

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



939

**FROM:** Economic Development Agency / Facilities Management

**SUBMITTAL DATE:**

May 23, 2012

**SUBJECT:** Resolution No. 2012-075, Authorization to Exchange Real Property in the City of Moreno Valley

**RECOMMENDED MOTION:** That the Board of Supervisors:

- Adopt Resolution No. 2012-075, Authorization to Exchange Real Property in the City of Moreno Valley, Riverside County, California, involving the conveyance by the County of Riverside (County) of its approximately 23 acres of vacant land located in the City of Moreno Valley, Assessor's Parcel Number 486-300-010, to Moreno Valley Properties, LP, (MVP) via grant deed, in exchange for the conveyance by MVP of the easterly portion of its real property with Assessor's Parcel Number 486-280-052 of approximately 23 acres of vacant land located in the City of Moreno Valley, to the County via grant deed;

(Continued)

FISCAL PROCEDURES APPROVED  
PAUL ANGULO, CPA, AUDITOR-CONTROLLER  
BY: Samuel Wong 5/22/12  
SAMUEL WONG

Robert Field  
Robert Field  
Assistant County Executive Officer/EDA

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 5,800	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2011/12

**COMPANION ITEM ON BOARD OF DIRECTORS AGENDA:** No

**SOURCE OF FUNDS:** RCRMC Operating Budget

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input checked="" type="checkbox"/>

**C.E.O. RECOMMENDATION:** APPROVE

**County Executive Office Signature**

BY: Jennifer Sargent  
Jennifer Sargent

By: Seun Chon  
Reviewed by: CIP TEAM  
Departmental Concurrence  
Douglas Bagley, Hospital Administration

Dep't Recomm.:  Consent  Policy  
Per Exec. Ofc.:  Consent  Policy

FORM APPROVED COUNTY COUNSEL  
BY: Synthia M. Gunzel  
DATE: 5/10/12  
SYNTHIA M. GUNZEL

Prev. Agn. Ref.: 3.14 of 5/1/2012

District: 5/5

Agenda Number: **3.31**

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

**RECOMMENDED MOTION:** (Continued)

2. Approve the Real Estate Exchange Agreement and Escrow Instructions by and between Moreno Valley Properties, LP and the County of Riverside, and authorize the Chairman of the Board of Supervisors to execute this Agreement and any other documents necessary to complete the exchange;
3. Authorize the Chairman of the Board of Supervisors to execute the Grant Deed conveying the county-owned property to Moreno Valley Properties, LP;
4. Authorize the Assistant County Executive Officer/EDA to certify acceptance of any documents running in favor of the County as part of this transaction; and
5. Authorize the Assistant County Executive Officer/EDA, or his designee to execute any other documents and administer all actions necessary to complete this transaction.

**BACKGROUND:**

Pursuant to Government Code Section 25365, a county may exchange real property or any interest therein, belonging to the county with any person, if the property or interest therein to be conveyed is not required for county use and the property to be acquired is needed for county use. This exchange may be upon the terms and conditions as are agreed upon and without complying with any other provisions of the Government Code. The value of the private real property exchanged shall be equal to or greater than 75% of the value of the county property offered in the exchange.

The County of Riverside intends to convey the fee simple interest in real property located in the City of Moreno Valley, County of Riverside, Assessor's Parcel Number 486-300-010, in exchange for the fee simple interest in real property for a portion of Assessor's Parcel Number 486-280-052, by grant deeds. The properties have been valued equally by an independent MAI appraiser hired by the county. No other consideration shall be paid by either party.

Pursuant to CEQA Guidelines Section 15061 (b) (3) and Section 15004 (b), the activity is exempt from CEQA and will not have the potential for causing a significant effect on the environment. A Notice of Exemption will be filed and posted with the Riverside County Clerk for the required 30 days after Board approval.

On May 1, 2012, the Board approved Resolution No. 2012-074, Notice of Intention to Exchange Real Property in the City of Moreno Valley.

Staff recommends adoption of Resolution No. 2012-075, Authorization to Exchange Real Property in the City of Moreno Valley. The proposed exchange of county-owned property for the land owned by Moreno Valley Properties, LP would be of greater benefit to the County of Riverside, since the Moreno Valley Properties, LP parcel is contiguous to the existing Riverside County Regional Medical Center (RCRMC) facility. As a result, the larger site will permit the County to continue its expansion of RCRMC westerly instead of across a busy arterial (Cactus Avenue).

Resolution 2012-075 has been approved as to form by County Counsel.

FINANCIAL DATA: (Commences on Page 3)

**FINANCIAL DATA:**

Due diligence expenses were already authorized under Minute Order 3.14, approved by the Board of Supervisors on May 1, 2012. Each party shall pay one half of the escrow expense, estimated to be \$3,200. Each party shall purchase its own title insurance, estimated at \$4,200.

**Attachments:**

Real Estate Exchange Agreement and Escrow Instructions



1 BOARD OF SUPERVISORS

COUNTY OF RIVERSIDE

2 RESOLUTION NO. 2012-075

3 AUTHORIZATION TO EXCHANGE REAL PROPERTY  
4 IN THE CITY OF MORENO VALLEY, COUNTY OF RIVERSIDE  
5

6 WHEREAS, the County needs to acquire additional real property for the expansion of the  
7 Riverside County Regional Medical Center ("Facility") to provide for future expansion needs;

8 WHEREAS, the County owns that certain vacant 23 acre parcel of real property, with  
9 Assessor's Parcel Number 486-300-010, located in the City of Moreno Valley, County of  
10 Riverside, State of California, which is not required for county use;

11 WHEREAS, an property owner adjacent to the Facility, Moreno Valley Properties, LP  
12 (MVP) owns certain real property consisting of 76 acres of vacant land with Assessor's Parcel  
13 Number 486-280-052, where approximately 23 acre easterly portion thereof is to be conveyed to  
14 the County, and is desired by the County to accommodate the County's future needs for the  
15 Facility;

16 WHEREAS, pursuant to Government Code Section 25365, the County may exchange  
17 real property belonging to the County with any person upon the terms and conditions as are  
18 agreed upon and without complying with any other provisions of the Government Code, if the  
19 property to be conveyed is not required for County use, the property to be acquired is needed  
20 for County use and the values of each parcel are approximately equal;

21 WHEREAS the County and Moreno Valley Properties, LP now desire to exchange the fee  
22 simple interests in real property described herein; and

23 WHEREAS, the property to be acquired by the County would be of great benefit to the  
24 County and the expansion of the Facility due to the location and proximity of this real property to  
25 the Facility; now, therefore,

26 BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Supervisors of the  
27 County of Riverside, California, in regular session assembled on June 5, 2012, at 9:00 am, in  
28 the meeting room of the Board of Supervisors, located on the 1<sup>st</sup> floor of the County

FORM APPROVED COUNTY COUNSEL  
BY: *Synthia M. Gunzel* 5-10-12  
SYNTHIA M. GUNZEL  
DATE

1 Administrative Center, 4080 Lemon Street, Riverside, California, authorizes the exchange of  
2 real property interests with Moreno Valley Properties, LP and approves that certain Real Estate  
3 Exchange Agreement and Escrow Instructions (Exchange Agreement) by and between the  
4 County and Moreno Valley Properties, LP for the following described fee simple interests in real  
5 property and pursuant to the terms and conditions of the Exchange Agreement. The County  
6 and Moreno Valley Properties, LP will consummate the exchange through escrow and pursuant  
7 to a Real Estate Exchange Agreement whereby the County conveys the above described  
8 county-owned real property to Moreno Valley Properties, LP and Moreno Valley Properties, LP  
9 will convey its real property as described above to the County. This exchange transaction is in  
10 conformance with Government Code Section 25365 because the values of each parcel are  
11 approximately the same.

12 BE IT FURTHER RESOLVED AND DETERMINED that the Chairman of the Board of  
13 Supervisors of the County of Riverside is authorized to execute the Exchange Agreement and  
14 any other documents to complete the conveyance of real property and this transaction.

15 BE IT FURTHER RESOLVED AND DETERMINED that the Assistant County Executive  
16 Officer for the Economic Development Agency, or his designee, is authorized to execute any  
17 other documents to complete this transaction.

18 BE IT FURTHER RESOLVED AND DETERMINED that the Clerk of the Board of  
19 Supervisors has given notice hereof as provided in Section 6061 of the Government Code.

1 **REAL ESTATE EXCHANGE AGREEMENT**  
2 **AND ESCROW INSTRUCTIONS**  
3

4 This REAL ESTATE EXCHANGE AGREEMENT AND ESCROW INSTRUCTIONS,  
5 (“AGREEMENT”) is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2012  
6 (“Effective Date”) by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of  
7 California, hereinafter described as "COUNTY", and MORENO VALLEY PROPERTIES, LP, a  
8 Delaware limited partnership, hereinafter described as "MVP". COUNTY and MVP are sometimes  
9 hereinafter referred to collectively as the “Parties”.

10 **RECITALS**

11 A. COUNTY is the owner of certain real property located on the corner of Nason and Cactus  
12 Avenue in the City of Moreno Valley, County of Riverside, State of California, with Assessor’s parcel  
13 number 486-300-010, consisting of approximately 23 acres of unimproved vacant land, which is more  
14 particularly described and shown in Exhibits “A” and “B”, (“COUNTY PROPERTY”), attached hereto  
15 and by this reference incorporated herein.

16 B. MVP is the owner of certain real property located along Cactus Avenue in the City of  
17 Moreno Valley, County of Riverside, State of California, with Assessor’s parcel number 486-280-052,  
18 consisting of approximately 76 acres of unimproved vacant land, a portion thereof to be conveyed by  
19 MVP to COUNTY of approximately 23 acres of land which is to be conveyed by MVP is more  
20 particularly described and shown in Exhibits “C” and “D”, (MVP PROPERTY), attached hereto and by  
21 this reference incorporated herein.

22 C. Pursuant to Government Code Section 25365, the COUNTY may exchange real property  
23 with any person, firm, or corporation, where the real property to be exchanged is not required for county  
24 use and the property to be acquired is required for county use provided the value of any private real  
25 property exchanged shall be equal to, or greater than, 75 percent of the value of the county property  
26 offered in exchange.

27 D. The COUNTY PROPERTY is no longer needed for county use, the real property to be  
28 acquired by the COUNTY is required for county use due to its proximity to the Riverside County

1 Regional Medical Center property and the values of each parcel of land are approximately the same.

2 E. The Parties desire to exchange fee interests in real property whereby the COUNTY desires  
3 to convey the fee interest in the COUNTY PROPERTY to MVP and MVP desires to convey the fee  
4 interest in the MVP PROPERTY to COUNTY as specifically described herein. For purposes of this  
5 Exchange Agreement, the COUNTY PROPERTY and the MVP PROPERTY may be referred to  
6 individually as the Exchange Property or collectively as the Exchange Properties.

7 NOW, THEREFORE, and in consideration of the mutual covenants and agreements herein  
8 contained, and for other good and valuable consideration, the receipt and adequacy of which are hereby  
9 acknowledged, the Parties hereby agreed as follows:

10 **AGREEMENT**

11 **1. EXCHANGE OF PROPERTIES**

12 1.1 Incorporation. The recitals set forth above are true and correct and by this reference  
13 incorporated in this AGREEMENT.

14 1.2 Conveyance and Exchange. The Parties agree to convey and exchange their respective  
15 Exchange Properties upon the following terms and conditions:

16 1.2.1 COUNTY shall convey to MVP fee title to the COUNTY PROPERTY free and  
17 clear of all liens (mechanics' or monetary) and other monetary encumbrances, assessments,  
18 mortgages, deeds of trust, leases, (recorded and unrecorded) and taxes. COUNTY shall  
19 not, after full execution of this Exchange Agreement, cause or permit any new liens,  
20 covenants, conditions, restrictions, or any other matter to encumber title to the COUNTY  
21 PROPERTY by record or otherwise except for such matters that have been expressly  
22 approved in writing by MVP. MVP agrees to accept COUNTY PROPERTY in an "as-is"  
23 condition with all faults and expressly without any other warranties, representation or  
24 guarantees, either express or implied of any kind, nature or type whatsoever from or on  
25 behalf of COUNTY except those provided herein Section 7.

26 1.2.2 MVP shall convey to COUNTY fee title to the MVP PROPERTY free and clear of  
27 all liens (mechanics' or monetary) and other monetary encumbrances, assessments,  
28 mortgages, deeds of trust, leases, (recorded and unrecorded) and taxes. MVP shall not,



1 after full execution of this Exchange Agreement, cause or permit any new liens, covenants,  
2 conditions, restrictions, or any other matter to encumber title to the MVP PROPERTY by  
3 record or otherwise except for such matters that have been expressly approved in writing  
4 by COUNTY. COUNTY agrees to accept MVP PROPERTY in an "as-is" condition with  
5 all faults and expressly without any other warranties, representation or guarantees, either  
6 express or implied of any kind, nature or type whatsoever from or on behalf of MVP except  
7 those provided herein Section 7.

8 1.2.3 COUNTY shall not oppose MVP's development plans for the COUNTY  
9 PROPERTY and MVP'S surrounding properties. MVP shall not oppose COUNTY's  
10 development plans for the MVP PROPERTY. COUNTY shall reasonably cooperate with  
11 MVP in granting temporary easements to MVP on the MVP PROPERTY in connection  
12 with MVP'S development of the COUNTY PROPERTY and MVP'S surrounding  
13 properties; provided, however, such temporary easements shall not materially and  
14 adversely affect COUNTY'S use or development of the MVP PROPERTY. MVP shall  
15 reasonably cooperate with COUNTY in granting temporary easements to COUNTY on the  
16 COUNTY PROPERTY in connection with COUNTY'S development of the MVP  
17 PROPERTY; provided, however, such temporary easements shall not materially and  
18 adversely affect MVP'S use or development of the COUNTY PROPERTY.

19 **2. CONSIDERATION**

20 2.1 Value of Exchange Properties. The Parties agree that the values of the Exchange Properties  
21 are approximately the same value for each respective 23 acres of unimproved vacant land.

22 2.2 Consideration. The value of each of the Exchange Properties described herein shall be full  
23 consideration for acquisition of the other.

24 **3. CONDITION OF TITLE**

25 3.1 Updated Title Report. COUNTY and MVP will provide to each other, prior to the Close of  
26 Escrow, an updated title report ("TR") on their respective Exchange Properties reflecting the current status  
27 of title on each Exchange Property, together with all underlying documents referred to therein.

28 3.2 Title Insurance. At the COUNTY'S option and expense, the title insurer shall issue or

1 commit to issuing a CLTA Owner's Title Insurance Policy for MVP PROPERTY, upon COUNTY'S  
2 request in the amount of the value of the MVP PROPERTY ("Title Policy") and subject only to the  
3 permitted exceptions ("Permitted Exceptions") approved by the COUNTY. At MVP'S option and  
4 expense, the title insurer shall issue or commit to issuing a CLTA Owner's Title Insurance Policy for  
5 COUNTY PROPERTY, upon MVP's request in the amount of the value of the COUNTY PROPERTY  
6 ("Title Policy") and subject only to the permitted exceptions ("Permitted Exceptions") approved by MVP.

7 3.3 Grant Deed. Prior to Close of Escrow, each party shall execute, acknowledge and deliver to  
8 escrow a Grant Deed for the appropriate Exchange Property, in the form attached hereto as Exhibit "E"  
9 (COUNTY to MVP) or Exhibit "F" (MVP to COUNTY), as applicable, conveying the Exchange Property  
10 to the appropriate party subject only to any other matters approved in writing by the appropriate party.

11 **4. ESCROW**

12 4.1 Opening Escrow. Upon execution of this AGREEMENT by all Parties, COUNTY shall  
13 open an Escrow with Orange Coast Title Company, 3536 Concourse Drive #120, Ontario, CA 91764  
14 ("ESCROW HOLDER"), for the purposing of consummating the conveyance and transfer of the  
15 COUNTY PROPERTY and MVP PROPERTY. Upon opening Escrow, COUNTY shall deposit the  
16 executed AGREEMENT with ESCROW HOLDER and both Parties shall deposit the executed Deeds with  
17 ESCROW HOLDER within the time specified herein.

18 4.2 Escrow Instructions. This executed AGREEMENT shall constitute as the escrow  
19 instructions to ESCROW HOLDER. The Parties agree to execute such additional instructions as may be  
20 required by ESCROW HOLDER or otherwise in order to complete this transaction, provided however that  
21 such instructions shall not conflict with any provisions of this AGREEMENT. If there is any  
22 inconsistency between such additional instructions and this AGREEMENT, this AGREEMENT shall  
23 control unless the Parties expressly agree in writing otherwise.

24 4.3 Close of Escrow. This conveyance and exchange of the COUNTY PROPERTY and MVP  
25 PROPERTY shall take place no later than the date that is sixty (60) days after this AGREEMENT is  
26 delivered to ESCROW HOLDER ("Closing Date," "Close of Escrow," or the "Closing"). The "Closing  
27 Date," "Close of Escrow," or the "Closing" shall mean the date ESCROW HOLDER concurrently records  
28 the two Grant Deeds concerning the Exchange Properties described herein. The escrow period may be

1 extended in writing by mutual agreement of the Parties. The ESCROW HOLDER shall be notified in  
2 writing by MVP and COUNTY if an extension is in effect.

3 4.4 Closing, Recording, and Disbursements. On or before the Closing Date, have been  
4 satisfied or waived in writing, ESCROW HOLDER shall take the following actions:

5 4.4.1 Recording. ESCROW HOLDER shall cause the Deeds to be recorded concurrently  
6 in Office of the County Recorder of Riverside, California.

7 4.4.2 Disbursement. ESCROW HOLDER shall disburse the funds deposited by the  
8 COUNTY to settle all its charges to be paid by or on behalf of COUNTY. ESCROW  
9 HOLDER shall disburse the funds deposited by the MVP to settle all its charges to be paid  
10 by or on behalf of MVP. ESCROW HOLDER shall prepare a final accounting and closing  
11 statement and refund any excess funds deposited by the Parties as provided in such final  
12 accounting and closing statement for this transaction.

13 4.4.3 Title Policy. ESCROW HOLDER shall deliver or cause to be delivered the Title  
14 Policy to COUNTY from the title company selected by COUNTY to issue the title policy,  
15 if COUNTY opted to obtain a title policy. ESCROW HOLDER shall deliver or cause to be  
16 delivered to MVP from the title company selected by MVP to issue the title policy, if MVP  
17 opted to obtain a title policy.

18 4.4.4 Delivery of Documents to COUNTY. ESCROW HOLDER shall deliver or cause  
19 to be delivered to COUNTY conformed copies of the Deed and any other documents (or  
20 copies thereof) deposited by MVP with ESCROW HOLDER under this AGREEMENT.

21 4.4.5 Delivery of Documents to MVP. ESCROW HOLDER shall deliver or cause to be  
22 delivered to MVP conformed copies of the Deed and any other documents (or copies  
23 thereof) deposited by COUNTY with ESCROW HOLDER under this AGREEMENT.

24 4.4.6 IRC Section 6045 Compliance. The Parties hereby designate ESCROW HOLDER  
25 as the "Reporting Person" for the transaction pursuant to Section 6045(e) of the Internal  
26 Revenue Code.

27 **5. PAYMENT OF FEES.**

28 5.1 Deposit. The Parties shall each deposit an amount sufficient for each Party's share of all

1 costs, expenses, title insurance, if desired, and prorations, if any, under this Agreement with Escrow  
2 Holder, in the form of a cashier's check or other immediately available funds.

3 5.2 Payment. COUNTY and MVP shall each pay one half of all escrow and recording fees  
4 incurred in this transaction. Each party shall pay its own trust deed clearance fees for those monetary liens  
5 and encumbrances on the Exchange Property that it is conveying as part of this Agreement. In the event  
6 that a party opts to obtain a title policy on the property it is acquiring, ESCROW HOLDER shall charge  
7 that party for the cost of such title policy. For purposes of this transaction, trust deed clearance fees are  
8 defined as forwarding fees, trustee's fees, and reconveyance fees.

9 **6. CONDITIONS PRECEDENT TO CLOSE OF ESCROW**. Each Party's obligation to proceed  
10 to Closing under this Agreement shall be conditioned on satisfaction or waiver of the following  
11 conditions:

12 6.1 Title to the COUNTY PROPERTY is free and clear of all liens, encumbrances,  
13 assessments, easements, leases (recorded and unrecorded), except any Permitted Exceptions not required  
14 to be cleared from the title to said COUNTY PROPERTY. MVP shall have accepted the condition of the  
15 COUNTY PROPERTY pursuant to its investigations under Section 8.1 below.

16 6.2 Title to the MVP PROPERTY is free and clear of all liens, encumbrances, assessments,  
17 easements, leases (recorded and unrecorded) and taxes, except any Permitted Exceptions not required to  
18 be cleared from the title to said MVP PROPERTY. MVP shall remain liable for payment of any taxes  
19 allocable to a period prior to the time title is vested in COUNTY. COUNTY shall have accepted the  
20 condition of the MVP PROPERTY pursuant to its investigations under Section 8.1 below.

21 6.3 Prior to the Closing Date, each party shall timely deposit to ESCROW HOLDER all funds  
22 and documents required to complete the Closing under the terms of this AGREEMENT.

23 **7. WARRANTIES**. COUNTY and MVP both warrants that:

24 7.1 The Parties will not enter into any agreements or undertake any new obligations prior to  
25 Close of Escrow which will in any way burden, encumber or otherwise affects its respective interests in  
26 the Exchange Properties without the prior written consent of the Party to acquire such Exchange Property,  
27 such consent may be granted or withheld at its sole discretion. COUNTY shall deliver to MVP full and  
28 complete copies of any existing agreements related to any construction work or staging areas occurring on

1 the COUNTY PROPERTY, including in connection with any street improvement work being performed  
2 by the City of Moreno Valley.

3 7.2 Authority. Each party represents and warrants, as of the date of execution of this Exchange  
4 Agreement and as of Close of Escrow (i) that it has full legal right, power and authority to execute and fully  
5 perform its obligations under this Exchange Agreement and (ii) that the persons executing this Exchange  
6 Agreement and other documents required hereunder are authorized to do so.

7 7.3 Real Estate Commissions. Each party warrants and represents to the other party that no  
8 brokers or finders have been employed, have brought about this exchange, or are entitled to a commission  
9 or compensation in connection with this transaction and that this exchange was negotiated by and made  
10 directly between them. Each party shall indemnify, hold harmless, protect and defend the other party  
11 (including its elected officials, officers, agents and employees) from and against any claims, obligations or  
12 liabilities whatsoever by a third party asserting the right to be paid for such commission or compensation  
13 arising from the acts or omissions of the indemnifying party or in any way related to this Exchange Agreement.

14 7.4 Hazardous Materials. To the knowledge of each party, (1) their respective Exchange Property is  
15 not in violation of any Environmental Laws, (2) neither party, nor to either party's knowledge any third party,  
16 has used, manufactured, generated, treated, stored, disposed of, or released any Hazardous Material on, under  
17 or about that party's Exchange Property or transported any Hazardous Material over that party's Exchange  
18 Property; (3) neither party, nor to either party's knowledge any third party, has installed, used or removed any  
19 storage tank on, from or under that party's Exchange Property except in full compliance with all  
20 Environmental Laws; (4) to each party's knowledge, there are no storage tanks or wells (whether existing or  
21 abandoned) on or under that party's Exchange Property; and (5) to each party's knowledge, there are no  
22 Hazardous Materials on or under that party's Exchange Property.

23 **8. ACCESS AND POSSESSION.**

24 8.1 Access to Exchange Properties. Upon approval by the governing boards of each party of this  
25 AGREEMENT, each party shall allow the other party, its employees, agents, representatives and contractors  
26 reasonable access to the Exchange Properties during normal business hours, upon reasonable notice, for  
27 performing all studies, tests and evaluations reasonably desired by either party. Each party shall indemnify,  
28 protect, hold harmless and defend the other party from and against any and all liabilities, liens, claims,

1 damages, costs, expenses, suits or judgments (including attorneys' fees and court costs) for personal injury,  
2 death or property damage, arising out of the negligence of the entering party or its employees, agents,  
3 representatives or contractors.

4 8.2 Possession. Possession and use of each Exchange Property shall be delivered on the Closing  
5 Date after recordation of the two Grant Deeds and disbursement of all funds. All risk of loss and damage  
6 occurring after the Close of Escrow to the Exchange Properties from whatever source shall be the sole  
7 responsibility of the new fee owner.

8 8.3 Violations. In the event that prior to Closing either party becomes aware of any Hazardous  
9 Materials or any other matter affecting either Exchange Property which violates any applicable Law, that party  
10 shall immediately give the other party notice of such matter.

11 **9. REMOVAL OF PERSONAL PROPERTY.**

12 It is understood and agreed by and between the Parties that the conveyance and transfer of  
13 Exchange Properties does not include personal property, unless abandoned under this Section. It shall be  
14 the responsibility of both Parties to determine the ownership of any personal property located on the  
15 Exchange Properties and arrange for the removal thereof. Both Parties assumes no liability for the  
16 enforcement of any agreement between any third Parties pertaining to any matter of personal property  
17 disposition. Should both Parties fail to remove any items of personal property upon vacation of their  
18 respective Exchange Properties, the right to remove such items shall terminate and such items shall be  
19 considered as abandoned and may be disposed as each Party sees fit without any liability.

1 **10. GENERAL TERMS AND CONDITIONS.**

2 10.1 Notice. As used in this AGREEMENT, notice includes but is not limited to, the  
3 communication of any notice, request, demand, approval, statement, report, acceptance, consent, waiver  
4 and appointment. All notices must be in writing. Notice is given either (i) when delivered in person to the  
5 person or company intended named below, (ii) when delivered via facsimile with confirmation from the  
6 receiving Party via return fax; or (iii) when sent via reputable overnight courier (such as Federal Express),  
7 addressed by name and addressed to the Party or persons intended, as follows:

8 If to MVP: Moreno Valley Properties, LP  
9 Iddo Benzeevi, President and CEO  
10 Highland Fairview  
11 14225 Corporate Way  
12 Moreno Valley, CA 92553  
13 Telephone: 1.951.867.5327  
14

15 If to County: County of Riverside  
16 Economic Development Agency  
17 Real Estate Division  
18 3403 10<sup>th</sup> Street, Suite 500  
19 Riverside, CA 92501  
20 Attention: James Force  
21 Supervising Real Property Agent  
22 Telephone: (951) 955-4822  
23 Fax: (951) 955-4837  
24

25 Until such time as a Party gives notice of the change of address in accordance with the terms of  
26 this section.

27 10.2 Time of the Essence. Time is of the essence with respect to this AGREEMENT.

28 10.3 Assignment. Neither this AGREEMENT nor any interest herein shall be assignable by any

1 Party without prior written consent of the other party.

2 10.4 Governing Law/Venue. All questions with respect to this AGREEMENT and the rights  
3 and liabilities of the Parties hereto shall be governed by the laws of the State of California and shall be  
4 heard in a court of competent jurisdiction in the County of Riverside.

5 10.5 Entire Agreement. This AGREEMENT contains the entire agreement of the Parties hereto  
6 with reference to the subject matter hereof, and supersedes all negotiations or previous agreements  
7 between the Parties with respect to all or any portion of the subject matter hereof.

8 10.6 Default. If either Party is unable to convey title thereto in accordance with the terms of this  
9 Agreement as a result of a default under this Agreement by such Party (and not as a result of termination  
10 of this Agreement as a result of a failure of a closing condition unrelated to any default by such Party), the  
11 defaulting Party shall reimburse the other Party for any sums theretofore paid by the Party for  
12 performance of this Agreement together with the net costs of title examination (not to exceed standard  
13 Board of Title Underwriters rates) and the net cost of any survey made in connection therewith incurred  
14 by the Party, and thereupon this Agreement shall be terminated. The non-defaulting party shall have the  
15 right to seek any other available remedies, either at law or in equity.

16 10.7 Headings. Any headings contained in this AGREEMENT are solely for the purposes of  
17 convenience of reference and shall not constitute a part hereof nor shall they be utilized to interpret any  
18 term or condition contained in this AGREEMENT and the actions to be performed herein.

19 10.8 Inurement. Subject to the restrictions against assignment as herein contained, this  
20 AGREEMENT shall inure to the benefit of, and shall be binding upon, the assigns, successors in interest,  
21 personal representatives, estates, heirs and legatees of each of the Parties hereto.

22 10.9 Changes or Modifications. No part of this may be modified, altered, amended, waived, or  
23 changed without the express written consent of the Parties hereto.

24 10.10 Further Assurances. Each Party shall execute, deliver and acknowledge all such further  
25 instruments of transfer and conveyance or otherwise and to perform all such other acts as any other Party  
26 may reasonably request to more effectively carry out the terms and conditions of this AGREEMENT and  
27 the transaction contemplated herein.

28 10.11 Additional Documents. All Parties hereto agree to execute any and all additional



1 documents and instruments necessary to carry out the terms of this AGREEMENT.

2 10.12 Successors. This AGREEMENT shall be binding upon and inure to the benefit of the  
3 successors and assigns of the respective Parties hereto.

4 10.13 Counterparts. This AGREEMENT may be executed in any number of counterparts, each  
5 of which when so executed shall be deemed to be an original, and all of which when taken together shall  
6 be deemed a single original.

7 10.14 Severability. If any term, provision, covenant or condition of this Exchange Agreement is held  
8 to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the  
9 remainder of this Exchange Agreement shall not be affected thereby, and each term, provision, covenant or  
10 condition of this Exchange Agreement shall be valid and enforceable to the fullest extent permitted by law.

11 10.15 Survival of Covenants and Conditions. All covenants and conditions set forth in this  
12 AGREEMENT shall survive Close of Escrow.

13 10.16 Time. Time is of the essence of each provision of this Exchange Agreement, including  
14 without limitation all time deadlines for satisfying conditions and Close of Escrow.

15 10.17 Third Party Beneficiaries. This Agreement is solely for the benefit of the parties hereto  
16 and, to the extent provided herein, their respective partners, directors, officers, employees, agents and  
17 representatives, and no provision of this Agreement shall be deemed to confer upon other third parties any  
18 remedy, claim, liability, reimbursement, cause of action or other right.

19 **11. ATTACHMENTS.**

20 This AGREEMENT includes the following, which are attached hereto and made a part hereof:

21 Exhibit "A" – Legal Description for Assessor's Parcel Number 486-300-010

22 Exhibit "B" – Plat Map for Assessor's Parcel Number 486-300-010

23 Exhibit "C" – Legal Description for Assessor's Parcel Number 486-280-052

24 Exhibit "D" – Plat Map for Assessor's Parcel Number 486-280-052

25 Exhibit "E" – Form of Grant Deed in favor of MVP

26 Exhibit "F" – Form of Grant Deed in favor of COUNTY

27 *[signatures on following page]*

1 IN WITNESS WHEREOF, the Parties hereto have executed this REAL ESTATE EXCHANGE  
2 AGREEMENT as of the day and year first above written.

3  
4 MORENO VALLEY PROPERTIES, LP,  
5 a Delaware Limited Partnership

6 By:   
7 Iddo Benzeevi  
8 President and Chief Executive Officer

9  
10 **ATTEST:**  
11 Kecia Harper-Ihem  
12 Clerk of the Board

COUNTY OF RIVERSIDE, a political  
subdivision of the State of California

13 By: \_\_\_\_\_  
14 Deputy

By: \_\_\_\_\_  
John Tavaglione, Chairman  
Board of Supervisors

15 **APPROVED AS TO FORM:**  
16 Pamela J. Walls, County Counsel


17 By:   
18 Synthia M. Gunzel  
19 Deputy County Counsel

EXHIBIT "A"

THE LAND REFERRED TO BELOW IS SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF BLOCK 138, AS SHOWN BY MAP NO. 1, BEAR VALLEY AND ALESSANDRO DEVELOPMENT COMPANY, AS PER MAP RECORDED IN BOOK 11, PAGE 19 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID BLOCK 138;  
THENCE SOUTH THE EAST LINE OF SAID BLOCK 138, 1324 FEET, MORE OR LESS, TO THE CENTER LINE OF DELPHINUM STREET (VACATED);  
THENCE WEST ALONG THE CENTER LINE OF DELPHINUM STREET (VACATED) 822.5 FEET;  
THENCE NORTH 1324 FEET, MORE OR LESS, PARALLEL WITH THE WEST LINE OF SAID BLOCK 138, TO A POINT ON THE NORTH LINE OF SAID BLOCK 138;  
THENCE EAST 822.5 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

EXCEPTING ALL OIL, GAS, OTHER MINERALS AND HYDROCARBON SUBSTANCES, AND ACCOMPANYING FLUIDS INCLUDING, BUT NOT BY WAY OF LIMITATION, ALL GEOTHERMAL RESOURCES IN, UNDER OR PRODUCED AND SAVED FROM THE REAL PROPERTY GRANTED HEREIN, TOGETHER WITH ANY OF THE FOREGOING THAT MAY BE ALLOCATED THERETO PURUANT TO ANY POOLING OR UNITIZATION AGREEMENT OR RATEABLE TAKINGS PROGRAM TO WHICH GRANTOR MAY SUBSCRIBE AND TOGETHER WITH THE SOLE AND EXCLUSIVE RIGHT TO PROSPECT FOR, DRILL FOR, PRODUCE AND REMOVE SUCH OIL, GAS, OTHER MINERALS AND HYDROCARBON SUBSTANCES AND GEOTHERMAL RESOURCES FROM SAID REAL PROPERTY BELOW THE DEPTH OF FIVE HUNDRED (500') FROM THE SURFACE OF SAID REAL PROPERTY, INCULDING THE RIGHT TO SLANT DRILL FROM ADJACENT PROPERTY, THE RIGHT TO UTILIZE SUBSURFACE STORAGE FOR NATURAL SUBSTANCES AND THE RIGHT TO MAINTAIN SUBSURFACE PRESSURES, AS RESERVED BY THE REGENTS OF THE UNIVERITY OF CALIFORNIA, A CALIFORNIA CORPORATION BY DEED RECORDED AUGUST 11, 1992 AS INSTRUMENT NO. 92-324868 OFFICIAL RECORDS.

EXHIBIT "A"

PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCEL WITH LOCAL LOT-SPLIT OR BUILDING SITE ORDINANCES.

POR. S 16 T.3S, R.3W  
CITY OF MORENO VALLEY

TRA 021-004

CACTUS

N89-33-57W 5185.45 VAC. 81925 0056

AVENUE RS 84553-66 PAR RGH-11

700.52

1158.18

1328.27

1508.36

1688.45

1868.54

2048.63

2228.72

2408.81

2588.90

2768.99

2949.08

3129.17

3309.26

3489.35

3669.44

3849.53

4029.62

4209.71

4389.80

4569.89

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5110.16

5290.25

5470.34

5650.43

5830.52

6010.61

6190.70

6370.79

6550.88

6730.97

6911.06

7091.15

7271.24

7451.33

7631.42

7811.51

7991.60

8171.69

8351.78

20237 6766

590-33-49E 487

R=1500 L=683.33

JOHN

DRIVE

N89-30-36E 5306.52 VAC. 81926 0065

286.22 AC ML

11

24.05 AC.MIL

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N89-33-54W 822.43

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L=110.9

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BLK 138

BLK 148

BLK 149

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DATA

RS 46161

RS 96/40-42

DATA

Pg 28

Pg 29

Pg 31

Pg 32

Pg 49

Pg 02

Pg 31

Pg 31

Pg 31

Pg 31

Pg 31

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DATA

RS 46161

RS 96/40-42

DATA

Pg 28

Pg 29

Pg 31

Pg 32

Pg 49

Pg 02

Pg 31

Pg 31

Pg 31

**EXHIBIT "A"**

**LEGAL DESCRIPTION**

**MORENO VALLEY PROPERTIES TO COUNTY TRADE PARCEL**

That certain parcel of land situated in the City of Moreno Valley, County of Riverside, State of California, being that portion of Lot 1 of Tract No. 34950-1 as shown on the map filed in Book 433, Pages 93 through 96, inclusive, of Maps in the Office of the County Recorder of said Riverside County, California, lying within Section 16, Township 3 South, Range 3 West, San Bernardino Meridian, described as follows:

**BEGINNING** at the southeasterly corner of said Tract No. 34950-1;

Thence along the southerly line of said Tract No. 34950-1, being also the centerline of Cactus Avenue as described in the Declaration of Dedication to the City of Moreno Valley recorded September 28, 2000 as Document No. 2000-382573 of Official Records in the Office of said County Recorder, North 89°34'00" West 796.90 feet;

Thence parallel with the easterly line of said Tract No. 34950-1 North 00°25'16" East 1320.19 feet to the northerly line of said Tract No. 34950-1, being also the centerline of Brodiaea Avenue;

Thence along said northerly line of Tract No. 34950-1 and said centerline of Brodiaea Avenue South 89°33'38" East 796.90 feet to the easterly line of said Tract No. 34950-1;


Thence along said easterly line South 00°25'16" West 1320.10 feet to the **POINT OF BEGINNING**.

**CONTAINING:** 24.151 acres more or less.


**SUBJECT** to all covenants, rights, rights-of-way and easements of record.

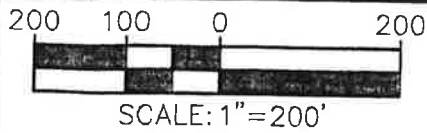
**EXHIBIT "B"** attached hereto and by this reference made a part hereof.

This description was prepared by me or under my direction.

 03/12/2012  
Thomas E. Verloop, PLS 5348 Date

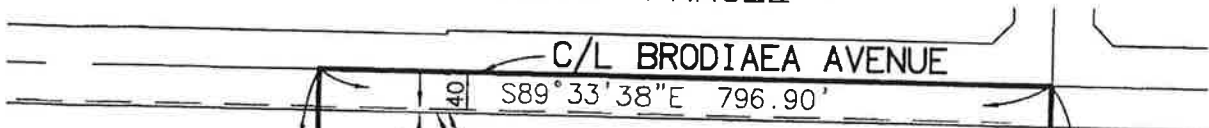


THIS DOCUMENT REVIEWED BY RIVERSIDE COUNTY SURVEYOR.
BY: 
DATE: 3-28-12



# EXHIBIT "B"

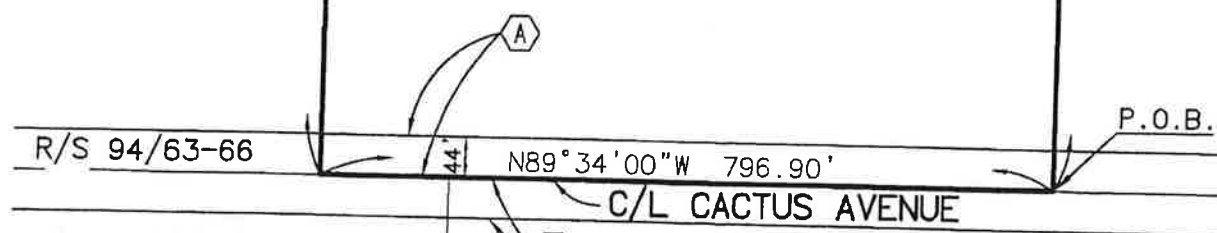
PLAT  
TRADE PARCEL



N00°25'16"E 1320.19'

PORTION LOT 1  
TRACT NO. 34950-1  
M.B. 433/93-96

(S00°25'16"W 1320.10')



LOT 2 B.V.A.D.  
LOT LINE  
MAP NO. 1  
ALESSANDRO  
M.B. 11/10,

LOT 1  
BLOCK 139  
BEAR VALLEY AND  
DEVELOPMENT CO.  
S.B. CO.

NOTE: SEE SHEET 2 FOR  
LEGEND, EASEMENT NOTES  
AND VICINITY MAP

MORENO VALLEY PROPERTIES TO  
COUNTY OF RIVERSIDE

SHEET 1 OF 2 SHEETS  
SEC. 16, T.3S., R.3W. S.B.M.



MARCH 12, 2012

SCALE  
1"=200'

JOB NO.  
10-108377-M1

EXHIBIT "D"

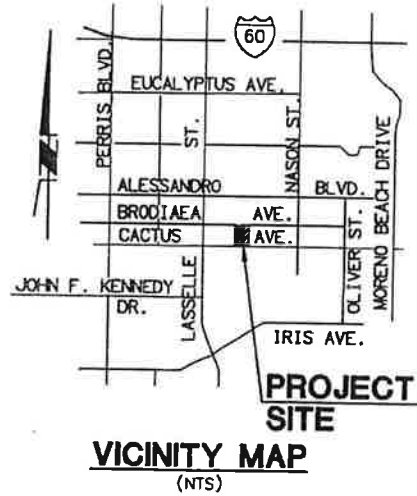
# EXHIBIT "B"

## PLAT TRADE PARCEL

### LEGEND

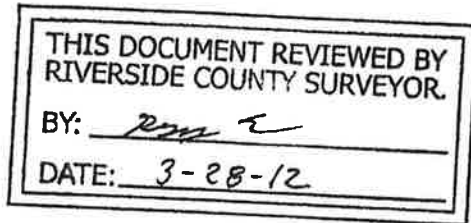
POINT OF BEGINNING P.O.B. \_\_\_\_\_  
RIGHT OF WAY PER BVAD \_\_\_\_\_  
EXISTING RIGHT OF WAY \_\_\_\_\_  
CENTERLINE \_\_\_\_\_  
EXISTING BVAD LOT LINE \_\_\_\_\_

( ) INDICATES RECORD DATA PER  
TRACT NO. 34950-1,  
M.B. 433/93-96



### EASEMENT NOTES:

- (A) EASEMENT FOR PUBLIC UTILITY AND INGRESS AND EGRESS PURPOSES IN FAVOR OF THE CITY OF MORENO VALLEY PER INST. NO. 2000-382573 O.R. (9/28/2000)
- (B) EASEMENT FOR PUBLIC STREET PURPOSES IN FAVOR OF THE COUNTY OF RIVERSIDE PER INST. NO. 81995 O.R. (8/11/1966)
- (C) EASEMENT FOR PUBLIC UTILITY AND INGRESS AND EGRESS PURPOSES IN FAVOR OF THE CITY OF MORENO VALLEY PER INST. NO. 2000-382574 O.R. (9/28/2000)



MORENO VALLEY PROPERTIES TO  
COUNTY OF RIVERSIDE

SHEET 2 OF 2 SHEETS  
SEC. 16, T.3S., R.3W. S.B.M.



MARCH 12, 2012

SCALE  
N/A

JOB NO.  
10-108377-M1

EXHIBIT "D"

Recorded at request of and return to:  
Economic Development Agency  
Real Estate Division  
On behalf of the County of Riverside  
3403 10<sup>th</sup> Street, Suite 500  
Riverside, California 92501

FREE RECORDING  
This instrument is for the benefit of  
the County of Riverside, and is  
entitled to be recorded without fee.  
(Govt. Code 6103)

SS:ra/103111/027EO/14.424

(Space above this line reserved for Recorder's use)

PROJECT: RCRMC EXCHANGE  
APN: 486-280-052 (Portion)

## GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

MORENO VALLEY PROPERTIES, LP, a Delaware limited partnership

Grants to COUNTY OF RIVERSIDE, a political subdivision of the State of California, the real property in the County of Riverside, State of California, described as:

See Exhibit "A" attached hereto  
and made part hereof

**EXHIBIT "E"**  
**DO NOT SIGN**



PROJECT: RCRMC EXCHANGE  
APN: 486-280-052 (Portion)

Dated: \_\_\_\_\_

GRANTOR:

MORENO VALLEY PROPERTIES, LP, a  
Delaware limited partnership

\_\_\_\_\_  
Iddo Benzeevi  
President and Chief Executive Officer

STATE OF CALIFORNIA )  
 )  
COUNTY OF \_\_\_\_\_ )ss  
 )

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public in and for said County and State, personally appeared \_\_\_\_\_, 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:

Signature \_\_\_\_\_

[SEAL]

Recorded at request of and return to:  
Economic Development Agency  
Real Estate Division  
On behalf of the County of Riverside  
3403 10<sup>th</sup> Street, Suite 500  
Riverside, California 92501

FREE RECORDING  
This instrument is for the benefit of  
the County of Riverside, and is  
entitled to be recorded without fee.  
(Govt. Code 6103)

SS:ra/103111/027EO/14.424

(Space above this line reserved for Recorder's use)

PROJECT: RCRMC EXCHANGE  
APN: 486-300-010

## GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

COUNTY OF RIVERSIDE, a political subdivision of the State of California

Grants to MORENO VALLEY PROPERTIES, LP, a Delaware limited partnership, the real property in the County of Riverside, State of California, described as:

See Exhibit "A" attached hereto  
and made part hereof

**EXHIBIT "F"**  
**DO NOT SIGN**

PROJECT: RCRMC EXCHANGE  
APN: 486-300-010

Dated: \_\_\_\_\_

GRANTOR:

COUNTY OF RIVERSIDE, a political  
subdivision of the State of California

\_\_\_\_\_  
John Tavaglione, Chairman

STATE OF CALIFORNIA )  
 )ss  
COUNTY OF \_\_\_\_\_ )

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public  
in and for said County and State, personally appeared John Tavaglione, 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:

Signature \_\_\_\_\_

[SEAL]

CERTIFICATE OF ACCEPTANCE  
COUNTY OF RIVERSIDE

This is to certify that the interest in real property conveyed by the deed or grant dated \_\_\_\_\_ from the [INSERT NAME OF GRANTOR] to the COUNTY OF RIVERSIDE, a political subdivision of the State of California, is hereby accepted by the undersigned officer or agent on behalf of the Board of Supervisors for the County of Riverside pursuant to authority conferred by Resolution No. 99-099 of the Board of Supervisors adopted on April 20, 1999, and the COUNTY OF RIVERSIDE consents to recordation thereof by its duly authorized officer.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

By \_\_\_\_\_  
Robert Field  
Assistant County Executive Officer/EDA