

## Agenda Item (VIII-C-1)

Meeting	1/15/2019 - Regular
Agenda Item	Committee - Planning and Operations (VIII-C-1)
Subject	Revised Ground Lease for the Education Center at Ben Clark Public Safety Training Center with the County of Riverside
College/District	Moreno Valley
Funding	Measure C
Recommended Action	It is recommended that the Board of Trustees approve the Revised Ground Lease for the Education Center at Ben Clark Public Safety Training Center with the County of Riverside.

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### Background Narrative:

Riverside Community College District (RCCD) has been in partnership with the County of Riverside for public safety education training since 1952. First, through Riverside City College and then offered from the Moreno Valley campus. The goal of the District has been to have the Ben Clark Public Safety Training Center (BCTC) be an education center of Moreno Valley. Many steps have been taken over the past several years to prepare for this endeavor.

Towards this effort in January 2010 Moreno Valley College (MVC) was accredited as the 111th college in California. In March of that same year, the RCCD Board of Trustees adopted Resolution Number 40-09/10 Authorizing Establishment of an Educational Center. On June 16, 2010, RCCD sent a Letter of Intent issued to the State Chancellors Office, to have BCTC designated as an education center of MVC. That same month, due to the state budget crisis a moratorium on Centers by State Chancellor's Office was announced.

In recognition of advancing the goals and understanding of the partners for BCTC, the Board of Trustees and the Board of Supervisors of the County of Riverside entered into a Memorandum of Agreement (MOA) in September 2010. The MOA outlined implementation elements to make a center come to fruition. A draft ground lease (Ground Lease) was in the works for several months negotiated between the lead staff for each agency on real estate matters; and the county cleared the Ground Lease in April 2012, but it was not processed at the time. The Ground Lease included performance measures dependent upon state funding, and the state funding eligibility would be contingent upon MVC receiving center status for BCTC, which could not be met at the time.

Since then, the State Chancellor's Office has lifted the moratorium on Education Centers, and both the County of Riverside (County) along with Moreno Valley College have master plans for facilities development; with the MVC plan linked to its educational master plan, including BCTC. The partnership has reviewed options for siting a Phase I facility to be located at BCTC. The key in identifying a Phase I location, is to develop the site in advance of the county's development plans, while not impacting existing facilities the county needs to utilize until such time their facility plans are able to proceed; and to minimize the costs of infrastructure development for this initial construction phase.

In January 2018, the Board of Trustees approved the Ground Lease for the Educational Center at Ben Clark Training Center with the County. Subsequently, we were informed by the County that section 9.(c), Offsite Improvements related to the infrastructure connection fee included in the Ground Lease at \$100,000 had not been fully negotiated or agreed to between RCCD and the County. Rather, the County's offer for the infrastructure connection fee was \$500,000 for RCCD's prorated share of the County's total current and future infrastructure investment. This represented a 68% discount from the County's calculated prorated share of total infrastructure investment costs. After considerable discussion with the County and evaluation of information supporting the County's infrastructure investment, the District has agreed to the infrastructure connection fee amount of \$500,000 and seeks the Board of Trustees approval to modify section 9.(c) to that amount. All other terms and conditions of the previously approved Ground Lease remain the same, with the exception of updated

project milestone dates, including a 49 year term and the site at 2.01 acres to accommodate a nearly 18,000 square foot facility as Phase I. The increase in this fee does not require an increase in the project budget at this time.

The Ground Lease will provide a possessory interest the District needs to design and build a facility, and apply for Center Status. The Ground Lease is needed as the County is prohibited from selling the property, since it is surplus property from the realignment of March Air Force Base to March Air Reserve Base. Additionally, the provisions of the grant deed restrictions by the Air Force must be complied with, which includes public safety training and education.

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Bart Doering, Facilities Development Director

**Attachments:**

[01152019\\_Revised BCTC Education Center Ground Lease Agreement](#)

# GROUND LEASE

## Riverside Community College District (Ben Clark Public Safety Training Center, Riverside County, California)

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1 **GROUND LEASE**

2 (Ben Clark Public Safety Training Center, Riverside County, California)

3  
4 THIS GROUND LEASE, ("Lease"), is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2019,  
5 (the "Effective Date") by and between the County of Riverside, a political subdivision of  
6 the State of California, as Lessor, ("County"), and the Riverside Community College  
7 District, a political subdivision of the State of California, as Lessee, ("District" or  
8 "Lessee"). The County and District may sometimes collectively be referred to as the  
9 "Parties."

10 WHEREAS, County is the owner of record of that certain real property, located,  
11 in the unincorporated area of Riverside County, State of California, consisting of  
12 approximately 3.41 acres, as described and shown in Exhibit "A," attached hereto and  
13 by this reference incorporated herein; and,

14 WHEREAS, the real property was formerly part of March Air Force Base and the  
15 conveyance, by Quitclaim Deed dated December 21, 1999, as shown on Exhibit "B,"  
16 attached hereto and by this reference incorporated herein, to the County from the United  
17 States of America, acting by and through the Secretary of the Air Force, and was made  
18 through a federal land transfer provision known as a Public Benefit Conveyance, for the  
19 purposes of operating and developing a public safety training center, now commonly  
20 referred to as the Ben Clark Public Safety Training Center ("BCTC"); and,

21 WHEREAS, the District, through its Moreno Valley College ("College"), which is  
22 an open admissions college, is the education partner for public safety education training  
23 center since 1953, in partnership with the County of Riverside, on behalf of the Sheriff's  
24 Department and Fire Department, providing public safety training for law enforcement  
25 and fire technology programs; and,

26 WHEREAS, the County has developed a master plan for the program,  
27 development and operation of the Ben Clark Public Safety Training Center; and,

28 WHEREAS, the Parties have entered into that certain Memorandum of

1 Agreement dated September 28, 2010, provided as Exhibit "C," attached hereto and by  
2 this reference incorporated herein, whereby the parties memorialized their intent to  
3 facilitate the establishment of BCTC as an public safety education center to the College  
4 and to develop facilities to house the educational services and required operations of the  
5 College; and,

6 WHEREAS, the District desires to lease a portion of BCTC to secure a leasehold  
7 interest in that portion of the real property at BCTC to be eligible to receive state and  
8 local funding to construct a training facility that will support the educational mission of  
9 the College as partner in BCTC as a public safety training center.

10 NOW THEREFORE, for good and valuable consideration, the receipt and  
11 adequacy of which are hereby acknowledged, the County and District hereby agree as  
12 follows:

13 **1. Property Description.** The County leases to the District, and District  
14 leases from the County, the property described below upon the terms, covenants and  
15 conditions set forth in this Lease. The real property hereby leased consists of that certain  
16 portion of land located at the Ben Clark Public Safety Training Center, East of Davis  
17 Avenue and North of Larry Parrish Parkway in the unincorporated area of the County of  
18 Riverside, California, ("Property"), consisting of approximately 3.41 acres, as  
19 preliminarily depicted in Exhibit "A," attached hereto and incorporated herein by  
20 reference. The attached Exhibit "A" is a preliminary initial depiction of the Property. Prior  
21 to June 30, 2020, District agrees to complete a survey and provide a final legal  
22 description and parcel map for the Property, setting forth the precise acreage and  
23 boundaries of the Property, which shall be incorporated into this Lease as Exhibit "A-1"  
24 by written amendment signed by the Parties.

25 **2. Use.**

26 (a) The Property is hereby leased for the exclusive purpose of  
27 constructing, maintaining, and operating a law enforcement and emergency  
28 management response educational facility of approximately seventeen thousand three

1 hundred fifty (17,350) square feet, plus an adjacent parking lot of approximately 164  
2 parking spaces, collectively consisting of approximately 1.69 acres, for public safety  
3 training purposes, all herein defined as the "Phase One Project" and as preliminarily  
4 shown on the site plan in Exhibit "A-2", attached hereto and incorporated herein by  
5 reference, together with all roads, rights of way and easements and appurtenances,  
6 whether public or private, reasonably required for the use contemplated by the Parties.  
7 Prior to June 30, 2020, District agrees to provide a final site plan for the Phase One  
8 Project, which shall be incorporated into this Lease as a revised Exhibit "A-2" by written  
9 amendment signed by the Parties.

10 As part of the Phase One Project, the Parties agree that County shall have the  
11 right but not the obligation to relocate said parking lot of the Phase One Project to the  
12 north side of 11<sup>th</sup> Street at any time during the term of this Lease at County's discretion  
13 and at County's sole cost and expense. In such event, District shall complete a survey  
14 and provide a parcel map and legal description of the Property, setting forth the revised  
15 acreage and boundaries of the Property, and a revised site plan of the Phase One  
16 Project, with the relocated parking lot, both which shall be respectively incorporated into  
17 this Lease, by written amendment signed by the Parties, as revised Exhibits "A-1" and  
18 "A-2".

19 (b) The Property shall not be used for any other purpose without first  
20 obtaining the written consent of County, which consent shall be at the absolute discretion  
21 of County as determined by its Board of Supervisors.

22 (c) The County may elect to allow the District to plan and construct a  
23 second phase on the Property, the "Phase Two Project", consisting of an approximately  
24 39,200 square foot law enforcement and emergency management response educational  
25 facility and also parking facilities for said facility. The proposed location for the Phase  
26 Two Project is preliminarily shown on the attached Exhibit "A-2" and consists of  
27 approximately 1.72 acres. In the event the County elects to allow the District to plan and  
28 construct the Phase Two Project, County's formal approval of the same will be contingent



1 upon the Parties' agreement to the Phase Two Project's location and scope of work and  
2 a written amendment to the Lease signed by the Parties. In such event, District shall  
3 complete a survey and provide a parcel map and legal description of the Property, if  
4 necessary, setting forth the revised acreage and boundaries of the Property, and a  
5 revised site plan showing both the Phase One Project and Phase Two Project, which  
6 shall be respectively incorporated into this Lease, by written amendment signed by the  
7 Parties, as revised Exhibits "A-1" and "A-2". The Phase One Project and Phase Two  
8 Project shall collectively be referred to herein as the "Project."

9 (d) The courses, training, and programs offered on the Property at the  
10 Phase One Project (and Phase Two Project, if applicable) shall be strictly limited to  
11 emergency medical services, fire technology, or law enforcement courses, training, and  
12 programs. General education courses shall not be permitted on the Property.  
13 Additionally, any administrative or student services provided on the Property at the  
14 Phase One Project (and Phase Two Project, if applicable) shall be strictly limited to  
15 students who are enrolled in the emergency medical services, fire technology, or law  
16 enforcement programs of the College.

17 **3. Term.**

18 (a) The term of this Lease shall be for a period of forty-nine (49) years,  
19 commencing on the "Effective Date" of this Lease, and expiring at the end of the last day  
20 of the forty-ninth (49<sup>th</sup>) year ("Initial Term").

21 (b) Option to Extend. County grants District one forty-nine (49) year  
22 option to renew the Lease ("Option to Extend") provided Lessee submits notice in writing  
23 to County, together with the prepaid rent set forth in Section 5, at least six (6) months  
24 prior to the expiration date of the Initial Term of this Lease.

25 (c) Any holding over by Lessee after the expiration of the term of this  
26 Lease shall be on a month to month basis strictly, and continuing tenancy rights shall not  
27 accrue to Lessee. During any such hold over period, Lessee shall be bound by all terms  
28 and conditions of this Lease.



1           **4.     Rent.**

2           The Rent for the Property for the term of the Lease shall be one (\$1.00)  
3 per year and shall be prepaid by District in the amount of forty-nine dollars (\$49.00) upon  
4 execution of the Lease by County.

5           **5.     Option Rent.** In the event District exercises the Option to Extend pursuant  
6 to Section 3(b), rent for the extended option period shall be prepaid by District together  
7 with the written notice required in Section 3(b) at a rate of \$1.00 a year for each year of  
8 the extended option period.

9           **6.     Required Performance Measures.** The Parties hereby agree to complete  
10 the Performance Measures as set forth in Exhibit "E" attached hereto and incorporated  
11 herein by reference.

12           **7.     Title.**

13           (a)     The County represents and warrants that the leasehold interest in  
14 the Property shall be subject only to those exceptions as set forth in the preliminary title  
15 report ("Preliminary Title Report") attached hereto as Exhibit "D" and by this reference  
16 made a part of this Lease. Said leasehold interest shall be insured by a title insurance  
17 company acceptable to County and District, and the cost of a policy of title insurance  
18 shall be paid by District.

19           (b)     In the event County cannot deliver an insurable leasehold interest  
20 as set forth in Section 7(a) above, this Lease may be terminated at the option of District.  
21 Notification by District to terminate this Lease shall be in writing.

22           **8.     On-Site Improvements.**

23           (a)     District, at its expense, shall construct, or cause to be constructed,  
24 upon the Property, the Project as herein defined, including landscaping, roadways,  
25 walkways, and utility improvements. Subject to the provisions of Sections 6 and 17  
26 herein, construction of the Project shall commence within a reasonable period of time  
27 after the District has obtained the required approvals from all governmental and  
28 regulatory agencies, including the Permits. District shall diligently pursue the completion

1 of the construction of the Phase One Project and Phase Two Project within a reasonable  
2 period following commencement of construction of each project. No less than ten (10)  
3 days before beginning construction of each project, District shall give County written  
4 notice thereof so that County can post a Notice of Non-Responsibility.

5 (b) The Project shall be of a permanent, built-on-site construction. All  
6 site plans, landscape plans, building elevations, building materials and colors, sign plans  
7 and all other plans and specifications related to the construction of the Phase One  
8 Project and Phase Two Project shall be submitted to the Riverside County Economic  
9 Development Agency (“EDA”) Project Management Office prior to commencement of  
10 any construction activities for review and approval by the County. Any comments shall  
11 be submitted by County to the District in writing.

12 (c) Within thirty (30) days following the completion of the Phase One  
13 Project or Phase Two Project, as applicable, and any other improvements on the  
14 Property, District shall submit to County EDA (1) a complete set of “As-Built” drawings  
15 showing every detail, latent or otherwise, of such improvements, alterations and fixtures,  
16 including, but not limited to, electrical circuitry and plumbing; and (2) copies of lien  
17 waivers from all contractors, subcontractors, suppliers and materialmen involved in  
18 construction of the respective project.

19 (d) Title to all buildings, structures and improvements that now, or may  
20 from time to time constitute a part of the Project, including all carpets, draperies,  
21 partitions, machinery, equipment and fixtures that are now, or may from time to time be,  
22 used, or intended to be used in connection with the Project shall be and remain with  
23 District until the expiration or termination of this Lease. Upon expiration or termination  
24 of the Lease, title to all such property, buildings, structures and interior/exterior  
25 improvements and all machinery, equipment and fixtures shall pass to and vest in County  
26 without cost or charge to it. District agrees to execute any and all documents as may be  
27 necessary or proper in order to complete said passing and vesting of title to County.

28

1 (e) District shall have the right at any time and from time to time during  
2 the term of this Lease to make such improvements to the Property and such changes  
3 and alterations, structural or otherwise, to any buildings, improvements, fixtures and  
4 equipment now or hereafter located on the Property as District shall deem necessary or  
5 desirable. In this event, District shall submit plans and specifications to EDA for review  
6 and comment prior to commencing any work.

7 (f) The Parties acknowledge and agree that a modular building(s) and  
8 improvements currently exist at the Property, which will require removal prior to  
9 commencement of any work on the Property. Said removal shall be at District's sole  
10 cost and expense and completed at least ninety (90) days prior to District's  
11 commencement of work for the Phase One Project or the Phase Two Project, as  
12 applicable.

13 **9. Off-Site Improvements.**

14 (a) It is understood by the parties hereto that sewer, water, telephone,  
15 gas and electrical utilities are available nearby the Property, but they do not reach the  
16 Property. Therefore, in order for the on-site improvements required in Section 8 herein  
17 to be fully usable and operational, District, at its expense, shall extend and/or connect or  
18 cause to be extended and/or connected, to such on-site improvements such utility  
19 service facilities that may be required or desired by District in the use, operation and  
20 maintenance of such on-site improvements. After such extensions and/or connections  
21 have been made, District shall be responsible for payment for the use of such utility  
22 services, and where possible, said utilities shall be separately metered.

23 (b) The off-site improvements referred to in Section 9(a) above shall be  
24 completed prior to or at the same time the on-site improvements are completed as  
25 provided in Section 8 herein.

26 (c) Parties may elect to revise the provisions of this section and provide  
27 and incorporate the changes into an Operating Agreement.

28

1 (d) District shall pay five hundred thousand dollars (\$500,000) to  
2 County towards District's share of the overall Ben Clark Public Safety Training Center  
3 infrastructure costs within thirty six (36) months of execution of this Lease.

4 **10. Right of Access.** District shall have right of access to the Property over  
5 the non-public dedicated roadways adjacent to the Property for the purpose of  
6 completing the onsite and offsite improvements and to operate the Project during the  
7 term of this Lease.

8 **11. Cooperation.**

9 (a) County shall cooperate with District and otherwise exercise its best  
10 efforts to assist Lessee in expediting the processing of on-site and off-site improvements  
11 to be constructed upon, within or in connection with the Property. Notwithstanding  
12 anything to the contrary contained herein, nothing in this Lease shall be deemed to  
13 constitute a waiver by County of its police powers. District acknowledges and agrees that  
14 it must comply with all government laws and regulations affecting development to the  
15 Property.

16 (b) Any easements required by third parties for utilities to serve the  
17 Property shall be submitted to County, in writing, for its approval, which approval shall  
18 not be unreasonably withheld. Any and all costs associated with the preparation and  
19 recordation of any such easements required by third parties shall be borne solely by  
20 District.

21 **12. County's Reserved Rights.** The Property is accepted by District subject  
22 to those existing easements or other encumbrances or other matters of record described  
23 in the Preliminary Title Report, and County shall have the right to enter upon the Property  
24 and to install, lay, construct, maintain, repair and operate such sanitary sewers, drains,  
25 storm water sewers, pipelines, manholes, connections, water, oil and gas pipelines, and  
26 telephone and telegraph power lines and such other facilities and appurtenances  
27 necessary or convenient to use in connection therewith, over, in, upon, through, across  
28 and along the Property or any part thereof. County also reserves the right to grant

1 franchises, easements, rights of way and permits in, over and upon, underground, along  
2 or across any and all portions of said Property as County may elect; provided, however,  
3 that no right of the County provided for in this Section shall be so executed as to interfere  
4 unreasonably with District's rights and use hereunder. County shall cause the surface  
5 of the Property to be restored to its original condition (as it existed prior to any such entry)  
6 upon the completion of any construction by County or its agents. Any right of County set  
7 forth in this Section shall not be exercised unless a prior written notice of thirty (30) days  
8 is given to District: provided, however, in the event such right must be exercised by  
9 reason of emergency, then County shall give Lessee such notice in writing as is  
10 reasonable under the existing circumstances. Notwithstanding anything to the contrary  
11 contained herein, County agrees that all sanitary sewers, storm drains, pipelines,  
12 manholes, water and gas mains, electric power lines, transformers and conduits, cabling,  
13 telephone lines and other communications equipment and facilities utilized in connection  
14 with utility services (collectively "Utility Lines") to be located at or on the Property shall  
15 be placed underground and in a manner which does not interfere with the Project or its  
16 use. Any easement, license, right-of-way, permit or other agreement entered into by the  
17 County pursuant to this Section 12, including but not limited to the installation, operation,  
18 maintenance, repair and replacement of Utility Lines, shall require the easement holder  
19 to maintain the easement and equipment located therein at its sole cost. County agrees  
20 to use best efforts to minimize any interference to Lessee's business caused by County's  
21 exercise of its rights hereunder.

22 **13. Maintenance.** District shall, during the term of this Lease, at its own cost  
23 and expense and without any cost or expense to County, keep and maintain all buildings  
24 and improvements now or hereafter located on the Property, and all appurtenances  
25 thereto, in good and neat order and repair and shall allow no nuisances to exist or be  
26 maintained therein. District shall likewise keep and maintain the grounds, sidewalks,  
27 roads and parking, and landscaped areas in good and neat order and repair. County  
28 shall not be obligated to make any repairs, replacements or renewals of any kind, nature

1 or description whatsoever to the Property or any buildings or improvements now or  
2 hereafter located thereon, and District hereby expressly waives all right to make repairs  
3 at County's expense under sections 1941 and 1942 of the California Civil Code, or any  
4 amendments thereof. District shall comply with and abide by all federal, state, county,  
5 municipal and other governmental statutes, ordinances, laws and regulations affecting  
6 the Property, all buildings and improvements now or hereafter located thereon, or any  
7 activity or condition on or in the Property. District agrees that it will not commit or permit  
8 waste upon the Property other than to the extent necessary for the purpose of  
9 constructing and erecting thereon other improvements.

10 **14. Inspection of Property.** County, through its duly authorized agents, shall  
11 have, at any time during normal business hours, the right to enter the Property for the  
12 purpose of inspecting, monitoring and evaluating the obligations of District hereunder  
13 and for the purpose of doing any and all things which it is obligated and has a right to do  
14 under this Lease. County shall provide District with a 24 hour notice prior to inspection  
15 of Property.

16 **15. Quiet Enjoyment.** District shall have, hold and quietly enjoy the use of the  
17 Property so long as it shall fully and faithfully perform the terms and conditions that it is  
18 required to do under this Lease.

19 **16. Compliance With Government Regulations.** District shall, at District's  
20 sole cost and expense, comply with the requirements of all local, state and federal  
21 statutes, regulations, rules, ordinances and orders now in force or which may be  
22 hereafter in force, pertaining to the Property. The District shall be responsible to comply  
23 and provide a full CEQA review once the actual Phase One Project location and  
24 construction parameters are established. In addition, the District will be responsible to  
25 submit the necessary CEQA documentation to the County prior to construction and  
26 operation of the Phase One Project. The requirements in this Section 16 shall also apply  
27 to the Phase Two Project.

1           **17.    Termination by County.** County shall have the right to terminate this  
2 Lease:

3                   (a)     In the event District has not completed the planning and construction  
4 of the Phase One Project, and has not occupied the Phase One building by August 30,  
5 2023; provided, however, that District and County may extend said date by amending this  
6 Lease in writing signed by both parties.

7                   (b)     In the event District commences any voluntary proceeding under the  
8 bankruptcy laws of the United States, or District fails to terminate any involuntary  
9 proceeding under said bankruptcy laws within ninety (90) days from the commencement  
10 thereof.

11                  (c)     In the event that District makes a general assignment, or District's  
12 interest hereunder is assigned involuntarily or by operation of law, for the benefit of  
13 creditors.

14                  (d)     In the event District fails or refuses to perform, keep or observe any  
15 of District's duties or obligations hereunder; provided, however, that District shall have  
16 thirty (30) days in which to correct District's breach or default after written notice thereof  
17 has been served on District by County, unless the nature of the default or breach is such  
18 that more than thirty (30) days are required. District shall have such additional time as  
19 is reasonably required to cure said default or breach, provided District's efforts to cure  
20 the default or breach have commenced within the thirty (30) day period and the cure is  
21 diligently completed by District.

22           **18.    Termination by District.** In addition to its rights to terminate elsewhere in  
23 this Lease, District shall have the right to terminate this Lease in the event County fails  
24 to perform, keep or observe any of its duties or obligations hereunder; provided,  
25 however, that County shall have thirty (30) days in which to correct its breach or default  
26 after written notice thereof has been served on it by District; provided, however, if the  
27 breach or default is of a nature that requires more than thirty (30) days to correct, such  
28 efforts as are necessary to make such corrections shall begin within said thirty (30) day



1 period and shall be diligently prosecuted to completion thereafter; provided further,  
2 however, that if after thirty (30) days County fails to correct or commence to correct such  
3 breach, District shall have the option to correct the default and County shall reimburse  
4 District for any related costs. If any breach or default is not corrected after the time set  
5 forth herein, District may elect to terminate this Lease in its entirety or as to any portion  
6 of the Property affected thereby.

7 **19. Limitations on Termination.** Notwithstanding anything to the contrary  
8 contained in this Lease, County agrees that if District shall be in default under this Lease,  
9 except as to any default pursuant to Sections 17(a) and 17(b), the County will not  
10 exercise any right of termination without first providing District and any encumbrancers  
11 (described in Section 25 below) with written notice of any default and an opportunity to  
12 cure such default. Any such cure shall be completed within thirty (30) days of the date of  
13 County's notice of such default; provided, however, that if the breach is of a nature that  
14 requires more than thirty (30) days to cure, such cure shall begin within said thirty (30)  
15 day period and shall be diligently prosecuted to completion thereafter. If any default  
16 remains uncured after the time set forth herein, County may exercise any and all rights  
17 or remedies at law or in equity, including, but not limited to:

18 (a) The right, without terminating this Lease or relieving District of any  
19 obligations hereunder, and with process of law, to re-enter the Property, Phase One  
20 Project and/or Phase Two Project, as applicable, and take possession thereof, remove  
21 all persons therefrom, other than those present under existing subleases, and occupy or  
22 lease the whole or any part thereof for and upon terms and conditions and for such rent  
23 as County may deem proper, and to collect said rent or any other rent that may thereafter  
24 become due and payable. District agrees to reimburse County for any reletting costs and  
25 expenses County may incur by reason thereof. Should County relet the Property and/or  
26 any part of the Project under the provisions of this Section, it may execute any such  
27 lease either in its own name or in the name of the District, but the District hereunder shall  
28 have no right or authority whatsoever to collect any rent from such tenant. The proceeds

1 of any such reletting shall be first applied to the payment of the costs and expenses of  
2 reletting the Property and/or any part of Project, including alterations and repairs which  
3 County, in its sole discretion, deems reasonably necessary and advisable and  
4 reasonable attorneys' fees incurred by County in connection with the retaking of the said  
5 Property and/or any part of Project and such reletting and, second, to the payment of  
6 any indebtedness, other than rent, due hereunder owing from District to County. County  
7 shall not be deemed to have terminated this Lease, the District's right to possession of  
8 the leasehold or the liability of the District to pay rent thereafter to accrue, or District's  
9 liability for damages under any of the provisions hereof by any such re-entry or by any  
10 action in unlawful detainer or otherwise to obtain possession of the Property and/or any  
11 part of Project, unless County shall have notified District in writing that it has so elected  
12 to terminate this Lease. District covenants that the service by County of any notice  
13 pursuant to the unlawful detainer statutes of the State of California and the surrender of  
14 possession pursuant to such notice shall not (unless County elects to the contrary at the  
15 time of or at any time subsequent to the service of such notice and such election is  
16 evidenced by a written notice to District) be deemed to be a termination of this Lease or  
17 of the District's right to possession thereof. Nothing herein contained shall be construed  
18 as obligating County to relet the whole or any part of the Property and/or any part of  
19 Project. In the event of any entry or taking possession of the Property and/or any part  
20 of Project as aforesaid, County shall have the right, but not the obligation, to remove  
21 therefrom all or any part of the personal property located therein and may place the same  
22 in storage at a public warehouse at the expense and risk of the owner or owners thereof.  
23 County shall not, by any re-entry or other act, be deemed to have accepted any surrender  
24 by District of the Property and/or any part of Project or District's interest therein, or be  
25 deemed to have otherwise terminated this Lease, or to have relieved District of any  
26 obligation hereunder, unless County shall have given District express written notice of  
27 County's election to do so as set forth herein; or

28

1 (b) The right to terminate District's right to possession of the Property  
2 by any lawful means, in which case this Lease shall terminate and District shall  
3 immediately surrender possession of the Property to County. In such event, County shall  
4 be entitled to recover from District, in addition to any other obligation which has accrued  
5 prior to the date of termination:

6 (i) The worth at the time of award of the unpaid rent which had  
7 been earned at the time of termination;

8 (ii) The worth at the time of award of the amount by which the  
9 unpaid rent which would have been earned after termination until the time of award  
10 exceeds the amount of such rental loss that District proves could have been reasonably  
11 avoided;

12 (iii) The worth at the time of award of the amount by which the  
13 unpaid rent for the balance of the term after the time of award exceeds the amount of  
14 such rental loss that District proves could be reasonably avoided; and

15 (iv) Any other amount necessary to compensate County for all  
16 the detriment proximately caused by Lessee's failure to perform its obligations under this  
17 Lease or which in the ordinary course of things would be likely to result therefrom,  
18 including, but not limited to, the cost of recovering possession of the Property; real estate  
19 brokerage commissions and other expenses of reletting, including necessary renovation  
20 and alteration of the Property, reasonable attorneys' fees and any other reasonable  
21 costs.

22 The "worth at the time of award" of the amounts referred to in  
23 subsections (i) and (ii) above shall be computed by allowing interest thereon at eight per  
24 cent (8%) per annum. The "worth at the time of award" of the amount referred to in  
25 subsection (iii) above shall be computed by discounting such amount at one (1)  
26 percentage point above the discount rate of the Federal Reserve Bank of San Francisco  
27 at the time of award; or

28

1 (c) Pursue any other remedy now or hereafter available to County  
2 under the laws or judicial decisions of the State of California, including, without limitation,  
3 the remedy provided in California Civil Code, Section 1951.4, and laws amendatory to  
4 said section, to continue this Lease in effect.

5 (d) County shall be under no obligation to observe or perform any  
6 covenant of this Lease on its part to be observed or performed which accrues after the  
7 date of any default by District hereunder. In any action of unlawful detainer commenced  
8 by County against District by reason of any default hereunder, the reasonable rental  
9 value of the Property for the period of the unlawful detainer shall be deemed to be the  
10 amount of rent and other sums required to be paid hereunder for the same period.  
11 District hereby waives any right of redemption or relief from forfeiture under Sections  
12 1174 or 1179 of the California Civil Code of Civil Procedure, or under any other present  
13 or future law, in the event District is evicted or County takes possession of the Property  
14 by reason of any default by District hereunder. The various rights and remedies reserved  
15 to County herein, including those not specifically described herein, shall be cumulative,  
16 and, except as otherwise provided by California law in force and effect at the time of the  
17 execution hereof, County may pursue any or all of such rights and remedies, whether at  
18 the same time or otherwise.

19 (e) No delay or omission of County to exercise any right or remedy shall  
20 be construed as a waiver of any such right or remedy or of any default by District  
21 hereunder.

22 (f) The subsequent acceptance of rent hereunder by County shall not  
23 be deemed to be a waiver of any preceding breach by District of any term, covenant or  
24 condition of this Lease, other than the failure of District to pay the particular rental so  
25 accepted, regardless of County's knowledge of such pre-existing breach at the time of  
26 acceptance of such rent.

27 **20. Eminent Domain.** If any portion of the Property shall be taken by eminent  
28 domain and a portion thereof remains which is usable by District for any of the purposes

1 set forth in Section 2 herein, this Lease shall, as to the part taken, terminate as of the  
2 date title shall vest in the condemnor, or that date prejudgment possession is obtained  
3 through a court of competent jurisdiction, whichever is earlier, and the rent payable  
4 hereunder shall abate pro rata as to the part taken; provided, however, in such event  
5 County reserves the right to terminate this Lease as of the date when title to the part  
6 taken vests in the condemnor or as of such date of prejudgment possession. If all of the  
7 Property is taken by eminent domain or such part be taken so that the remaining Property  
8 or any portion thereof are rendered unusable for the purposes set forth in Section 2  
9 herein, then at the election of District, this Lease, or the Lease as to that portion of the  
10 remaining Property rendered unusable, shall terminate. If a part or all of the Property be  
11 so taken, the compensation awarded upon such taking shall be paid to the parties hereto  
12 in accordance with the values attributable to their respective interests in such eminent  
13 domain proceedings.

14 **21. Insurance.** Without limiting or diminishing the District's obligation to  
15 indemnify or hold the County harmless, District shall procure and maintain or cause to  
16 be maintained, at its sole cost and expense, the following insurance coverages during  
17 the term of this Lease. As respects to the insurance section only, the "County" herein  
18 refers to the County of Riverside, its Agencies, Districts, Special Districts, and  
19 Departments, their respective directors, officers, Board of Supervisors, employees,  
20 elected or appointed officials, agents or representatives as Additional Insureds.

21 (a) Workers' Compensation. Procure and maintain Workers'  
22 Compensation Insurance, in full compliance with the Workers' Compensation and  
23 Occupational Disease Laws of all authorities having jurisdiction over the Property. Such  
24 policy shall include Employer's Liability and Occupational Disease coverage, with limits  
25 not less than One Million Dollars (\$1,000,000) per person per accident. Policy shall  
26 provide a waiver of subrogation in favor of the County.

27 (b) Commercial General Liability Insurance: Procure and maintain  
28 comprehensive general liability insurance coverage that shall protect District from claims

1 for damages for personal injury, including, but not limited to, accidental and wrongful  
2 death, as well as from claims for property damage, which may arise from District's use  
3 of the Property or the performance of its obligations hereunder, whether such use or  
4 performance be by District, by any subcontractor, or by anyone employed directly or  
5 indirectly by either of them. Such insurance shall name County as an additional insured  
6 with respect to this Lease and the obligations of District hereunder. Such insurance shall  
7 provide for limits of not less than Two Million Dollars (\$2,000,000) per occurrence  
8 combined single limit. If such insurance contains a general aggregate limit, it shall apply  
9 separately to this Lease or be no less than two (2) times the occurrence limit.

10 (c) Vehicle Liability: If vehicles or mobile equipment are used in the  
11 performance of the obligations under this Lease, then District shall maintain liability  
12 insurance for all owned, non-owned or hired vehicles so used in an amount not less than  
13 \$1,000,000 per occurrence combined single limit. If such insurance contains a general  
14 aggregate limit, it shall apply separately to this Lease or be no less than two (2) times  
15 the occurrence limit. Policy shall name the County as Additional Insureds.

16 (d) Procure and maintain fire and extended coverage on the  
17 improvements, alterations and fixtures to be constructed and installed upon the Property  
18 in an amount not less than the full replacement value of such improvements, alterations  
19 and fixtures. Such insurance shall name County as an additional insured with respect  
20 to this Lease and the obligations of District hereunder.

21 (e) **General Insurance Provisions - All lines:**

22 1) Any insurance carrier providing insurance coverage hereunder  
23 shall be admitted to the State of California and have an A M BEST rating of not less than  
24 A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk  
25 Manager. If the County's Risk Manager waives a requirement for a particular insurer  
26 such waiver is only valid for that specific insurer and only for one policy term.

27 2) The insurance requirements contained in this Lease may be met  
28 with a program(s) of self-insurance. District must declare its insurance self-insured

1 retention for each coverage required herein. If any such self-insured retention exceeds  
2 \$500,000 per occurrence each such retention shall have the prior written consent of the  
3 County Risk Manager before the commencement of operations under this Lease. Upon  
4 notification of self-insured retention unacceptable to the County, and at the election of  
5 the County's Risk Manager, District's carriers shall either: 1) reduce or eliminate such  
6 self-insured retention as respects this Lease with the County, or 2) procure a bond which  
7 guarantees payment of losses and related investigations, claims administration, and  
8 defense costs and expenses.

9                   3) District shall cause District's insurance carrier(s) to furnish the  
10 County of Riverside with a properly executed Certificate(s) of Insurance and copies of  
11 Endorsements effecting coverage as required herein. Further, said Certificate(s) and  
12 policies of insurance shall contain the covenant of the insurance carrier(s) that a  
13 minimum of thirty (30) days written notice shall be given to the County of Riverside prior  
14 to any material modification, cancellation, expiration or reduction in coverage of such  
15 insurance. If District's insurance carrier(s) policies does not meet the minimum notice  
16 requirement found herein, District shall cause District's insurance carrier(s) to furnish a  
17 30 day Notice of Cancellation Endorsement.

18                   4) In the event of a material modification, cancellation, expiration,  
19 or reduction in coverage, this Lease shall terminate forthwith, unless the County of  
20 Riverside receives, prior to such effective date, another properly executed Certificate of  
21 Insurance and copies of endorsements evidencing coverages set forth herein and the  
22 insurance required herein is in full force and effect. District shall not commence  
23 operations until the County of Riverside has been furnished Certificate(s) of Insurance  
24 and copies of endorsements. An individual authorized by the insurance carrier to do so  
25 on its behalf shall sign the original endorsements for each policy and the Certificate of  
26 Insurance.

27                   5) It is understood and agreed to by the parties hereto that the  
28 District's insurance shall be construed as primary insurance, and the County's insurance



1 and/or deductibles and/or self-insured retention's or self-insured programs shall not be  
2 construed as contributory.

3           6) Subject to mutual agreement of the Parties, County reserves  
4 the right to require that District adjust the monetary limits of insurance coverage as  
5 required in this Section 21 herein every fifth (5th) year during the term of this Lease or  
6 any extension thereof, subject to ninety (90) days written notice to District of such  
7 adjustment, in the event that County reasonably determines that the then existing  
8 monetary limits of insurance coverage are no longer consistent with those monetary  
9 limits of insurance coverage generally prevailing in the western Riverside County area  
10 for facilities comparable to the Phase One Project and/or the Phase Two Project;  
11 provided, however, that any adjustment shall not increase the monetary limits of  
12 insurance coverage for the preceding five (5) years in excess of fifty percent (50%)  
13 thereof. If, during the term of this Lease or any extension thereof, there is a material  
14 change in the scope of the Lease, the County reserves the right to adjust the types of  
15 insurance and the monetary limits of liability required under this Lease, if in the County  
16 Risk Management's reasonable judgment, the amount or type of insurance carried by  
17 the District has become inadequate subject to mutual agreement of the Parties.

18           7) District shall pass down the insurance obligations contained  
19 herein to all tiers of subcontractors working under this Lease.

20           8) District agrees to notify County of any claim by a third party or  
21 any incident or event that may give rise to a claim arising from the performance of this  
22 Lease.

23           9) District shall not take possession or otherwise use the  
24 Property until County has been furnished Certificate(s) of Insurance as otherwise  
25 required in this Section 21.

26           **22. District's Insurance.** District shall provide a policy of insurance, and or a  
27 program of self-insurance coverage through a joint powers authority ("JPA"), or any  
28 combination thereof.

1           **23.    Hold Harmless.**

2           (a)    Except as otherwise provided herein, District represents that it has  
3 inspected the Property, accepts the condition thereof in its "AS-IS" condition and fully  
4 assumes any and all risks incidental to the use thereof. County shall not be liable to  
5 District, its agents, employees, subcontractors or independent contractors for any  
6 personal injury or property damage suffered by them which may result from hidden, latent  
7 or other dangerous conditions in, on, upon or within the Property unknown to the County,  
8 its officers, agents or employees.

9           (b)    District shall indemnify and hold harmless the County, its Agencies,  
10 Districts, Special Districts and Departments their respective directors, officers, Board of  
11 Supervisors, elected and appointed officials, employees, agents and representatives  
12 (individually and collectively hereinafter referred to as Indemnitees) from any liability  
13 whatsoever, based or asserted upon any act or omission of District, its officers, agents,  
14 employees, subcontractors and independent contractors arising out of or in any way  
15 relating to this Lease, including but not limited to property damage, bodily injury, or death  
16 (Lessee's employees included) or any other element of damage of any kind or nature,  
17 relating to or in any way connected with or arising from its use, occupancy or operation  
18 of the Property, and District shall defend, at its sole expense, all costs and fees including,  
19 but not limited, to attorney fees, cost of investigation, defense and settlements or awards,  
20 the Indemnitees in any claim or action based upon such alleged acts or omissions.

21           (c)    With respect to any action or claim subject to indemnification herein  
22 by District, District shall, at their sole cost, have the right to use counsel of their own  
23 choice and shall have the right to adjust, settle, or compromise any such action or claim  
24 without the prior consent of County; provided, however, that any such adjustment,  
25 settlement or compromise in no manner whatsoever limits or circumscribes District's  
26 indemnification to Indemnitees as set forth herein.

27           (d)    District's obligation hereunder shall be satisfied when District has  
28 provided to County the appropriate form of dismissal relieving County from any liability

1 for the action or claim involved.

2 (e) The specified insurance limits required in this Lease shall in no way  
3 limit or circumscribe District's obligations to indemnify and hold harmless the  
4 Indemnitees herein from third party claims.

5 (f) In the event there is conflict between this clause and California Civil  
6 Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such  
7 interpretation shall not relieve the District from indemnifying the Indemnitees to the fullest  
8 extent allowed by law.

9 (g) The specified insurance limits required in Section 21 herein shall in  
10 no way limit or circumscribe District's obligations to indemnify and hold County free and  
11 harmless herein.

12 **24. Right to Encumber/Right to Cure.**

13 (a) District's Right to Encumber: Notwithstanding any other provision  
14 contained herein, County does hereby consent to and agree that District may encumber  
15 or assign, or both, for the benefit of an Encumbrancer (defined below), this Lease and  
16 the leasehold estate of District and related improvements constructed by District by a  
17 deed of trust, mortgage or other security-type instrument, herein called trust deed, but  
18 only to the extent necessary to assure the repayment of the financing of the construction  
19 and operation of the any part of the Project by District (including any conversion of the  
20 construction loan to permanent financing), and in connection with such encumbrance the  
21 prior written consent of County shall not be required:

22 (i) For a transfer of this Lease at foreclosure under the trust  
23 deed, judicial foreclosure, or an assignment in lieu of foreclosure or in connection with  
24 the Encumbrancer's exercise of any remedy provided in the deed of trust; or

25 (ii) For any subsequent transfer by the Encumbrancer if the  
26 Encumbrancer is the purchaser at such foreclosure sale or is the assignee under an  
27 assignment in lieu of foreclosure; provided, however, that in either such event the  
28 Encumbrancer promptly gives notice to County in writing of any such transfer, setting

1 forth the name and address of the transferee, the effective date of such transfer, and a  
2 copy of the express agreement of the transferee assuming and agreeing to perform all  
3 of the obligations under this Lease, together with a copy of the document by which such  
4 transfer was made.

5 For purposes of this Lease, an "Encumbrancer" shall mean an established  
6 bank, savings and loan association, insurance company or other entity which provides  
7 tax exempt bond financing or other institutional financing.

8 Any Encumbrancer or other transferee who succeeds to District's interest  
9 under this Lease shall be liable to perform the obligations and duties of District under  
10 this Lease. Any subsequent transfer of this leasehold hereunder, except as provided for  
11 in Section 24(a)(ii) above, shall be subject to Section 17 herein.

12 District shall give County prior notice of any such trust deed, and shall  
13 accompany such notice with a true copy of the trust deed and a note secured thereby.  
14 Except as described in this Section 24, District shall not permit any other liens or  
15 encumbrances on the Property or its interest therein without the County's prior written  
16 consent.

17 **25. Free From Liens.** District shall pay, when due, all sums of money that  
18 may become due for any labor, services, material, supplies, or equipment, alleged to  
19 have been furnished or to be furnished to District, in, upon, or about the Property, and  
20 which may be secured by a mechanics', materialmen's or other lien against the Property  
21 of County's interest therein, and will cause each such lien to be fully discharged and  
22 released at the time the performance of any obligation secured by such lien matures or  
23 becomes due; provided, however, that if District desires to contest any such lien, it may  
24 do so, but notwithstanding any such contest, if such lien shall be reduced to final  
25 judgment, and such judgment or such process as may be issued for the enforcement  
26 thereof is not promptly stayed, or if so stayed, and said stay thereafter expires, then and  
27 in such event, District shall forthwith pay and discharge said judgment.

28 **26. Estoppel Certificates.**

1 (a) District and County, at any time and from time to time during the  
2 term of this Lease, and any extension thereof, and within forty five (45) days after written  
3 request by the other party, shall execute, acknowledge and deliver to the requesting  
4 party a statement in writing certifying that this Lease is unmodified and in full force and  
5 effect. The statement shall also include the dates to which the rent and any other  
6 charges have been paid in advance, that there are no defaults existing or that defaults  
7 exist and the nature of such defaults. It is intended that such statement as provided in  
8 this Section 26 may be relied upon by any prospective encumbrancer as assignee of the  
9 Property or improvements thereon or both or all or any portion or portions of District's  
10 interest under this Section 26.

11 (b) A party's failure to execute, acknowledge and deliver on request of  
12 such statement described in Section 26(a) above within the required time shall constitute  
13 acknowledgment by such party to all persons entitled to rely on such statement that this  
14 Lease is unmodified and in full force and effect and that the rent and other charges have  
15 been duly and fully paid to and including the respective due dates immediately preceding  
16 the date of the notice or request and shall constitute a waiver, with respect to all persons  
17 entitled to rely on such statement of any defaults that may exist before the date of such  
18 notice.

19 **27. Binding on Successors.** The parties hereto, their assigns and  
20 successors in interest, shall be bound by all the terms and conditions contained in this  
21 Lease, and all of the parties hereto shall be jointly and severally liable hereunder.

22 **28. Waiver of Performance.** No waiver by County at any time of any of the  
23 terms and conditions of this Lease shall be deemed or construed as a waiver at any time  
24 thereafter of the same or of any other terms or conditions contained herein or of the strict  
25 and timely performance of such terms and conditions.

26 **29. Severability.** The invalidity of any provision in this Lease as determined  
27 by a court of competent jurisdiction shall in no way affect the validity of any other  
28 provision hereof.

1           **30. Venue.** Any action at law or in equity brought by either of the parties hereto  
2 for the purpose of enforcing a right or rights provided for by this Lease shall be tried in a  
3 court of competent jurisdiction in the County of Riverside, State of California, and the  
4 parties hereby waive all provisions of law providing for a change of venue in such  
5 proceedings to any other county.

6           **31. Attorneys' Fees.** In the event of any litigation, mediation or arbitration  
7 between District and County, including, without limitation, such an action brought  
8 pursuant to District's bankruptcy, to enforce any of the provisions of this Ground Lease  
9 or any right of either party hereto, the unsuccessful party to such litigation, mediation or  
10 arbitration agrees to pay to the successful party all costs and expenses, including  
11 reasonable attorneys' fees, incurred therein by the successful party, all of which shall be  
12 included in and as a part of the judgment or ruling rendered in such litigation, mediation  
13 or arbitration.

14           **32. Notices.** Any notices required or desired to be served by either party upon  
15 the other shall be addressed to the respective parties as set forth below:

<u>COUNTY</u>	<u>LESSEE</u>
County of Riverside	Riverside Community College District
Economic Development Agency	Facilities Planning and Development
3403 Tenth Street Suite 500	3801 Market Street, Third Floor
Riverside, CA 92501	Riverside, CA 92501

21 or to such other addresses as from time to time shall be designated by the respective  
22 parties. Notices must be in writing and will be deemed to have been given when  
23 personally delivered, sent by facsimile with receipt acknowledged, deposited with any  
24 nationally recognized overnight carrier that routinely issues receipts, or deposited in any  
25 depository regularly maintained by the United States Postal Service, postage prepaid,  
26 certified mail, return receipt requested, addressed to the party for whom it is intended at  
27 its address set forth above.

1           **33.    Permits, Licenses and Taxes.** District shall secure, at its expense, the  
2 permits, and District shall pay prior to delinquency all fees, taxes and penalties levied  
3 against the Property or required by any authorized public entity, including any  
4 possessory interest tax. Failure to pay such sums in a timely manner shall be a material  
5 default hereunder.

6           **34.    Section Headings.** The Section headings herein are for the convenience  
7 of the parties only, and shall not be deemed to govern, limit, modify or in any manner  
8 affect the scope, meaning or intent of the provisions or language of this Lease.

9           **35.    County's Representative.** County hereby appoints the Assistant County  
10 Executive Officer/ECD as its authorized representative to administer this Lease.

11           **36.    District's Representative.** District hereby appoints the President of  
12 Moreno Valley College and/or the Vice Chancellor of Business and Financial Services  
13 as its authorized representative to administer this Lease.

14           **37.    Acknowledgment of Memorandum of Lease.** Upon execution of this  
15 Lease by the parties hereto, a memorandum of this Lease in a form acceptable to County  
16 and District shall be acknowledged by County and District in such a manner that it will  
17 be acceptable by the County Recorder of the County of Riverside for recordation  
18 purposes, and thereafter, District shall cause such memorandum of this Lease to be  
19 recorded in the Office of the County Recorder of the County of Riverside forthwith and  
20 furnish County with a conformed copy thereof.

21           **38.    Agent for Service of Process.** For the purpose of designating an agent  
22 for service of process, the following is hereby by designated as Agent to accept on behalf  
23 of the District at the District Office in Riverside: Office of General Counsel, 3801 Market  
24 Street, Third Floor, Riverside, California 92501. It is expressly understood and agreed  
25 that in the event District is not a resident of the State of California or it is an association  
26 or partnership without a member or partner resident of the State of California, or it is a  
27 foreign corporation, then in any such event, District shall file with County's Assistant  
28 County Executive Officer/ECD , upon its execution hereof, a designation of a natural



1 person residing in the State of California, giving his or her name, residence and business  
2 addresses, as its agent for the purpose of service of process in any court action arising  
3 out of or based upon this Lease, and the delivery to such agent of a copy of any process  
4 in any such action shall constitute valid service upon District . It is further expressly  
5 understood and agreed that if for any reason service of such process upon District's  
6 General Counsel is not feasible, then in such event District may be personally served at  
7 the District Office in Riverside County and that such service shall constitute valid service  
8 upon District. It is further expressly understood and agreed that District is amenable to  
9 the process so served, submits to the jurisdiction of the court so obtained and waives  
10 any and all objections and protests thereto.

11 **39. Notification of Taxability of Possessory Interest.** The Property herein  
12 granted by County to District may create a possessory interest, subject to property or  
13 possessory interest taxation. In the event District's interest in the Property, including the  
14 Project and related improvements, become subject to the payment of property taxes  
15 levied on such interest, District (and not County) shall be solely responsible for the  
16 payment of such property taxes. District asserts and Lessor acknowledges that District  
17 is a governmental agency and may be exempt from paying possessory interest taxes.  
18 District will do all things reasonably necessary and appropriate to secure and maintain  
19 said tax exemption during the term of this Lease. District shall reimburse County for any  
20 property or possessory interest taxes on the Property (excluding special assessments or  
21 other ad valorem assessments) that may become due and payable during the Lease  
22 because of District's failure to file a timely exemption. County shall cooperate with  
23 District in filing District's exemption notices. Said cooperation shall not be unreasonably  
24 withheld.

25 **40. Toxic Materials.**

26 (a) The County warrants that to the best of its knowledge there are no  
27 hazardous substances located on or within the Property.  
28

1 (b) Restrictions on Lessee; Hazardous Substances. District shall not  
2 cause or permit any Hazardous Substance to be used, stored, generated, or disposed  
3 of on or in the Property by District, District's agents, employees, contractors, licensees,  
4 or invitees, without first obtaining County's written consent, which consent may not be  
5 unreasonably withheld. Materials considered hazardous that are used in the ordinary  
6 course of business may be used as regulated by law. If Hazardous Substances are  
7 used, stored, generated, or disposed of on or in the Property, or if the Property becomes  
8 contaminated in any manner during the term hereof, District shall indemnify, defend, and  
9 hold harmless the County from any and all claims, damages, fines, judgments, penalties,  
10 costs, liabilities, or losses (including, without limitation, a decrease in value of the  
11 Property or any part of the Project, and any and all sums paid for settlement of claims,  
12 attorneys', agents, employees, contractors, licensees, invitees, consultants', and  
13 experts' fees) arising during or after the term of this Lease and arising as a result of  
14 such contamination by District, its agents, employees, contractors, licensees, or invitees.  
15 This indemnification includes, without limitation, any and all costs incurred because of  
16 any investigation of the Property or any cleanup, removal, or restoration mandated by a  
17 federal, state, or local agency or political subdivision. In addition, if District causes or  
18 permits the presence of any Hazardous Substance on the Property and this results in  
19 contamination, District shall promptly, at its sole expense, take any and all necessary  
20 actions to return the Property to the condition existing before the presence of any such  
21 Hazardous Substance on the Property; provided, however, that District shall first obtain  
22 County's approval for any such remedial action.

23 (c) As used herein, "Hazardous Substance" shall include, but not be  
24 limited to, substances defined as "hazardous substances," "hazardous materials," or  
25 "toxic substances" in the Comprehensive Environmental Response, Compensation and  
26 Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.; the Hazardous  
27 Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource  
28 Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq.; and those substances

1 defined as “hazardous wastes” in Section 25117 of the California Health and Safety Code  
2 or as “hazardous substances” in Section 25316 of the California Health and Safety Code;  
3 and in the regulations adopted in publications promulgated pursuant to said laws.

4 **41. Exhibits Incorporated By Reference.** All Exhibits attached hereto are  
5 incorporated into and made a part of this Lease by reference to them herein.

6 **42. Entire Lease.** This Lease is intended by the Parties hereto as a final  
7 expression of their understanding with respect to the subject matter hereof and as a  
8 complete and exclusive statement of the terms and conditions thereof and supersedes  
9 any and all prior and contemporaneous leases, agreements and understandings, oral or  
10 written, in connection therewith. This Lease may be changed or modified only upon the  
11 written consent of the Parties hereto.

12 **43. Execution by District.** This Lease shall not be binding on District until it is  
13 approved by District’s Board of Trustees and signed by the Vice Chancellor of Business  
14 and Financial Services.

15  
16 **[Remainder of Page**  
17 **Intentionally Left Blank]**

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1 ///

2 **44. Execution by County.** This Lease shall not be binding or consummated  
3 until its approval and execution by the County's Board of Supervisors.

4  
5 DATED: \_\_\_\_\_ (TO BE FILLED IN BY COUNTY)

6  
7 **RIVERSIDE COMMUNITY COLLEGE**  
8 **DISTRICT**

9  
10 By: \_\_\_\_\_  
11 Aaron Brown  
12 Vice Chancellor  
13 Business & Financial Services

14 **COUNTY OF RIVERSIDE**

15 By: \_\_\_\_\_  
16 Chairman  
17 Board of Supervisors

18 **ATTEST:**  
19 Kecia Harper-Ihem  
20 Clerk of the Board

21 By: \_\_\_\_\_  
22 Deputy

23 **APPROVED AS TO FORM:**  
24 Greg P. Priamos, County Counsel

25 By: \_\_\_\_\_ Thomas Oh  
26 Deputy County Counsel

27 SG:ra/012312/119FM/14.433 S:\Real Property\TYPING\Docs-14.000 to 14.499\14.433.doc

28



# EXHIBIT "A"

**PROJECT AREA**

Ben Clark Public Safety Training Center



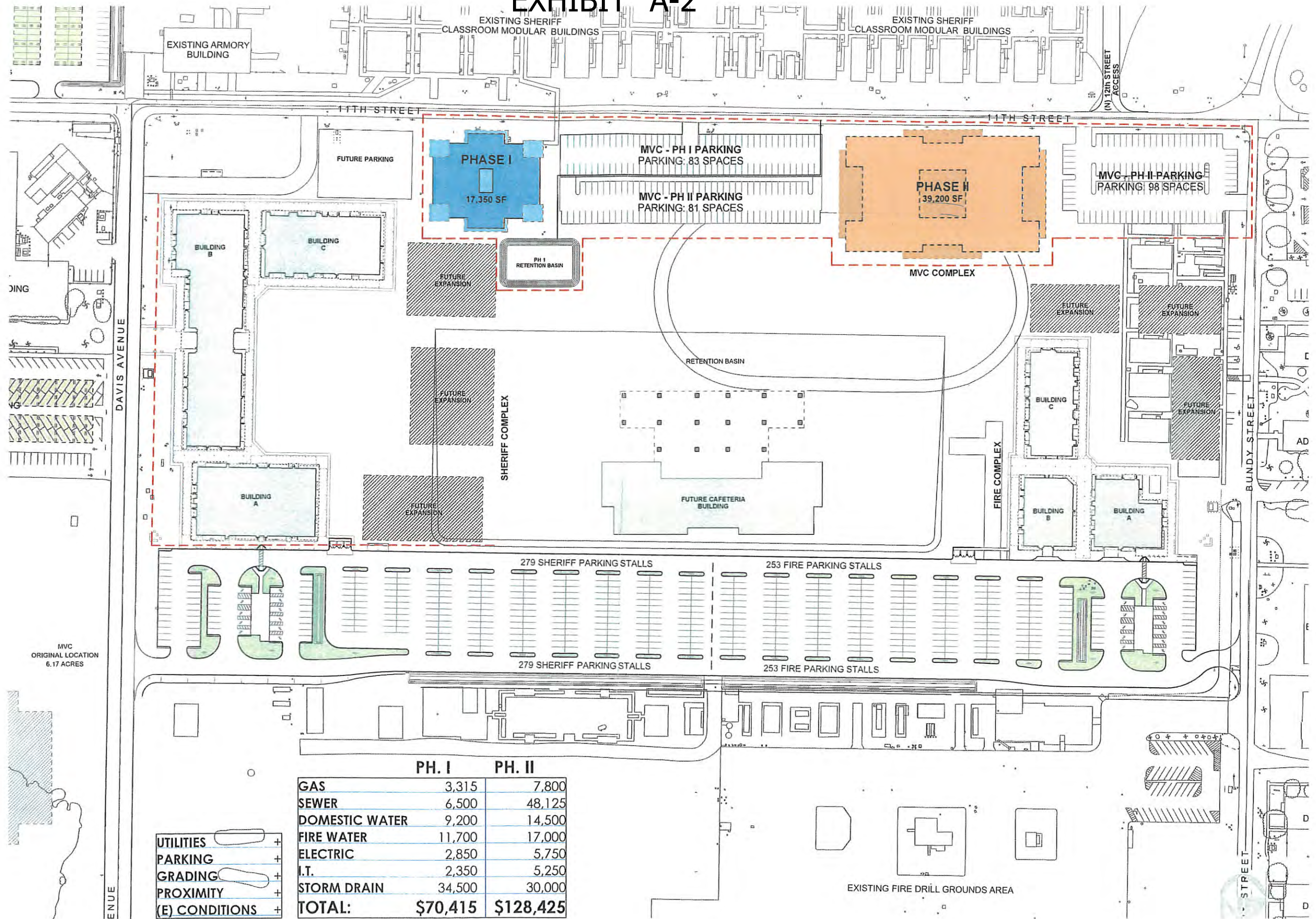


EXHIBIT "A-1"

To Be Incorporated into this Lease at a date based upon the Lease



# EXHIBIT "A-2"



UTILITIES	+
PARKING	+
GRADING	+
PROXIMITY	+
(E) CONDITIONS	+

	PH. I	PH. II
GAS	3,315	7,800
SEWER	6,500	48,125
DOMESTIC WATER	9,200	14,500
FIRE WATER	11,700	17,000
ELECTRIC	2,850	5,750
I.T.	2,350	5,250
STORM DRAIN	34,500	30,000
<b>TOTAL:</b>	<b>\$70,415</b>	<b>\$128,425</b>



# Exhibit B

DOC # 1999-550370  
12/21/1999 08:00A Fee:NC  
Page 1 of 11  
Recorded in Official Records  
County of Riverside  
Gary L. Orzo  
Assessor, County Clerk & Recorder



PLEASE COMPLETE THIS INFORMATION  
RECORDING REQUESTED BY:

AND WHEN RECORDED MAIL TO:

Riverside County Sheriff  
Attn: Larry Smith  
4095 Lemon St.  
Riverside, CA 92501

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								✓	AS	
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DIT:

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AS

Quit Claim Deed

Title of Document

**THIS AREA FOR  
RECORDER'S  
USE ONLY**

THIS PAGE ADDED TO PROVIDE ADEQUATE SPACE FOR RECORDING INFORMATION  
(\$3.00 Additional Recording Fee Applies)



Recording Requested by,  
And when recorded mail to:

County of Riverside  
Administration Center  
4080 Lemon Street, 14<sup>th</sup> Floor  
Riverside, California 92501-3651

Exempt from Documentary Transfer Tax  
Rev. & Tax. Code §11922

TRA:086

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A	R	L			COPY	LONG	REFUND	NCHG	EMM

QUITCLAIM DEED



I. PARTIES

THIS DEED is made and entered into this 16<sup>th</sup> day of December 1999 by and between the UNITED STATES OF AMERICA, acting by and through the Secretary of the Air Force, under and pursuant to the powers and authority contained in the Defense Base Closure and Realignment Act of 1990, as amended (10 U.S.C. § 2687 note), and delegations and regulations promulgated thereunder, and the Federal Property and Administrative Services Act of 1949 (63 Stat. 377, 40 U.S.C. 471, et seq.), as amended, and rules, orders, and regulations issued pursuant thereto, for and in consideration of the policy expressed in Sec. 701 of Pub. L. No. 98-473 (40 U.S.C. § 484(p)) (the "Grantor"), and the County of Riverside, a political subdivision of the State of California (the "Grantee"). (When used in this Quitclaim Deed, unless the context specifies otherwise, "Grantor" shall include the successors and assigns of the Grantor, and "Grantee" shall include the successors and assigns of the Grantee.)

II. CONSIDERATION AND CONVEYANCE

FOR VALUABLE CONSIDERATION of the sum of ONE DOLLAR (\$1.00), the receipt of which is hereby acknowledged, and in consideration of the use and maintenance of the hereinafter described premises for law enforcement and emergency management response, the Grantor does hereby release and forever quitclaim to the Grantee all that real property situated in County of Riverside, State of California, described as follows:

A portion of land lying in Sections 27, 28, 33, and 34, Township 3 South, Range 4 West, S.B.M., being more particularly described as follows:

COMMENCING at the northeast corner of the southeast one-quarter of said Section 33, said point also being the centerline intersection of Nandina Avenue (60.00 feet wide) and Brown Street (60.00 feet wide) as shown on subdivision map of Upton Acres Number 2, filed in Book 14, page 14, of Maps, Records of



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the Recorder of Riverside County, California; thence along said centerline of Nandina Avenue, N. 89°42'58" W., a distance of 2662.74 feet to the centerline intersection of Nandina Avenue and Alexander Street (60.00 feet wide); thence N. 00°57'39" E., a distance of 30.00 feet to a point of intersection with the northerly right-of-way line of said Nandina Avenue, said point also being the TRUE POINT OF BEGINNING; thence continuing N., 00°57'39" E., a distance of 1417.44 feet; thence S., 89°02'21" E., a distance of 1637.31 feet; thence N. 00°53'25" E., a distance of 1351.88 feet; thence S. 88°51'43" E., a distance of 1164.98 feet to a point of intersection with the west line of Parcel Map 22504, filed in Book 151, pages 63 and 64, of Parcel Maps, Records of the Recorder of Riverside County, California; thence along said west line, N. 00°53'58" E., a distance of 1443.48 feet; thence leaving said west line, N. 89°05'31" W., a distance of 440.96 feet; thence N. 00°49'44" E., a distance of 387.80 feet; thence N. 89°10'16" W., a distance of 3268.11 feet; thence S. 00°49'44" W., a distance of 1720.00 feet; thence N. 89°10'16" W., a distance of 1740.00 feet to a point of intersection with the easterly right-of-way line of Barton Road (44.00 feet half width) per document recorded September 22, 1972, as Instrument Number 127557, records of said recorder; thence along said easterly right-of-way line S. 00°37'32" W., a distance of 280.02 feet to an angle point in said right-of-way line; thence continuing along said right-of-way line, S. 00°26'27" W., a distance of 2615.30 feet to a point of intersection with a line being 30.00 feet north of and measured at right angles to the north line of the southwest one-quarter of said Section 33; thence S. 89°41'53" E., on a line 30.00 feet northerly of and parallel with said north line of the southwest one-quarter, a distance of 2621.72 feet to an angle point in said line; thence continuing on said parallel line, S. 89°42'57" E., a distance of 0.35 feet to the TRUE POINT OF BEGINNING.

Containing 16,312,367 square feet, or 374.480 acres, more or less.

The bearings and distances used in the above description are based on the California Coordinate System of 1983, Zone 6. Multiply distances shown by 1.000072279 to obtain ground distances.

### III. APPURTENANCES

TOGETHER WITH all the buildings and improvements erected thereon, and all and singular the tenements, hereditaments, appurtenances, and improvements hereunto belonging, or in any wise appertaining (which, together with the real property above described, is called the "Property" in this Deed).

### IV. EXCEPTIONS

That certain real property situated in County of Riverside, State of California, described as follows is hereby excepted from the Property:



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A portion of land lying in Section 28, Township 3 South, Range 4 West, S.B.M., known as Building 3404, and being more particularly described as follows:

COMMENCING at the northeast corner of the southeast one-quarter of said Section 33, said point also being the centerline intersection of Nandina Avenue (60.00 feet wide) and Brown Street (60.00 feet wide) as shown on subdivision map of Upton Acres Number 2, filed in Book 14, page 14, of Maps, Records of the Recorder of Riverside County, California; thence along said centerline of Nandina Avenue, N. 89°42'58" W., a distance of 2662.74 feet to the centerline intersection of said Nandina Avenue and Alexander Street (60.00 feet wide); thence N. 00°57'39" E., a distance of 1447.44 feet; thence S. 89°02'21" E., a distance of 745.33 feet; thence N. 00°57'39" E., a distance of 2475.51 feet; thence N. 00°53'27" E., a distance of 114.32.00 feet; thence N. 89°06'33" W., a distance of 40.65 feet to the TRUE POINT OF BEGINNING; thence N. 44°20'00" W., a distance of 32.00 feet; thence S. 45°40'00" W., a distance of 79.00 feet; thence S. 44°20'00" E., a distance of 32.00 feet; thence N. 45°40'00" E., a distance of 79.00 feet to the TRUE POINT OF BEGINNING.

Containing 2,528 square feet, or 0.058 acres, more or less.

The bearing and distances used in the above description are based on the California Coordinate System of 1983, Zone 6. Multiply the distances shown by 1.000072279 to obtain ground distances.

#### V. RESERVATIONS

A. RESERVING UNTO THE GRANTOR all oil, gas, and other mineral resources of any kind or nature in the mineral estate of the Property; provided, however, that such reservation shall not include the right of access to or any right to use any portion of the surface of the Property.

B. AND FURTHER RESERVING UNTO THE GRANTOR, including the United States Environmental Protection Agency ("EPA") and the State of California (the "State"), and its and their respective officials, agents, employees, contractors, and subcontractors, the right of access to the Property (including the right of access to, and use of, utilities at reasonable cost to the Grantor), for the following purposes, either on the Property or on adjoining lands, and for such other purposes consistent with the Installation Restoration Program ("IRP") of the Grantor or the Federal Facility Agreement ("FFA"), if applicable:

1. To conduct investigations and surveys, including, where necessary, drilling, soil and water sampling, testpitting, testing soil borings, and other activities related to the IRP or FFA, if applicable.

2. To inspect field activities of the Grantor and its contractors and subcontractors in implementing the IRP or the FFA, if applicable.



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3. To conduct any test or survey required by the EPA or the State relating to the implementation of the IRP or FFA, if applicable, or environmental conditions on the Property, or to verify any data submitted to the EPA or the State by the Grantor relating to such conditions.

4. To conduct, operate, maintain, or undertake any other response, corrective, or remedial action as required or necessary under the IRP or the FFA, if applicable, or the covenant of the Grantor in Section VII.D. of this Deed, but not limited to, the installation of monitoring wells, pumping wells, and treatment facilities

## VI. CONDITION

A. The Grantee agrees to accept conveyance of the Property subject to all covenants, conditions, restrictions, easements, rights-of-way, reservations, rights, agreements, and encumbrances, whether or not of record.

B. The Grantee acknowledges that it has inspected, is aware of, and accepts the condition and state of repair of the Property, and that the Property is conveyed, "as is," "where is," without any representation, promise, agreement, or warranty on the part of the Grantor regarding such condition and state of repair, or regarding the making of any alterations, improvements, repairs, or additions. The Grantee further acknowledges that the Grantor shall not be liable for any latent or patent defects in the Property, except to the extent required by applicable law.

## VII. COVENANTS

### A. Lead-Based Paint ("LBP")

1. The Property may include improvements that are presumed to contain LBP because they are thought to have been constructed prior to 1978. The Grantee hereby acknowledges the required disclosure in accordance with the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. § 4852d (Title X), of the presence of any known LBP and/or LBP hazards in target housing constructed prior to 1978. This disclosure includes the receipt of available records and reports pertaining to LBP and/or LBP hazards; receipt of the lead hazard information pamphlet; and inclusion of the 24 C.F.R. Part 35 Subpart H and 40 C.F.R. Part 745 Subpart F disclosure and lead warning language in the Title X Lead-Based Paint Disclosure Statement in the contract of sale.

2. The Grantee covenants and agrees that, in any improvements on the Property defined as target housing by Title X and constructed prior to 1978, LBP hazards will be disclosed to potential occupants in accordance with Title X before use of such improvements as a residential dwelling (as defined in Title X). Further, the Grantee covenants and agrees that LBP hazards in target housing constructed prior to 1960 will be abated in accordance with Title X before use and



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occupancy as a residential dwelling. "Target housing" means any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless any child who is less than six [6] years of age resides, or is expected to reside, in such housing) or any zero-bedroom dwelling.

3. The Grantee covenants and agrees that in its use and occupancy of the Property, it will comply with Title X and all applicable Federal, State, and local laws relating to LBP. The Grantee acknowledges that the Grantor assumes no liability for damages for personal injury, illness, disability, or death to the Grantee, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind whatsoever with LBP on the Property, whether the Grantee has properly warned, or failed to properly warn, the persons injured.

#### B. Asbestos-Containing Materials ("ACM")

The Grantee is warned that the Property may be improved with buildings, facilities, and equipment that may contain ACM. The Grantee covenants and agrees that in its use and occupancy of the Property, it will comply with all applicable Federal, State, and local laws relating to asbestos. The Grantee acknowledges that the Grantor assumes no liability for damages for personal injury, illness, disability, or death to the Grantee, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity causing or leading to contact of any kind whatsoever with asbestos on the Property, whether the Grantee has properly warned, or failed to properly warn, the persons injured.

#### C. Non-Discrimination

The Grantee covenants not to discriminate upon the basis of race, color, religion, national origin, sex, age, or handicap in the use, occupancy, sale, or lease of the Property, or in its employment practices conducted thereon. This covenant shall not apply, however, to the lease or rental of a room or rooms within a family dwelling unit, nor shall it apply with respect to religion if the Property is on premises used primarily for religious purposes. The United States of America shall be deemed a beneficiary of this covenant without regard to whether it remains the owner of any land or interest therein in the locality of the Property.

#### D. Grantor Covenant

1. Pursuant to Section 120(h)(3) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. § 9620(h)(3)), the following is notice of hazardous substances on the Property and the description of remedial action taken concerning the Property:

a. The Grantor has made a complete search of its files and records. Exhibit A contains a table with the name of hazardous substances stored for one year or more, or known to



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have been released or disposed of, on the Property; the quantity in kilograms and pounds of the hazardous substance stored for one year or more, or know to have been released, or disposed of, so, on the Property; and the date(s) that such storage, release, or disposal took place.

b. A description of the remedial actions taken on the Property regarding hazardous substances is contained in Exhibit B.

2. The United States covenants and warrants that all remedial action necessary to protect human health and the environment with respect to hazardous substances remaining on the Property has been taken before the date of this Deed, and any additional remedial action found to be necessary after the date of this Deed for contamination on the Property existing prior to the date of this Deed shall be conducted by the United States. The foregoing covenant shall not apply in any case in which the grantee of the Property, or any part thereof, is a potentially responsible party with respect to the Property before the date on which any grantee acquired an interest in the Property, or is a potentially responsible party as a result of an act or omission affecting the Property.

#### E. Endangered Species.

The Grantee acknowledges that threatened or endangered species, as those terms are defined under the Federal Endangered Species Act of 1973, as amended (the "Act") are present on certain portions of the Property and acknowledges receiving a copy of the Disposal and Reuse of March Air Force Base Biological Opinion, dated November 9, 1999. The Grantee covenants and agrees to comply with the terms of the biological opinion, including, without limitation, the obligation to consult with the United States Fish and Wildlife Service as necessary in connection with the construction and development of new improvements on the Property and mitigation of impacts to habitat of the endangered Stephens' Kangaroo Rat according to the formula set out in the biological opinion.

#### F. Hazards to Air Navigation.

Prior to commencing any construction on, or alteration of, the Property, the Grantee covenants to comply with 14 C.F.R. Part 77 entitled "Objects Affecting Navigable Air Space," or under the authority of the Federal Aviation Act of 1958, as amended.

### IX. MISCELLANEOUS/REVERTER AFFECTING THE PROPERTY

A. Each covenant of this Deed shall be deemed to "touch and concern the land" and shall "run with the land."

B. This conveyance is made and accepted on the condition that (1) the Property shall be used and maintained for law enforcement and emergency management response in perpetuity; and (2) the Property shall not be sold, leased, mortgaged, assigned, or otherwise disposed of.



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except to another local government agency for the same purposes with the prior consent of the Director of the Air Force Base Conversion Agency, or his successor in function. In the event of a breach of any such condition as to all or any portion or portions of the Property by the Grantee, its successors or assigns, regardless of the cause of the breach, all right, title, and interest in and to such portion or portions of the Property, in its then existing condition, including all improvements thereon, shall revert to and become the property of the United States of America at the option of and upon demand made in writing by the Director, Air Force Base Conversion Agency, or his successor in function. In such event, the United States of America shall have the immediate right of entry upon said property, and the Grantee, its successors, and assigns, shall forfeit all right, title, and interest in said property and in any and all tenements, hereditaments, and appurtenances thereunto belonging, and shall take such action and execute such documents as may be necessary or required to evidence transfer of title to the United States of America. The failure of the Director, Air Force Base Conversion Agency, or his successor in function, to insist upon complete performance of the above conditions shall not be construed as a waiver or relinquishment of future performance thereof, but the obligation of the Grantee, its successors and assigns, with respect to such future performance shall continue in full force and effect.

X. LIST OF EXHIBITS

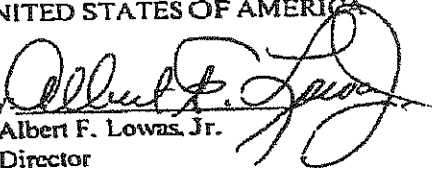
The following Exhibit is attached to and made a part of this Deed:

A. Notice of Hazardous Substances Released or Disposed of and Remedial Actions Taken on the Property.

IN WITNESS WHEREOF, I have hereunto set my hand at the direction of the Secretary of the Air Force, the day and year first above written.

UNITED STATES OF AMERICA

By

  
Albert F. Lowas, Jr.

Director

Air Force Base Conversion Agency

Witness:





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Exhibit A to Quitclaim Deed  
Notice of Hazardous Substances Stored or Disposed of  
and  
Notice of Remedial Actions Taken on the Property

Hazardous Substances.

No hazardous substances were stored for more than one year or disposed of on the Property. A release of an undetermined quantity of polychlorinated biphenyls (PCBs) at from an electrical transformer occurred on the property at an unknown time and has been remediated.

Remedial Actions Taken.

In 1999, approximately 400 cubic yards of soil contaminated with PCBs was removed from the area around Building 3404 and disposed of off site. Soil samples taken after the removal of the soil confirmed that the level of contamination remaining in the soil allowed unrestricted use. The excavated area was filled with clean soil. No further action is required at the site





Acceptance

The Grantee hereby accepts this Deed and agrees to be bound by all the agreements, covenants, conditions, restrictions, and reservations contained in it.

DATE: December 21, 1999

(Grantee)

By: Joy Wilson

Attest:

Carl L. ...  
Notary Public  
State of California

Certificate of Grantee's Attorney

I, JOE S. RANIK, acting as Attorney for the Grantee, do hereby certify that I have examined the foregoing Indenture and the proceedings taken by the Grantee relating thereto, and find that the acceptance thereof by the Grantee has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the State of California, and further, that, in my opinion, the Indenture constitutes a legal and binding compliance obligation of the Grantee in accordance with the terms thereof.

Dated at Riverside, California, this 21st day of December, 1999.

By: Joe S. Ranik

Title: ASSISTANT COUNTY COUNSEL



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Certificate of Acknowledgment

Commonwealth of Virginia :

ss.

County of Arlington :

On December 16<sup>th</sup>, 1999, before me, Bonnie Maria Harris, a Notary Public, personally appeared Albert F. Lowes, Jr., known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that (s)he executed the same in (his)(her) authorized capacity, and that by (his)(her) signature on the instrument, the entity on behalf of which (he)(she) acted, executed the instrument.

Bonnie Maria Harris  
Notary Public

Enclosed Herein is My  
Commission to Notarize as a Notary Public Seal  
My Commission Expires 12/21/2003

My commission expires on BONNIE MARIA HARRIS



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# Exhibit C

## MEMORANDUM OF AGREEMENT

This Memorandum of Agreement ("MOA") is entered into as of this 21<sup>st</sup> day of September, 2010, by and between COUNTY OF RIVERSIDE, a public entity ("County") and RIVERSIDE COMMUNITY COLLEGE DISTRICT, a public entity ("District").

### RECITALS

WHEREAS, County received property formerly part of March Air Force Base, consisting of approximately 375 acres ("Property"), generally situated south of Van Buren Boulevard and east of Wood Road, and north of Nandina Avenue, in unincorporated Riverside County. The Property was conveyed to the County through a federal land transfer provision known as a Public Benefit Conveyance, for the purposes of operating and developing a public safety training center, commonly referred to as the Ben Clark Public Safety Training Center (BCTC). The County received the Property through a Quitclaim Deed dated December 30, 1999 and recorded January 6, 2000; and

WHEREAS, the Quitclaim Deed transferred former military land and property (inclusive of buildings) for \$1.00 USD to the County, the conveyance was made and accepted on the condition that (1) the Property shall be used and maintained for law enforcement and emergency management response in perpetuity; and (2) the Property shall not be sold, leased, mortgaged, assigned, or otherwise disposed of, except to another local government agency for the same purposes with prior consent of the Director of the Air Force Base Conversion Agency, or his successor in function; and

WHEREAS, the District through its Moreno Valley College ("College"), which is an open admissions college, is the education partner for public safety education training center since 1953 in partnership with the Riverside County Sheriff's and CAL Fire/Regional Fire departments providing public safety training for law enforcement and fire technology programs; and

WHEREAS, the County has developed a master plan for the program, development and operation of the Ben Clark Public Safety Training Center; and

WHEREAS, it is the intent of both County and District to facilitate the establishment of Ben Clark Public Safety Training Center as an Education Center to Moreno Valley College and to develop facilities to house the educational services and required operations of the College.

WHEREAS, the programmatic focus at BCTC is public safety training, the intent of the College is to offer subject area and general education courses leading to certificate and degrees in public safety education and training and allied disciplines.

In consideration of the foregoing Recitals, both parties agree to use good faith efforts to bring about the following transactions, as soon as possible:

1. Establishment of an Education Center to Moreno Valley College at Ben Clark Public Safety Training Center: It is the intent of the District and College to apply to the

California Post Secondary Education Commission and California Community College System Board of Governor's for the establishment of an Education Center at BCTC. In doing so, the following understandings are intended by both parties:

- a. In seeking designation as an Education Center, the District and College will receive the following benefits in establishing an Education Center:
    - i. Eligibility and access to state Capital Outlay Funding.
    - ii. Separate allocation of operations funding support from the state.
  - b. Designation of an educational center to the College requires that conditions be met, including but not limited to the following:
    - i. Ownership or long term [99-year] lease of the site.
    - ii. Access to student services.
    - iii. On-site administration.
    - iv. Access to student population.
    - v. Offering of general education courses.
    - vi. Expected enrollment exceeding 500 full-time equivalent students, for a minimal three-year duration.
2. Property: The master plan for BCTC includes areas that are allocated to the specific training needs of the center, many which are highly specific to law enforcement or fire safety training needs and carry access restriction requirements. The master plan further specifies an area for general, student services and classrooms that is separate from the specific training and restricted access areas referred to RSO& LE Partners) depicted on Exhibit "A", attached hereto this MOA.
- a. It is the intent of the District to obtain a controlling interest by a long-term [99-year] lease of acreage within the general student services area to develop a facility by the District to accommodate the following: classrooms/facilities for fire, law enforcement, and general education; offices for instructional and student services staff, faculty offices, library space for public safety and general education students, and student services offices to house student services (including but not limited to counseling and student financial aid).
  - b. It is the intent of the County to facilitate a controlling interest in acreage, to be specified, to the District for the purposes of developing an Education Center facility at BCTC. The size and configuration of the property shall be formally identified in a subsequent transfer document.
  - c. Said acreage shall be generally accessible to student and potential students of public safety and general educational needs.
  - d. It is the intent of the District and College to design and develop a facility on the property to house an Education Center at BCTC. Said facility shall be designed and developed in coordination with the County. An agreement for development shall be a subsequent document to address elements such as site preparation, infrastructure and utility access, development design, parking and support elements, and other obligations.
3. Operational Understandings: It is understood by both parties that a public safety training center must be carefully planned and operated to assure appropriate access and operation to meet the needs and mission of all parties involved in the training center.

- a. Joint Use Learning Center: Both parties agree that a joint use learning center is in the interest in advancing the partnerships of the County and District at BCTC and that an operation (joint use) agreement shall be formally identified in a subsequent document. A subsequent document shall address the following:
    - i. Administrative, instructional and student services offered.
    - ii. Joint use of classroom space.
    - iii. Joint use of library and digital resources.
  - b. Operation as an Education Center: An Education Center requires the offering of general education courses, and administration and student services at the site.
    - i. County recognizes that the student population at the center will include both public safety and general education student populations.
    - ii. District and College recognize that subject area and general education courses are structured to benefit the needs of public safety education students at BCTC.
    - iii. District and College recognize that students enrolled in the public safety education curriculum take a priority to education offerings at BCTC.
    - iv. Both parties agree that an operational agreement shall be developed as a subsequent document to address the following:
      1. Access to courses
      2. Course offerings
      3. Schedule for priority registration of public safety students
      4. Student support services
      5. Faculty and staff development activities
4. Time is of the Essence. Both parties mutually agree that time is of the essence to carry out the elements described in this MOA.

This MOA is intended solely as a summary of the terms that are currently proposed by the County and District. Both County and District will be expending resources following the execution of this MOA and, accordingly, County and District have agreed pursuant to this MOA to act in good faith in furtherance of achieving their mutual intent. Notwithstanding the foregoing, if either County or District determines, in good faith, that the mutual intent cannot be achieved, then each part is and will be solely liable for all of its own fees, costs, and other expenses in conjunction with implementation of this MOA.

County of Riverside

Riverside Community College District

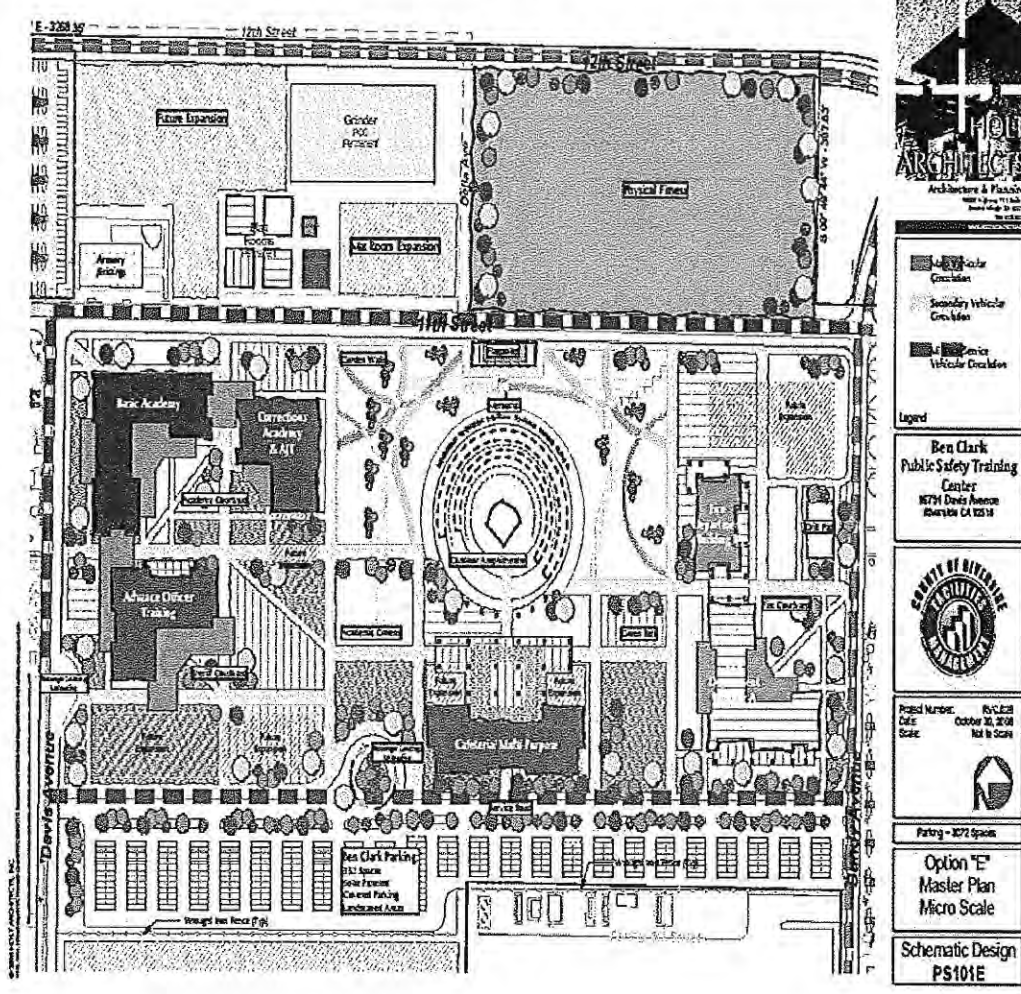
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Authorized Representative

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James L. Buisse, Vice Chancellor  
Administration & Finance

Exhibit "A"



- Legend**
- Primary Vehicle Circulation
  - Secondary Vehicle Circulation
  - Service Vehicle Circulation

**Ben Clark Public Safety Training Center**  
 1674 Davis Avenue  
 Berkeley CA 94712



Project Number: 05-0228  
 Date: October 10, 2008  
 Scale: Not to Scale

Parking - 3072 Spaces

**Option "E" Master Plan**  
 Micro Scale

**Schematic Design**  
 PS101E



## MEMORANDUM OF AGREEMENT

This Memorandum of Agreement ("MOA") is entered into as of this \_\_\_\_ day of \_\_\_\_\_, 2010, by and between **COUNTY OF RIVERSIDE**, a political subdivision of the State of California, ("County") and **RIVERSIDE COMMUNITY COLLEGE DISTRICT**, a public entity ("District").

### RECITALS

WHEREAS, County received property formerly part of March Air Force Base, consisting of approximately 375 acres ("Property"), generally situated south of Van Buren Boulevard and east of Wood Road, and north of Nandina Avenue, in unincorporated Riverside County. The Property was conveyed to the County through a federal land transfer provision known as a Public Benefit Conveyance, for the purposes of operating and developing a public safety training center, commonly referred to as the Ben Clark Public Safety Training Center (BCTC). The County received the Property through a Quitclaim Deed dated December 30, 1999 and recorded January 6, 2000; and

WHEREAS, the Quitclaim Deed transferred former military land and property (inclusive of buildings) for \$1.00 USD to the County, the conveyance was made and accepted on the condition that (1) the Property shall be used and maintained for law enforcement and emergency management response in perpetuity; and (2) the Property shall not be sold, leased, mortgaged, assigned, or otherwise disposed of, except to another local government agency for the same purposes with prior consent of the Director of the Air Force Base Conversion Agency, or his successor in function; and

WHEREAS, the District through its Moreno Valley College ("College"), which is an open admissions college, is the education partner for public safety education training center since 1953 in partnership with the Riverside County Sheriff's and CAL Fire/Regional Fire departments providing public safety training for law enforcement and fire technology programs; and

WHEREAS, the County has developed a master plan for the program, development and operation of the Ben Clark Public Safety Training Center; and

WHEREAS, it is the intent of both County and District to facilitate the establishment of Ben Clark Public Safety Training Center as an education center to Moreno Valley College and to develop facilities to house the educational services and required operations of the College.

WHEREAS, the programmatic focus at BCTC is public safety training, the intent of the College is to offer subject area and general education courses leading to certificate and degrees in public safety education and training and allied disciplines.

In consideration of the foregoing Recitals, both parties agree to use good faith efforts to bring about the following transactions, as soon as possible:

SEP 28 2010 3:07

1. Establishment of an Education Center to Moreno Valley College at Ben Clark Public Safety Training Center: It is the intent of the District and College to apply to the California Post Secondary Education Commission and California Community College System Board of Governor's for the establishment of an education center at BCTC. In doing so, the following understandings are intended by both parties:
  - a. In seeking designation as an education center, the District and College will receive the following benefits in establishing an education center:
    - i. Eligibility and access to state Capital Outlay Funding.
    - ii. Separate allocation of operations funding support from the state.
  - b. Designation of an educational center to the College requires that conditions be met, including but not limited to the following:
    - i. Ownership or long term [99-year] lease of the site.
    - ii. Access to student services.
    - iii. On-site administration.
    - iv. Access to student population.
    - v. Offering of general education courses.
    - vi. Expected enrollment exceeding 500 full-time equivalent students, for a minimum three-year duration.
  
2. Property: The master plan for BCTC includes areas that are allocated to the specific training needs of the center, many which are highly specific to law enforcement or fire safety training needs and carry access restriction requirements. The master plan further specifies an area for general, student services and classrooms that is separate from the specific training and restricted access areas referred to RSO & LE Partners depicted on Exhibit "A", attached hereto this MOA.
  - a. It is the intent of the District to obtain a controlling interest by a long-term [99-year] lease of acreage within the general student services area to develop a facility by the District to accommodate the following: classrooms/facilities for fire, law enforcement, and general education; offices for instructional and student services staff, faculty offices, library space for public safety and general education students, and student services offices to house student services (including but not limited to counseling and student financial aid).
  - b. It is the intent of the County to facilitate a controlling interest in acreage, to be specified, to the District for the purposes of developing an education center facility at BCTC. The size and configuration of the property shall be formally identified in a subsequent transfer document.
  - c. Said acreage shall be generally accessible to student and potential students of public safety and general educational needs.
  - d. It is the intent of the District and College to design and develop a facility on the property to house an education center at BCTC. Said facility shall be designed and developed in coordination with the County. An agreement for development shall be a subsequent document to address elements such as site preparation, infrastructure and utility access, development design, parking and support elements, and other obligations.



3. Operational Understandings: It is understood by both parties that a public safety training center must be carefully planned and operated to assure appropriate access and operation to meet the needs and mission of all parties involved in the training center.
  - a. Joint Use Learning Center: Both parties agree that a joint use learning center is in the interest in advancing the partnerships of the County and District at BCTC and that an operation (joint use) agreement shall be formally identified in a subsequent document. A subsequent document shall address the following:
    - i. Administrative, instructional and student services offered.
    - ii. Joint use of classroom space.
    - iii. Joint use of library and digital resources.
  - b. Operation as an Education Center: An Education Center requires the offering of general education courses, and administration and student services at the site.
    - i. County recognizes that the student population at the center will include both public safety and general education student populations.
    - ii. District and College recognize that subject area and general education courses are structured to benefit the needs of public safety education students at BCTC .
    - iii. District and College recognize that students enrolled in the public safety education curriculum take a priority to education offerings at BCTC.
    - iv. Both parties agree that an operational agreement shall be developed as a subsequent document to address the following:
      1. Access to courses
      2. Course offerings
      3. Schedule for priority registration of public safety students
      4. Student support services
      5. Faculty and staff development activities
4. Time is of the Essence. Both parties mutually agree that time is of the essence to carry out the elements described in this MOA.

This MOA is intended solely as a summary of the terms that are currently proposed by the County and District. Both County and District will be expending resources following the execution of a Letter of Intent and, accordingly, County and District have agreed pursuant to this MOA to act in good faith in furtherance of achieving their mutual intent. Notwithstanding the foregoing, if either County or District determines, in good faith, that the mutual intent cannot be achieved, then each part is and will be solely liable for all of its own fees, costs, and other expenses in conjunction with implementation of this MOA.

IN WITNESS WHEREOF, the duly authorized representative of each of the parties hereto has signed in confirmation of this Agreement on the dates indicated below.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

Dated: 9/29/10

By: [Signature]  
James L. Buysse, Vice Chancellor  
Administration & Finance

COUNTY OF RIVERSIDE

Dated: SEP 28 2010

By: [Signature]  
Marion Ashley, Chair  
Riverside County Board of Supervisors

ATTEST:

Kecia Harper-Ihem  
Clerk of the Board

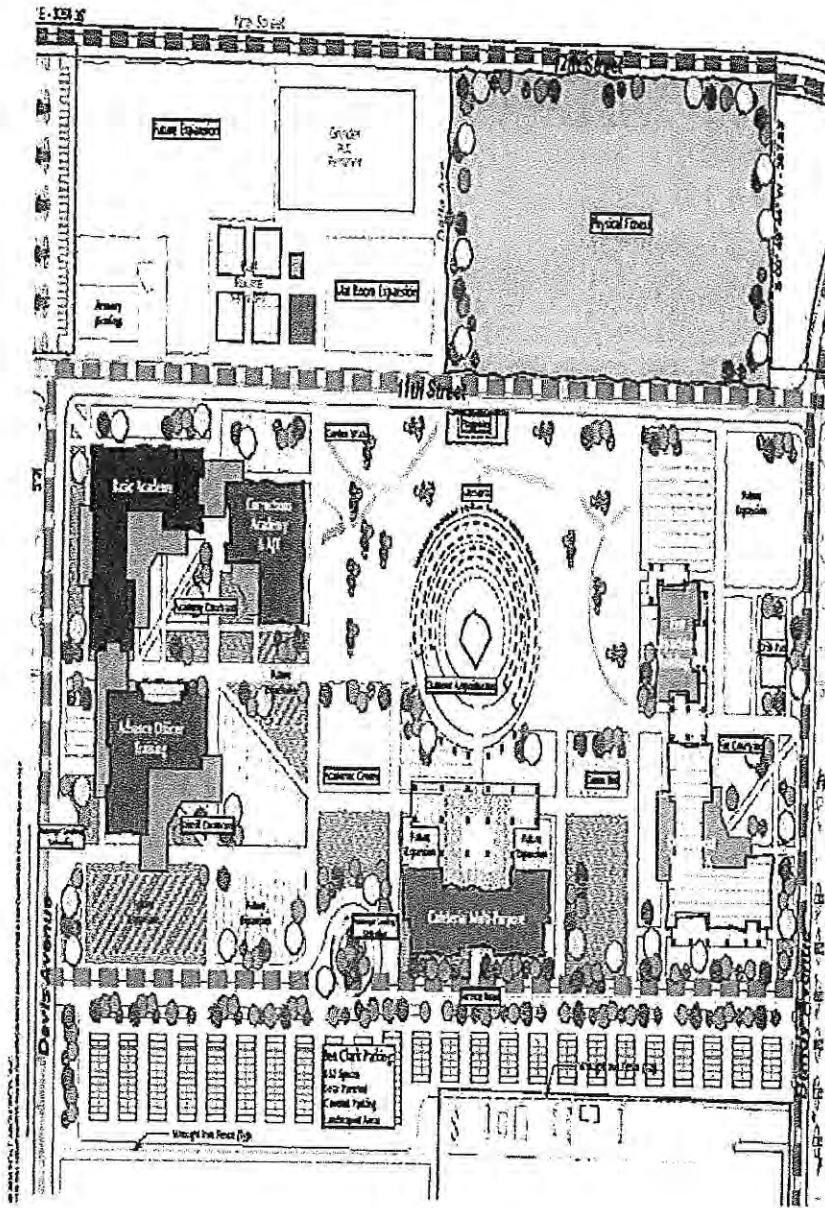
By: [Signature]  
Deputy

FORM APPROVED COUNTY COUNSEL  
BY [Signature] DATE 9/28/10  
NATALIE KIPNIS

Leslie Salas  
is  
sending  
out for  
signatures

SEP 28 2010 3:07

# Exhibit "A"



- Legend**
- Solid Concrete
  - Gravelly Vehicle Concrete
  - Asphalt Vehicle Concrete

**Ben Clark  
Public Safety Training  
Center**  
1671 Davis Avenue  
Berkeley, CA 94704



Project Number: PS101E  
Date: October 21, 2008  
Scale: Not to Scale

Parking - 2875 Spaces

**Option "E"**  
Master Plan  
Micro Scale

Schematic Design  
PS101E

# Exhibit D



Lawyers Title Company  
4100 Newport Place Drive  
Suite 120  
Newport Beach, CA 92660  
Phone: (949) 724-3170

County of Riverside EDA  
3403 10th Street, Suite 500  
Riverside, CA 92501

Attn: Sue Anna Schatz

Our File No: 09304126 - 10  
Title Officer: Chris Maziar  
e-mail: [unit10@ltic.com](mailto:unit10@ltic.com)  
Phone: (949) 724-3170  
Fax: (949) 258-5740

Your Reference No: 294-110-003,005

Property Address: MARIPOSA, Riverside Area, California

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## PRELIMINARY REPORT

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Dated as of October 6, 2011 at 7:30 a.m.

In response to the application for a policy of title insurance referenced herein, **Lawyers Title Company** hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a policy or policies of title insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an exception herein or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations or Conditions of said policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Attachment One. The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties. Limitation on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Attachment One. Copies of the policy forms should be read. They are available from the office which issued this report.

The policy(s) of title insurance to be issued hereunder will be policy(s) of **Commonwealth Land Title Insurance Company**.

***Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Attachment One of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered. It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.***

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

File No: 09304126

## **SCHEDULE A**

The form of policy of title insurance contemplated by this report is:

**ALTA Owners 2006 Policy**

The estate or interest in the land hereinafter described or referred to covered by this report is:

**A FEE**

Title to said estate or interest at the date hereof is vested in:

**County of Riverside, a political subdivision of the State of California**

The land referred to herein is situated in the County of RIVERSIDE, State of California, and is described as follows:

**SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF**

## EXHIBIT "A"

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

**Parcel A: (294-110-003)**

**A portion of land lying in Section 28, Township 3 South, Range 4 West, San Bernardino Base and Meridian, in the County of Riverside, State of California, being more particularly described as follows:**

**Commencing at the Northeast corner of the Southeast Quarter of Section 33, Township 3 South, Range 4 West, San Bernardino Base and Meridian, said point also being the centerline intersection of Nandina Avenue (60.00 feet wide) and Brown Street (60.00 feet wide) as shown on Subdivision Map of Upton Acres Number 2, filed in Book 14, Page 14 of Maps, records of the Recorder of Riverside County, California;**  
**Thence along said centerline of Nandina Avenue, North 89° 42' 58" West, a distance of 2662.74 feet to the centerline intersection of said Nandina Avenue and Alexander Street (60.00 feet wide);**  
**Thence North 00° 57' 39" East, a distance of 1447.44 feet;**  
**Thence South 89° 02' 21" East, a distance of 745.33 feet;**  
**Thence North 00° 57' 39" East, a distance of 2475.51 feet;**  
**Thence North 00° 53' 27" East, a distance of 114.32 feet;**  
**Thence North 89° 06' 33" West, a distance of 40.65 feet to the True Point of Beginning;**  
**Thence North 44° 20' 00" West, a distance of 32.00 feet;**  
**Thence South 45° 40' 00" West, a distance of 79.00 feet;**  
**Thence South 44° 20' 00" East, a distance of 32.00 feet;**  
**Thence North 45° 40' 00" East, a distance of 79.00 feet to the True Point of Beginning.**

**The bearing and distances used in the above description are based on the California coordinate System of 1983, Zone 6. Multiply the distances shown by 1.000072279 to obtain ground distances.**

**Also excepting therefrom reserving unto the grantor all oil, gas and other mineral resources of any kind or nature in the mineral estate of the property; provided, however, that such reservation shall not include the right of access to or any right to use any portion of the surface of the property as reserved in the deed from the United States of America, recorded May 28, 2001 as Instrument No. 2001-235686 of Official Records.**



**Parcel B: (294-130-008, 294-110-003, 005 and 295-020-005, 008)**

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

**All those portions of Lots 103, 104, and 105 in the Alessandro Tract, as per Plat recorded in Book 6, Page 13 of Maps, records of San Bernardino County and those portions of Lots 1 through 7, inclusive, and Lots 10 through 24, inclusive, Lots 31 through 38, inclusive, together with those portions of vacated Mariposa Avenue, Mead Street, Boulder Avenue, Alexander Street and Elsinore Road which would pass by operation of law, all within Upton Acres No. 2, as per Plat recorded in Book 14 of Maps, Page 14, records of Riverside County, and being within Sections 27, 28, 33 and 34, Township 3 South, Range 4 West, San Bernardino Base and Meridian, according to the Official Plat thereof, all of said land being in the County of Riverside, State of California, described as a whole as follows:**

**Commencing at the Northeast corner of the Southeast  $\frac{1}{4}$  of said Section 33, said point also being the centerline intersection of Nandina Avenue (60.00 feet wide) and Brown Street (60.00 feet wide) as shown on Subdivision Map of Upton Acres Number 2, filed in Book 14, Page 14, of Maps, records of the recorder of Riverside County, California;**  
**Thence along said centerline of Nandina Avenue North  $89^{\circ} 42' 58''$  West, a distance of 2662.74 feet to the centerline intersection of Nandina Avenue and Alexander Street (60.00 feet wide);**  
**Thence North  $00^{\circ} 57' 39''$  East, a distance of 30.00 feet to a point of intersection with the Northerly right-of-way line of said Nandina Avenue, said point also being the true point of beginning;**  
**Thence continuing North  $00^{\circ} 57' 39''$  East, a distance of 1417.44 feet;**  
**Thence South  $89^{\circ} 02' 21''$  East, a distance of 1637.31 feet;**  
**Thence North  $00^{\circ} 53' 25''$  East, a distance of 1351.88 feet;**  
**Thence South  $88^{\circ} 51' 43''$  East, a distance of 1164.98 feet to a point of intersection with the West line of Parcel Map 22504, filed in Book 151, Pages 63 and 64 of Parcel Maps, records of the recorder of Riverside County, California;**  
**Thence along said West line North  $00^{\circ} 53' 58''$  East, a distance of 1443.48 feet;**  
**Thence leaving said West line North  $89^{\circ} 05' 31''$  West, a distance of 440.96 feet;**  
**Thence North  $00^{\circ} 49' 44''$  East, a distance of 387.80 feet;**  
**Thence North  $89^{\circ} 10' 16''$  West, a distance of 3268.11 feet;**  
**Thence South  $00^{\circ} 49' 44''$  West, a distance of 1720.00 feet;**  
**Thence North  $89^{\circ} 10' 16''$  West, a distance of 1740.00 feet to a point of intersection with the Easterly right-of-way line of Barton Road (44.00 feet half width) per document recorded September 22, 1972 as Instrument No. 127557, records of said recorder;**

Thence along said Easterly right-of-way line South  $00^{\circ} 37' 32''$  West, a distance of 280.02 feet to an angle point in said right-of-way line;  
Thence continuing along said right-of-way line South  $00^{\circ} 26' 27''$  West, a distance of 2615.30 feet to a point of intersection with a line being 30.00 feet North of and measured at right angles to the North line of the Southwest One-Quarter of said Section 33;  
Thence South  $89^{\circ} 41' 53''$  East, on a line 30.00 feet Northerly of and parallel with said North line of the Southwest One-Quarter, a distance of 2621.72 feet to an angle point in said line;  
Thence continuing on said parallel line South  $89^{\circ} 42' 57''$  East, a distance of 0.35 feet to the true point of beginning.

Excepting therefrom that portion of land lying in Section 28, Township 3 South, Range 4 West, San Bernardino Base and Meridian, known as Building 3404, and being more particularly described as follows:

Commencing at the Northeast corner of the Southeast One-Quarter of said Section 33, said point also being the centerline intersection of Nandina Avenue (60.00 feet wide) and Brown Street (60.00 feet wide) as shown on Subdivision Map of Upton Acres Number 2, filed in Book 14, Page 14 of Maps, records of the recorder of Riverside County, California;  
Thence along said centerline of Nandina Avenue, North  $89^{\circ} 42' 58''$  West, a distance of 2662.74 feet to the centerline intersection of said Nandina Avenue and Alexander Street (60.00 feet wide);  
Thence North  $00^{\circ} 57' 39''$  East, a distance of 1447.44 feet;  
Thence South  $89^{\circ} 02' 21''$  East, a distance of 745.33 feet;  
Thence North  $00^{\circ} 57' 39''$  East, a distance of 2475.51 feet;  
Thence North  $00^{\circ} 53' 27''$  East, a distance of 114.32.00 feet;  
Thence North  $89^{\circ} 06' 33''$  West, a distance of 40.65 feet to the true point of beginning;  
Thence North  $44^{\circ} 20' 00''$  West, a distance of 32.00 feet;  
Thence South  $45^{\circ} 40' 00''$  West, a distance of 79.00 feet;  
Thence South  $44^{\circ} 20' 00''$  East, a distance of 32.00 feet;  
Thence North  $45^{\circ} 40' 00''$  East, a distance of 79.00 feet to the true point of beginning.

Also Excepting therefrom reserving unto the grantor all oil, gas and other mineral resources of any kind or nature in the mineral estate of the property; provided, however, that such reservation shall not include the right of access to or any right to use any portion of the surface of the property as reserved in the deeds from the United States of America, recorded December 21, 1999 as Instrument No. 99-550370 and recorded January 6, 2000 as Instrument No. 2000-6655 both of Official Records.

Assessor's Parcel Number: 294-110-003; 294-110-005-2; 294-130-008-7; 295-020-005-1 and 295-020-008-4



## **SCHEDULE B – Section A**

The following exceptions will appear in policies when providing standard coverage as outlined below:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor of material not shown by the Public Records.

## SCHEDULE B – Section B

At the date hereof Exceptions to coverage in addition to the printed exceptions and exclusions in said policy form would be as follows:

- A. No taxes are due or payable at this time. Said Property is currently owned by a Governmental Agency.
- B. The lien of any special assessment or tax resulting from the inclusion of the property in a special assessment district or Mello-Roos Community Facilities District, which may exist by virtue of assessment maps or notices filed and/or recorded by any such district. Assessments, if any, arising from such assessment districts may be collected with the regular real property taxes.
- C. Supplemental or escaped assessments of property taxes, if any, assessed pursuant to the Revenue and Taxation Code of the State of California.
  1. Water rights, claims or title to water, whether or not shown by the public records.
  2. An easement in favor of the public over any existing roads lying within said land.
  3. An easement for the purpose shown below and rights incidental thereto as set forth in a document  
Purpose: canals and flumes and pipe lines and the rights of way of the same  
Recorded: September 5, 1905 in Book 208, Page 180 of Deeds  
The exact location and/or extent of said easement is not disclosed in the public records.
  4. An easement for the purpose shown below and rights incidental thereto as set forth in a document  
Purpose: public roads and highway, for public utilities, for railroads and for pipe lines  
Recorded: November 1, 1944 in Book 645, Page 477 of Official Records  
The exact location and/or extent of said easement is not disclosed in the public records.  
Said matter affects Parcel A
  5. The matters contained in a document entitled "Resolution Abandoning County Highways" recorded May 5, 1953 in Book 1468, Page 470 of Official Records.  
Reference is made to said document for full particulars.

File No: 09304126

6. The fact that said land lies within the Santa Ana Watershed Benefit Assessment Area, as disclosed by document recorded June 10, 1991 as Instrument No. 193749 of Official Records.

Reference is made to said document for full particulars.

7. A document subject to all the terms, provisions and conditions therein contained.

Entitled: Retrocession of Legislative Jurisdiction California Government Code  
Section 113  
Dated: May 15, 1996  
Executed by: Robert C. Hight, Executive Officer California State Lands  
Commission  
Recorded: May 17, 1996 as Instrument No. 184254 of Official Records

Reference is made to said document for full particulars.

Said matter affects Parcel B

8. Covenants, conditions and restrictions as set forth in the document

Recorded: December 21, 1999 as Instrument No. 1999-550370 and  
January 6, 2000 as Instrument No. 2000-006655 both of Official  
Records

This exception omits any covenant, condition or restriction based on race, color, religion, sex, handicap, familial status or national origin, unless and only to the extent that the covenant, condition or restriction (a) is not in violation of state or federal law, (b) is exempt under 42 U.S.C. Section 3607 or (c) relates to a handicap but does not discriminate against handicapped people.

Among other things, said document provides for:

A) Reservations to the United States of America including Environmental Protection Agency (EPA) for access to, and use of utilities.

B) The property shall be used and maintained for law enforcement and emergency management response in perpetuity.

C) Right of Reverter to the United States upon breach of certain conditions.

The matters contained in a document entitled "Release and Cancellation of Easement" recorded September 12, 2006 as Instrument No. 2006-0671973 of Official Records.

Reference is made to said document for full particulars.

9. Any boundary discrepancies, rights or claims which may exist or arise as disclosed by a Record of Survey

Recorded in Book 108, Pages 9-12 inclusive, of Records of Survey

File No: 09304126

10. Any boundary discrepancies, rights or claims which may exist or arise as disclosed by a Record of Survey

Recorded: February 15, 2001 in Book 110, Pages 30-40 Records of Survey

Said matter affects Parcel B

11. Covenants, conditions and restrictions as set forth in the document

Recorded: May 29, 2001 as Instrument No. 2001-235686 of Official Records

This exception omits any covenant, condition or restriction based on race, color, religion, sex, handicap, familial status or national origin, unless and only to the extent that the covenant, condition or restriction (a) is not in violation of state or federal law, (b) is exempt under 42 U.S.C. Section 3607 or (c) relates to a handicap but does not discriminate against handicapped people.

Said matter affects Parcel A

12. A document subject to all the terms, provisions and conditions therein contained.

Entitled: Covenant to Restrict Use of Property Environmental Restriction  
Parcel H-1A formerly known as March Air Force Base Riverside  
County, California 92518-1504

Dated: May 22, 2001

By and between: County of Riverside Sheriff's Department (the "Covenantor"), and  
by the Department of Toxic Substances Control (DTSC)(the  
"Covantee")

Recorded: May 29, 2001 as Instrument No. 2001-235687 of Official Records

Reference is made to said document for full particulars.

13. A document subject to all the terms, provisions and conditions therein contained.

Entitled: Department of the Air Force Utility Bill of Sale

Dated: September 26, 2002

By and between: United States of America, to the March Joint Powers Authority, a  
California joint powers agency and a Local Redevelopment  
Authority

Recorded: September 27, 2002 as Instrument No. 2002-538526 of Official  
Records

Reference is made to said document for full particulars.

Said matter affects Parcel B

File No: 09304126

14. A document subject to all the terms, provisions and conditions therein contained.

Entitled: Department of the Air Force Assignment of Easements  
Dated: September 26, 2002  
By and between: United States of America, acting by and through its Secretary of the Air Force ("Assignor"), and the March Joint Powers Authority, a California joint powers agency ("Assignee")  
Recorded: September 27, 2002 as Instrument No. 2002-538527 of Official Records

Reference is made to said document for full particulars.

Said matter affects Parcel B

15. A document subject to all the terms, provisions and conditions therein contained.

Entitled: Department of the Air Force Assignment of Rights  
Dated: September 26, 2002  
By and between: United States of America, acting by and through its Secretary of the Air Force ("Assignor"), and the March Joint Powers Authority, a California joint powers agency ("Assignee")  
Recorded: September 27, 2002 as Instrument No. 2002-538528 of Official Records

Reference is made to said document for full particulars.

Said matter affects Parcel B

16. A document subject to all the terms, provisions and conditions therein contained.

Entitled: Department of the Air Force License on Portions of the Former March Air Force Base  
Dated: September 27, 2002  
By and between: United States of America, acting by and through its Secretary of the Air Force ("Government"), and the March Joint Powers Authority, a California joint powers agency ("March JPA")  
Recorded: October 23, 2002 as Instrument No. 2002-594952 of Official Records

Reference is made to said document for full particulars.

Said matter affects Parcel B

17. A document subject to all the terms, provisions and conditions therein contained.

Entitled: Assignment of License  
Dated: September 27, 2002  
By and between: March Joint Powers Authority, a California joint powers agency and Western Municipal Water District of Riverside County, a California municipal water district  
Recorded: October 24, 2002 as Instrument No. 2002-600755 of Official Records

Reference is made to said document for full particulars.

Said matter affects Parcel B

File No: 09304126

18. A financing statement filed in the office of the County Recorder, showing:

Debtor: County of Riverside  
Secured Party: LaSalle Bank National Association  
Date: Not Set Out  
Recorded: September 18, 2003 as Instrument No. 2003-727288 of Official Records  
Property Covered: as shown therein

Said matter affects Parcel B

Said matter affects said land and other land

19. The fact that said land is included within a project area of the Redevelopment Agency shown below, and that proceedings for the redevelopment of said project have been instituted under the Redevelopment law (such redevelopment to proceed only after the adoption of the redevelopment plan) as disclosed by a document.

Redevelopment Agency: March Joint Powers Authority Redevelopment Plan for the March Air Force Base Redevelopment Plan  
Recorded: February 6, 2004 as Instrument No. 2004-0086467 of Official Records

20. An easement for the purpose shown below and rights incidental thereto as set forth in a document

Granted to: Western Municipal Water District of Riverside County  
Purpose: a pipeline or pipelines for all purposes, together with any easement roads, appurtenances and communication cables specifically for system operations within the right-of-way, and for the ingress and egress  
Recorded: July 23, 2004 as Instrument No. 2004-0572830 of Official Records  
Affects: said land more particularly described therein.

Said matter affects Parcel B

21. A document subject to all the terms, provisions and conditions therein contained.

Entitled: Site and Facilities Lease  
Dated: April 1, 2005  
By and between: County of Riverside, Lessor, and County of Riverside Asset Leasing Corporation, Lessee  
Recorded: April 29, 2005 as Instrument No. 2005-0342126 of Official Records

Reference is made to said document for full particulars.

Said matter affects Parcel B

Affects the herein-described land and other land

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

File No: 09304126

22. A document subject to all the terms, provisions and conditions therein contained.

Entitled: Sublease and Option to Purchase  
Dated: April 1, 2005  
By and between: County of Riverside Asset Leasing Corporation, Sublessor, and  
County of Riverside, sublessee  
Recorded: April 29, 2005 as Instrument No. 2005-0342127 of Official Records

Reference is made to said document for full particulars.

Said matter affects Parcel B

Affects the herein-described land and other land.

The present ownership of the leasehold created by said lease and other matters affecting the interest of the lessee are not shown herein.

23. A document subject to all the terms, provisions and conditions therein contained.

Entitled: Assignment Agreement (Capital Improvements Project 2005 Series  
A)  
Dated: April 1, 2005  
By and between: County of Riverside Asset Leasing Corporation and Wells Fargo  
Bank, National Association as Trustee  
Recorded: April 29, 2005 as Instrument No. 0342128 of Official Records

Reference is made to said document for full particulars.

Said matter affects Parcel B

24. A document subject to all the terms, provisions and conditions therein contained.

Entitled: Infrastructure Easement Agreement  
Dated: May 10, 2006  
By and between: March Joint Powers Authority, a joint powers authority established  
pursuant to the laws of the State of California ("Grantor"), and  
Southern California Edison Company, a corporation ("Grantee")  
Recorded: October 27, 2006 as Instrument No. 2006-0791241 of Official  
Records

Reference is made to said document for full particulars.

Said matter affects Parcel B

The matters contained in a document entitled "Quitclaim Deed (Easement)" recorded February 4, 2008 as Instrument No. 2008-0055601 of Official Records.

Reference is made to said document for full particulars.

25. The fact that said land is included within a project area of the Redevelopment Agency shown below, and that proceedings for the redevelopment of said project have been instituted under the Redevelopment law (such redevelopment to proceed only after the adoption of the redevelopment plan) as disclosed by a document.

Redevelopment Agency: March Joint Powers Redevelopment Agency  
Recorded: June 11, 2007 as Instrument No. 2007-0380610 of Official Records



File No: 09304126

26. A document subject to all the terms, provisions and conditions therein contained.

Entitled: Infrastructure Easement Agreement  
Dated: February 21, 2007  
By and between: March Joint Powers Authority and Southern California Edison  
Company, a California Corporation  
Recorded: March 21, 2008 as Instrument No. 2008-0140918 of Official  
Records

Reference is made to said document for full particulars.

27. Lack of a right of access to and from the land.

Said matter affects Parcel A

28. Matters which may be disclosed by an inspection or by a survey of said land that is satisfactory to this Company, or by inquiry of the parties in possession thereof.

29. Any rights, interests or claims of the parties in possession of said land, including but not limited to those based on an unrecorded agreement, contract or lease.

This Company will require that a full copy of any unrecorded agreement, contract or lease be submitted to us, together with all supplements, assignments and amendments, before any policy of title insurance will be issued.

30. Any easements not disclosed by those public records which impart constructive notice and which are not visible and apparent from an inspection of the surface of said land.

31. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other facts which a correct survey would disclose, and which are not shown by the public records.

**END OF SCHEDULE B EXCEPTIONS**

**PLEASE REFER TO THE "NOTES AND REQUIREMENTS SECTION" WHICH  
FOLLOWS FOR INFORMATION NECESSARY TO COMPLETE THIS TRANSACTION**



### **REQUIREMENTS SECTION:**

REQ NO.1: The Company will require a statement of information from the parties named below in order to complete this report, based on the effect of documents, proceedings, liens, decrees, or other matters which do not specifically describe said land, but which, if any do exist, may affect the title or impose liens or encumbrances thereon.

Parties	Buyers/Sellers
---------	----------------

## INFORMATIONAL NOTES SECTION

NOTE NO. 1: The information on the attached plat is provided for your convenience as a guide to the general location of the subject property. The accuracy of this plat is not guaranteed, nor is it a part of any policy, report or guarantee to which it may be attached.

NOTE NO. 2: California insurance code section 12413.1 regulates the disbursement of escrow and sub-escrow funds by title companies. The law requires that funds be deposited in the title company escrow account and available for withdrawal prior to disbursement. Funds deposited with the company by wire transfer may be disbursed upon receipt. Funds deposited with the company via cashier's check or teller's check drawn on a California based bank may be disbursed on the next business day after the day of deposit. If funds are deposited with the company by other methods, recording and/or disbursement may be delayed. All escrow and sub-escrow funds received by the company will be deposited with other escrow funds in one or more non-interest bearing escrow accounts of the company in a financial institution selected by the company. The company may receive certain direct or indirect benefits from the financial institution by reason of the deposit of such funds or the maintenance of such accounts with such financial institution, and the company shall have no obligation to account to the depositing party in any manner for the value of, or to pay to such party, any benefit received by the company. Those benefits may include, without limitation, credits allowed by such financial institution on loans to the company or its parent company and earnings on investments made with the proceeds of such loans, accounting, reporting and other services and products of such financial institution. Such benefits shall be deemed additional compensation of the company for its services in connection with the escrow or sub-escrow.

### WIRING INSTRUCTIONS FOR THIS OFFICE ARE:

Wells Fargo Bank  
420 Montgomery Street  
San Francisco, CA 94104  
Phone: (888) 384-8400  
ABA #121000248  
Credit To: Lawyers Title Company - Commercial Services  
Account #4122109614

RE: 09304126 903 - CMC

PLEASE INDICATE COMMONWEALTH LAND TITLE COMPANY ESCROW OR TITLE ORDER NUMBER

NOTE NO. 3: Lawyers Title is a division of Commonwealth Land Title Insurance Company. The insurer in policies of title insurance, when issued in this transaction, will be Commonwealth Land Title Insurance Company.

File No: 09304126

NOTE NO. 4 THIS COMPANY REQUIRES CURRENT BENEFICIARY DEMANDS PRIOR TO CLOSING. If the demand is expired and a current demand cannot be obtained, our requirements will be as follows:

(a) If this Company accepts a verbal update on the demand, we may hold an amount equal to one monthly mortgage payment. This hold will be in addition to the verbal hold the lender may have stipulated.

(b) If this Company cannot obtain a verbal update on the demand, we will either pay off the expired demand, or wait for the amended demand, at our discretion.

(c) All payoff figures are verified at closing. If the customer's last payment was made within 15 days of closing, our Payoff Department may hold one month's payment to insure check has cleared the bank (unless a copy of the cancelled check is provided, in which case there will be no hold).

Typist: tga

Date Typed: October 18, 2011

## ATTACHMENT ONE

### AMERICAN LAND TITLE ASSOCIATION RESIDENTIAL TITLE INSURANCE POLICY (6-1-87) EXCLUSIONS

In addition to the Exceptions in Schedule E, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
  - land use
  - improvements on the land
  - land division
  - environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date.

This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.
2. The right to take the land by condemning it, unless:
  - a notice of exercising the right appears in the public records on the Policy Date

In addition to the Exclusions, you are not insured against loss, costs, attorneys' fees, and the expenses resulting from:

1. Any rights, interests, or claims of parties in possession of the land not shown by the public records.
2. Any easements or liens not shown by the public records. This does not limit the lien coverage in Item 8 of Covered Title Risks.

- the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking.
3. Title Risks:
    - that are created, allowed, or agreed to by you
    - that are known to you, but not to us, on the Policy Date—unless they appeared in the public records
    - that result in no loss to you
    - that first affect your title after the Policy Date—this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks
  4. Failure to pay value for your title.
  5. Lack of a right:
    - to any land outside the area specifically described and referred to in Item 3 of Schedule A
    - or
    - in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

3. Any facts about the land which a correct survey would disclose and which are not shown by the public records. This does not limit the forced removal coverage in Item 12 of Covered Title Risks.
4. Any water rights or claims or title to water in or under the land, whether or not shown by the public records

ATTACHMENT ONE  
(Continued)

CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990  
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.  
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:  
(a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;  
(b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;  
(c) resulting in no loss or damage to the insured claimant;  
(d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at Date of Policy); or  
(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

SCHEDULE B, PART I  
EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

PART I

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.

ATTACHMENT ONE  
(CONTINUED)

FORMERLY AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10-17-92)  
WITH A.L.T.A. ENDORSEMENT—FORM 1 COVERAGE  
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.  
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at Date of Policy); or
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
  - (i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
  - (ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
  - (iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
    - (a) to timely record the instrument of transfer; or
    - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage.

In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof, (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records



**ATTACHMENT ONE  
(CONTINUED)**

**2006 AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (06-17-06)  
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
  - (b) not known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
- (c) resulting in no loss or damage to the Insured Claimant;
- (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13 or 14); or
- (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
  - (a) a fraudulent conveyance or fraudulent transfer, or
  - (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage.

In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

**EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records;
- (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or In Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records.

**ATTACHMENT ONE  
(CONTINUED)**

**FORMERLY AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (10-17-92)  
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.  
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:  
(a) created, suffered, assumed or agreed to by the insured claimant;  
(b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;  
(c) resulting in no loss or damage to the insured claimant;  
(d) attaching or created subsequent to Date of Policy; or  
(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:  
(i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or  
(ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:  
(a) to timely record the instrument of transfer; or  
(b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage.

In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage Policy will also include the following Exceptions from Coverage:

**EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.
5. Any lien or right to a lien for services, labor or material not shown by the Public Records.



**ATTACHMENT ONE  
(CONTINUED)**

**2006 AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY (06-17-06)  
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions, or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
  - (a) created, suffered, assumed, or agreed to by the Insured Claimant;

(b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;

- (c) resulting in no loss or damage to the Insured Claimant;
- (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 9 and 10); or
- (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
  - (a) a fraudulent conveyance or fraudulent transfer; or
  - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The above policy form may be issued to afford either Standard Coverage or Extended Coverage.

In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

**EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records;
- (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and that are not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the Public Records

**ATTACHMENT ONE  
(CONTINUED)**

**CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (10-22-03)  
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (10-22-03)  
EXCLUSIONS**

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

- |   |  |
|---|--|
| <p>1. Governmental police power, and the existence or violation of any law or government regulation. This includes ordinances, laws and regulations concerning:</p> <ul style="list-style-type: none"> <li>a. building</li> <li>b. zoning</li> <li>c. Land use</li> <li>d. improvements on Land</li> <li>e. land division</li> <li>f. environmental protection</li> </ul> <p>This Exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date.<br/>This Exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17 or 24.</p> | <p>b. the taking happened before the Policy Date and is binding on You if You bought the Land without Knowing of the taking.</p> <p>4. Risks:</p> <ul style="list-style-type: none"> <li>a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records.</li> <li>b. that are Known to You at the Policy Date, but not to Us, unless they appear in the Public Records at the Policy Date;</li> <li>c. that result in no loss to You; or</li> <li>d. that first occur after the Policy Date—this does not limit the coverage described in Covered Risk 7, 8.d., 22, 23, 24 or 25.</li> </ul> <p>5. Failure to pay value for Your Title.</p> <p>6. Lack of a right:</p> <ul style="list-style-type: none"> <li>a. to any Land outside the area specifically described and referred to in paragraph 3 of Schedule A; and</li> <li>b. in streets, alleys, or waterways that touch the Land.</li> </ul> <p>This Exclusion does not limit the coverage described in Covered Risk 11 or 18.</p> |
| <p>2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.</p> <p>3. The right to take the Land by condemning it, unless:</p> <ul style="list-style-type: none"> <li>a. notice of exercising the right appears in the Public Records at the Policy Date; or</li> </ul>  |  |

**LIMITATIONS ON COVERED RISKS**

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

- For Covered Risk 14, 15, 16, and 18, Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

	<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
Covered Risk 14:	1.00% of Policy Amount or <u>\$2,500.00</u> (whichever is less)	<u>\$10,000.00</u>
Covered Risk 15:	1.00% of Policy Amount or <u>\$5,000.00</u> (whichever is less)	<u>\$25,000.00</u>
Covered Risk 16:	1.00% of Policy Amount or <u>\$5,000.00</u> (whichever is less)	<u>\$25,000.00</u>
Covered Risk 18:	1.00% of Policy Amount or <u>\$2,500.00</u> (whichever is less)	<u>\$5,000.00</u>

**ATTACHMENT ONE  
(CONTINUED)**

**CLTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10)  
ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10)  
EXCLUSIONS**

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
  - a. building;
  - b. zoning;
  - c. land use;
  - d. improvements on the Land;
  - e. land division; and
  - f. environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.
2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
4. Risks:
  - a. that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
  - b. that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
  - c. that result in no loss to You; or
  - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
5. Failure to pay value for Your Title.
6. Lack of a right:
  - a. to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
  - b. in streets, alleys, or waterways that touch the Land.

This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.

**LIMITATIONS ON COVERED RISKS**

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows:

- For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

The deductible amounts and maximum dollar limits shown on Schedule A are as follows:

<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
Covered Risk 16:	\$ 10,000.00
1% of Policy Amount Shown in Schedule A	
or	
\$ 2,500.00	
(whichever is less)	
Covered Risk 18:	\$ 25,000.00
1% of Policy Amount Shown in Schedule A	
or	
\$ 5,000.00	
(whichever is less)	
Covered Risk 19:	\$ 25,000.00
1% of Policy Amount Shown in Schedule A	
or	
\$ 5,000.00	
(whichever is less)	
Covered Risk 21:	\$ 5,000.00
1% of Policy Amount Shown in Schedule A	
or	
\$ 2,500.00	
(whichever is less)	

ATTACHMENT ONE  
(CONTINUED)

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (10/13/01)  
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions or location of any improvements now or hereafter erected on the Land; (iii) a separation in ownership or a change in the dimensions or areas of the Land or any parcel of which the Land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14 and 16 of this policy.  
(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in the Public Records a Date of Policy. This exclusion does not limit the coverage provided under Covered Risks 12, 13, 14, and 16 of this policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the Public Records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without Knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:  
(a) created, suffered, assumed or agreed to by the Insured Claimant;  
(b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;  
(c) resulting in no loss damage to the Insured Claimant;  
(d) attaching or created subsequent to Date of Policy (this paragraph does not limit the coverage provided under Covered Risks 8, 16, 18, 19, 20, 21, 22, 23, 24, 25 and 26); or  
(e) resulting in loss or damage which would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of the Insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the Land is situated.
5. Invalidity or unenforceability of the lien of the Insured Mortgage, or claim thereof, which arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, except as provided in Covered Risk 27, or any consumer credit protection or truth-in-lending law.
6. Real property taxes or assessments of any governmental authority which become a lien on the Land subsequent to date of Policy. This exclusion does not limit the coverage provided under Covered Risks 7, 8(e) and 26.
7. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This exclusion does not limit the coverage provided in Covered Risk 8.
8. Lack of priority of the lien of the Insured Mortgage as to each and every advance made after Date of Policy, and all interest charged thereon, over liens, encumbrances and other matters affecting the title, the existence of which are Known to the Insured at:  
(a) The time of the advance; or  
(b) The time a modification is made to the terms of the Insured Mortgage which changes the rate of interest charged, if the rate of interest is greater as a result of the modification than it would have been before the modification. This exclusion does not limit the coverage provided in Covered Risk 8.
9. The failure of the residential structure, or any portion thereof to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at Date of Policy

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (07/26/10)  
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting or relating to
  - (i) the occupancy, use, or enjoyment of the Land;
  - (ii) the character, dimensions or location of any improvement erected on the Land;
  - (iii) the subdivision of land; or
  - (iv) environmental protection;or the effect of any violation of these laws, ordinances or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims or other matters:  
(a) created, suffered, assumed or agreed to by the Insured Claimant;

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- (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
  - (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
  - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
  5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury, or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
  6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
  7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
  8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
  9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
    - (a) a fraudulent conveyance or fraudulent transfer, or
    - (b) a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.



Lawyers Title Company  
4100 Newport Place Drive  
Suite 120  
Newport Beach, CA 92660  
Phone: (949) 724-3170

File No. 09304126

## Notice of Available Discounts

Pursuant to Section 2355.3 in Title 10 of the California Code of Regulations Fidelity National Financial, Inc. and its subsidiaries ("FNF") must deliver a notice of each discount available under our current rate filing along with the delivery of escrow instructions, a preliminary report or commitment. Please be aware that the provision of this notice does not constitute a waiver of the consumer's right to be charged the filed rate. As such, your transaction may not qualify for the below discounts.

You are encouraged to discuss the applicability of one or more of the below discounts with a Company representative. These discounts are generally described below; consult the rate manual for a full description of the terms, conditions and requirements for such discount. These discounts only apply to transactions involving services rendered by the FNF Family of Companies. This notice only applies to transactions involving property improved with a one-to-four family residential dwelling.

### **FNF Underwritten Title Company**

CLTC – Commonwealth Land Title Company

### **FNF Underwriter**

CLTIC – Commonwealth Land Title Insurance Co.

### **Available Discounts**

#### **FEE REDUCTION SETTLEMENT PROGRAM (CLTC and CLTIC)**

Eligible customers shall receive a \$20.00 reduction in their title and/or escrow fees charged by the Company for each eligible transaction in accordance with the terms of the Final Judgments entered in The People of the State of California.

#### **DISASTER LOANS (CLTIC)**

The charge for a Lender's Policy (Standard or Extended coverage) covering the financing or refinancing by an owner of record, within 24 months of the date of a declaration of a disaster area by the government of the United States or the State of California on any land located in said area, which was partially or totally destroyed in the disaster, will be 50% of the appropriate title insurance rate.

#### **EMPLOYEE RATE (CLTC and CLTIC)**

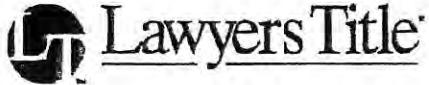


File No: 09304126

No charge shall be made to employees (including employees on approved retirement) of the Company or its underwritten, subsidiary or affiliated title companies for policies or escrow services in connection with financing, refinancing, sale or purchase of the employees' bona fide home property. Waiver of such charges is authorized only in connection with those costs which the employee would be obligated to pay, by established custom, as a party to the transaction.

CLTC Discount Notice

Mod. 1/10/2010



Lawyers Title Company  
4100 Newport Place Drive  
Suite 120  
Newport Beach, CA 92660  
Phone: (949) 724-3170

Order No: 09304126

**"Notice to Customers"**  
**(Involves Residential Real Property in California ONLY)**

You may be entitled to receive a \$20.00 discount on escrow services if you purchased, sold or refinanced residential property in California between May 19, 1995 and November 1, 2002. If you had more than one qualifying transaction, you may be entitled to multiple discounts, however, the maximum discount that can be given in this transaction shall be equal to \$100 (5 x \$20).

If your previous transaction involved the same property that is the subject of your current transaction, you do not have to do anything; the Company will provide the discount, provided you are paying for escrow or title services in this transaction.

If your previous transaction involved property different from the property that is subject of your current transaction, you must - prior to the close of the current transaction - inform the Company of the earlier transaction, provide the address of the property involved in the previous transaction, and the date or approximate date that the escrow closed to be eligible for the discount.

Unless you inform the Company if the prior transaction on property that is not the subject of this transaction, the Company has no obligation to conduct an investigation to determine if you qualify for a discount. If you provide the Company information concerning a prior transaction, the Company is required to determine if you qualify for a discount which is subject to other terms and conditions.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone No: \_\_\_\_\_

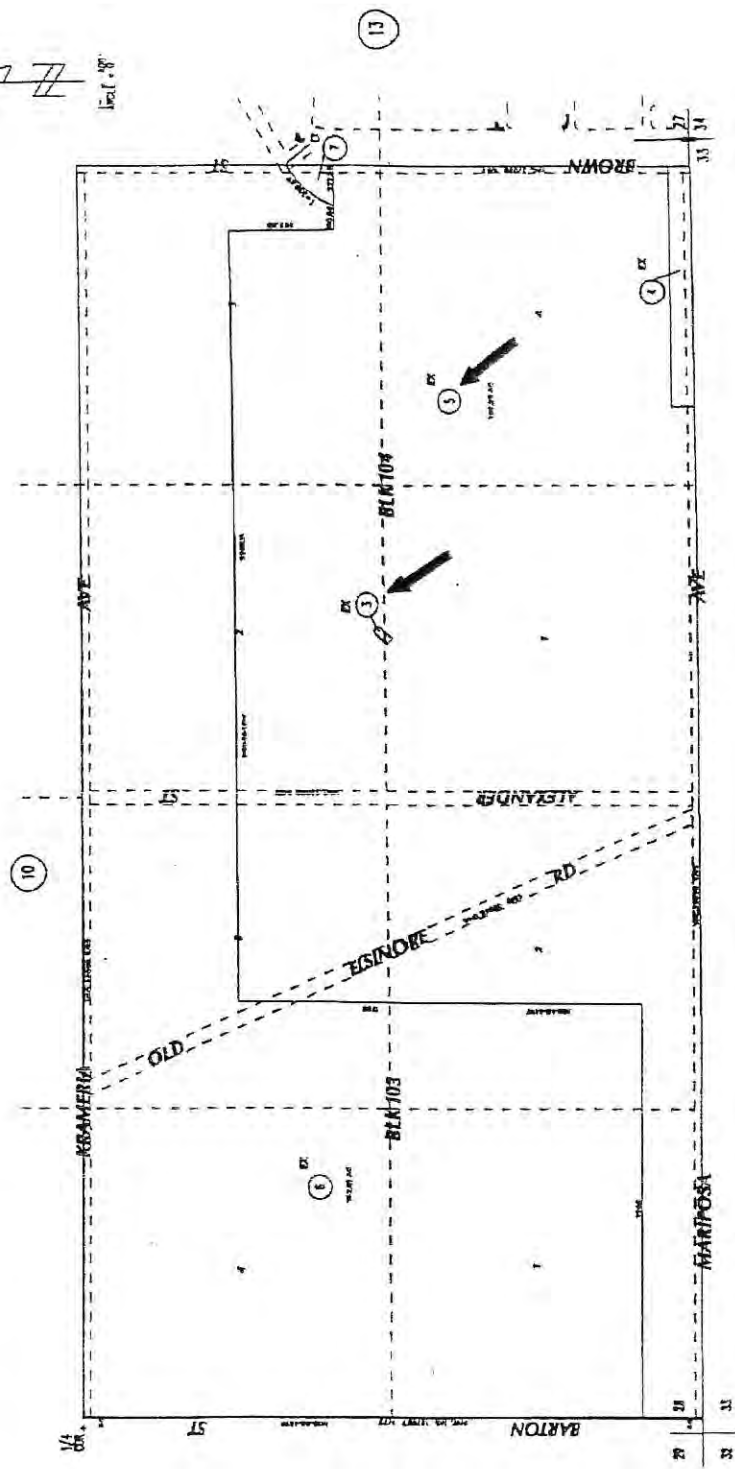


294-11  
11-31

T.R.A. 098-008

POR. SEC 28 T.3S. R.4W

THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE RESULTS OF THE DATA SHOWN. ALEXANDRO TRACT MAY NOT COMPLY WITH LOCAL LOT-SPLIT OR BUILDING SITE ORDINANCES.



DATE	BY	REVISION

JUN 06 2002

947 2002

18 6/13 S.B. ALESSANDRO TRACT

285 01

DATE: 11/01/02 BY: [signature]

ASSESSOR'S MAP BOOK NO. 11  
Herrera/County, Calif. 0020

286 15

286 15

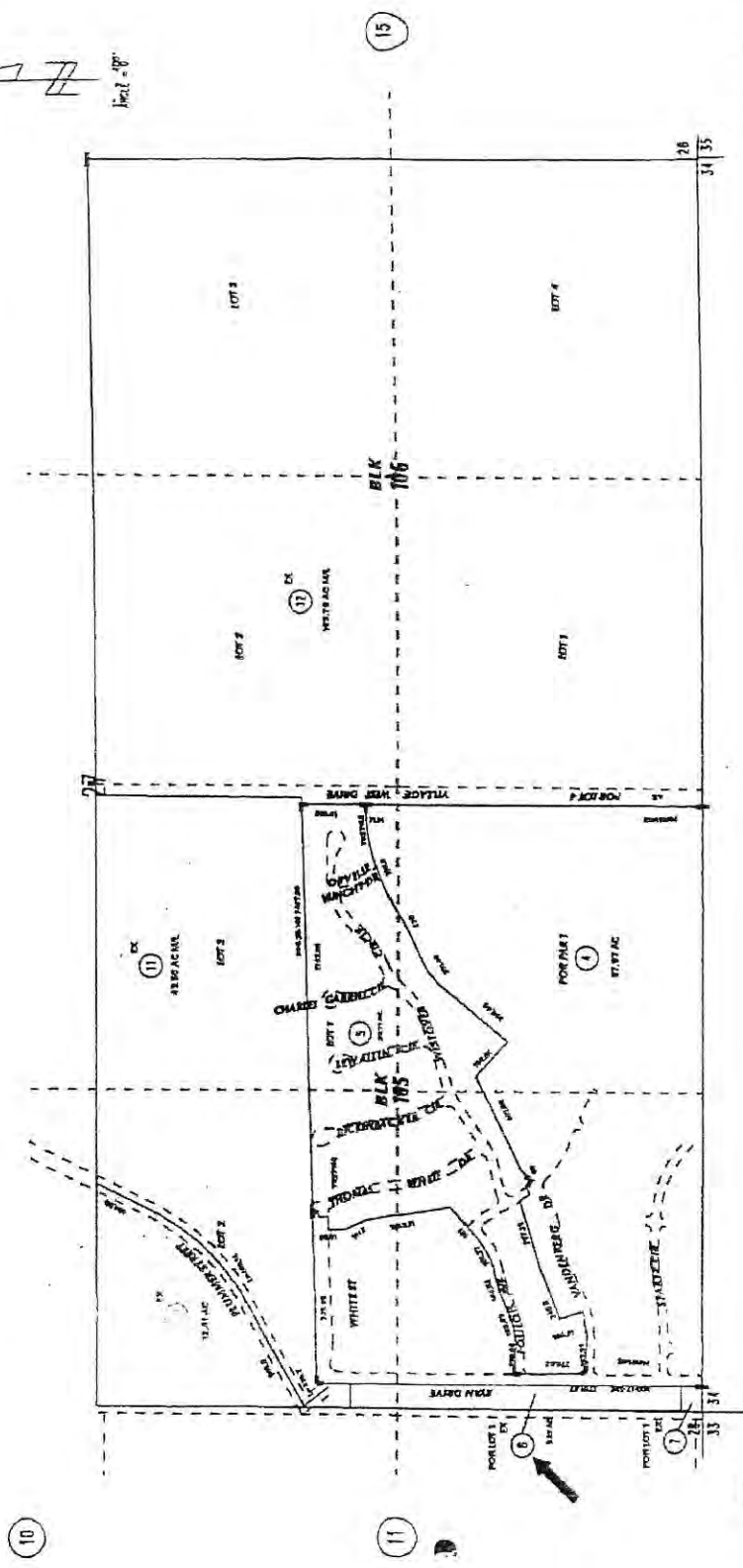


294-13  
11-53

T.R.A. 098-053  
098-081

POR. SEC 27 T. 3S., R. 4W

THIS MAP WAS PREPARED FOR ACADEMIC PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. ASSISTANT'S OFFICE WILL NOT CORRECT WITH LOCAL INSTRUMENTS OR BUILDING SITE INSTRUMENTS.



FEB 0 9 2004

LOT	ACRES	AREA
1	0.11	4.71
2	0.11	4.71
3	0.11	4.71
4	0.11	4.71
5	0.11	4.71
6	0.11	4.71
7	0.11	4.71
8	0.11	4.71
9	0.11	4.71
10	0.11	4.71
11	0.11	4.71

AG 6/13 S.B. ALESSANDRO TRACT  
AB 259/8-12 TR NO 27155  
FM 15/63-84 PM NO 22584

285  
27

DATE: 01/07/04

ASSISTANT'S MAP BOOK PG. 13  
Winterside Const., Calif.

285  
02

EXHIBIT "E"  
SCHEDULE PERFORMANCE MEASURES

**EXHIBIT "E"**  
**SCHEDULE - PERFORMANCE MEASURES**

It is understood and agreed to by the County of Riverside and Riverside Community College District, that the following Performance Measures are applied to the Ground Lease Agreement.

1. **Approval of District's Facilities Plan:** Prior to the submission on an initial Project Proposal (IPP) to the State Chancellor's Office by the District, that all parties to the Ground Lease Agreement shall have the right to review and approve the District's facilities plan for the leased property. Acceptance and approval of said IPP by the County should not unreasonably withheld. Once an IPP is submitted to the State Chancellor's office no additional changes or approvals shall be made.
2. **Utility and Infrastructure Study/Agreement:** At the time of Final Project Proposal (FPP) to the State Chancellor's Office, the District shall conduct, in consultation with the County, a utility and infrastructure study to determine the District's fair share of utility infrastructure obligation and requirements. An agreement for the prorated share of the District's fair share of utility and infrastructure requirements shall be entered into prior to the submission of construction plans in to the Division of State Architects.
3. **Maintenance and Operation Agreement:** Prior to occupancy of the facility under the Lease Agreement, the County and District shall enter in a Maintenance and Operation Agreement to address, maintenance of the facility and the site, including but not limited to the parking lot, landscaping, site lighting, facility utilities, facility maintenance and any other element appropriate by both parties.
4. **Performance Timeline:**
  - a. Submittal of an initial project Proposal (IPP): June 1, 2013
  - b. Submittal of the FFP to state Chancellor's office by District: June 1, 2014
  - c. District ranked for project funding by state: June 1, 2017
  - d. Project funded by and approved state bond by: January 1, 2022
  - e. Planning, construction and occupancy of building by: December 31, 2025