

**SUBMITTAL TO THE FLOOD CONTROL AND
WATER CONSERVATION DISTRICT BOARD
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

809 B



FROM: General Manager-Chief Engineer

SUBMITTAL DATE:
May 15, 2012

SUBJECT: Eastvale MDP Line E-1, Stage 2, Project No. 2-0-00324-02
Tentative Parcel Map 31645
Amended and Restated Agreement
District Two/District Two

RECOMMENDED MOTION:

Approve the Amended and Restated Agreement between the District and SC Eastvale Development Company, LLC (Developer), and authorize the Chairman to execute the Agreement documents on behalf of the District.

BACKGROUND:

The Agreement restates the terms and conditions by which the Developer may earn Eastvale Area Drainage Plan (ADP) Fee Credit through the construction of a segment of District's Eastvale Master Drainage Plan Line E-1 storm drain as originally required as a condition of development for Tentative Parcel Map 31645.

Continued on Page 2

WARREN D. WILLIAMS
General Manager-Chief Engineer

FINANCIAL DATA	Current F.Y. District Cost:	N/A	In Current Year Budget:	N/A
	Current F.Y. County Cost:	N/A	Budget Adjustment:	N/A
	Annual Net District Cost:	N/A	For Fiscal Year:	N/A

SOURCE OF FUNDS: N/A	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY:
Michael R. Shetler

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL 4/17/12
BY:
NEAL R. KIPNIS DATE

- Dept't Recomm.: Consent Policy
- Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: 11.1, May 25, 2010 | District: 2nd/2nd | Agenda Number:

11.6

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

**FLOOD CONTROL AND WATER CONSERVATION DISTRICT BOARD SUBMITTAL
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

SUBJECT: Eastvale MDP Line E-1, Stage 2
Project No. 2-0-00324-02
Tentative Parcel Map 31645
Amended and Restated Agreement

SUBMITTAL DATE: May 15, 2012
Page 2

BACKGROUND (continued):

Additionally, the agreement stipulates the future disposition of certain deposits currently held by the District and that the ADP Fee Credit earned by the Developer may be transferred to certain other developments located within Eastvale ADP.

County Counsel has approved the Agreement as to legal form and the Developer has executed the Agreement.

MHW:bjj

AMENDED AND RESTATED AGREEMENT
Eastvale MDP Line E-1, Stage 2; Project No. 2-0-00324-02
Tentative Parcel Map No. 31645

The RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, a public agency (the "DISTRICT"), and SC EASTVALE DEVELOPMENT COMPANY, LLC, a Delaware limited liability company (the "COMPANY"), hereby agree as follows:

RECITALS

A. In March of 2005, SC EASTVALE DEVELOPMENT CORPORATION, a California corporation (the "CORPORATION"), submitted for approval tentative Parcel Map No. 31645 (the "MAP"), consisting of approximately 196 gross acres located in the unincorporated Eastvale area of western Riverside County and, as a condition of final approval for said MAP, CORPORATION was required to i) construct certain flood control and drainage facilities in order to provide flood protection and drainage for CORPORATION'S proposed subdivision and ii) pay Eastvale Area Drainage Plan fees; and

B. The flood control and drainage facilities required for final approval of the MAP include an extension of DISTRICT'S Eastvale Master Drainage Plan (MDP) Line E-1 ("LINE E-1") consisting of approximately 4,000 lineal feet of underground storm drain system, as shown in concept on Exhibit "A" attached hereto and made a part hereof; and

C. The lands comprising MAP include Riverside County Assessor's Parcel Nos. 160-020-006, 160-020-025, 160-020-029, 160-020-023, 160-020-030, 160-020-005, 160-020-031 and 160-020-032. Legal descriptions for each of the aforementioned parcels are provided in Exhibit "B" attached hereto and made a part hereof.

D. On August 23, 2006, the CORPORATION deposited one million three hundred thirty one thousand nine hundred sixty six dollars and seventy nine cents (\$1,331,966.79) (the

1 "DEPOSIT"), with DISTRICT in order to satisfy the CORPORATION'S Eastvale Area
2 Drainage Plan fee obligation and subsequently proceed with grading of the various parcels
3 located within the MAP. DISTRICT placed DEPOSIT into a Special Account (the
4 "ACCOUNT") from which CORPORATION could be reimbursed pending the completion of
5 further actions of i) obtaining final approval of improvement plans for Line E-1; ii) executing a
6 cooperative agreement establishing the terms and conditions regarding the construction of Line
7 E-1; and iii) furnishing surety for Line E-1; and

8
9 E. In accordance with Riverside County Ordinance No. 460 and the District's "Rules
10 and Regulations for Administration of Area Drainage Plans" (the "ADP RULES"), dated June
11 10, 1980, as amended, DEPOSIT represented an amount equivalent to CORPORATION'S total
12 ADP Fee Obligation associated with the properties included within the boundaries of MAP.

13 F. On September 17, 2008, CORPORATION acquired two hundred seventy two
14 thousand, one hundred forty seven dollars and forty six cents (\$272,147.46) of Eastvale ADP
15 Fee Credit from Lennar Homes of California, a California corporation. DISTRICT and
16 COMPANY agree that this ADP Fee Credit shall be applied against the total ADP Fee
17 Obligation associated with Assessor's Parcel No. 160-020-023; and

18
19 G. On November 20, 2008, District refunded in cash two hundred seventy two
20 thousand, one hundred forty seven dollars and forty six cents (\$272,147.46) from ACCOUNT to
21 CORPORATION; and

22 H. On December 17, 2008, CORPORATION assigned to COMPANY, by means of a
23 General Assignment executed between CORPORATION and COMPANY, all of
24 CORPORATION'S right, title and interest in the MAP together with certain personal property,
25 including the remaining monies held in ACCOUNT in the amount of one million, fifty nine
26 thousand, eight hundred nineteen dollars and thirty three cents (\$1,059,819.33); and
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1 I. CORPORATION has subsequently conveyed its ownership interest in those lands
2 comprising MAP to COMPANY by execution of a Grant Deed recorded December 22, 2008, as
3 Instrument No. 2008-0665795 of the Official Records of Riverside County. By acquiring such
4 interest, COMPANY has also acquired the responsibility to construct the required flood control
5 and drainage facilities necessary to provide flood protection and drainage for the planned
6 development of MAP; and

7 J. On May 25, 2010, DISTRICT and COMPANY entered into an Agreement
8 stipulating, amongst other things, the terms and conditions whereby COMPANY could earn
9 EASTVALE ADP FEE CREDIT and how such credit could be utilized and/or transferred to
10 other properties located within the boundaries of the Eastvale Area Drainage Plan; and
11

12 K. On October 1, 2010, the lands comprising MAP were incorporated into the City of
13 Eastvale (the "CITY"); and

14 L. COMPANY has indicated it no longer plans to proceed with final processing of
15 MAP; however, it still wishes to move forward with the construction of LINE E-1 storm drain
16 as described herein; and
17

18 M. LINE E-1 is an eligible component of the Eastvale ADP. COMPANY wishes to
19 construct LINE E-1 pursuant to a COMPANY administered construction contract and earn ADP
20 Fee Credit as provided by ADP RULES. As stipulated in this Agreement, any ADP Fee Credit
21 granted to COMPANY may be used to satisfy the requirement to pay the ADP Fee Obligation
22 for MAP and/or certain other properties as designated herein; and
23

24 N. DISTRICT has determined that the Eastvale ADP "book value" for construction of
25 LINE E-1 pursuant to a privately administered construction contract is equal to one million, two
26 hundred sixty-five thousand, nine hundred seventeen dollars and forty three cents
27 (\$1,265,917.43). DISTRICT is willing to grant an equivalent amount of ADP Fee Credit to
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1 COMPANY when (i) a Cooperative Agreement establishing the terms and conditions for the
2 design, construction, and acceptance of LINE E-1 has been fully executed; (ii) improvement
3 plans have been signed by DISTRICT'S General Manager-Chief Engineer; and (iii) faithful
4 performance and payment bonds guaranteeing the construction of LINE E-1 are placed with and
5 accepted by DISTRICT; and

6 O. DISTRICT is willing to grant ADP Fee Credit in the amount of one million, two
7 hundred sixty-five thousand, nine hundred seventeen dollars and forty three cents
8 (\$1,265,917.43) to COMPANY provided all of the following actions are completed on or before
9 December 1, 2014; (i) a Cooperative Agreement establishing the terms and conditions for the
10 design, construction, and acceptance of LINE E-1 has been fully executed by DISTRICT, CITY
11 and COMPANY, (ii) the design plans for LINE E-1 have been signed by DISTRICT'S General
12 Manager-Chief Engineer; and (iii) faithful performance and payment bonds required in
13 association with the construction of LINE E-1 have been posted with and approved by the
14 DISTRICT; and

15
16 P. In the event that COMPANY completes all three of the actions stipulated in Recital
17 N by December 1, 2014, the District is willing to refund all monies remaining in ACCOUNT, in
18 the sum of one million, fifty nine thousand, eight hundred nineteen dollars and thirty three cents
19 (\$1,059,819.33), to COMPANY; and

20
21 Q. DISTRICT is also willing to allow COMPANY to transfer any ADP Fee Credit
22 granted pursuant to the Cooperative Agreement referenced in Recital O to WLPX EASTVALE,
23 LLC ("WLPX"), a Delaware limited liability company, or a bona fide successor in interest, for
24 its planned development known as tentative Tract No. 35400, and/or to LEWIS INVESTMENT
25 COMPANY, LLC ("LEWIS"), a California limited liability company, or a bona fide successor
26 in interest, for its planned development known as tentative Parcel Map No. 35933; and
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1 R. In the event that COMPANY fails to fully complete all three of the actions
2 referenced in Recital O by December 1, 2014, COMPANY understands and agrees that all
3 monies remaining in ACCOUNT are forfeited and shall be transferred to DISTRICT'S Eastvale
4 ADP fund, whereupon, all properties comprising MAP shall be deemed to have fulfilled their
5 respective ADP Fee Obligation.

6 NOW, THEREFORE, the parties hereto do hereby mutually agree as follows:

- 7 1. The above recitals are true and correct.
- 8 2. The locations of tentative Parcel Map No. 31645, tentative Parcel Map No. 35933
9 and tentative Tract No. 35400 are shown in concept on Exhibit "C" attached hereto and made a
10 part hereof.
- 11 3. The Eastvale ADP Fee Credit acquired from Lennar Homes, in the amount of two
12 hundred seventy two thousand, one hundred forty seven dollars and forty six cents
13 (\$272,147.46) is hereby assigned to Assessor's Parcel No. 160-020-023 as a credit against any
14 future Eastvale ADP Fee obligation incurred by the property.
- 15 4. Pursuant to this Agreement and ADP RULES, DISTRICT shall grant COMPANY
16 Eastvale ADP Fee Credit in the amount of one million, two hundred sixty-five thousand, nine
17 hundred seventeen dollars and forty three cents (\$1,265,917.43) provided each of the following
18 actions are completed on or before December 1, 2014: (i) a Cooperative Agreement establishing
19 the terms and conditions for the design, construction, inspection and acceptance of LINE E-1
20 has been fully executed by DISTRICT, CITY and COMPANY, (ii) the design plans for LINE
21 E-1 have been signed by DISTRICT'S General Manager-Chief Engineer; and (iii) faithful
22 performance and payment bonds required in association with the construction of LINE E-1 have
23 been posted with and approved by DISTRICT. ADP Fee Credit shall be granted to COMPANY
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1 on the date the Cooperative Agreement is fully executed or the faithful performance and
2 payment bonds are approved, whichever is later.

3 5. It is mutually understood and agreed that DISTRICT shall allow COMPANY to
4 transfer any or all ADP Fee Credit granted pursuant to this Agreement to (i) LEWIS on behalf
5 of tentative Parcel Map No. 35933, and/or (ii) WLPX on behalf of tentative Tract No. 35400,
6 provided COMPANY has executed with LEWIS and/or WLPX, as applicable, an ADP Fee
7 Credit Transfer/Sale Agreement as set forth in concept in Exhibit "D", attached hereto and made
8 a part hereof.

9
10 6. It is mutually understood and agreed that any ADP Fee Credit earned by COMPANY
11 pursuant to this Agreement may only be transferred to tentative Parcel Map No. 35933 and/or
12 tentative Tract No. 35400 as provided herein. The foregoing notwithstanding, no transfer of
13 ADP Fee Credit shall be deemed effective until an original copy of the fully executed
14 Transfer/Sales Agreement is provided to DISTRICT and countersigned by DISTRICT'S Chief
15 of the Planning Division.

16
17 7. Provided each of the following actions are completed on or before December 1,
18 2014: (i) a Cooperative Agreement establishing the terms and conditions for the design,
19 construction, inspection and acceptance of LINE E-1 has been fully executed by DISTRICT,
20 CITY and COMPANY, (ii) the design plans for LINE E-1 have been signed by DISTRICT'S
21 General Manager-Chief Engineer; and (iii) faithful performance and payment bonds required in
22 association with the construction of LINE E-1 have been posted with and approved by CITY or
23 DISTRICT, DISTRICT shall refund all monies remaining in ACCOUNT, in the sum of one
24 million fifty nine thousand eight hundred nineteen dollars and thirty three cents (\$1,059,819.33),
25 to COMPANY.
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1 8. In the event that COMPANY fails to fully complete all three of the above actions by
2 December 1, 2014, COMPANY understands and agrees that all monies remaining in
3 ACCOUNT are forfeited and shall be transferred to the DISTRICT'S Eastvale ADP fund,
4 whereupon, all properties comprising MAP shall be deemed to have fulfilled their respective
5 ADP Fee Obligation.

6 9. Any waiver by DISTRICT of any breach of any one or more of the terms of this
7 Agreement shall not be construed to be a waiver of any subsequent or other breach of the same
8 or of any other term hereof. Failure on the part of DISTRICT to require exact, full and
9 complete compliance with any terms of this Agreement shall not be construed as in any manner
10 changing the terms hereof, or estopping DISTRICT from enforcement hereof.

11 10. This Agreement is to be construed in accordance with the laws of the State of
12 California.

13 11. Any and all notices sent or required to be sent to the parties of this Agreement will
14 be mailed by first class mail, postage prepaid, to the following addresses:
15

16 RIVERSIDE COUNTY FLOOD CONTROL
17 AND WATER CONSERVATION DISTRICT
18 1995 Market Street
19 Riverside, CA 92501
20 Attn: Chief of Planning Division

SC EASTVALE DEVELOPMENT
COMPANY, LLC
c/o Lewis Operating Corporation
Post Office Box 670
1156 N. Mountain Avenue
Upland, CA 91785-0670
Attn: Bryan Goodman

21 12. Any action at law or in equity brought by any of the parties hereto for the purpose of
22 enforcing a right or rights provided for by the Agreement, shall be tried in a court of competent
23 jurisdiction in the County of Riverside, State of California, and the parties hereto waive all
24 provisions of law providing for a change of venue in such proceedings to any other county.

25 13. This Agreement is the result of negotiations between the parties hereto, and the
26 advice and assistance of their respective counsel. The fact that this Agreement was prepared as
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1 a matter of convenience by DISTRICT shall have no import or significance. Any uncertainty or
2 ambiguity in this Agreement shall not be construed against DISTRICT because DISTRICT
3 prepared this Agreement in its final form.

4 14. The rights and obligations of COMPANY shall inure to and be binding upon all
5 heirs, successors and assignees.

6 15. COMPANY shall not assign or otherwise transfer any of its respective rights, duties
7 or obligations hereunder to any person or entity without the written consent of the other parties
8 hereto being first obtained. In the event of any such transfer or assignment, COMPANY
9 expressly understands and agrees that it shall remain liable with respect to any and all of the
10 obligations and duties contained in this Agreement.
11

12 16. The individual(s) executing this Agreement on behalf of COMPANY hereby certify
13 that they have the authority within their respective company(ies) to enter into and execute this
14 Agreement, and have been authorized to do so by any and all boards of directors, legal counsel,
15 and or any other board, committee or other entity within their respective company(ies) which
16 have the authority to authorize or deny entering this Agreement.
17

18 17. This Agreement is intended by the parties hereto as a final expression of their
19 understanding with respect to the subject matter hereof and as a complete and exclusive
20 statement of the terms and conditions thereof and supersedes any and all prior and
21 contemporaneous agreements and understandings, oral or written, in connection therewith. This
22 Agreement may be changed or modified only upon the written consent of the parties hereto.
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IN WITNESS WHEREOF, the parties hereto have executed this Agreement on

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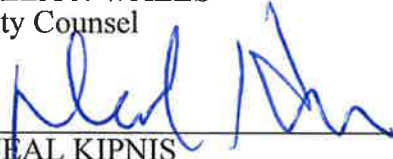
(to be filled in by Clerk of the Board)

RECOMMENDED FOR APPROVAL: **RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT**

By 
WARREN D. WILLIAMS
General Manager-Chief Engineer

By _____
MARION ASHLEY, Chairman
Riverside County Flood Control and Water
Conservation District Board of Supervisors

APPROVED AS TO FORM:

PAMELA J. WALLS
County Counsel
By 
NEAL KIPNIS
Deputy County Counsel

ATTEST:
KECIA HARPER-IHEM
Clerk of the Board
By _____
Deputy
(SEAL)

Cooperative Agreement: TPM 31654
MHW:blj:seb
4/16/12

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SC EASTVALE DEVELOPMENT COMPANY, LLC,
a Delaware limited liability company

By: LEWIS OPERATING CORP.,
a California corporation,
Its Managing Member

By *John M Goodman*

Name John M. Goodman

Its Senior Vice President/CEO/CFO

(ATTACH NOTARY WITH
CAPACITY STATEMENT)

Cooperative Agreement: TPM 31654
MHW:blj:seb
4/16/12

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Bernardino }

On April 27, 2012, before me, Edna A. Montag, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared John M. Goodman
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal Above

Signature Edna A. Montag
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer's Name: _____

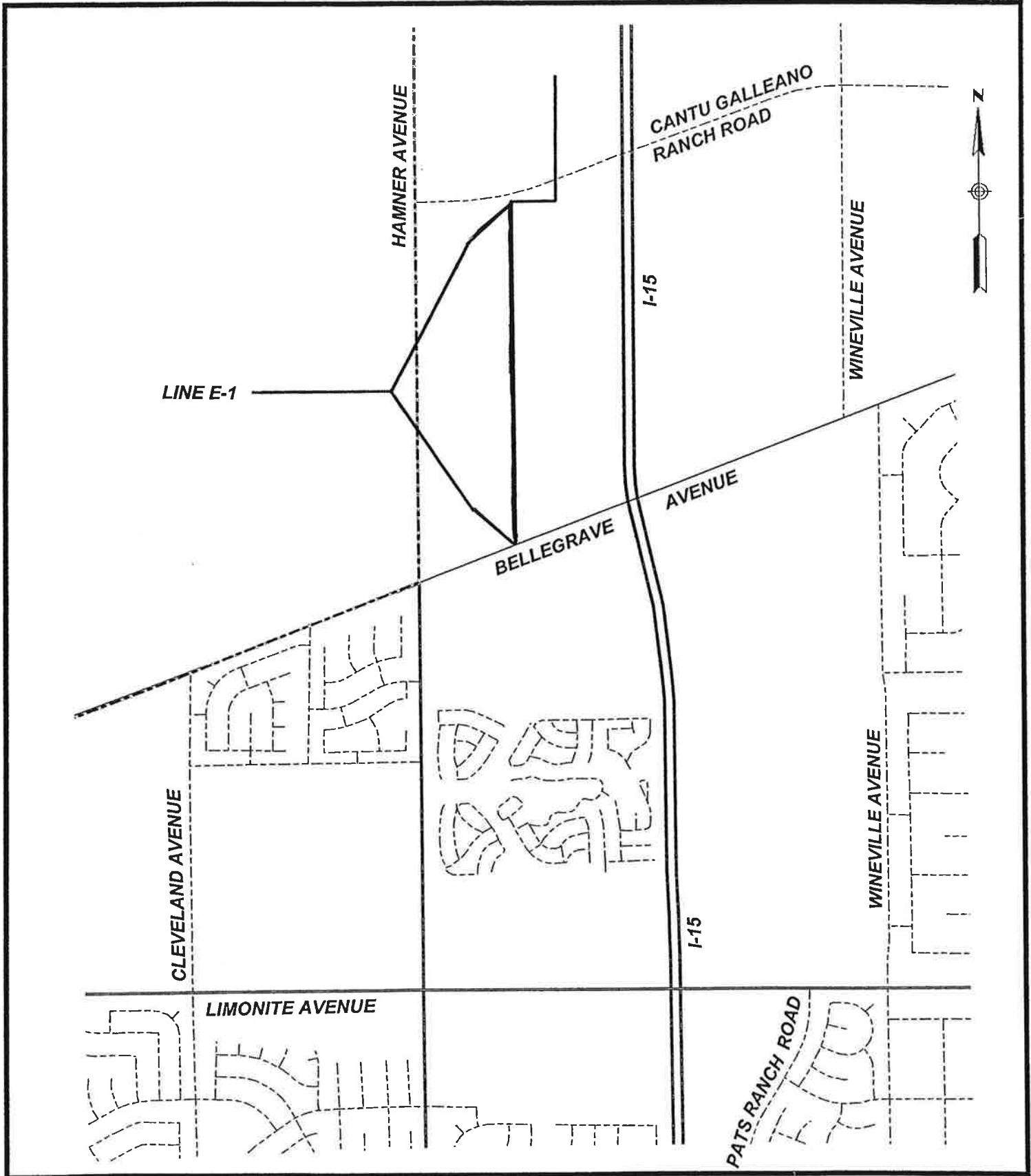
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT OF SIGNER

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Exhibit A



LEGAL DESCRIPTION

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

PARCEL A: APN: 160-020-006-7

LOT 7 TOGETHER WITH THOSE PORTIONS OF LOTS 3 AND 6 AND OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER, ALL OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 6 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF OF SAID TOWNSHIP, APPROVED AUGUST 22, 1895, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 18; THENCE EAST 1,099.66 FEET ON THE SOUTH LINE THEREOF TO THE INTERSECTION OF A LINE PARALLEL WITH, AND EASTERLY 115.50 FEET FROM THE WEST LINE OF SAID LOT 6 AND NORTHWEST QUARTER OF THE SOUTHWEST QUARTER;
THENCE NORTH 00° 00' 03" EAST, 1,820.22 FEET ON SAID PARALLEL LINE;
THENCE WEST 1,102.07 FEET TO THE WEST LINE OF SAID SECTION;
THENCE SOUTH 00° 04' 00" EAST, 1,820.22 FEET TO THE POINT OF BEGINNING.

EXCEPT THE WEST 60.00 FEET.

PARCEL B: APN: 160-020-025-4

THAT PORTION OF SECTION 19, TOWNSHIP 2 SOUTH, RANGE 6 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, APPROVED AUGUST 22, 1895, LYING NORTHWESTERLY OF THE NORTHWEST LINE OF BELLE GRAVE AVENUE, AS SHOWN ON A MAP FILED IN BOOK 15, PAGE 89 OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THAT PORTION LYING EASTERLY OF THE SOUTHERLY PROLONGATION OF A LINE PARALLEL WITH AND EASTERLY 115.50 FEET FROM THE WEST LINE OF LOT 6 IN SECTION 18 OF SAID TOWNSHIP.

ALSO EXCEPT THE WEST 60.00 FEET.

ALSO EXCEPT THEREFROM THAT PORTION CONDEMNED TO CHINO BASIN DESALTER AUTHORITY BY FINAL ORDER OF CONDEMNATION, CASE NO. RIC 406417, A CERTIFIED COPY OF WHICH RECORDED SEPTEMBER 23, 2005, AS INSTRUMENT NO. 2005-788713, OFFICIAL RECORDS.

PARCEL C: APN: 160-020-029-8

THE EASTERLY 245 FEET OF THE WESTERLY 360.5 FEET OF THE EAST HALF OF THE NORTHWEST QUARTER; THE EASTERLY 245 FEET OF THE WESTERLY 360.5 FEET OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE EASTERLY 245 FEET OF THE WESTERLY 360.5 FEET OF GOVERNMENT LOT 6, ALL IN FRACTIONAL SECTION 18, TOWNSHIP 2 SOUTH, RANGE 6 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF;

TOGETHER WITH THAT PORTION OF GOVERNMENT LOT 1 OF FRACTIONAL SECTION 19, TOWNSHIP 2 SOUTH, RANGE 6 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, AS DESCRIBED IN DEED TO SOUTHERN CALIFORNIA EDISON

Exhibit "B"

Order Number: NCS-488644-ONT1

Page Number: 12

COMPANY, A CORPORATION RECORDED JULY 30, 1968 AS INSTRUMENT NO. 73298, OFFICIAL RECORDS.

EXCEPTING THEREFROM THAT PORTION THEREOF LYING WITHIN THE NORTHERLY 1300 FEET OF THE EAST HALF OF THE NORTHWEST QUARTER OF SAID FRACTIONAL SECTION 18.

ALSO EXCEPTING THEREFROM ALL THAT PORTION OF SAID LAND GRANTED TO THE COUNTY OF RIVERSIDE BY DEED RECORDED APRIL 24, 2009 AS INSTRUMENT NO. 2009-0204193 OF OFFICIAL RECORDS.

ALSO EXCEPT AN UNDIVIDED ONE-HALF INTEREST IN AND TO ALL OIL, GAS, PETROLEUM, NAPHTHA AND OTHER HYDROCARBON SUBSTANCES AND MINERALS OF WHATSOEVER KIND AND NATURE, IN, UPON AND BENEATH SAID PROPERTY, AS RESERVED IN DEED FROM FEDERAL LAND BANK OF BERKELEY, RECORDED MAY 10, 1941 IN BOOK 504, PAGE 119, OFFICIAL RECORDS AND MODIFIED BY A QUITCLAIM DEED RECORDED SEPTEMBER 18, 1972 AS INSTRUMENT NO. 124131, OFFICIAL RECORDS, WHICH CONVEYS TO THE OWNER OF SAID LAND THE SURFACE RIGHTS TO A DEPTH OF 500 FEET BELOW THE SURFACE OF SAID LAND.

PARCEL D: APN: 160-020-023-2

THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4, AND LOT 6 IN SECTION 18, TOWNSHIP 2 SOUTH, RANGE 6 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

EXCEPT THE WEST 360.50 FEET.

ALSO EXCEPT THEREFROM THE NORTH 2,883.24 FEET OF THE EAST 1/2 OF THE WEST 1/2 OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 6 WEST, SAN BERNARDINO MERIDIAN.

ALSO EXCEPT THEREFROM AN UNDIVIDED 1/2 INTEREST IN AND TO ALL OIL, GAS, PETROLEUM, NAPHTHA AND OTHER HYDROCARBON SUBSTANCES AND MINERALS OF WHATSOEVER KIND AND NATURE, IN, UPON AND BENEATH SAID PROPERTY, AS RESERVED IN DEED FROM FEDERAL LAND BANK OF BERKELEY, RECORDED MAY 10, 1941 IN BOOK 504, PAGE 119, OFFICIAL RECORDS

PARCEL E: APN: 160-020-030-8

THE NORTHERLY 2,883.24 FEET OF THE EAST HALF OF THE WEST HALF OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 6 WEST, SAN BERNARDINO MERIDIAN.

EXCEPT THEREFROM THE NORTHERLY 1,300 FEET THEREOF.

ALSO EXCEPT THEREFROM THE WESTERLY 360.50 FEET THEREOF.

ALSO EXCEPTING THEREFROM ALL THAT PORTION OF SAID LAND GRANTED TO THE STATE OF CALIFORNIA BY DEED RECORDED APRIL 24, 2009 AS INSTRUMENT NO. 2009-0204194, OF OFFICIAL RECORDS

ALSO EXCEPT THEREFROM AN UNDIVIDED ONE-HALF INTEREST IN AND TO ALL OIL, GAS, PETROLEUM, NAPHTHA AND OTHER HYDROCARBON SUBSTANCES AND MINERALS OF WHATSOEVER KIND AND NATURE, IN, UPON AND BENEATH SAID PROPERTY, AS RESERVED IN DEED FROM FEDERAL LAND BANK OF BERKELEY, RECORDED MAY 10, 1941 IN BOOK 504, PAGE 119, OFFICIAL RECORDS

PARCEL F: APN: 160-020-005-0

First American Title Insurance Company

Exhibit "B"

PARCEL 2 OF PARCEL MAP NO. 14348, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 74, PAGES 11 AND 12 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL G: APN: 160-020-031 & 032

A PARCEL OF LAND LYING WITHIN GOVERNMENT LOT 1 IN THE NORTHWEST QUARTER OF FRACTIONAL SECTION 18, TOWNSHIP 2 SOUTH, RANGE 6 WEST, SAN BERNARDINO MERIDIAN AND AS SHOWN ON RECORD OF SURVEY ON FILE IN BOOK 56, PAGE 66 OF RECORDS OF SURVEY, RECORDS OF THE RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF LOT "A" OF PARCEL MAP 14348 ON FILE IN BOOK 74, PAGES 11 AND 12 OF PARCEL MAPS, SAID POINT ALSO BEING ON THE SOUTH LINE OF THAT CERTAIN PARCEL OF LAND CONVEYED BY DEED RECORDED DECEMBER 29, 1995 AS INSTRUMENT NO. 434748, ALL BEING RECORDS OF SAID RECORDER;

THENCE ALONG SAID SOUTH LINE OF SAID INSTRUMENT NUMBER 434748 S89°02'45"E, A DISTANCE OF 74.664 METERS, TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUING ALONG SAID SOUTH LINE OF SAID INSTRUMENT NUMBER 434748, S 89°02'45" E, A DISTANCE OF 232.665 METERS TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 85.000 METERS AND A RADIAL BEARING OF N 49°39'43"E;

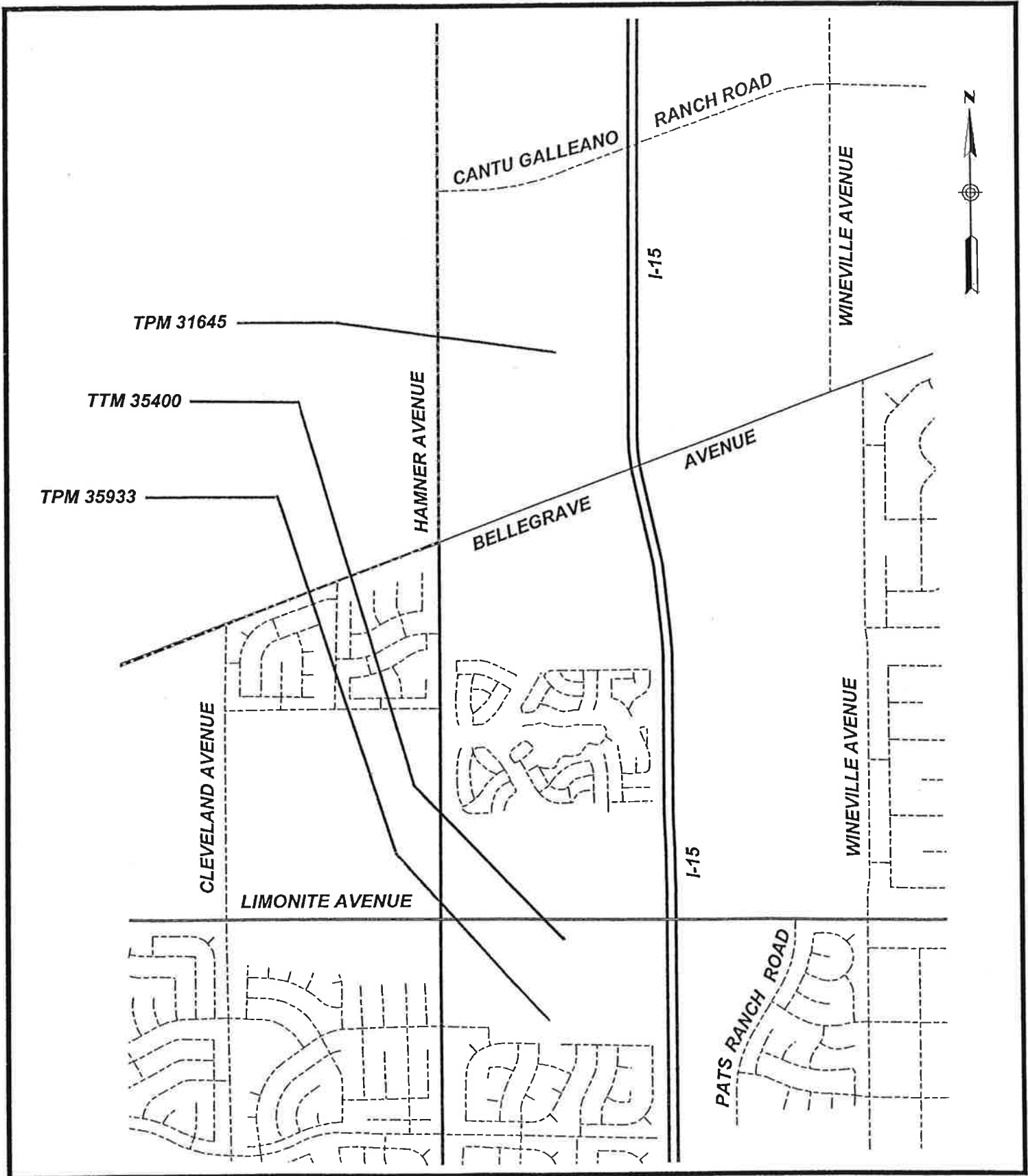
THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 40°22'32", A DISTANCE OF 59.899 METERS;

THENCE N 80° 42'49" W, A DISTANCE OF 28.035 METERS;

THENCE S 77°10'32" W, A DISTANCE OF 111.945 METERS;

THENCE S 84° 02'38" W, A DISTANCE OF 44.982 METERS TO THE TRUE POINT OF BEGINNING.

Exhibit "C"



Tentative Parcel Map 31645

Exhibit "C"

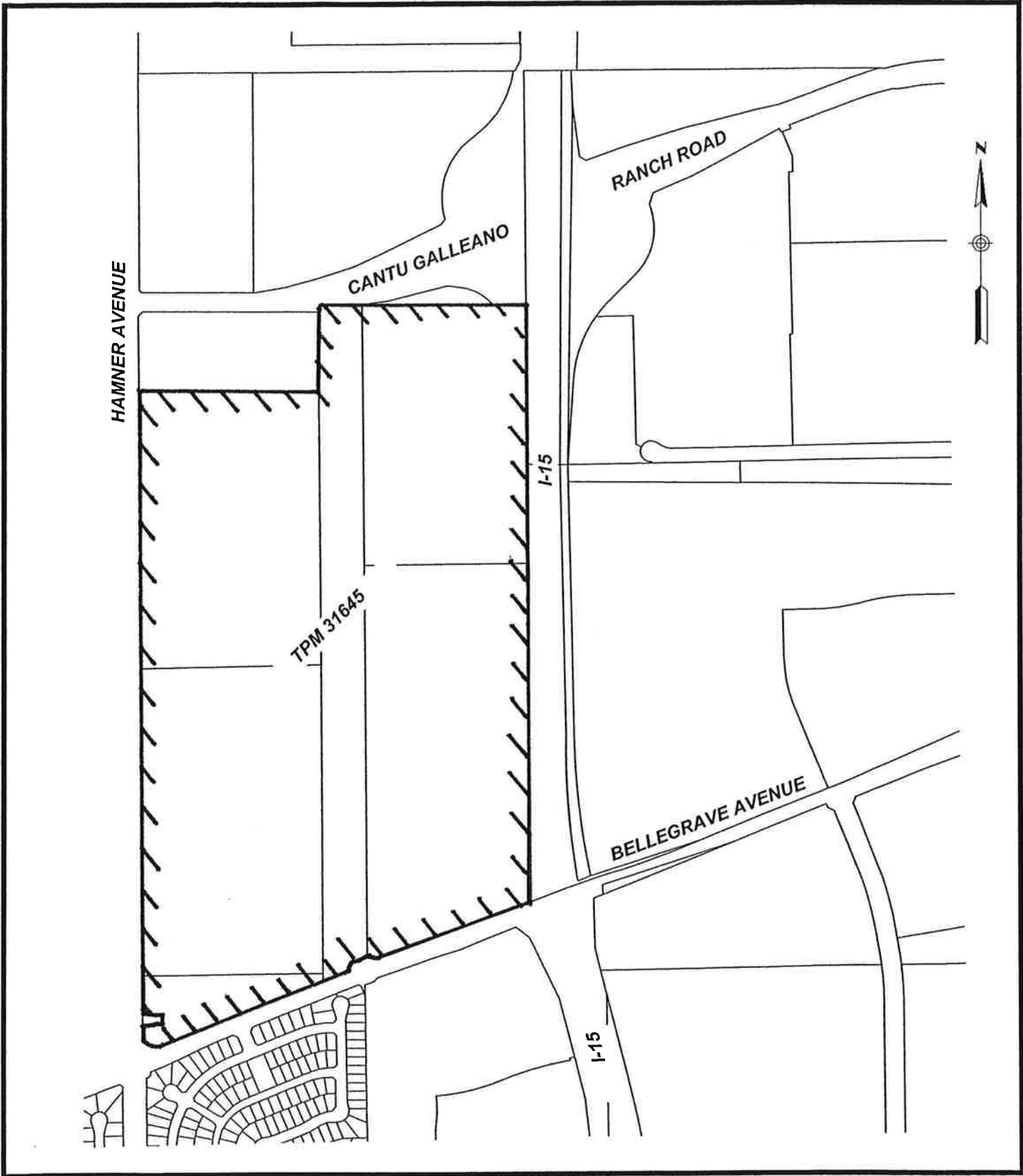


Exhibit "C"

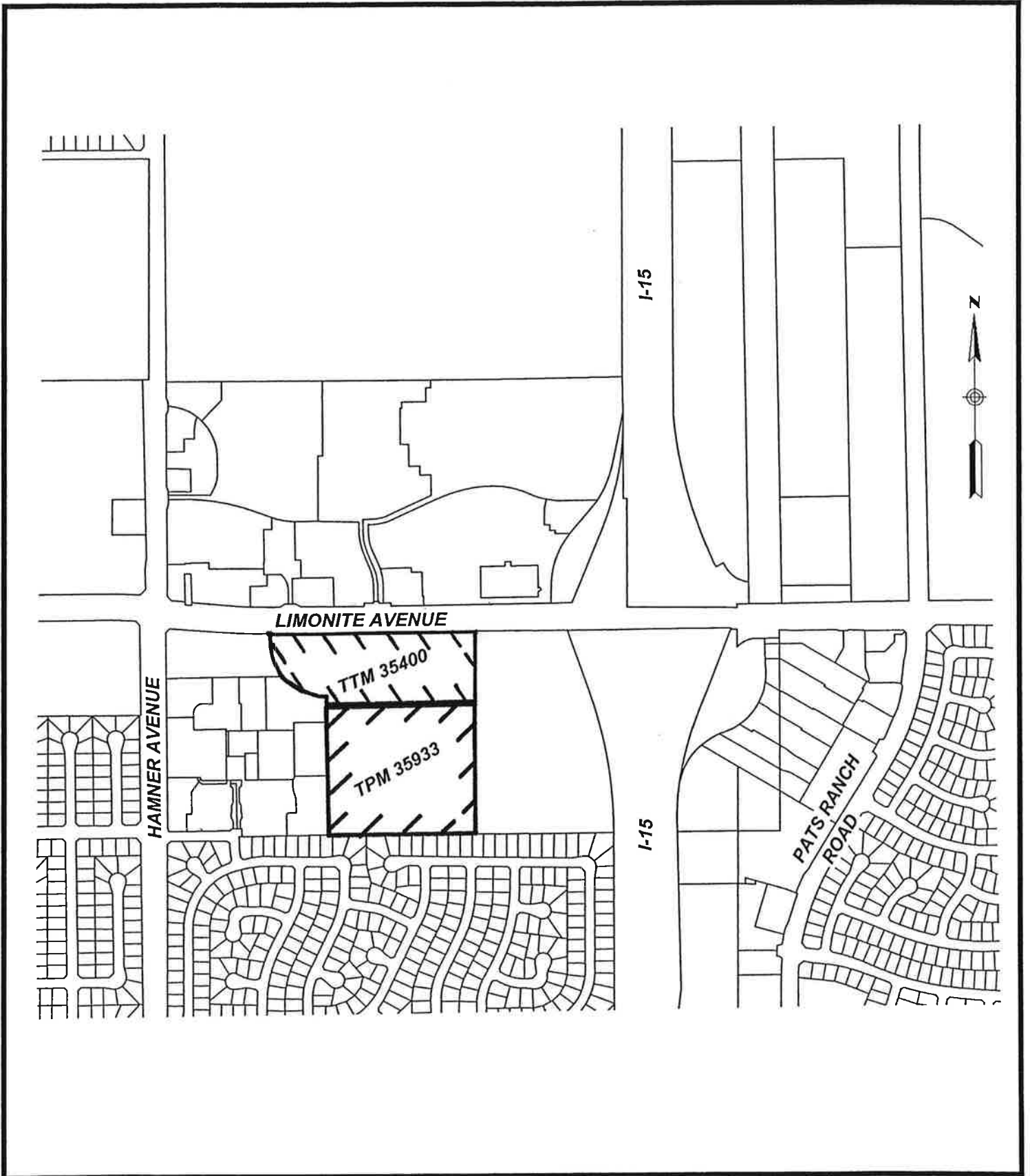


EXHIBIT "D"

**SAMPLE:
ADP CREDITS Transfer/Sale Agreement**

Pursuant to an Agreement dated _____, 20____, between the RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, hereinafter called "DISTRICT", the COUNTY OF RIVERSIDE, hereinafter called "COUNTY", and SC EASTVALE DEVELOPMENT COMPANY, LLC, hereinafter called "COMPANY", which is hereby incorporated herein by this reference and hereinafter called "AGREEMENT", and for good and valuable consideration, receipt of which is hereby acknowledged, the undersigned agree as follows:

1. COMPANY, hereinafter called "ASSIGNOR", currently owns \$_____ of Eastvale Area Drainage Plan Credits, hereinafter called "CREDITS", originally earned on _____ as evidenced by the attached CREDIT STATEMENT.

2. ASSIGNOR hereby transfers, sells, grants and conveys \$_____ of said CREDITS and all of the rights, title, interest, benefits and privileges of said CREDITS to _____, hereinafter called "ASSIGNEE", to satisfy the requirement to pay drainage fees for APN [List all applicable: _____] located within the Eastvale Area Drainage Plan.

3. ASSIGNEE hereby accepts the foregoing transfer of CREDITS and certifies that the foregoing is correct and is aware of and understands the terms of AGREEMENT.

4. The transfer or sale of CREDITS provided for under this Transfer/Sale Agreement may be the subject of additional agreements between ASSIGNOR and ASSIGNEE. Notwithstanding any term, condition or provision of such additional agreements, the rights of DISTRICT arising under or from AGREEMENT, and this Transfer/Sale Agreement shall not be affected, diminished or defeated in any way, except upon the express written agreement of DISTRICT.

5. The transfer or sale of CREDITS provided for under this Transfer/Sale Agreement shall not be deemed effective until a fully executed original copy of this document is provided to DISTRICT and countersigned by DISTRICT'S Chief of Planning Division.

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EXHIBIT "D"

"ASSIGNOR"

SC EASTVALE DEVELOPMENT COMPANY, LLC

a Delaware limited liability company

By: LEWIS OPERATING CORP.,
a California corporation,
Its Managing member

By _____

Name _____

Title _____

(ATTACH NOTARY WITH
CAPACITY STATEMENT)

"ASSIGNEE"

COMPANY NAME

By _____

Title _____

Dated _____

(ATTACH NOTARY WITH
CAPACITY STATEMENT)

**RIVERSIDE COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT**

By _____

CHIEF OF PLANNING DIVISION

Date: _____