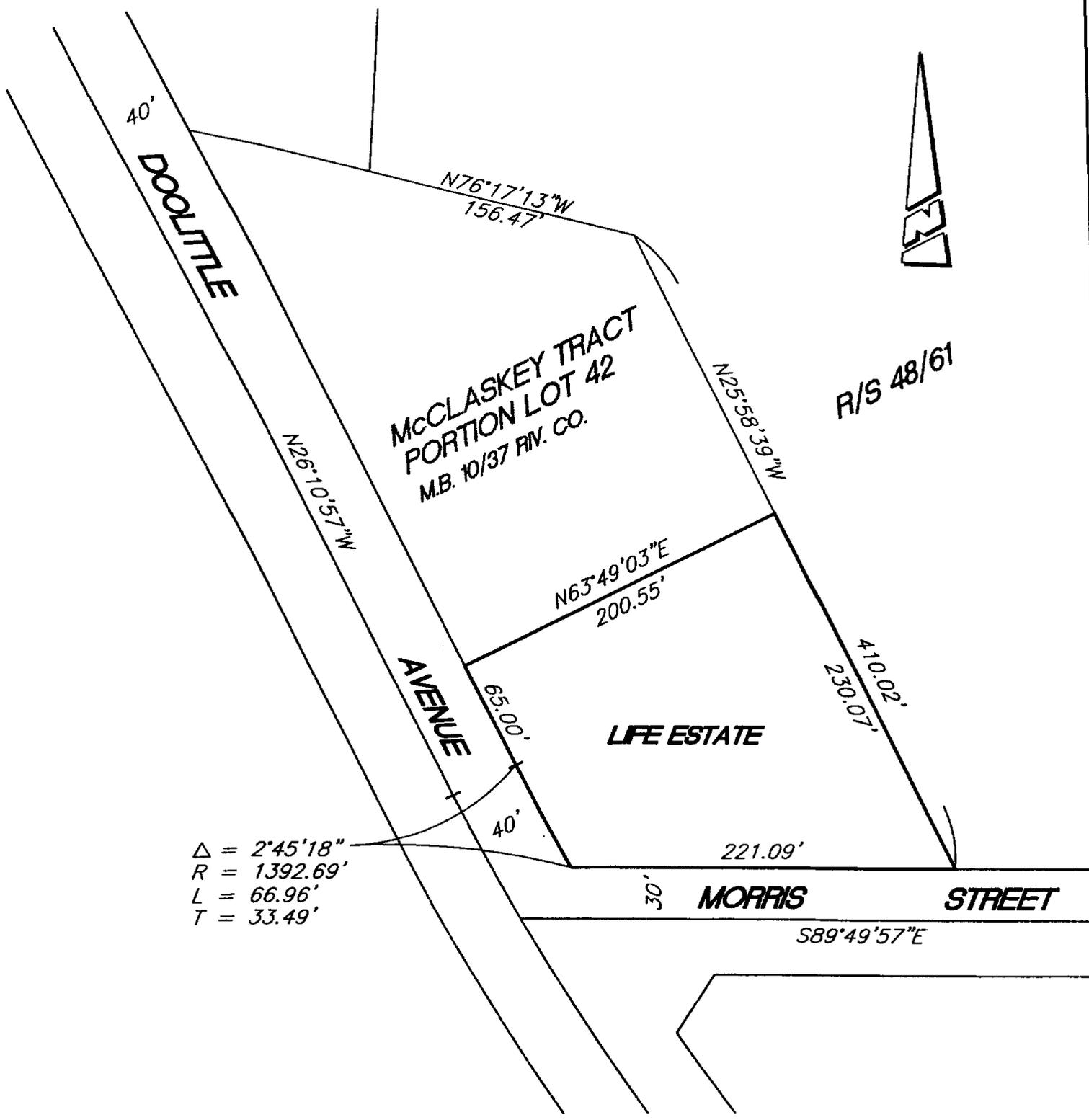
Sheet 1 of 1



Scale: 1" = 100' Drawn by: skn Date: 05/08/03 Subject: JURUPA AVENUE EXTENSION

DEPICTION OF SANTOMATO FAMILY RESIDENCE

[TO FOLLOW]



• CITY OF RIVERSIDE, CALIFORNIA •

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SHEET 1 OF 1

SCALE: 1"=80'

DRAWN BY: Curt DATE: 2/6/03

EXHIBIT 'A'
LIFE ESTATE

That portion of Lot 42 of the McClaskey Tract, as shown by map on file in Book 10, Page 37 of Maps, records of Riverside County, California, described as follows:

BEGINNING at the southwest corner of said Lot 42, said corner being a point in a non-tangent curve concave to the northeast and having a radius of 1392.69 feet;

THENCE northwesterly along said curve and the southwesterly line of said Lot 42, through a central angle of $2^{\circ}45'18''$, an arc length of 66.96 feet to a tangent line;

THENCE North $26^{\circ}10'57''$ West, along said southwesterly line, a distance of 65.00 feet;

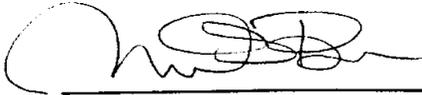
THENCE North $63^{\circ}49'03''$ East, a distance of 200.55 feet to the northeasterly line of that certain parcel of land conveyed to Antonio Santamato et ux., by deed recorded January 29, 1958 as Instrument No. 1972 of Official Records of said Riverside County;

THENCE South $25^{\circ}58'39''$ East, along said northeasterly line a distance of 230.07 feet to the south line of said Lot 42;

THENCE North $89^{\circ}49'57''$ West, along the south line of said Lot 42 a distance of 221.09 feet to the PONT OF BEGINNING.

Area – 36,131 square feet, more or less.

This description was prepared by me or under my direction in conformance with the requirements of the Land Surveyors Act.

 2/4/03 Prep. CS
Mark S. Brown, L.S. 5655 Date
License Expires 9/30/03

