

**SUBMITTAL TO THE BOARD OF DIRECTORS OF THE  
REDEVELOPMENT AGENCY  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

463



**FROM:** Redevelopment Agency

**SUBMITTAL DATE:**

July 14, 2011

**SUBJECT:** RDA Resolution No. 2011-028, Authorization to Purchase in the Mid County Project Area, District 3

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

1. Find that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to the CEQA Guidelines, Section 15061 (b) (3);
2. Approve RDA Resolution No. 2011-028, Authorization to Purchase Real Property in the Mid-County Project Area, within the City of Hemet, County of Riverside;

Approve and authorize the Chairman of the Board to execute the Purchase and Sale Agreement for the purchase of Assessor's Parcel Number 443-050-017, 443-050-018, 443-050-020, 443-050-033, and 443-050-039 from Harold E. Fairchild, Trustee of the Fairchild Family Credit Trust;

REVIEWED BY CIP  
*Christopher Hans*  
Christopher Hans

*Robert Field*  
Robert Field  
Executive Director

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 808,950	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 SUPERVISORS AGENDA:**

**SOURCE OF FUNDS:** Low Income Housing Funds

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

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

APPROVE

**County Executive Office Signature**

BY: *Jennifer L. Sargent*  
Jennifer L. Sargent

**MINUTES OF THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY**

On motion of Supervisor Buster, seconded by Supervisor Ashley and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Stone, Benoit and Ashley  
Nays: None  
Absent: Tavaglione  
Date: July 26, 2011  
xc: RDA, Auditor, CIP

Kecia Harper-Ihem  
Clerk of the Board  
By: *Kecia Harper-Ihem*  
Deputy

Prev. Agn. Ref.: N/A

District: 3

Agenda Number: 4.4

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

FISCAL PROCEDURES APPROVED  
 COUNTY COUNSEL  
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER  
 BY: *ANITA C. WILLIS*  
 DATE: 7/13/11  
 SAMUEL WONG

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

**RECOMMENDED MOTION:** (Continued)

4. Authorize the Redevelopment Agency to expend \$808,950 for the property transaction costs and due diligence;
5. Authorize the Clerk of the Board to certify acceptance of any documents pertaining to this transaction; and,
6. Authorize the Executive Director of the Redevelopment Agency, or designee, to execute and take all necessary steps to implement the Acquisition Agreement including signing subsequent, necessary related documents to complete this transaction.

**BACKGROUND:**

Agency staff has successfully negotiated a settlement for the acquisition of properties identified as Assessor's Parcel Numbers 443-050-017, 443-050-018, 443-050-020, 443-050-033, and 443-050-039 with Harold E. Fairchild for a purchase price of \$745,000 plus escrow fees and miscellaneous costs associated with the acquisition. An independent fee appraisal report was prepared and used as a basis for the negotiated settlement of the property.

The subject parcels consist of 3.82 acres and are located South of Menlo Avenue and North of Oakland Avenue between State Street and Alessandro Street in North Hemet, County of Riverside. The parcels are contiguous to agency-owned parcels and needed for the potential construction of low-moderate income infill housing. The project will contribute to eliminating blighting conditions in the project area.

Pursuant to the California Environmental Quality Act (CEQA), the proposed acquisition was reviewed and determined to be categorically exempt from CEQA under Guidelines Section 15061 (b) (3); with certainty, there is no possibility that the land acquisition may have a significant effect on the environment and is not subject to CEQA.

Pursuant to CEQA Guidelines Section 15004 (b) (2) (A), an agency shall not formally make a decision to proceed with the use of a site for facilities which would require CEQA review, regardless of whether the agency has made any final purchase of the site for these facilities, except that agencies may designate a preferred site for CEQA review and may enter into land acquisition agreements when the agency has conditioned the agency's future use of the on CEQA compliance. Once the subsequent development and use of the site is defined, the lead agency will undergo separate CEQA review pursuant to this section.

The Notice of Intent to Purchase Real Property was published pursuant to Section 6063 of the California Government Code and Section 33397 of the Health and Safety Code.

Guided by Government Code Section 7267: "In order to encourage and expedite the acquisition and relieve congestion in the courts, to assume consistent treatment for owners in the public programs, and to promote public land acquisition practices, public entities shall, to the greatest extent practicable be guided by the provision of Section 7267.1: 'The public entity shall make every reasonable effort to acquire expeditiously real property by negotiation.'

**FINANCIAL DATA:** (Commences on Page 3)

**FINANCIAL DATA:**

The following summarizes the funding for the acquisition of Assessor's Parcel Number 439-060-015:

Acquisition	745,000
Escrow and Title Fees	6,000
Real Property Costs	50,000
Due Diligence Expense	1,950
Appraisal	6,000
Total Estimated Acquisition Cost	\$808,950

2 **RDA RESOLUTION NO. 2011-028**  
3 **AUTHORIZATION TO PURCHASE REAL PROPERTY IN THE MID COUNTY**  
4 **PROJECT AREA**  
5 **(Third Supervisorial District)**

6 **WHEREAS**, the Redevelopment Agency for the County of Riverside ("Agency")  
7 is a Redevelopment Agency duly created, established and authorized to transact  
8 business and exercise its powers, all under and pursuant to the provisions of the  
9 Community Redevelopment Law which is Part 1 of Division 24 of the California Health  
10 and Safety Code (commencing with Section 33000 et seq.); and

11 **WHEREAS**, Agency has adopted Redevelopment Plans for Redevelopment  
12 Project Area 1-1986, Jurupa Valley, Mid-County, Desert Communities, and I-215  
13 Corridor, as amended, hereinafter referred to as ("Project Areas"); and

14 **WHEREAS**, pursuant to Section 33670 of the Health and Safety Code, the  
15 Agency began receiving tax increment from the Project Areas in January 1988, and  
16 continues to receive annual tax increment revenue; and

17 **WHEREAS**, pursuant to the provisions of the Community Redevelopment Law,  
18 Section 33391 of the Health and Safety Code, the Agency may acquire, within a survey  
19 area or for purpose of redevelopment, any interest in real property; and

20 **WHEREAS**, the Agency has based on an independent fee appraisal report,  
21 negotiated a purchase price of \$745,000 for Assessor's Parcel Numbers 443-050-017,  
22 443-050-018, 443-050-020, 443-050-033, and 443-050-039 ("Property"), more  
23 particularly described in Exhibit "A", attached hereto and incorporated herein by  
24 reference; and

25 **WHEREAS**, the North Hemet Sub-Area is located within the Mid-County  
26 Redevelopment Project Area, ("Sub-Area"); and

27 **WHEREAS**, the Property is located within the Sub-Area; and

28 **WHEREAS**, the Agency is purchasing the Property for redevelopment purposes  
that will assist in implementing the Sub-Area's redevelopment plan ("Plan") and assist in

1 eliminating blighting conditions within the Sub-Area; and

2 **WHEREAS**, prior to using the Property for the purposes described in the Plan,  
3 the Agency understands and agrees to fully comply with the California Environmental  
4 Quality Act.

5 **NOW THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED** by the  
6 Board of Directors of the Redevelopment Agency for the County of Riverside, State of  
7 California, in regular session assembled on July 26, 2011, as follows:

8 1. That the Board of Directors hereby finds and declares that the above  
9 recitals are true and correct.

10 2. That the Redevelopment Agency for the County of Riverside is authorized  
11 to purchase real property identified as Assessor's Parcel Numbers 439-050-017, 443-  
12 050-018, 443-050-020, 443-050-033, and 443-050-039, more particularly described in  
13 Exhibit "A".

14 3. That the purchase price for the real property is \$745,000.

15 4. That the Chairman of the Board of Directors is hereby authorized to  
16 execute any and all documents necessary to purchase the real property from Harold E.  
17 Fairchild. Trustee of the Fairchild Family Credit Trust created 9/11/00.

18 5. That the Executive Director of the Redevelopment Agency or designee is  
19 hereby authorized to take the necessary actions and execute any related documents to  
20 complete this transaction.

21 ///

ROLL CALL:

22 ///

Ayes: Buster, Stone, Benoit, and Ashley

23 ///

Nays: None

24 ///

Absent: Tavaglione

25 ///

The foregoing is certified to be a true copy of a resolution duly  
adopted by said Board of Supervisors on the date therein set forth.

26 ///

KECIA HARPER-IHEM, Clerk of said Board

27 ///

By: \_\_\_\_\_

*Deputy*

28 TK:ra/062111/331ED/14.184 S:\Real Property\TYPING\Docs-14.000 to 14.499\14.184.doc

FORM APPROVED COUNTY COUNSEL  
BY: *ANITA C. WILLIS* 7-13-11  
DATE

## EXHIBIT "A"

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

Parcel 1:

The North half of the Southwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per, map of partition of said Rancho made under Decree of the Superior Court of the State of California and for the County of San Diego, dated, March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Except the West 30.00 feet.

Parcel 2:

The North half of the South half of the Northwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per map of partition of said Rancho made under Decree of the Superior Court of California, in and for the County of San Diego, dated March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Except the West 30.00 feet.

Parcel 3:

The South half of the South half of the Northwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per map of partition of said Rancho made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Parcel 4:

The North 50.00 feet of the South Half, of the Northeast quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho Jacinto Viejo, County of Riverside, State of California, as per map of partition of said Rancho made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Except the East 30.00 feet.

Also Except that portion Conveyed to the County of Riverside by deed recorded June 22, 1966 as Instrument No. 64465 of Official Records.

Parcel 5:

The South 142 50 feet of the East Half of the North Half of the North Half of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per map of partition of. said rancho made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882 and filed in the Office of the Clerk of the Superior Court of said County.

Except the East 30.00 feet.

Also Except that portion conveyed to the County of Riverside by deed recorded June 22, 1966 as Instrument No. 64465 of Official Records.

Parcel 6:

The South Half of the Southwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per map of partition of said rancho made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Except the South 30.00 feet

Also Except the West 181.00 feet.

Parcel 7:

The East 55.00 feet of the West 181.00 feet of the South half of the Southwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township5 South, Rangel West, San Bernardino Meridian, in Rancho San Jacinto Viejo, County of Riverside, State of California, as per map partition of said Rancho, made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882 and filed in the Office of the Clerk of the Superior Court Of said County.

Except the South 30.00 feet.

Assessor's Parcel Number: **443-050-017,018,020,033,039**

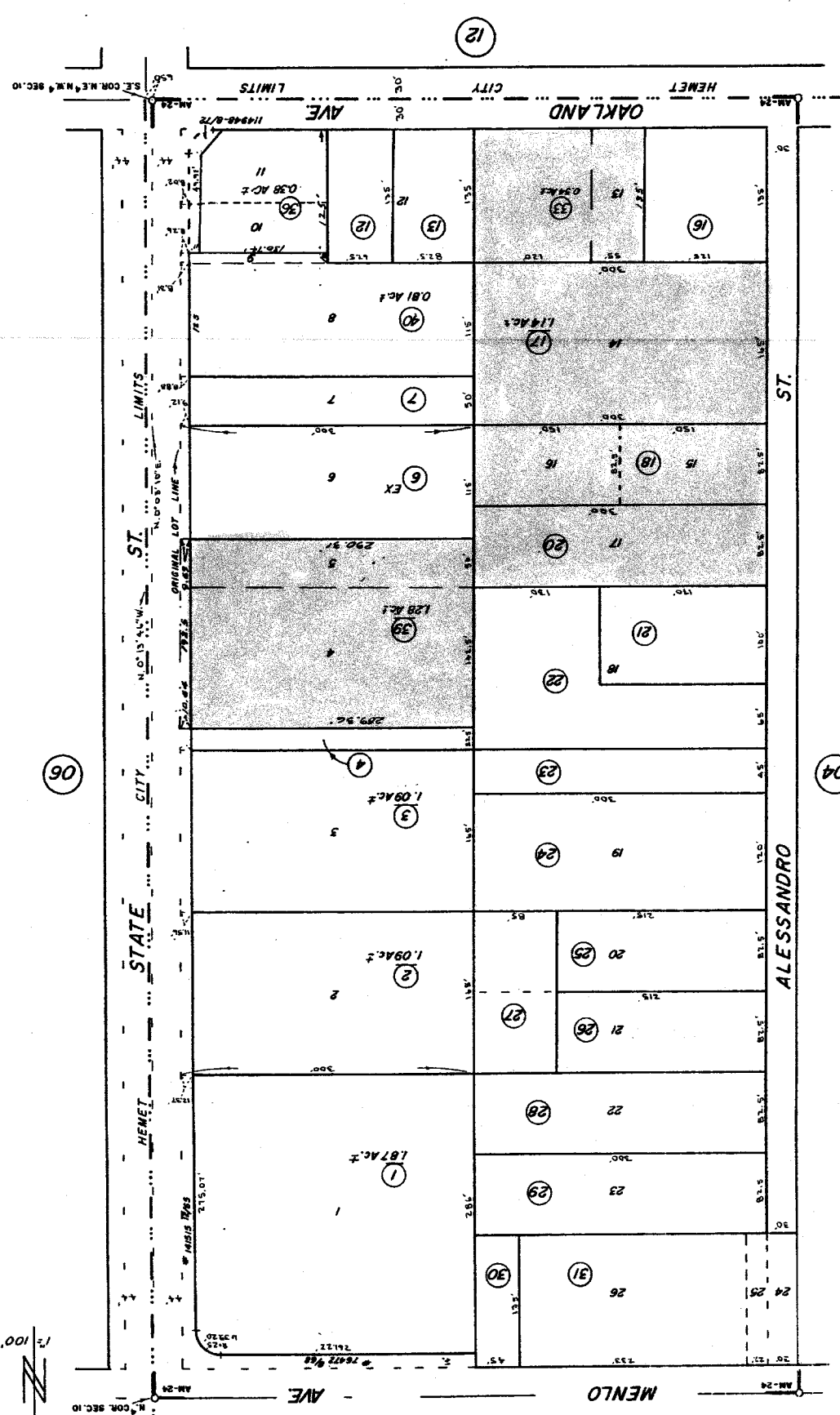
# Exhibit "A"

443 - 05

T.C.A. 071-215

POR. RO. SAN JACINTO VIEJO  
(E. 2 N.E. 4 N.W. 4 SEC. 10, T. 5 S., R. 1 W.)

THIS MAP IS FOR  
ASSESSMENT PURPOSES ONLY



DATE	OLD No.	NEW No.
1/20/77	439	443
1/27/77	443	443
1/27/79	443	443
1/10/80	443	443
4/22/82	443	443

AMB 1/29 ASSESSOR'S MAP NO. 24  
COUNTY SURVEY 782-B  
RS 55/14

OCT. 1970

ASSESSOR'S MAP BK. 443 PG. 05  
RIVERSIDE COUNTY, CALIF.



**THE  
PRESS-  
ENTERPRISE**

**CLASSIFIED  
ADVERTISING**

**PROOF**

3450 Fourteenth St.  
Riverside, CA 92501-3878

**1-800-880-0345  
951-684-1200  
951-368-9018 Fax**

Printed by: Tinajero, Maria  
at: 12:12 pm  
on: Tuesday, Jun 07, 2011

Ad #: 10685130

**Account Information**

Phone #: (951) 955-2207  
Name: RIVERSIDE CNTY FACILITIES  
MGMT  
Address: 3133 MISSION INN AVE  
RIVERSIDE CA 92507

Acct #: 286110  
Client:  
Placed by: Tracy Kaiser  
Fax #: (951)

**Ad Copy:**

**NOTICE OF INTENT TO PURCHASE REAL  
PROPERTY IN THE NORTH HEMET AREA OF  
THE MID-COUNTY PROJECT AREA**

This Notice of Intent to Purchase real property is being advertised pursuant to Section 6063 of the California Government Code and Health and Safety Section 33397. The Redevelopment Agency for the County of Riverside, ("Agency") intends to purchase real property known as Assessor's Parcel Numbers 439-050-017, 443-050-018, 443-050-020, 443-050-033, and 443-050-039. The Board shall consider the adoption of Resolution Number 2011-028, Authorization to Purchase Real Property in the North Hemet Area on, July 12, 2011 at 9:00 AM or as soon thereafter as the agenda of the Board permits, at the Riverside County Administrative Center, 4080 Lemon Street, 1st Floor, Riverside, California to consider the following.

**PROJECT DESCRIPTION AND LOCATION**

It is proposed that the Board approve the purchase of real property in the North Hemet area of Riverside County known as Assessor's Parcel Numbers 439-050-017, 443-050-018, 443-050-020, 443-050-033, and 443-050-039 from Harold E. Fairchild at a purchase price of \$745,000 including miscellaneous costs. The properties are located in North Hemet South of Menlo Avenue and North of Oakland Avenue between State Street and Alessandro Street. The properties consist of .54 acres improved with two residential units and 3.28 of unimproved land, totaling 3.82 acres.

At anytime, not later than the hour set forth above, any person may submit written comments regarding this proposed action to the Clerk of the Board of Directors at the 4080 Lemon Street, First Floor, Riverside, CA or by calling Tracy Kaiser at (951) 955-8346. 6/9, 16, 23

**Ad Information**

Classification: Legals  
Publications: Press-Enterprise

Start date: 06-09-11  
Stop date: 06-23-11  
Insertions: 3

Rate code: LE-County  
Ad type: Ad Liner  
Taken by: Tinajero, Maria

Size: 2x40.470  
Bill size: 81.00x 5.14 agate lines

Amount due: **\$299.70**

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At anytime, not later than the hour set forth above, any person may submit written comments regarding this proposed action to the Clerk of the Board of Directors at the 4080 Lemon Street, First Floor, Riverside, CA or by calling Tracy Kaiser at (951) 955-8346.

**AGREEMENT OF PURCHASE AND SALE  
AND JOINT ESCROW INSTRUCTIONS  
BY AND BETWEEN**

**HAROLD E. FAIRCHILD, TRUSTEE OF THE FAIRCHILD  
FAMILY CREDIT TRUST CREATED 9/11/00**

**AS SELLER**

**AND**

**REDEVELOPMENT AGENCY FOR THE COUNTY OF  
RIVERSIDE**

**AS BUYER**

**RELATING TO**

**Assessor's Parcel Numbers: 443-050-017, 443-050-018, 443-  
050-020, 443-050-033 & 443-050-039**

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AGREEMENT OF PURCHASE AND SALE  
AND JOINT ESCROW INSTRUCTIONS

THIS AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS (“Agreement”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2011, by and between REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE, a public body corporate and politic, (“Buyer”), and HAROLD E. FAIRCHILD, TRUSTEE OF THE FAIRCHILD FAMILY CREDIT TRUST CREATED 9/11/00 (“Seller”).

**WHEREAS**, Buyer is a redevelopment agency duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the provisions of the Community Redevelopment Law which is Part 1 of Division 24 of the California Health and Safety Code (commencing with Section 33000 et seq.);

**WHEREAS**, The Riverside County Board of Supervisors has adopted, by Ordinance No. 646, on December 22, 1987 a redevelopment plan for an area within the County known as the Mid County Project Area (hereinafter “Project Area”);

**WHEREAS**, The Redevelopment Plan (hereinafter “Plan”) for the Project Area was adopted in order to eliminate blight and revitalize the substandard physical and economic conditions that exist within the Project Area;

**WHEREAS**, Health and Safety Code Section 33391 authorizes the Buyer, within the survey area or for the purposes of redevelopment to acquire real or personal property; and

**WHEREAS**, the purchase of the Property, as further defined herein, will assist the Buyer in meeting its goal of enhancing communities and eliminating blight.

**NOW THEREFORE** Buyer and Seller agree as follows:

Buyer and Seller agree as follows:

- 1. **Definitions.** For the purposes of this Agreement the following terms will be defined as follows:

1 (a) **“Effective Date”**: The Effective Date is the date on which this  
2 Agreement is executed by Buyer as listed on the signature page of this Agreement;

3 (b) **“Property”**: Seller is the owner of certain real property consisting  
4 of 5 parcels located in Hemet between Menlo Avenue south to Oakland Street and  
5 Alessandro Street east to State Street., also known as Assessor’s Parcel Numbers  
6 443-050-017, 443-050-018, 443-050-020, 443-050-033 and 443-050-039, more  
7 particularly described in Exhibit A attached hereto and incorporated herein;

8 (c) **“Purchase Price”**: The Purchase Price for the Property is Seven  
9 Hundred Forty Five Thousand Dollars (**\$745,000**);

10 (d) **“Escrow Holder”**: Lawyers Title Company at the address set  
11 forth in subparagraph (h) below.

12 (e) **“Title Company”**: Lawyers Title Company at the address set  
13 forth in subparagraph (h) below. The title order number is 12328014-10 and Chris  
14 Maziar is the Title Officer;

15 (f) **“Closing” and “Close of Escrow”**: Are terms used  
16 interchangeably in this Agreement. The Closing or the Close of Escrow will be deemed  
17 to have occurred when the Grant Deed (as defined in Paragraph 5.1) is recorded in the  
18 official records of the County of Riverside;

19 (g) **“Closing Date”**: The Closing Date shall be on or before August  
20 30, 2011, unless otherwise agreed to by both parties;

21 (h) **“Notices”**: Will be sent as follows to:

22  
23 Seller: Harold E. Fairchild  
24 2200 W. Acacia Avenue, Unit E314  
25 Hemet, CA 92545

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Buyer: REDEVELOPMENT AGENCY FOR  
COUNTY OF RIVERSIDE  
3403 10<sup>th</sup> Street, Suite 500  
Riverside, California 92501  
Attn: Tracy Kaiser  
Telephone: (951) 955-8346  
Fax No: (951) 955-4837  
Email: [tkaiser@rivcoeda.org](mailto:tkaiser@rivcoeda.org)

Escrow Holder: LAWYERS TITLE COMPANY  
4100 Newport Place Drive, Suite 120  
Newport Beach, CA 92660  
Attn: Chris Maziar  
Telephone: (949) 724-3170  
Fax: (949) 258-5740  
Email: [unit10@ltic.com](mailto:unit10@ltic.com)

Title Company: LAWYERS TITLE COMPANY  
4100 Newport Place Drive, Suite 120  
Newport Beach, CA 92660  
Attn: Chris Maziar  
Telephone: (949) 724-3170  
Fax: (949) 258-5740  
Email: [unit10@ltic.com](mailto:unit10@ltic.com)

///  
///  
///

1 (i) **Exhibits:**

2 Exhibit A - Legal Description

3 Exhibit B - Form of Deed

4 Exhibit C – Plat Map

5 2. **Purchase and Sale.** Upon and subject to the terms and conditions set  
6 forth in this Agreement, Seller agrees to sell to Buyer and Buyer agrees to buy from  
7 Seller the Property, together with all easements, appurtenances and all improvements  
8 and fixtures situated thereon.

9 3. **Purchase Price.** The Purchase Price for the Property will be paid as  
10 follows: Upon the approval of this Agreement and execution by the Board of Directors  
11 (the date upon which this Agreement has been fully executed and delivered to both  
12 parties is the “**Effective Date**”), Buyer shall order the full purchase price, plus costs to  
13 cover buyer’s escrow fees and shall deposit the sum in the form of a cashier’s check or  
14 other immediately available funds payable to the order of Escrow Holder. Should  
15 escrow be unable to close immediately, due to some unforeseen circumstances,  
16 Escrow Holder shall deposit said funds in an interest bearing account which shall be  
17 applied against the Purchase Price at closing and any overages including the interest  
18 shall returned to Buyer at close of escrow.

19 4. **Escrow.** Buyer and Seller shall open an escrow (the “**Escrow**”) with  
20 Escrow Holder within three (3) business days after the Effective Date by delivery to  
21 Escrow Holder a fully executed original or originally executed counterparts of this  
22 Agreement and this date shall be the official Opening Date of Escrow referenced  
23 herein. This purchase shall be contingent upon the approval by the Board of  
24 Directors of the Authorization to Purchase and their approval of the Purchase and  
25 Sale and Joint Escrow Instructions document. This contingency will be removed from  
26 escrow upon the receipt of the Signed Purchase and Sale Agreement and Joint Escrow  
27 Instructions document signed by the Chairman of the Board of Directors. Buyer and  
28 Seller agree to execute any additional instructions reasonably required by the Escrow

1 Holder.

2 5. **Deliveries to Escrow Holder.**

3 5.1 By Seller. On or prior to the Closing Date, Seller will deliver or  
4 cause to be delivered to Escrow Holder the following items:

5 (a) A Grant Deed ("**Grant Deed**"), in the form attached to this  
6 Agreement as Exhibit B, duly executed and acknowledged by Seller and in recordable  
7 form conveying the Property to Buyer; and

8 (b) A Transferor's Certificate of Non-Foreign Status ("**FIRPTA**  
9 **Certificate**").

10 5.2 By Buyer. On or prior to the Closing Date (and in any event in a  
11 manner sufficient to allow Escrow to close not later than the Closing Date), Buyer will  
12 deliver or cause to be delivered to Escrow Holder the following items:

13 (a) The Purchase Price in accordance with Paragraph 3; and

14 (b) The amount due Seller and any third parties, if any, after  
15 the prorations are computed in accordance with Paragraph 12.

16 5.3 By Buyer and Seller. Buyer and Seller will each deposit such  
17 other instruments consistent with this Agreement as are reasonably required by  
18 Escrow Holder or otherwise required to close escrow. In addition, Seller and Buyer will  
19 designate the Title Company as the "**Reporting Person**" for the transaction pursuant  
20 to Section 6045(e) of the Internal Revenue Code.

21 6. **Condition of Title.**

22 At the Close of Escrow, fee simple title to the Property will be  
23 conveyed to Buyer by Seller by Grant Deed subject only to the following matters  
24 ("**Permitted Exceptions**");

25 (a) A lien for local real property taxes and assessments not  
26 then delinquent;

27 (b) Matters of title respecting the Property approved or deemed  
28 approved by Buyer in accordance with this Agreement;



1 (c) Matters affecting the condition of title to the Property  
2 created by or with the written consent of Buyer; and

3 (d) Buyer accepts that tenants are currently residing on the  
4 property.

5 **7. Conditions to the Close of Escrow.**

6 7.1 Conditions Precedent to Buyer's Obligations. The following  
7 conditions must be satisfied not later than the Closing Date or such other period of time  
8 as may be specified below:

9 (a) Title. Buyer has obtained a preliminary report for the  
10 Property prepared by Lawyers Title Company dated as of November 2, 2010 and  
11 referenced as Order No. 12328014-10 together with copies of the documents  
12 described in such report. Buyer hereby objects to exceptions A, B, C, D, E, G, and H,  
13 identified as Property Taxes and or liens of any tax assessment or Supplemental  
14 escaped assessments of property taxes as shown in the preliminary report. The  
15 prorated portion calculated by the Assessor's Office owed by the Seller of these  
16 Property Taxes or liens will be billed to seller and paid after the close of escrow by  
17 Seller. Buyer accepts all other title exceptions listed on the preliminary report. If  
18 exceptions A, B, C, D, E, G, and H, cannot be removed during escrow, Seller will have  
19 ten (10) days after the Effective Date to advise Buyer that:

20 (i) Seller will remove any objectionable exceptions to  
21 title or obtain appropriate endorsements to the title policy on or before the Closing  
22 Date; or

23 (ii) Seller will not cause the exceptions to be removed. If  
24 Seller advises buyer that it will not cause the exceptions to be removed, Buyer will  
25 have ten (10) days to elect, at its sole remedy, to:

26 (iii) Proceed with the purchase and acquire the Property  
27 subject to such exceptions without reduction in the Purchase Price; or  
28

1 (iv) Cancel the Escrow and this Agreement by written  
2 notice to Seller and the Escrow Holder, in which case any deposit together with interest  
3 thereon will be returned to Buyer and the cancellation costs will be borne by Buyer.

4 If Buyer does not give Seller notice of its election within such ten (10) day  
5 period, Buyer will be deemed to have approved the condition of title to the Property and  
6 elected to proceed with this transaction.

7  
8 If Seller commits to remove any objection to title and fails to do so by the  
9 Closing Date, Seller will be in default under this Agreement and Buyer may, at Buyer's  
10 election, terminate this Agreement and pursue its remedies as set forth herein.

11 (b) Title Insurance. As of the Close of Escrow, the Title  
12 Company will issue or have committed to issue the Title Policy to Buyer with only the  
13 Permitted Exceptions.

14 (c) Delivery of Information. Within ten (10) days after the  
15 Opening of Escrow, seller shall deliver to buyer the original or true copies of all  
16 surveys, plans and specifications, residential disclosure statements (as required),  
17 building conditions audits, past hazardous material studies, as-built drawings, building  
18 permits, certificates of occupancy, certificates of completion, soil reports, engineers'  
19 reports, other contracts, but not limited to, studies and similar information which it may  
20 have in its possession relating to the Property except as specifically set forth herein,  
21 such items shall be delivered by Seller to Buyer and shall be to the best of Seller's  
22 actual knowledge true and correct and complete copies of the items in Seller's  
23 possession and except as expressly set forth herein, Seller makes no warranty  
24 regarding the contents of such items. If the Escrow shall fail to close for any reason, all  
25 such items shall be immediately returned to Seller.

26 The conditions set forth in this Paragraph are solely for the benefit of Buyer and  
27 may be waived only by Buyer. At all times Buyer has the right to waive any condition.  
28 Such waiver or waivers must be in writing to Seller and Escrow Holder.

1           The Close of Escrow and Buyer's obligations with respect to this transaction are  
2 subject to Seller's delivery to Escrow Holder on or before the Closing Date the items  
3 described in Paragraph 5 and the removal of the items described in Paragraph 7.1.

4           7.2   Conditions Precedent to Seller's Obligations. The following shall  
5 be conditions precedent to Seller's obligation to consummate the purchase and sale  
6 transaction contemplated herein:

7                   (a)   Buyer shall have delivered to Escrow Holder, prior to the  
8 Closing for disbursement as directed hereunder, all cash or other immediately available  
9 funds from Buyer in accordance with this Agreement;

10                   (b)   Buyer shall have delivered to Escrow Holder the items  
11 described in Paragraphs 5.2 and 5.3; and

12           7.3   Termination of Agreement. In the event that, for any reason, the  
13 Closing does not occur on or before the Closing Date, either party to this Agreement,  
14 who is not in default of its obligations under this Agreement, shall have the right to  
15 terminate this Agreement upon written notice to the other party and to Escrow Holder.  
16 Unless Seller is materially in default hereunder, failure by Buyer to cause Escrow to  
17 close on or before the Closing Date shall constitute a material Buyer default as a result  
18 of which Seller may elect to terminate this Agreement and the Escrow created  
19 hereunder.

20           8.    **Due Diligence By Buyer.**

21                   8.1   Matters To Be Reviewed. Buyer must complete its due diligence  
22 and approve the following matters not later than **thirty (30)** days following the Effective  
23 Date (the "**Due Diligence Period**"). Seller shall cooperate with Buyer in its  
24 investigation.

25                   (a)   The physical condition of the Property at the time of sale,  
26 including without limitation, any structural components, electrical, system, plumbing or  
27 any irrigation system, paving, soil conditions, the status of the Property with respect to  
28 hazardous and toxic materials, if any, and in compliance with all applicable laws,

1 including any laws relating to hazardous and toxic materials and all applicable  
2 government ordinances, rules and regulations and evidence of Seller's compliance  
3 therewith including without limitation zoning and building regulations;

4 (b) All applicable government ordinances, rules and regulations  
5 and evidence of Seller's compliance therewith including without limitation zoning and  
6 building regulations; and

7 (c) All licenses, permits and other governmental approvals  
8 and/or authorizations relating to the Property which shall remain in effect after the  
9 Close of Escrow.

10 8.2 Notice and Resolution of Objections.

11 (a) If Buyer fails to notify Seller in writing of any objections to  
12 items (a) and (b) in Paragraph 8.1 above or to request an extension prior to the end of  
13 the Due Diligence Period then Buyer shall be deemed to have approved such items  
14 and elected to proceed with the acquisition of the Property;

15 (b) If Buyer notifies Seller in writing of any objections to the  
16 condition of the Property at the time of sale or any other matters relating to the  
17 Property as set forth in Section 8.1 prior to the end of the due diligence period, the  
18 parties will have five (5) business days to agree upon a resolution of the objections(s);  
19 provided however, that if, as a result of investigations and inspections any deficiencies  
20 are found or repairs are needed, the cost to remedy such deficiencies or to make such  
21 repairs shall be the exclusive responsibility of the Seller. Seller need not make repairs  
22 to the buildings or contents of buildings on the property. In the event that Seller fails to  
23 remedy such deficiencies or to make such repairs within a reasonable time period then  
24 Buyer may terminate this Agreement by written notice to Seller and Escrow.

25 (c) In the absence of a timely objection or notice of termination,  
26 Buyer will be deemed to have knowingly approved the condition of Property at the time  
27 of sale and waived any of its objections, and this Agreement will continue in full force  
28 and effect.

1           8.3    Material New Matters. If Buyer discovers any new matter prior to  
2 close of escrow which was:

3                   (a) Not reasonably discoverable prior to the Close of and  
4 Escrow and that matter is one which:

5                           (i) Would appear as an exception to the Title Policy; or

6                           (ii) Is materially inconsistent with a disclosure by Seller  
7 or with any representations or warranties contained in Paragraph 15.2; and

8                           (iii) Such new matter is of such a nature that, in Buyer's  
9 reasonable judgment, it would materially and adversely affect the acquisition,  
10 development, sale or use of the Property for Buyer's intended purpose; then Buyer is  
11 entitled to treat such new matter as a failure of condition to the Close of Escrow.

12                   (b) If Buyer elects to treat such new matter as a failure of  
13 condition to the Close of Escrow, Buyer must give notice to Seller of Buyer's election to  
14 terminate this Agreement within fifteen (15) days of Buyer's obtaining knowledge of  
15 such new matter, but in no event later than the Closing Date.

16                   (c) However, if Buyer gives Seller notice of its election to  
17 terminate this Agreement, Seller may elect, in its sole and absolute discretion by  
18 written notice to Buyer and to Escrow Holder within five (5) business days following  
19 Seller's receipt of Buyer's notice, to correct the new matter prior to the Close of  
20 Escrow. If Seller elects to correct the new matter, Seller will be entitled to extend the  
21 Close of Escrow for not more than twenty (20) days in order to correct the new matter  
22 and, in such event, this Agreement will not terminate. If Seller fails to correct the new  
23 matter by the Closing Date as extended, Buyer, as Buyer's sole remedy, may terminate  
24 this Agreement.

25           9.    **Representations.** Buyer represents and warrants that prior to the Close  
26 of Escrow, Buyer will have had the opportunity to make and will have made such an  
27 investigation and inspection of all aspects of the condition of the Property as it has  
28 deemed necessary or appropriate, including, but not limited to soils and the Property's

1 compliance or non-compliance with applicable laws, rules, regulations and ordinances  
2 (including any Environmental Laws) as defined in Paragraph 15.1 and the existence or  
3 non-existence of Hazardous Substances as defined in Paragraph 15.1 on, in or under  
4 the Property. Buyer further represents and warrants that in purchasing the Property,  
5 Buyer is relying solely upon its own investigations and inspections of same.

6       10.   **Title Insurance.** At the Close of Escrow, Seller will cause the Title  
7 Company to issue to Buyer a CLTA standard coverage owner's policy in an amount  
8 equal to the Purchase Price showing fee title to the Property vested in Buyer subject  
9 only to the Permitted Exceptions ("**Title Policy**") and the standard printed exceptions  
10 and conditions in the policy of title insurance. If Buyer elects to obtain any  
11 endorsements or an ALTA Extended Policy of Title, the additional premium and costs  
12 of the policy survey for the ALTA Extended policy of title and the cost of any  
13 endorsements will be at Buyer's sole cost and expense; however, Buyer's election to  
14 obtain an ALTA extended policy of title will not delay the Closing and Buyer's inability  
15 to obtain an ALTA extended policy of title or any such endorsements will not be  
16 deemed to be a failure of any condition to Closing.

17       11.   **Costs and Expenses.**

18           Seller will pay:

- 19           (a) CLTA standard coverage policy;  
20           (b) Seller's escrow fees and costs; and  
21           (c) Seller's share of prorations.

22           Buyer will pay:

- 23           (a) Buyers escrow fees and costs;  
24           (b) Any title endorsements; and  
25           (c) Buyer's share of prorations.

26       12.   **Prorations.**

27           12.1 Tax Exempt Agency. All parties hereto acknowledge that the  
28 buyer is public entity and exempt from payment of any real property taxes. There will

1 be no proration of taxes through escrow. Seller will be responsible for payment of any  
2 real property taxes due prior to close of escrow. In the event any real property taxes  
3 are due and unpaid at the close of escrow, Escrow Holder is hereby authorized and  
4 instructed to pay such taxes from proceeds due the Seller at the close of escrow. Seller  
5 understands that the Tax Collector will not accept partial payment of an installment of  
6 the real property due at the close of escrow. At the close of escrow, the Buyer will file  
7 any necessary documentation with the County Tax Collector/Assessor for the property  
8 tax exemption. Any prorated refund that will be due the Seller will be refunded to the  
9 Seller by the county Tax Collector/Assessor outside of escrow and Escrow Holder shall  
10 have no liability and/or responsibility in connection therewith.

11           12.2 Utility Deposits. Seller will notify all utility companies servicing the  
12 Property of the sale of the Property to Buyer and will request that such companies send  
13 Seller a final bill for the period ending on the last day before the Close of Escrow.  
14 Buyer will notify the utility companies that all utility bills for the period commencing on  
15 the Close of Escrow are to be sent to Buyer. In addition to the Purchase Price, Buyer  
16 will pay to Seller an amount equal to the total of all utility deposits held by utility  
17 companies and Seller will assign to Buyer all of Seller's right, title and interest in any  
18 such utility deposits. If Seller receives a bill for utilities provided to the Property for the  
19 period prior to the Close of Escrow, Seller will pay the bill.

20           12.3 Method of Proration. For purposes of calculating prorations, Buyer  
21 shall be deemed to be in title to the Property and therefore entitled to the income there  
22 from and responsible for the expenses thereof for the entire day upon which the  
23 Closing occurs. All prorations will be made as of the date of Close of Escrow based on  
24 a three hundred sixty-five (365) day year or a thirty (30) day month, as applicable. The  
25 obligations of the parties pursuant to this Paragraph 12 shall survive the Closing and  
26 shall not merge into any documents of conveyance delivered at Closing.

27           13. **Disbursements and Other Actions by Escrow Holder**. At the Close of  
28 Escrow, Escrow Holder will promptly undertake all of the following:

1           13.1 Funds. Promptly upon Close of Escrow, disburse all funds  
2 deposited with Escrow Holder by Buyer in payment of the Purchase Price as follows:  
3 (a) deduct or credit all items chargeable to the account of Seller and/or Buyer pursuant  
4 to Paragraphs 11, 12 and 17.1 (b) disburse the balance of the Purchase Price and (c)  
5 disburse any excess proceeds deposited by Buyer to Buyer.

6           13.2 Recording. Cause the Grant Deed to be recorded with the County  
7 Recorder and obtain conformed copies thereof for distribution to Buyer and Seller.

8           13.3 Title Policy. Direct the Title Company to issue the Title Policy to  
9 Buyer.

10          13.4 Delivery of Documents to Buyer and Seller. Deliver to Buyer the  
11 FIRPTA Certificate and any other documents (or copies thereof) deposited into Escrow  
12 by Seller. Deliver to Seller any other documents (or copies thereof) deposited into  
13 Escrow by Buyer.

14          14.   **Joint Representations and Warranties**. In addition to any express  
15 agreements of the parties contained herein, the following constitute representations  
16 and warranties of the parties each to the other:

17           14.1 Each party has the legal power, right and authority to enter into  
18 this Agreement and to consummate this transaction.

19           14.2 The individuals executing this Agreement and the instruments  
20 referenced herein on behalf of each party and the partners, officers or trustees of each  
21 party, if any, have the legal power, right and actual authority to bind each party to the  
22 terms and conditions of those documents.

23           14.3 This Agreement and all other documents required to close this  
24 transaction are and will be valid, legally binding obligations of and enforceable against  
25 each party in accordance with their terms, subject only to applicable bankruptcy,  
26 insolvency, reorganization, moratorium laws or similar laws or equitable principles  
27 affecting or limiting the rights of contracting parties generally.

28



1           **15. Hazardous Substances.**

2           15.1 Definitions. For the purposes of this Agreement, the following  
3 terms have the following meanings:

4                   (a) "Environmental Law" means any law, statute, ordinance or  
5 regulation pertaining to health, industrial hygiene or the environment including, without  
6 limitation CERCLA (Comprehensive Environmental Response, Compensation and  
7 Liability Act of 1980) and RCRA (Resources Conservation and Recovery Act of 1976);

8                   (b) "Hazardous Substance" means any substance, material or  
9 waste which is or becomes designated, classified or regulated as being "toxic" or  
10 "hazardous" or a "pollutant" or which is or becomes similarly designated, classified or  
11 regulated under any Environmental Law including asbestos, petroleum and petroleum  
12 products; and

13                   (c) "Environmental Audit" means an environmental audit,  
14 review or testing of the Property performed by Buyer or any third party or consultant  
15 engaged by Buyer to conduct such study.

16           15.2 Seller's Representations and Warranties. Except as disclosed in  
17 the Due Diligence Materials provided by Seller to Buyer as of the date of this  
18 Agreement, to Seller's current actual knowledge.

19                   (a) No Hazardous Substances exist now or have been used or  
20 stored on or within any portion of the Property except those substances which are or  
21 have been used or stored on the Property by Buyer in the normal course of use and  
22 operation of the Property and in compliance with all applicable Environmental Laws;

23                   (b) There are and have been no federal, state or local  
24 enforcement, clean-up,-removal, remedial or other governmental or regulatory actions  
25 instituted or completed affecting the Property;

26                   (c) No claims have been made by any third party relating to  
27 any Hazardous Substances on or within the Property; and  
28

1 (d) There has been no disposal of Hazardous Substances or  
2 accidental spills which may have contaminated the Property. There has been no on-  
3 site bulk storage of vehicle fuels or waste oils.

4 15.3 Notices Regarding Hazardous Substances. During the term of this  
5 Agreement, Seller will promptly notify Buyer if it obtains actual knowledge that Seller or  
6 the Property may be subject to any threatened or pending investigation by any  
7 governmental agency under any law, regulation or ordinance pertaining to any  
8 Hazardous Substance.

9 15.4 Environmental Audit. Buyer will order, at its sole cost and  
10 expense, an Environmental Audit. Buyer shall complete an Environmental Audit prior to  
11 the end of the Due Diligence Period and may quit this transaction if Buyer identifies  
12 problems in its sole and subjective judgment that would preclude continuing with this  
13 transaction:

14 (a) The Environmental Audit will be conducted pursuant to  
15 standard quality control/quality assurance procedures. Buyer shall provide Seller at  
16 least one (1) business day's prior notice of any on-site testing of soil or subsurface  
17 conditions;

18 (b) Any groundwater, soil or other samples taken from the  
19 Property will be properly disposed of by Buyer at Buyer's sole cost and in accordance  
20 with all applicable laws. Buyer shall promptly restore the Property to the condition in  
21 which it was found immediately prior to Buyer's Environmental Audit;

22 (c) Buyer will not conduct invasive testing of the property  
23 without Seller's prior written consent; and

24 (d) Buyer hereby agrees to protect, indemnify, defend and hold  
25 harmless Seller from and against any and all losses, liabilities, claims, liens, stop  
26 notices, actions, obligations, damages and/or expenses caused by reason of Buyer's  
27 (or its agent's, employee's or independent contractor's) entries into the Property prior  
28

1 to the close of escrow pursuant to the foregoing. Buyer shall keep the Property free of  
2 mechanic's liens related to the activities of Buyer.

3       **16. Notices.** All notices or other communications required or permitted  
4 hereunder must be in writing, and be personally delivered (including by means of  
5 professional messenger service) or sent by registered or certified mail, postage  
6 prepaid, return receipt requested to the addresses set forth in Paragraph 1 (h). All  
7 notices sent by mail will be deemed received three (3) days after the date of mailing.

8       **17. Legal and Equitable Enforcement of this Agreement.**

9           **17.1 Waiver of Specific Performance and Lis Pendens.** In the event the  
10 Close of Escrow and the consummation of the transaction contemplated by this  
11 Agreement do not occur by reason of a material, uncured default by Seller, Buyer will  
12 be entitled to payment of its reasonable out-of-pocket expenses incurred in connection  
13 with the transaction. As material consideration to Seller's entering into this Agreement  
14 with Buyer, Buyer waives any right: (a) to pursue an action for the specific  
15 performance of this Agreement and (b) to record or file a notice of lis pendens or notice  
16 of pendency of action or similar notice against any portion of the Property.

17       **18. Miscellaneous.**

18           **18.1 Counterparts.** This Agreement may be executed in counterparts.

19           **18.2 Partial Invalidity.** If any term or provision of this Agreement shall  
20 be deemed to be invalid or unenforceable to any extent, the remainder of this  
21 Agreement will not be affected thereby and each remaining term and provision of this  
22 Agreement will be valid and be enforced to the fullest extent permitted by law.

23           **18.3 Waivers.** No waiver of any breach of any covenant or provision  
24 contained herein will be deemed a waiver of any preceding or succeeding breach  
25 thereof, or of any other covenant or to, a licensed real estate broker (individual or  
26 corporate), agent, or finder or other provision contained herein. No extension of time  
27 for performance or any obligation or act will be deemed an extension of the time for,  
28

1 performance of any other obligation or act except those of the waiving party which will  
2 be extended by a period of time equal to the period of the delay.

3           18.4 Successors and Assigns. Neither party shall transfer or assign its  
4 rights or responsibilities under this Agreement without the express written consent of  
5 the other party.

6           18.5 Entire Agreement. This Agreement (including all Exhibits attached  
7 hereto) constitutes the entire contract between the parties hereto and may not be  
8 modified except by an instrument in writing signed by the party to be charged.

9           18.6 Time of Essence. Seller and Buyer hereby acknowledge and  
10 agree that time is strictly of the essence with respect to each and every term, condition,  
11 obligation and provision hereof.

12           18.7 Governing Law. The parties hereto expressly agree that this  
13 Agreement will be governed by, interpreted under, and construed and enforced in  
14 accordance with the laws of the State of California in which the Property is located.  
15 Venue for any proceeding related to this Agreement shall be in the County of  
16 Riverside.

17           18.8 No Recordation. No memorandum or other document relating to  
18 this Agreement shall be recorded without the prior written consent of Seller and Buyer.

19           18.9 Survival. Any provisions of this Agreement which by their terms  
20 require performance by either party after the Close of Escrow shall survive the Close of  
21 Escrow.

22           18.10 Brokers. Seller and Buyer represent and warrant to the other that  
23 Seller has not employed a broker and/or finder to represent its interest in this  
24 transaction. Seller agrees to indemnify and hold the Buyer free and harmless from and  
25 against any and all liability, loss, cost, or expense (including court costs and  
26 reasonable attorney's fees) in any manner connected with a claim asserted by any  
27 individual or entity for any commission or finder's fees in connection with the  
28

1 conveyance of the Property arising out of agreements by the indemnifying party to pay  
2 any commission or finder's fee.

3           18.11 Exhibits. Each exhibit attached hereto is incorporated herein by  
4 this reference as if set forth in full in the body of this Agreement.

5           18.12 Assignment. Buyer shall neither assign Buyer's rights nor delegate  
6 Buyer's obligations hereunder without Seller's prior written consent, which may be  
7 withheld in Seller's sole discretion.

8           18.13 Eminent Domain. Buyer hereby represents that, absent this  
9 agreement to transfer the property by voluntary sale, Buyer would recommend to the  
10 Riverside County Board of Supervisors and or the Board of the Redevelopment  
11 Agency for the County of Riverside that one or both of those Boards issue the various  
12 approvals and adoptions that would be necessary to authorize the acquisition of the  
13 Property by condemnation.

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1 THIS AGREEMENT WILL BE NULL AND VOID IF NOT EXECUTED BY  
2 BUYER and approved by the Board of Directors of the Redevelopment Agency for the  
3 County of Riverside.

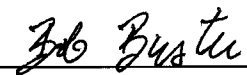
4 IN WITNESS WHEREOF, the parties hereto have executed this Agreement as  
5 of the date and year set forth below.

6 Dated: 6-6-2011

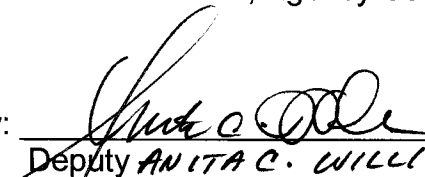
7  
8 **HAROLD E. FAIRCHILD, TRUSTEE OF THE**  
9 **FAIRCHILD FAMILY CREDIT TRUST**  
10 **CREATED 9/11/00**

11 By:   
12 Harold E. Fairchild, Trustee

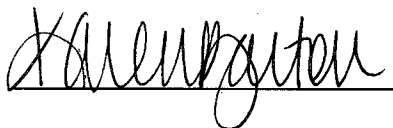
13 **REDEVELOPMENT AGENCY FOR THE**  
14 **COUNTY OF RIVERSIDE**

15 By:   
16 Bob Buster  
17 Chairman, Board of Directors

18 **APPROVED AS TO FORM:**  
19 **PAMELA J. WALLS, Agency Counsel**

20 By:   
21 Deputy ANITA C. WILLIS

22 **ATTEST:**  
23 **Kecia Harper-Ihem**  
24 **Clerk to the Board**

25 By: 

# EXHIBIT A

## LEGAL DESCRIPTION

## EXHIBIT "A"

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

Parcel 1:

The North half of the Southwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per, map of partition of said Rancho made under Decree of the Superior Court of the State of California in and for the County of San Diego, dated, March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Except the West 30.00 feet.

Parcel 2:

The North half of the South half of the Northwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per map of partition of said Rancho made under Decree of the Superior Court of California, in and for the County of San Diego, dated March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Except the West 30.00 feet.

Parcel 3:

The South half of the South half of the Northwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per map of partition of said Rancho made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Parcel 4:

The North 50.00 feet of the South Half, of the Northeast quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho Jacinto Viejo, County of Riverside, State of California, as per map of partition of said Rancho made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.



Except the East 30.00 feet.

Also Except that portion Conveyed to the County of Riverside by deed recorded June 22, 1966 as Instrument No. 64465 of Official Records.

Parcel 5:

The South 142 50 feet of the East Half of the North Half of the North Half of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per map of partition of. said rancho made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882 and filed in the Office of the Clerk of the Superior Court of said County.

Except the East 30.00 feet.

Also Except that portion conveyed to the County of Riverside by deed recorded June 22, 1966 as Instrument No. 64465 of Official Records.

Parcel 6:

The South Half of the Southwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per map of partition of said rancho made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Except the South 30.00 feet

Also Except the West 181.00 feet.

Parcel 7:

The East 55.00 feet of the West 181.00 feet of the South half of the Southwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in Rancho San Jacinto Viejo, County of Riverside, State of California, as per map partition of said Rancho, made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882 and filed in the Office of the Clerk of the Superior Court Of said County.

Except the South 30.00 feet.

Assessor's Parcel Number: **443-050-017,018,020,033,039**

# EXHIBIT B

Recorded at request of and return  
to:  
Redevelopment Agency for the  
County of Riverside  
Real Property Division  
3403 10<sup>th</sup> Street , Suite 500  
Riverside, CA 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)

APN: 443-050-017, 443-050-018, 443-050-020,  
443-050-033 & 443-050-039

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

## **GRANT DEED**

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

HAROLD E. FAIRCHILD, TRUSTEE OF THE FAIRCHILD FAMILY CREDIT  
TRUST CREATED 9/11/00

GRANTS to the REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE, a public  
body, corporate and politic, organized and existing under, and by virtue of the State of  
California, the real property in the County of Riverside, State of California, described as:

Exhibit "A" and "C" attached hereto  
are made a part hereof

HAROLD E. FAIRCHILD, TRUSTEE OF THE  
FAIRCHILD FAMILY CREDIT TRUST CREATED  
9/11/00

By: \_\_\_\_\_  
Harold E. Fairchild, Trustee

## EXHIBIT "A"

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

Parcel 1:

The North half of the Southwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per, map of partition of said Rancho made under Decree of the Superior Court of the State of California in and for the County of San Diego, dated, March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Except the West 30.00 feet.

Parcel 2:

The North half of the South half of the Northwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per map of partition of said Rancho made under Decree of the Superior Court of California, in and for the County of San Diego, dated March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Except the West 30.00 feet.

Parcel 3:

The South half of the South half of the Northwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per map of partition of said Rancho made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Parcel 4:

The North 50.00 feet of the South Half, of the Northeast quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho Jacinto Viejo, County of Riverside, State of California, as per map of partition of said Rancho made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Except the East 30.00 feet.

Also Except that portion Conveyed to the County of Riverside by deed recorded June 22, 1966 as Instrument No. 64465 of Official Records.

Parcel 5:

The South 142 50 feet of the East Half of the North Half of the North Half of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per map of partition of said rancho made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882 and filed in the Office of the Clerk of the Superior Court of said County.

Except the East 30.00 feet.

Also Except that portion conveyed to the County of Riverside by deed recorded June 22, 1966 as Instrument No. 64465 of Official Records.

Parcel 6:

The South Half of the Southwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per map of partition of said rancho made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Except the South 30.00 feet

Also Except the West 181.00 feet.

Parcel 7:

The East 55.00 feet of the West 181.00 feet of the South half of the Southwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in Rancho San Jacinto Viejo, County of Riverside, State of California, as per map partition of said Rancho, made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882 and filed in the Office of the Clerk of the Superior Court Of said County.

Except the South 30.00 feet.

Assessor's Parcel Number: **443-050-017,018,020,033,039**

443-05

T.C.A. 071-215

FOR RO. SAN JACINTO VIEJO  
(E<sup>2</sup>N.E<sup>4</sup>N.W<sup>4</sup> SEC.10,T.5S.,R.1W.)

EXHIBIT 66C99

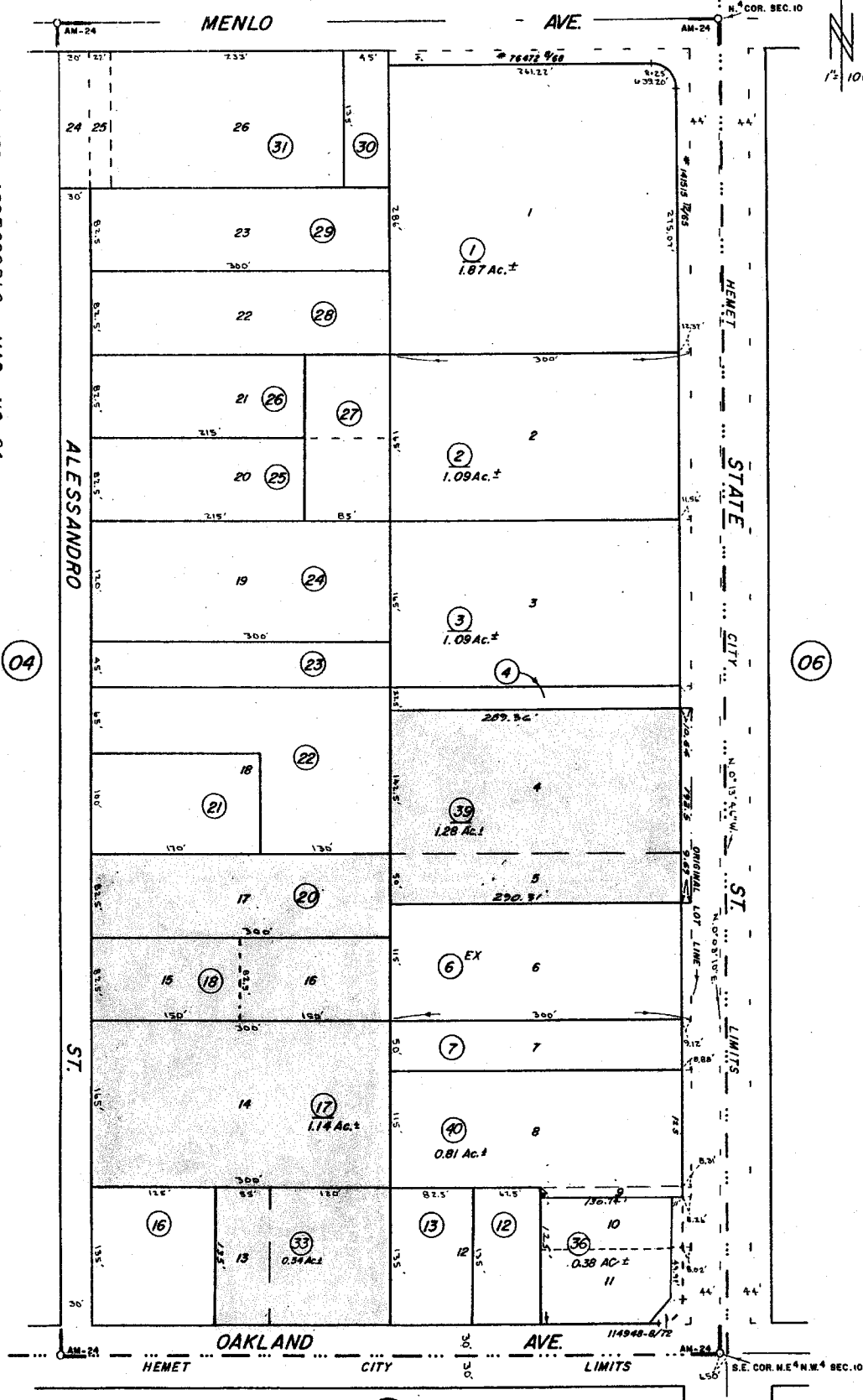
THIS MAP IS FOR  
ASSESSMENT PURPOSES ONLY

DATE	OLD MAP	NEW MAP
1-20-07	443-05	443-05
1-7-73	010, 011, 012, 013	443-05
11-7-78	5	5
07-81	010, 011, 012, 013	443-05
4-82	41, 42	40

439  
06



AMB 1/29 ASSESSOR'S MAP NO. 24  
COUNTY SURVEY 782-B  
RS 55/14  
OCT. 1970



ASSESSOR'S MAP BK. 443 PG. 05  
RIVERSIDE COUNTY, CALIF

State of California )  
County of \_\_\_\_\_ )

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 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

This is to certify that the interest in real property conveyed by the within deed to the COUNTY OF RIVERSIDE, a political subdivision, is hereby accepted by order of the Board of Supervisors on the date below and the grantee consents to the recordation thereof by its duly authorized officer.

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

By: \_\_\_\_\_  
Robert Field, Executive Director



EXHIBIT C

DATE	OLD MAP	NEW MAP
1/28/78	443-050-018	443-050-018
7/23/79	443-050-018	443-050-018
11/17/79	443-050-018	443-050-018
01/01/81	443-050-018	443-050-018
4/22/82	443-050-018	443-050-018

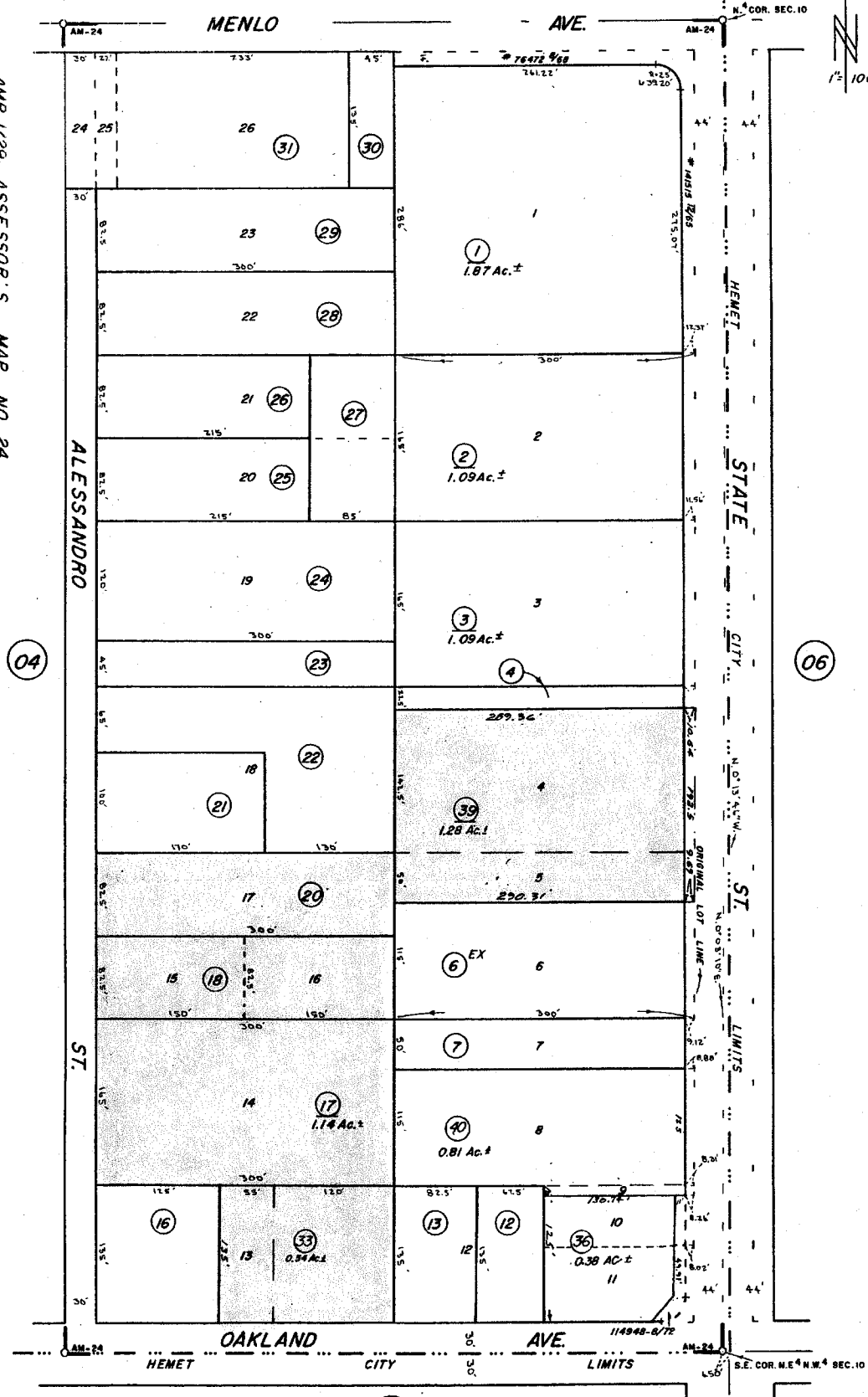
439  
06

443-05

T.C.A. 071-215



AMB 1/29 ASSESSOR'S MAP NO. 24  
COUNTY SURVEY 782-B  
MS 95/14  
OCT. 1970



**EXHIBIT "C"**  
POR. RO. SAN JACINTO VIEJO  
(E<sup>2</sup> NE<sup>4</sup> NW<sup>4</sup> SEC. 10, T.5S., R.1W.)

THIS MAP IS FOR  
ASSESSMENT PURPOSES ONLY

ASSESSOR'S MAP BK. 443 PG. 05  
RIVERSIDE COUNTY, CALIF.

04

06

12



# MEMORANDUM

RIVERSIDE COUNTY ECONOMIC DEVELOPMENT AGENCY

---

*Robert Field*  
*Assistant County Executive Officer/EDA*

**TO:** Kecia Harper-Ihem, Clerk of the Board

**FROM:** Bonnie Perez, Real Property Coordinator  
Real Property Division

**DATE:** October 3, 2011

**SUBJECT:** North Hemet Housing Project  
Grant Deed

---

Attached please find the original grant deed for the North Hemet Housing, Agenda Number 4.4, dated July 26, 2011.

If you have any questions, please email or call me at x52359. Thank you

Attachment

2011 OCT 12 6 53:52

OFFICE OF THE COUNTY CLERK  
RECEIVED RIVERSIDE COUNTY

2011-10-10 894  
7/26/2011 4.4

DOC # 2011-0371794

08/23/2011 09:54A Fee:NC

Page 1 of 6

Recorded in Official Records

County of Riverside

Larry W. Ward

Assessor, County Clerk & Recorder



Recorded at request of and return to:

Redevelopment Agency for the County of Riverside  
Real Property Division  
3403 10<sup>th</sup> Street, Suite 500  
Riverside, CA 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)

S	R	U	PAGE	SIZE	DA	MISC	LONG	RFD	COPY
			6						
M	A	L	465	426	PCOR	NCOR	SMF	NCHG	EXAM
NCHGCC						T:	CTY	UNI	043

APN: 443-050-017, 443-050-018, 443-050-020, 443-050-033 & 443-050-039

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

# GRANT DEED



FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

HAROLD E. FAIRCHILD, TRUSTEE OF THE FAIRCHILD FAMILY CREDIT TRUST CREATED 9/11/00

GRANTS to the REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE, a public body, corporate and politic, organized and existing under, and by virtue of the State of California, the real property in the County of Riverside, State of California, described as:

Exhibit "A" and "C" attached hereto are made a part hereof

HAROLD E. FAIRCHILD, TRUSTEE OF THE FAIRCHILD FAMILY CREDIT TRUST CREATED 9/11/00

By:   
Harold E. Fairchild, Trustee

6/6/11

No Consideration

DOCUMENT TRANSFER TAX \$ 0

— COMPUTED ON FULL VALUE OF PROPERTY CONVEYED

— OR COMPUTED ON FULL VALUE LESS LIENS AND ENCUMBRANCES REMAINING AT TIME OF SALE.

Signature of Declarant or Agent determining tax. Firm Name

State of California )  
County of RIVERSIDE )

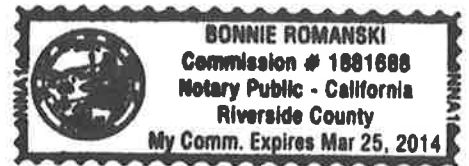
On JUNE 6, 2011, before me, BONNIE ROMANSKI <sup>(NOTARY)</sup> ~~PUBLIC~~, a Notary Public in and for said County and State, personally appeared HAROLD E FAIRCHILD, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and 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 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

Bonnie Romanski



[SEAL]

## EXHIBIT "A"

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

Parcel 1:

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Except the West 30.00 feet.

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Also Except that portion Conveyed to the County of Riverside by deed recorded June 22, 1966 as Instrument No. 64465 of Official Records.

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Except the South 30.00 feet

Also Except the West 181.00 feet.

Parcel 7:

The East 55.00 feet of the West 181.00 feet of the South half of the Southwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township5 South, Rangel West, San Bernardino Meridian, in Rancho San Jacinto Viejo, County of Riverside, State of California, as per map partition of said Rancho, made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882 and filed in the Office of the Clerk of the Superior Court Of said County.

Except the South 30.00 feet.

Assessor's Parcel Number: **443-050-017,018,020,033,039**

443-05

T.C.A. 071-215

**EXHIBIT 66C99**

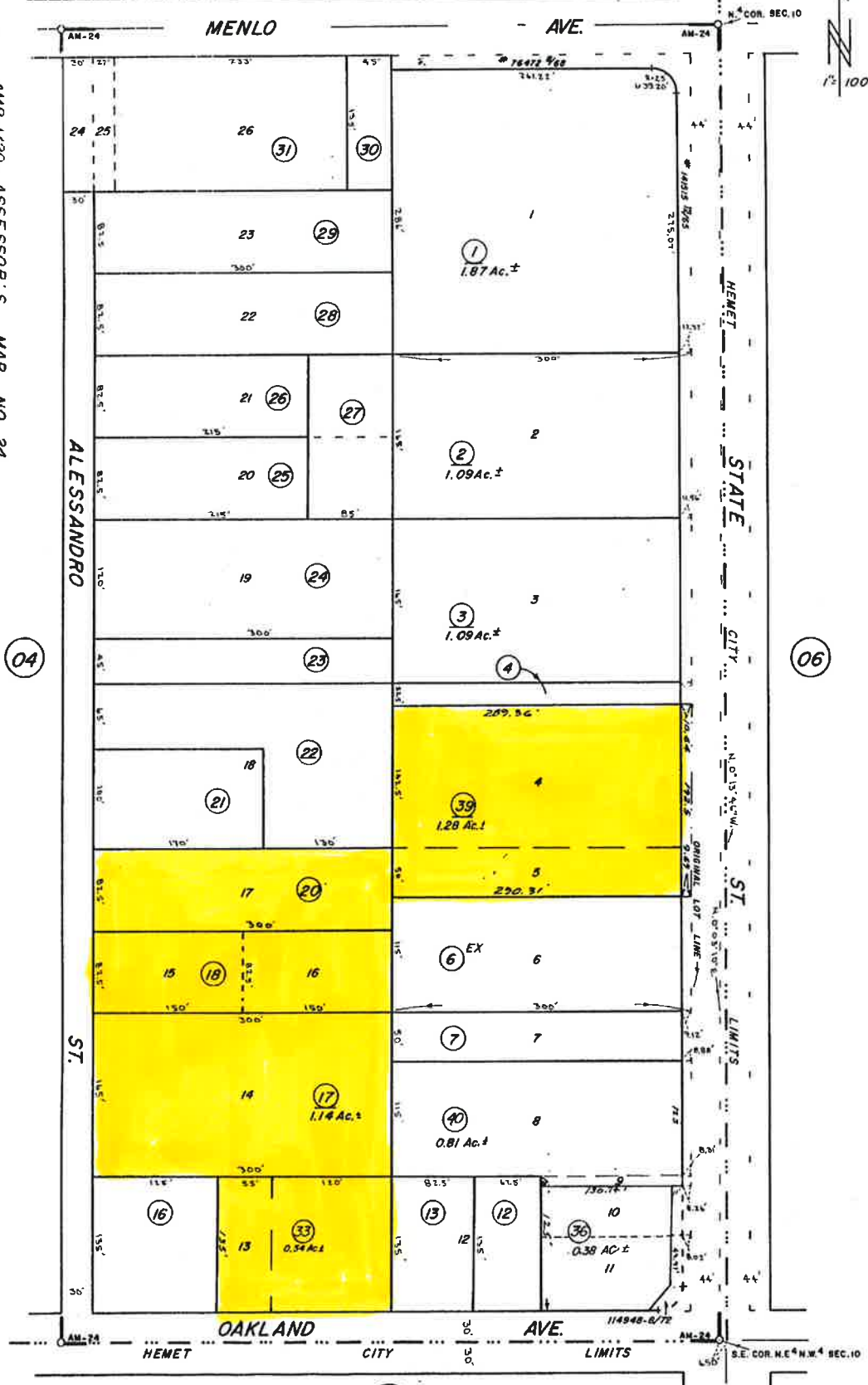
**FOR RO. SAN JACINTO VIEJO**  
(E<sup>2</sup>NE<sup>4</sup>NW<sup>4</sup> SEC.10, T.5S, R.1W.)

THIS MAP IS FOR  
ASSESSMENT PURPOSES ONLY

DATE	OLD MAP NUMBER	NEW MAP NUMBER
1/20/77	443-05	443-05
7-22/79	443-05	443-05
1/7/79	443-05	443-05
7-81	443-05	443-05
4/82	443-05	443-05

439  
06

AMB 1/29 ASSESSOR'S MAP NO. 24  
COUNTY SURVEY 782-B  
RS 55/14  
OCT. 1970



ASSESSOR'S MAP BK. 443 PG. 05  
RIVERSIDE COUNTY, CALIF.

04

06

12



CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the within deed to the REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE, a public body, corporate and politic, is hereby accepted by order of the Board of Directors on the date below and the grantee consents to the recordation thereof by its duly authorized officer.

Date: 8-4-11

By:   
Robert Field, Executive Director

# MEMORANDUM

RIVERSIDE COUNTY ECONOMIC DEVELOPMENT AGENCY

---

*Robert Field*  
*Assistant County Executive Officer/EDA*

**TO:** Kecia Harper-Ihem, Clerk of the Board

**FROM:** Bonnie Perez, Real Property Coordinator  
Real Property Division

**DATE:** February 22, 2012

**SUBJECT:** Mission Plaza Project  
Title Policy

---

Attached please find the original Title Policy for the North Hemet Housing Project. This transaction was approved on July 26, 2011, Item #4.4.

If you have any questions, please email or call me at x52359. Thank you.

RECEIVED  
RIVERSIDE COUNTY ECONOMIC DEVELOPMENT AGENCY  
FEB 23 2012

2012-2-111602



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

January 30, 2012

County of Riverside, EDA  
3403 10<sup>th</sup> Street, Suite 500  
Riverside, California 92501

YOUR REF: **443-050-017,18,20,33,39**  
OUR NO.: **12328014**  
Property: **250 Oakland w/ other property, City of Hemet, CA**

Dear Customer:

On behalf of **Lawyers Title Company**, please find your CLTA Standard Owners Policy of Title Insurance.

NOTE: Your policy is a computer generated product. Although lacking color and "live" signatures, it is the original of your policy.

Thank you for selecting **Lawyers Title Company** for your transactional management needs.

Enclosure

This policy has been issued through the offices of



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

We wish to take this opportunity to thank you for allowing us to assist you in your recent real estate transaction. We appreciate your confidence in us and take pride in our ability to service all your title needs.

The enclosed title policy was carefully prepared in accordance with your agent's instruction and should be kept in a safe place with your other important documents as it continues to protect you as long as you have an interest in the subject real property.

We hope we can be of assistance to you in all your future real estate transactions.

Cordially,

A handwritten signature in cursive script, appearing to read 'James M. John'.

---

James M. John

Fidelity National Financial, Inc.  
**Privacy Statement**

Fidelity National Financial, Inc. and its subsidiaries ("FNF") respect the privacy and security of your non-public personal information ("Personal Information") and protecting your Personal Information is one of our top priorities. This Privacy Statement explains FNF's privacy practices, including how we use the Personal Information we receive from you and from other specified sources, and to whom it may be disclosed. FNF follows the privacy practices described in this Privacy Statement and, depending on the business performed, FNF companies may share information as described herein.

**Personal Information Collected**

We may collect Personal Information about you from the following sources:

- Information we receive from you on applications or other forms, such as your name, address, social security number, tax identification number, asset information, and income information;
- Information we receive from you through our Internet websites, such as your name, address, email address, Internet Protocol address, the website links you used to get to our websites, and your activity while using or reviewing our websites;
- Information about your transactions with or services performed by us, our affiliates, or others, such as information concerning your policy, premiums, payment history, information about your home or other real property, information from lenders and other third parties involved in such transaction, account balances, and credit card information; and
- Information we receive from consumer or other reporting agencies and publicly recorded documents.

**Disclosure of Personal Information**

We may provide your Personal Information (excluding information we receive from consumer or other credit reporting agencies) to various individuals and companies, as permitted by law, without obtaining your prior authorization. Such laws do not allow consumers to restrict these disclosures. Disclosures may include, without limitation, the following:

- To insurance agents, brokers, representatives, support organizations, or others to provide you with services you have requested, and to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure in connection with an insurance transaction;
- To third-party contractors or service providers for the purpose of determining your eligibility for an insurance benefit or payment and/or providing you with services you have requested;
- To an insurance regulatory authority, or a law enforcement or other governmental authority, in a civil action, in connection with a subpoena or a governmental investigation;
- To companies that perform marketing services on our behalf or to other financial institutions with which we have joint marketing agreements and/or
- To lenders, lien holders, judgment creditors, or other parties claiming an encumbrance or an interest in title whose claim or interest must be determined, settled, paid or released prior to a title or escrow closing.

We may also disclose your Personal Information to others when we believe, in good faith, that such disclosure is reasonably necessary to comply with the law or to protect the safety of our customers, employees, or property and/or to comply with a judicial proceeding, court order or legal process.

Effective Date: 5/1/2008

Disclosure to Affiliated Companies - We are permitted by law to share your name, address and facts about your transaction with other FNF companies, such as insurance companies, agents, and other real estate service providers to provide you with services you have requested, for marketing or product development research, or to market products or services to you. We do not, however, disclose information we collect from consumer or credit reporting agencies with our affiliates or others without your consent, in conformity with applicable law, unless such disclosure is otherwise permitted by law.

Disclosure to Nonaffiliated Third Parties - We do not disclose Personal Information about our customers or former customers to nonaffiliated third parties, except as outlined herein or as otherwise permitted by law.

#### **Confidentiality and Security of Personal Information**

We restrict access to Personal Information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard Personal Information.

#### **Access To Personal Information/**

#### **Requests for Correction, Amendment, or Deletion of Personal Information**

As required by applicable law, we will afford you the right to access your Personal Information, under certain circumstances to find out to whom your Personal Information has been disclosed, and request correction or deletion of your Personal Information. However, FNF's current policy is to maintain customers' Personal Information for no less than your state's required record retention requirements for the purpose of handling future coverage claims.

For your protection, all requests made under this section must be in writing and must include your notarized signature to establish your identity. Where permitted by law, we may charge a reasonable fee to cover the costs incurred in responding to such requests. Please send requests to:

Chief Privacy Officer  
Fidelity National Financial, Inc.  
601 Riverside Avenue  
Jacksonville, FL 32204

#### **Changes to this Privacy Statement**

This Privacy Statement may be amended from time to time consistent with applicable privacy laws. When we amend this Privacy Statement, we will post a notice of such changes on our website. The effective date of this Privacy Statement, as stated above, indicates the last time this Privacy Statement was revised or materially changed.

# STANDARD COVERAGE POLICY OF TITLE INSURANCE

Issued by

## Commonwealth Land Title Insurance Company

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, Commonwealth Land Title Insurance Company, a Nebraska corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of right of access to and from the land; and in addition, as to an insured lender only
5. The invalidity or unenforceability of the lien of the insured mortgage upon the title;
6. The priority of any lien or encumbrance over the lien of the insured mortgage, said mortgage being shown in Schedule B in the order of its priority;
7. The invalidity or unenforceability of any assignment of the insured mortgage, provided the assignment is shown in Schedule B, or the failure of the assignment shown in Schedule B to vest title to the insured mortgage in the named insured assignee free and clear of all liens.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title or the lien of the insured mortgage, as insured, but only to the extent provided in the Conditions and Stipulations.

IN WITNESS WHEREOF, Commonwealth Land Title Insurance Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Policy to become valid when countersigned by an authorized officer or agent of the Company.

**Lawyers Title, A Division of Commonwealth  
Land Title Insurance Company**

**Commonwealth Land Title Insurance Company**

By: *Natalie Bombardieri*  
Countersigned



By:

*Gregory M. Poirier*

President

ATTEST

*[Signature]*

Secretary

### 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 regulations (including but not limited to building or 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; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
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 the 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.

## CONDITIONS AND STIPULATIONS

### 1. DEFINITION OF TERMS.

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors. The term "insured" also includes:

(i) the owner of the indebtedness secured by the insured mortgage and each successor in ownership of the indebtedness except a successor who is an obligor under the provisions of Section 12(c) of these Conditions and Stipulations (reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor insured, unless the successor acquired the indebtedness as a purchaser for value without knowledge of the asserted defect, lien, encumbrance, adverse claim or other matter insured against by this policy as affecting title to the estate or interest in the land);

(ii) any governmental agency or governmental instrumentality which is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the indebtedness secured by the insured mortgage, or any part thereof, whether named as an insured herein or not;

(iii) the parties designated in Section 2(a) of these Conditions and Stipulations.

(b) "insured claimant": an insured claiming loss or damage.

(c) "insured lender": the owner of an insured mortgage.

(d) "insured mortgage": a mortgage shown in Schedule B, the owner of which is named as an insured in Schedule A.

(e) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.

(f) "land": the land described or referred to in Schedule A and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule A nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(g) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(h) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.

(i) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A or the insured mortgage to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

### 2. CONTINUATION OF INSURANCE.

(a) After Acquisition of Title by Insured Lender. If this policy insures the owner of the indebtedness secured by the insured mortgage, the coverage of this policy shall continue in force as of Date of Policy in favor of (i) such insured lender who acquires all or any part of the estate or interest in the land by foreclosure, trustee's sale, conveyance in lieu of foreclosure, or other legal manner which discharges the lien of the insured mortgage; (ii) a transferee of the estate or interest so acquired from an insured corporation, provided the transferee is the parent or wholly-owned subsidiary of the insured corporation, and their corporate successors by operation of law and not by purchase, subject to any rights or defenses the Company may have against any predecessor insureds; and (iii) any governmental agency or governmental instrumentality which acquires all or any part of the estate or interest pursuant to a contract of insurance or guaranty insuring or guaranteeing the indebtedness secured by the insured mortgage.

(b) After Conveyance of Title by an Insured. The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from an insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to an insured.

(c) Amount of Insurance. The amount of insurance after the acquisition or after the conveyance by an insured lender shall in neither event exceed the least of:

(i) The amount of insurance stated in Schedule A;

(ii) The amount of the principal of the indebtedness secured by the insured mortgage as of Date of Policy, interest thereon, expenses of foreclosure, amounts advanced pursuant to the insured mortgage to assure compliance with laws or to protect the lien of the insured mortgage prior to the time of acquisition of the estate or interest in the land and secured thereby and reasonable amounts expended to prevent deterioration of improvements, but reduced by the amount of all payments made; or

(iii) The amount paid by a governmental agency or governmental instrumentality, if the agency or the instrumentality is the insured claimant, in the acquisition of the estate or interest in satisfaction of its insurance contract or guaranty.

### 3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

An insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest or the lien of the insured mortgage, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest or the lien of the insured mortgage, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to that insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

### 4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) Upon written request by an insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of such insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of such insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the

fees of any other counsel. The company will not pay any fees, costs or expenses incurred by an insured in the defense of those causes of action which allege matters not insured against by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured, or to prevent or reduce loss or damage to an insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, an insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such insured for this purpose. Whenever requested by the Company, an insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured. If the Company is prejudiced by the failure of an insured to furnish the required cooperation, the Company's obligations to such insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

### 5. PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by each insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of an insured claimant to provide the required proof of loss or damage, the Company's obligations to such insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, an insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by an insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of an insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that insured for that claim.

### 6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.

(i) to pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay; or

(ii) in case loss or damage is claimed under this policy by the owner of the indebtedness secured by the insured mortgage, to purchase the indebtedness secured by the insured mortgage for the amount owing thereon together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of purchase and which the Company is obligated to pay.

If the Company offers to purchase the indebtedness as herein provided, the owner of the indebtedness shall transfer, assign, and convey the indebtedness and the insured mortgage, together with any collateral security, to the Company upon payment therefor.

Upon the exercise by the Company of the option provided for in paragraph a(i), all liability and obligations to the insured under this policy, other than to make the payment required in that paragraph, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

Upon the exercise by the Company of the option provided for in paragraph a(ii) the Company's obligation to an insured Lender under this policy for the claimed loss or damage, other than the payment required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

(b) To Pay or Otherwise Settle with Parties Other than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs b(i) or b(ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

## Conditions and Stipulations Continued



## CONDITIONS AND STIPULATIONS - CONTINUED

### 7. DETERMINATION AND EXTENT OF LIABILITY.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy to an insured lender shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A, or, if applicable, the amount of insurance as defined in Section 2(c) of these Conditions and Stipulations;

(ii) the amount of the unpaid principal indebtedness secured by the insured mortgage as limited or provided under Section 8 of these Conditions and Stipulations or as reduced under Section 9 of these Conditions and Stipulations, at the time the loss or damage insured against by this policy occurs, together with interest thereon; or

(iii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) In the event the insured lender has acquired the estate or interest in the manner described in Section 2(a) of these Conditions and Stipulations or has conveyed the title, then the liability of the Company shall continue as set forth in Section 7(a) of these Conditions and Stipulations.

(c) The liability of the Company under this policy to an insured owner of the estate or interest in the land described in Schedule A shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A; or,

(ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(d) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

### 8. LIMITATION OF LIABILITY.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, or otherwise establishes the lien of the insured mortgage, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title, or, if applicable, to the lien of the insured mortgage, as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

(d) The Company shall not be liable to an insured lender for: (i) any indebtedness created subsequent to Date of Policy except for advances made to protect the lien of the insured mortgage and secured thereby and reasonable amounts expended to prevent deterioration of improvements; or (ii) construction loan advances made subsequent to Date of Policy, except construction loan advances made subsequent to Date of Policy for the purpose of financing in whole or in part the construction of an improvement to the land which at Date of Policy were secured by the insured mortgage and which the insured was and continued to be obligated to advance at and after Date of Policy.

### 9. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

(a) All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of insurance pro tanto. However, as to an insured lender, any payments made prior to the acquisition of title to the estate or interest as provided in Section 2(a) of these Conditions and Stipulations shall not reduce pro tanto the amount of insurance afforded under this policy as to any such insured, except to the extent that the payments reduce the amount of the indebtedness secured by the insured mortgage.

(b) Payment in part by any person of the principal of the indebtedness, or any other obligation secured by the insured mortgage, or any voluntary partial satisfaction or release of the insured mortgage, to the extent of the payment, satisfaction or release, shall reduce the amount of insurance pro tanto. The amount of insurance may thereafter be increased by accruing interest and advances made to protect the lien of the insured mortgage and secured thereby, with interest thereon, provided in no event shall the amount of insurance be greater than the Amount of Insurance stated in Schedule A.

(c) Payment in full by any person or the voluntary satisfaction or release of the insured mortgage shall terminate all liability of the Company to an insured lender except as provided in Section 2(a) of these Conditions and Stipulations.

### 10. LIABILITY NONCUMULATIVE.

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

The provisions of this Section shall not apply to an insured lender, unless such insured acquires title to said estate or interest in satisfaction of the indebtedness secured by an insured mortgage.

### 11. PAYMENT OF LOSS.

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

### 12. SUBROGATION UPON PAYMENT OR SETTLEMENT.

#### (a) The Company's Right of Subrogation.

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated (i) as to an insured owner, to all rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss; and (ii) as to an insured lender, to all rights and remedies of the insured claimant after the insured claimant shall have recovered its principal, interest, and costs of collection.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

#### (b) The Insured's Rights and Limitations.

Notwithstanding the foregoing, the owner of the indebtedness secured by an insured mortgage, provided the priority of the lien of the insured mortgage or its enforceability is not affected, may release or substitute the personal liability of any debtor or guarantor, or extend or otherwise modify the terms of payment, or release a portion of the estate or interest from the lien of the insured mortgage, or release any collateral security for the indebtedness.

When the permitted acts of the insured claimant occur and the insured has knowledge of any claim of title or interest adverse to the title to the estate or interest or the priority or enforceability of the lien of an insured mortgage, as insured, the Company shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

#### (c) The Company's Rights Against Non-insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

The Company's right of subrogation shall not be avoided by acquisition of an insured mortgage by an obligor (except an obligor described in Section 1(a)(ii) of these Conditions and Stipulations) who acquires the insured mortgage as a result of an indemnity, guarantee, other policy of insurance, or bond and the obligor will not be an insured under this policy, notwithstanding Section 1(a)(i) of these Conditions and Stipulations.

### 13. ARBITRATION.

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is \$1,000,000 or less shall be arbitrated at the option of either the Company or the insured. All arbitrable matters when the Amount of Insurance is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

### 14. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the lien of the insured mortgage or of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

### 15. SEVERABILITY.

In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

### 16. NOTICES WHERE SENT.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to: Commonwealth Land Title Insurance Company, P.O. Box 45023, Jacksonville, Florida 32232-5023 Attn: Claim's Dept

**POLICY OF TITLE INSURANCE**  
Issued by  
**Commonwealth Land Title Insurance Company**

**SCHEDULE A**

Policy/File No.: **12328014**

Amount of Insurance: **\$745,000.00**

Premium: **\$2,150.00**

Endorsement Fees: \$0.00

Date of Policy: **August 23, 2011 at 8:00 A.M.**

1. Name of Insured:

**REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE, a public body, corporate and politic**

2. The estate or interest in the land described herein and which is covered by this policy is:

**A FEE**

3. The estate or interest referred to herein is at the Date of Policy vested in:

**REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE, a public body, corporate and politic**

4. The land referred to in this policy is situated in the County of Riverside, State of California, and is more particularly described in 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 1: (443-050-017-8)

The North half of the Southwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per, map of partition of said Rancho made under Decree of the Superior Court of the State of California in and for the County of San Diego, dated, March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Except the West 30.00 feet.

Parcel 2: (443-050-020-0)

The North half of the South half of the Northwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per map of partition of said Rancho made under Decree of the Superior Court of California, in and for the County of San Diego, dated March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Except the West 30.00 feet.

Parcel 3: (443-050-018-9)

The South half of the South half of the Northwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per map of partition of said Rancho made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Parcel 4: (South 50' of 443-050-039-8)

The North 50.00 feet of the South Half, of the Northeast quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho Jacinto Viejo, County of Riverside, State of California, as per map of partition of said Rancho made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Except the East 30.00 feet.

Also Except that portion Conveyed to the County of Riverside by deed recorded June 22, 1966 as Instrument No. 64465 of Official Records.

Parcel 5: (North 142' of 443-050-039-8)

The South 142 50 feet of the East Half of the North Half of the North Half of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per map of partition of. said rancho made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882 and filed in the Office of the Clerk of the Superior Court of said County.

**EXHIBIT "A" - Continued**

Except the East 30.00 feet.

Also Except that portion conveyed to the County of Riverside by deed recorded June 22, 1966 as Instrument No. 64465 of Official Records.

Parcel 6: (EASTERLY 2/3RDS OF 443-050-033-2)

The South Half of the Southwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in the Rancho San Jacinto Viejo, County of Riverside, State of California, as per map of partition of said rancho made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882, and filed in the Office of the Clerk of the Superior Court of said County.

Except the South 30.00 feet

Also Except the West 181.00 feet.

Parcel 7: (WESTERLY 1/3<sup>RD</sup> OF 443-050-033-2)

The East 55.00 feet of the West 181.00 feet of the South half of the Southwest quarter of the Southeast quarter of the Northeast quarter of the Northwest quarter of Section 10, Township 5 South, Range 1 West, San Bernardino Meridian, in Rancho San Jacinto Viejo, County of Riverside, State of California, as per map partition of said Rancho, made under Decree of the Superior Court of the State of California, in and for the County of San Diego, dated March 9, 1882 and filed in the Office of the Clerk of the Superior Court Of said County.

Except the South 30.00 feet.

Assessor's Parcel Number: **443-050-017-8; 443-050-018-9**

**SCHEDULE B**  
**EXCEPTIONS FROM COVERAGE**

THIS POLICY DOES NOT INSURE AGAINST LOSS OR DAMAGE (AND THE COMPANY WILL NOT PAY COSTS, ATTORNEY'S 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, interest 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.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

**END OF SCHEDULE B - PART I**

**SCHEDULE B  
PART II**

- A. Property taxes, including general and special taxes, personal property taxes, if any, and any assessments collected with taxes, to be levied for the fiscal year 2011 – 2012 which are a lien not yet payable.
- B. Said land lies within the boundaries of District shown below and is subject to Assessments levied by said district.  
Eastern Municipal Water District
- C. 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.
- D. 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 affecting said land, 30.00 feet wide, for a water ditch, canal, aqueduct, pipeline, water conduit, and rights incidental thereto, for the use of the San Jacinto and Pleasant Valley Irrigation District, as ordered by the Superior Court of San Diego County in Action No. 7419, a certified copy of the judgment being  
Recorded April 26, 1893 in Book 213, page 432, of Deeds, Records of San Diego County, and February 16, 1894 in Book 13, page 3 of Deeds, Records of Riverside County, California  
The exact location and/or extent of said easement is not disclosed in the public records.
3. An easement over one ditch, flume, or other aqueduct, and rights incidental thereto, across the lands of any other owner lying between the lands of said owner and the San Jacinto River, as reserved  
To: each and every owner of lands in the Rancho San Jacinto Viejo, by Decree of Partition of said Rancho  
Recorded: December 8, 1882 in Book 43, page 161, of Deeds, San Diego County Records
4. An irrevocable offer to dedicate a portion of said land for the purposes stated herein.  
In favor of: H. L. Thompson and W. C. Goodhue  
For: public highway purposes  
Recorded: November 21, 1918 in Book 394, Page(s) 386 of Deeds  
Affects: said land more particularly described therein

**SCHEDULE B – PART II**  
**Continued**

5. 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: Riverside County Redevelopment Agency  
Recorded: December 24, 1987 as Instrument No. 362716 of Official Records

6. The matters contained in a document entitled "Resolution Establishing the Santa Ana Watershed Benefit Assessment Area and Authorizing the Annual Levy of a Benefit Assessment to Pay Costs Associated With the National Pollutant Discharge Elimination System Stormwater Permit" recorded June 10, 1991 as Instrument No. 193749 of Official Records.

Reference is made to said document for full particulars.

7. 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.

8. 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.
9. 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 - PART II**

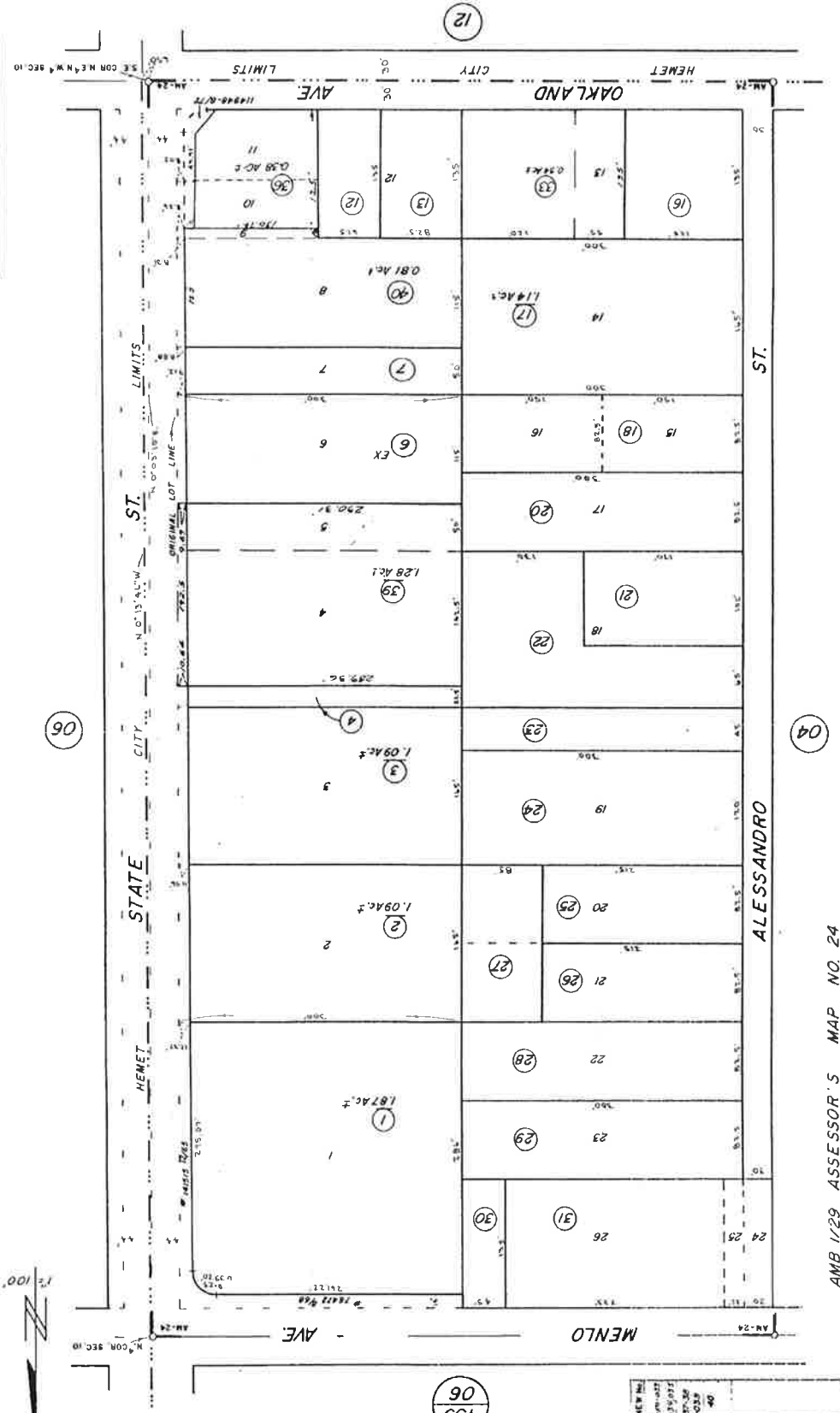
Endorsements: NONE

443-05

T.C.A. 071-215

FOR RO. SAN JACINTO VIEJO  
(E. 2 N.E. 1/4 NW. 4 SEC. 10, T. 5S., R. 1W.)

THIS MAP IS FOR  
ASSESSMENT PURPOSES ONLY



ASSESSOR'S MAP BK. 443 PG. 05  
RIVERSIDE COUNTY, CALIF.

AMB 1/29 ASSESSOR'S MAP NO. 24  
COUNTY SURVEY 782-B  
RS 55/14

OCT. 1970

DATE	OLD	NEW	REMARKS



**SCHEDULE B – PART II**  
**Continued**

**File No.: 12328014**