



SUBMITTAL TO THE BOARD OF DIRECTORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



511

FROM: Regional Park & Open-Space District

SUBMITTAL DATE:
March 11, 2013

SUBJECT: Ground Lease (Lake Cahuilla Park) - Assignment and Assumption Agreement of Ground Lease between the County of Riverside and the Riverside County Regional Park and Open-Space District and Ground Lessor Estoppel - District 4/4

RECOMMENDED MOTION: That the Board of Directors:

- 1. Ratifies the Assignment and Assumption Agreement of Ground Lease between the County of Riverside and the Riverside County Regional Park and Open-Space District (District) concerning the Ground Lease dated June 23, 1987 and authorize the Chairman of the Board to execute the same on behalf of the District; and
2. Approves the attached Ground Lessor Estoppel (La Quinta) for the Ground Lease and authorize the Chairman of the Board to execute the same on behalf of (District); and
3. Direct the Clerk of the Board to return three (3) executed copies of the Lessor Estoppel and the Assignment and Assumption Agreement to the District for transmittal and filing.

BACKGROUND:
(continued on page 2)

Handwritten signature of Scott Bangle

Scott Bangle, General Manager

2013-022D EC

Table with 3 columns: FINANCIAL DATA, Current F.Y. Total Cost, Current F.Y. Net County Cost, Annual Net County Cost, In Current Year Budget, Budget Adjustment, For Fiscal Year.

SOURCE OF FUNDS:

Table with 2 columns: Positions To Be Deleted Per A-30, Requires 4/5 Vote

C.E.O. RECOMMENDATION:

APPROVE

BY: Alex Gann
Alex Gann

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
BY: Cynthia M. Gunzel
DATE: 3-22-13
Environmental Concurrence

Consent Policy checkboxes

MINUTES OF THE REGIONAL PARK AND OPEN SPACE DISTRICT

On motion of Commissioner Jeffries, seconded by Commissioner Benoit and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Benoit and Ashley
Nays: None
Absent: Stone
Date: May 14, 2013
xc: Parks, EDA

Kecia Harper-Ihem
Clerk of the Board
Deputy

2013 MAY -1 5:28 PM RECEIVED RIVERSIDE COUNTY

(Comp. Item 3-16)

Prev. Agn. Ref.: 6/23/87 3.35
10/2/07 3.39

District: 4/4

Agenda Number:

13-1 D

Dept's Recomm.:
Per Exec. Ofc.:

SUBJECT: Ground Lease (Lake Cahuilla Park) - Assignment and Assumption Agreement between the County of Riverside and the Riverside County Regional Park and Open-Space District and Ground Lessor Estoppel – District 4/4

BACKGROUND: The County of Riverside entered into a lease agreement with Landmark Land Corporation of California, Inc. (Landmark) on June 23, 1987 (Ground Lease) concerning a portion of real property located within the Lake Cahuilla Park, La Quinta, County of Riverside, California. This real property is on the northwestern perimeter of the park which is inaccessible from the south due to topography, and, at the time, was not scheduled for any future park development and was located immediately adjacent to property that was to be developed for a golf resort, PGA West. Under the Ground Lease, the County received a one-time payment of \$50,000 in 1987 (upon execution of the original lease-Exhibit A), which was deposited in Trust account 723-701-3211, Park Acquisition and Development Fund.

The County of Riverside conveyed the fee simple interest in real property formerly with Assessor's Parcel Number 761-050-001, now with APN 760-010-007, an approximately 1.19 acre portion of which is subject to the Ground Lease, to the District. On October 2, 2007, Item No. 3.39, the Board of Supervisors approved the Consent of Lessor and Assignment of Assumption of Ground Lease between CNL Desert Resorts, LP to MSR Resorts Golf Course, LLC. The Lease remains in effect and in full force until June 22, 2037.

The District recommends that the Board of Directors ratifies the Assignment and Assumption Agreement between the County of Riverside and the District whereby the County assigns and the District assumes the rights and obligations of the Ground Lease effective date upon the date that the District acquired this real property interest. It is also recommend for approval the Ground Lessor Estoppel certifying that the Ground Lease has not been modified or amended and is in full force until June 22, 2037.

County Counsel has reviewed and approved as to form the Assignment and Assumption of Ground Lease Agreement and Ground Lessor Estoppel.

Recorded at Request of:
Riverside County Regional Park
and Open-Space District

When Recorded Mail to:
Riverside County Regional Park
and Open-Space District
4600 Crestmore Road
Jurupa Valley, CA 92509
Attn: Scott Bangle

Exempt from recording fee (Gov Code §6103)

ASSIGNMENT AND ASSUMPTION OF GROUND LEASE

This ASSIGNMENT AND ASSUMPTION OF GROUND LEASE ("Assignment") dated as of May 14, 2013, is entered into by and between COUNTY OF RIVERSIDE, a political subdivision of the State of California, ("Assignor") and the RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT, a park and open space district created pursuant to the California Public Resources Code Division 5, Article 3 of the State of California ("Assignee").

RECITALS

WHEREAS, Landmark Land Company of California, a Delaware Corporation ("Original Lessee"), as Lessee, and the County of Riverside, a political subdivision of the State of California, ("Original Lessor") entered into that certain ground lease agreement titled Lease (Lake Cahuilla Park) ("Ground Lease"), dated June 23, 1987, with respect to approximately 1.19 acre portion of that certain real property formerly owned by the Original Lessor, located within Lake Cahuilla Park in La Quinta, California (the "Property") as more fully described in Exhibit "A" attached thereto; and

WHEREAS, The County of Riverside, as the Original Lessor, has conveyed the fee simple interest in real property with Assessor's Parcel Number 760-010-007 to the Riverside County Regional Park and Open-Space District; and

WHEREAS, in 2007, MSR Resort Golf Course, LLC, assumed the Ground Lease as successor in interest to the Original Lessee; and

WHEREAS, in 2013, LQR Golf, LLC, assumed the Ground Lease as successor in interest to the Original Lessee; and

WHEREAS, Assignor desires to assign its interest as Lessor in the Ground Lease to Assignee, and Assignee desires to accept the assignment thereof and assume the rights and obligations of Lessor arising from this Agreement (defined below).

AGREEMENT

NOW, THEREFORE, in consideration of the promises and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

MAY 14 2013 13-1D

1. Effective Date: The Effective Date is the date in which the Assignee acquired the fee simple interest in real property. Assignor hereby assigns to Assignee all of its right, title and interest in and to the Ground Lease, and Assignee hereby assumes all covenants, liabilities and obligations of lessee under the Ground Lease arising from and after the Effective Date.

2. This Assignment shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest and assigns.

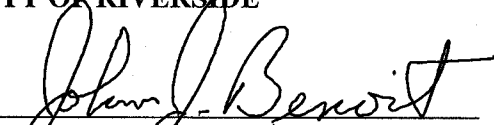
3. This Assignment shall be governed by and construed in accordance with the laws of the State of California.

4. For purposes of this Assignment, the "Effective Date" shall be the date of recordation of Quitclaim Deed by the Assignor to Assignee dated on October 5, 1998, Instrument Number 430280 recorded in the Official Records of Riverside County.

5. This Assignment may be executed in one or more counterparts and each such counterpart shall be deemed to be an original; all counterparts so executed shall constitute one instrument and shall be binding on all of the parties to this Assignment notwithstanding that all of the parties are not signatory to the same counterpart.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Agreement the day and year first above written.

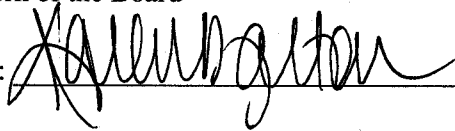
**ASSIGNOR:
COUNTY OF RIVERSIDE**

By: 
Chairman, Board of Supervisors
JOHN J. BENOIT

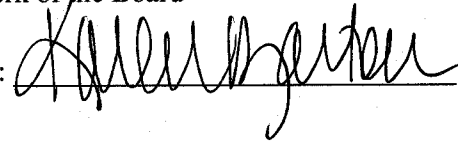
**ASSIGNEE:
RIVERSIDE COUNTY REGIONAL PARK
AND OPEN-SPACE DISTRICT**

By: 
Chairman, Board of Directors
KEVIN JEFFRIES

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: 

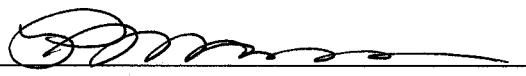
ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: 

(Seal)

(Seal)

APPROVED AS TO FORM:
Pamela J. Walls
County Counsel

By: 
Patricia Munroe
Deputy County Counsel

APPROVED AS TO FORM:
Pamela J. Walls
County Counsel


By: 
Synthia M. Gunzel
Deputy County Counsel

EXHIBIT A

7-20

Parks

J. Henderson

CLERK'S COPY

835 6-23-87

LEASE
(Lake Canuilla Park)

THE COUNTY OF RIVERSIDE, herein called County, leases to LANDMARK LAND COMPANY OF CALIFORNIA, a Delaware corporation, herein called Lessee, the property described below upon the following terms and conditions:

1. Description. The premises leased hereby consist of approximately 1.19 acres of unimproved real property located within County's Lake Canuilla Park, La Quinta, California, as more particularly described on Exhibit "A", attached hereto and by this reference made a part hereof.

2. Use.

(a) The premises are leased hereby for the purpose of installing, maintaining and operating golf tees, golf greens and any other uses necessary to and consistent with the operation of a golf course proposed to be constructed on real property situated adjacent to the leased premises and owned by Lessee.

(b) The leased premises shall not be used for any other purpose without first obtaining the written consent of County.

3. Term.

(a) The term of this lease shall be for a period commencing June 23, 19 87, and terminating June 22, 2037, subject to the provisions contained in Paragraphs 14, 15 and 16 herein.

(b) Any holding over by Lessee after the expiration of this lease shall be on a day-to-day basis strictly, and continuing tenancy rights shall not accrue to Lessee.

(c) Upon termination of this lease, Lessee shall execute and deliver to County within thirty (30) days, after service of written demand therefor, a good and sufficient quitclaim deed to its leasehold interest hereunder. In the event Lessee fails or refuses to deliver to County such deed, a written notice by County reciting the failure or refusal of Lessee to execute and deliver such deed after ten (10) days from the date of recordation of such notice shall be conclusive evidence as against Lessee and any and all persons who may claim an interest in the leasehold hereunder.

4. Rent. Lessee shall pay to County the sum of \$50,000.00 as rent for the leased premises for the term hereof upon execution of this lease by the parties hereto.

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5. On-Site Improvements by Lessee.

(a) Any alterations, improvements or installation of fixtures to be undertaken by Lessee shall have the prior written consent of County after Lessee has submitted proposed plans for such alterations, improvements or fixtures to County in writing.

(b) All alterations and improvements to be made, and fixtures installed, or caused to be made and installed, by Lessee shall become the property of County with the exception of trade fixtures as such term is used in Section 1019 of the Civil Code. At or prior to the expiration of this lease, Lessee may remove such trade fixtures; provided, however, that such removal does not cause injury or damage to the leased premises, or in the event it does, Lessee shall restore the premises to their original shape and condition as nearly as practicable. In the event such trade fixtures are not removed, County may, at its election, either: (1) remove and store such fixtures and restore the premises for the account of Lessee, and in such event, Lessee shall within thirty (30) days after billing and accounting therefor reimburse County for the costs so incurred, or (2) take and hold such fixtures as its sole property.

6. Ingress and Egress. Lessee shall be permitted ingress and egress to and from the leased premises over such routes as are designated by County's Parks Director.

7. Signs. Lessee shall not erect, maintain or display any signs or other forms of advertising upon the leased premises without first obtaining the written approval of County.

8. Maintenance. Lessee shall maintain the leased premises and the improvements to be constructed thereon in a neat, safe, orderly and attractive condition during the term of the lease, and Lessee shall provide for the sanitary handling and disposal of all refuse accumulated as a result of Lessee's use of the leased premises and the improvement thereon.

9. Utilities. Lessee shall provide, or cause to be provided, and pay for all utility services that it may require or desire in its use, maintenance and operation of the leased premises; provided, however, that the installation and location of any such utility service shall have the prior written approval of County's Parks Director.

10. Inspection of Premises. County, through its duly authorized agents, shall have, at any time during normal business hours, the right to enter the leased premises for the purpose of inspecting, monitoring and evaluating the obligations of Lessee hereunder and for the purpose of doing any and all things which it is obligated and has a right to do under this lease.

11. Quiet Enjoyment. Lessee shall have, hold and quietly enjoy the use of the leased premises so long as it shall

1 fully and faithfully perform the terms and conditions that it is
2 required to do under this lease.

3 12. Compliance with Government Regulations. Lessee
4 shall, at Lessee's sole cost and expense, comply with the
5 requirements of all local, state and federal statutes,
6 regulations, rules, ordinances and orders now in force or which
7 may be hereafter in force, pertaining to the leased premises.
8 The final judgment, decree or order of any Court of competent
9 jurisdiction, or the admission of Lessee in any action or
10 proceedings against Lessee, whether Lessee be a party thereto or
11 not, that Lessee has violated any such statutes, regulations,
12 rules, ordinances, or orders, in the use of the leased premises,
13 shall be conclusive of that fact as between County and Lessee.

14 13. Discrimination or Segregation.

15 (a) Lessee shall not discriminate in Lessee's
16 recruiting, hiring, promotion, demotion or termination practice
17 on the basis of race, religious creed, color, national origin,
18 ancestry, sex, age, physical handicap, medical condition or
19 marital status with respect to its use of the leased premises
20 hereunder, and Lessee shall comply with the provisions of the
21 California Fair Employment Practices Act (Labor Code Sections
22 1410 et seq.), the Federal Civil Rights Act of 1964 (P.L. 88-252),
23 and all amendments thereto, Executive Order No. 12246 (30 Federal
24 Register 12319), as amended, and all Administrative Rules and
25 Regulations issued pursuant to said Acts and Orders with respect
26 to its use of the leased premises.

27 (b) Lessee shall not discriminate against or cause
28 the segregation of any person or group of persons on account of
29 race, religious creed, color, national origin, ancestry, sex,
30 age, physical handicap, medical condition or marital status, in
31 the occupancy, use, tenure or enjoyment of the leased premises,
32 nor shall Lessee, or any person claiming under or through Lessee,
33 establish or permit any such practice or practices of
34 discrimination or segregation with reference to the selection,
35 location, number, use or occupancy of any persons within the
36 leased premises.

37 (c) Lessee assures that it will undertake an
38 affirmative action program as required by 49 CFR, Part 21, to
39 insure that no person shall on the grounds of race, creed, color,
40 national origin, or sex be excluded from participating in any
41 employment activities covered in 49 CFR, Part 21, with respect to
42 its use of the leased premises. Lessee further assures that no
43 person shall be excluded on these grounds from participating in
44 or receiving services or benefits of any program or activity
45 covered herein with respect to its use of the leased premises.
46 Lessee further assures that it will require that its
47 subcontractors and independent contractors provide assurance to
48 Lessee that they similarly will undertake affirmative action
49 programs and that they will require assurances from their
50 subcontractors and independent contractors, as required by 49

1 CFR, Part 21, to the same effect with respect to their use of the
2 leased premises.

3 14. Termination by County. County shall have the right
4 to terminate this lease forthwith:

5 (a) In the event a petition is filed for voluntary
6 or involuntary bankruptcy for the adjudication of Lessee as
7 debtors.

8 (b) In the event that Lessee makes a general
9 assignment, or Lessee's interest hereunder is assigned
10 involuntarily or by operation of law, for the benefit of
11 creditors.

12 (c) In the event of abandonment of the leased
13 premises by Lessee.

14 (d) In the event Lessee fails to perform, keep or
15 observe any of Lessee's duties or obligations hereunder;
16 provided, however, that Lessee shall have fifteen (15) days in
17 which to correct Lessee's breach or default after written notice
18 thereof has been served on Lessee by County.

19 15. Termination by Lessee. Lessee shall have the right
20 to terminate this lease in the event County fails to perform,
21 keep or observe any of its duties or obligations hereunder;
22 provided, however, that County shall have fifteen (15) days in
23 which to correct its breach or default after written notice
24 thereof has been served on it by Lessee; provided, further,
25 however, that in the event such breach or default is not
26 corrected, Lessee may elect to terminate this lease in its
27 entirety or as to any portion of the premises affected thereby,
28 and such election shall be given by an additional fifteen (15)
days written notice to County. In the event of such termination,
Lessee shall be entitled to a refund of the rent paid hereunder
on a prorated calendar year basis.

29 16. Eminent Domain. If any portion of the leased
30 premises shall be taken by eminent domain and a portion thereof
31 remains which is usable by Lessee for the purpose set forth in
32 Paragraph 2 herein, this lease shall, as to the part taken,
33 terminate as of the date title shall vest in the condemnor, or
34 the date prejudgment possession is obtained through a court of
35 competent jurisdiction, whichever is earlier, and the rent
36 payable hereunder shall abate pro rata as to the part taken;
37 provided, however, in such event County reserves the right to
38 terminate this lease as of the date when title to the part taken
39 vests in the condemnor or as of such date of prejudgment
40 possession. If all of the leased premises, or such part to be
41 taken so that the leased premises are rendered unusable for the
42 purposes set forth in Paragraph 2 herein, this lease shall
43 terminate. If a part or all of the leased premises be so taken,
44 the compensation awarded upon such taking shall be paid to the
45 parties hereto in accordance with the values attributable to
46 their respective interests in such eminent domain proceedings.

1
2 17. Continuation of Lease After Abandonment. Even
3 though Lessee has abandoned the leased premises, this lease shall
4 continue in effect for so long as County does not terminate
5 Lessee's right to possession, and County may enforce all of its
6 rights and remedies under this lease, including, but not limited
7 to, the right to recover rent as it becomes due hereunder.
8 For the purposes of this Paragraph 17, acts of maintenance or
9 preservation or efforts by County to relet the premises, or the
10 appointment of a receiver or initiative of County to protect its
11 interest under this lease do not constitute a termination of
12 Lessee's right to possession.

13
14 18. Insurance. Lessee shall during the term of this
15 lease:

16 (a) Procure and maintain Workers' Compensation
17 Insurance as prescribed by the laws of the State of California.

18 (b) Procure and maintain comprehensive general
19 liability insurance coverage that shall protect Lessee from
20 claims for damages for personal injury, including, but not
21 limited to, accidental and wrongful death, as well as from claims
22 for property damage, which may arise from Lessee's use of the
23 leased premises or the performance of its obligations hereunder,
24 whether such use or performance by Lessee, by any subcontractor,
25 or by anyone employed directly or indirectly by either of them.
26 Such insurance shall name County as an additional insured with
27 respect to this lease and the obligations of Lessee hereunder.
28 Such insurance shall provide for limits of not less than
29 \$ 1,000,000.00 per occurrence.

30 (c) Cause its insurance carriers to furnish County
31 by direct mail with Certificate(s) of Insurance showing that such
32 insurance is in full force and effect, and that County is named
33 as an additional insured with respect to this lease and the
34 obligations of Lessee hereunder. Further, said Certificate(s)
35 shall contain the covenant of the insurance carrier(s) that
36 sixty (60) days written notice shall be given to County prior to
37 modification, cancellation or reduction in coverage of such
38 insurance. In the event of any such modification, cancellation
39 or reduction in coverage and on the effective date thereof, this
40 lease shall terminate forthwith, unless County receives prior to
41 such effective date another certificate from an insurance carrier
42 of Lessee's choice that the insurance required herein is in full
43 force and effect. Lessee shall not take possession or otherwise
44 use the leased premises until County has been furnished
45 certificate(s) of insurance as otherwise required in this
46 Paragraph 18.

47 19. Hold Harmless.

48 (a) Lessee represents that it has inspected the
49 leased premises, accepts the condition thereof and fully assumes
50 any and all risks incidental to the use thereof. County shall

1 not be liable to Lessee, its agents, employees, subcontractors or
2 independent contractors for any personal injury or property
3 damage suffered by them which may result from hidden, latent or
4 other dangerous conditions in, on, upon or within the leased
premises; provided, however, that such dangerous conditions are
not caused by the negligence of County, its officers, agents or
employees.

5 (b) Lessee shall indemnify and hold County, its
6 officers, agents, employees and independent contractors free and
7 harmless from any liability whatsoever, based or asserted upon
8 any act or omission of Lessee, its officers, agents, employees,
9 subcontractors and independent contractors, for property damage,
10 bodily injury, or death or any other element of damage of any
11 kind or nature, relating to or in anywise connected with or
12 arising from its use and responsibilities in connection therewith
13 of the leased premises or the condition thereof, and Lessee shall
14 defend, at its expense, including attorney fees, County, its
15 officers, agents, employees and independent contractors in any
16 legal action based upon such alleged acts or omissions.

17 (c) The specified insurance limits required in
18 Paragraph 19 herein shall in no way limit or circumscribe
19 Lessee's obligations to indemnify and hold County free and
20 harmless herein.

21 20. Assignment. Lessee cannot assign, sublet, mortgage,
22 hypothecate or otherwise transfer in any manner any of its
23 rights, duties or obligations hereunder to any person or entity
24 without the written consent of County being first obtained, which
25 consent shall not be unreasonably withheld. In the event of any
26 such transfer, as provided in this Paragraph 20, Lessee expressly
27 understands and agrees that it shall remain liable with respect
28 to any and all of the obligations and duties contained in this
lease. Notwithstanding the above, Lessee, without being relieved
of any of its obligations and duties contained herein may assign
its rights hereunder to any entity which is wholly owned by
Lessee, or which wholly owns Lessee, without the necessity of the
above required consent; provided, however, that upon execution of
such assignment, a conformed copy shall be provided forthwith to
County.

29 21. Free from Liens. Lessee shall pay, when due, all
30 sums of money that may become due for any labor, services,
31 material, supplies, or equipment, alleged to have been furnished
32 or to be furnished to Lessee, in, upon, or about the leased
33 premises, and which may be secured by a mechanics', materialmen's
34 or other lien against the leased premises or County's interest
35 therein, and will cause each such lien to be fully discharged and
36 released at the time the performance of any obligation secured by
37 such lien matures or becomes due; provided, however, that if
38 Lessee desires to contest any such lien, it may do so, but
notwithstanding any such contest, if such lien shall be reduced
to final judgment, and such judgment or such process as may be
issued for the enforcement thereof is not promptly stayed, or if
so stayed, and said stay thereafter expires, then and in such
event, Lessee shall forthwith pay and discharge said judgment.

1 22. Employees and Agents of Lessee. It is understood
2 and agreed that all persons hired or engaged by Lessee shall be
3 considered to be employees or agents of Lessee and not of County.

4 23. Binding on Successors. Lessee, its assigns and
5 successors in interest, shall be bound by all the terms and
6 conditions contained in this lease, and all of the parties hereto
7 shall be jointly and severally liable hereunder.

8 24. Waiver of Performance. No waiver by County at any
9 time of any of the terms and conditions of this lease shall be
10 deemed or construed as a waiver at any time thereafter of the
11 same or of any other terms or conditions contained herein or of
12 the strict and timely performance of such terms and conditions.

13 25. Severability. The invalidity of any provision in
14 this lease as determined by a court of competent jurisdiction
15 shall in no way affect the validity of any other provision hereof.

16 26. Venue. Any action at law or in equity brought by
17 either of the parties hereto for the purpose of enforcing a right
18 or rights provided for by this lease shall be tried in a Court of
19 competent jurisdiction in the County of Riverside, State of
20 California, and the parties hereby waive all provisions of law
21 providing for a change of venue in such proceedings to any other
22 County.

23 27. Attorneys' Fees. In the event of any litigation or
24 arbitration between Lessee and County to enforce any of the
25 provisions of this lease or any right of either party hereto, the
26 unsuccessful party to such litigation or arbitration agrees to
27 pay to the successful party all costs and expenses, including
28 reasonable attorneys' fees, incurred therein by the successful
29 party, all of which shall be included in and as a part of the
30 judgment rendered in such litigation or arbitration.

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

34 COUNTY

35 Parks Department
36 P. O. Box 3507
37 Riverside, CA 92519

34 LESSEE

35 Steve Walser, Vice President
36 Landmark Land Company of
37 California, Inc., PGA West
38 55-940 PGA Boulevard
39 La Quinta, CA. 92253

40 or to such other addresses as from time to time shall be
41 designated by the respective parties.

42 29. Agent for Service of Process. It is expressly
43 understood and agreed that in the event Lessee is not a resident
44 of the State of California or it is an association or partnership
45 without a member or partner resident of the State of California,
46 or it is a foreign corporation, then in any such event, Lessee

shall file with County's Parks Director, upon its execution hereof, a designation of a natural person residing in the State of California, giving his or her name, residence and business addresses, as its agent for the purpose of service of process in any court action as between it and County arising out of or based upon this lease, and the delivery to such agent of a copy of any process in any such action shall constitute valid service upon Lessee. It is further expressly understood and agreed that if for any reason service of such process upon such agent is not feasible, then in such event Lessee may be personally served with such process out of this County and that such service shall constitute valid service upon Lessee. It is further expressly understood and agreed that Lessee is amenable to the process so served, submits to the jurisdiction of the Court so obtained and waives any and all objections and protests thereto.

30. Permits, Licenses and Taxes. Lessee shall secure, at its expense, all necessary permits and licenses as it may be required to obtain, and Lessee shall pay for all fees and taxes levied or required by any authorized public entity. Lessee recognizes and understands that this lease may create a possessory interest subject to property taxation and that Lessee may be subject to the payment of property taxes levied on such interest.

31. Paragraph Headings. The paragraph headings herein are for the convenience of the parties only, and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions or language of this lease.

32. County's Representative. County hereby appoints the Park's Director as its authorized representative to administer this lease.

33. Entire Lease. This lease is intended by the parties hereto as a final expression of their understanding with respect to the subject matter hereof and as a complete and exclusive statement of the terms and conditions thereof and supersedes any and all prior and contemporaneous leases, agreements and

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understandings, oral or written, in connection therewith. This lease may be changed or modified only upon the written consent of the parties hereto.

Dated: JUN 23 1967

ATTEST:

GERALD A. MALONEY
Clerk of the Board

By Margaret Hazano
Deputy

COUNTY OF RIVERSIDE

By Robert O. ...
Chairman, Board of Supervisors

(SEAL)

LANDMARK LAND COMPANY OF
CALIFORNIA, a Delaware corporation

By Joe ...
Title: Sr Vice Pres.

(Corporate Seal)

HL: gjs
'28/87
LIT
rev.
26

AID & SERVICES
COUNTY OF RIVERSIDE
SUIT 100
200 WEST STREET
RIVERSIDE, CALIFORNIA

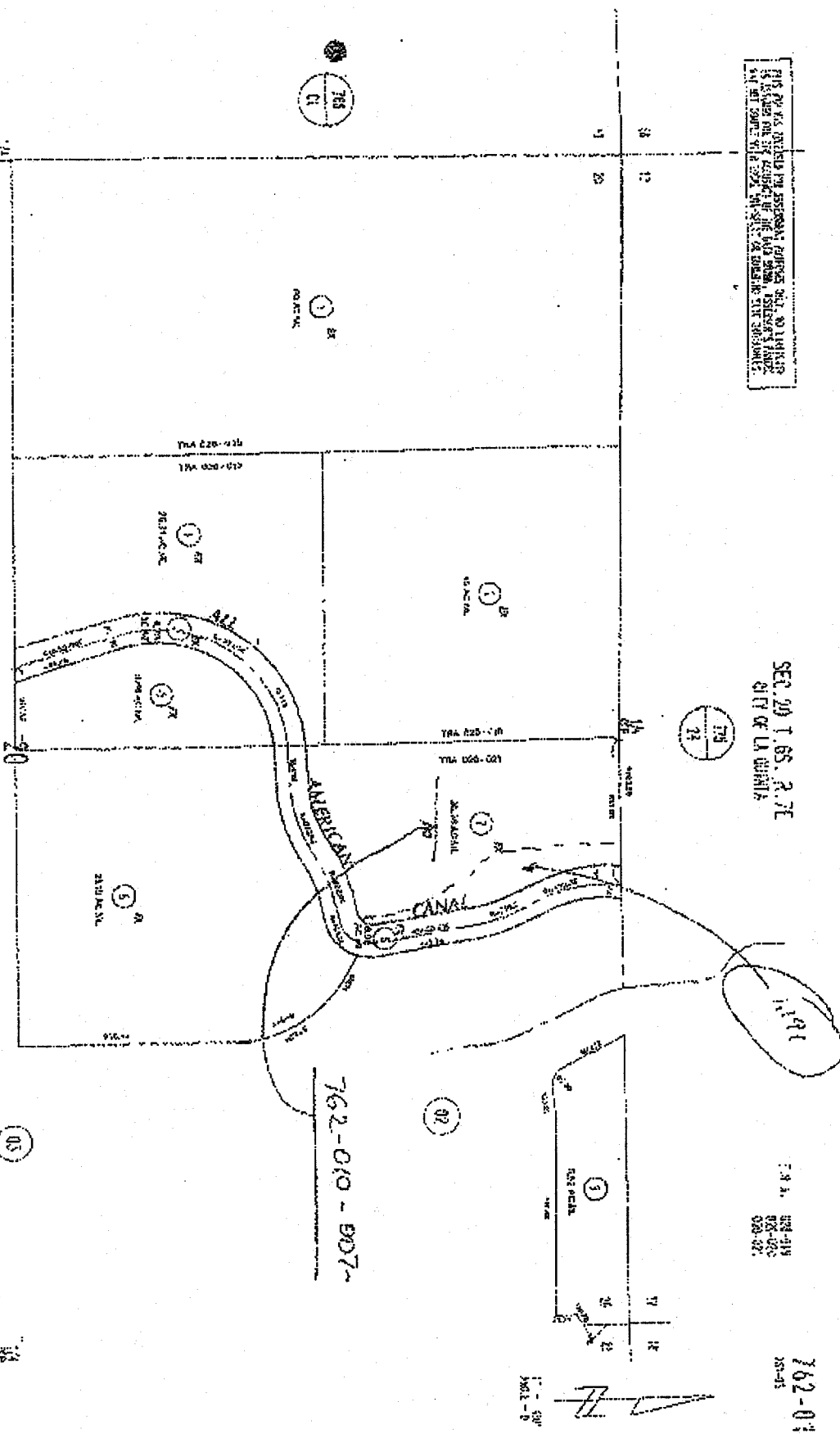
3.25
JUN 23 1967

THIS PLAN WAS PREPARED FOR THE PURPOSES OF THE CITY OF LOS ANGELES AND IS NOT TO BE USED FOR ANY OTHER PURPOSES WITHOUT THE WRITTEN CONSENT OF THE CITY ENGINEER.

SEC. 201.85, 2.7E
CITY OF LOS ANGELES

1984
02-02
02-02

762-01
25-45

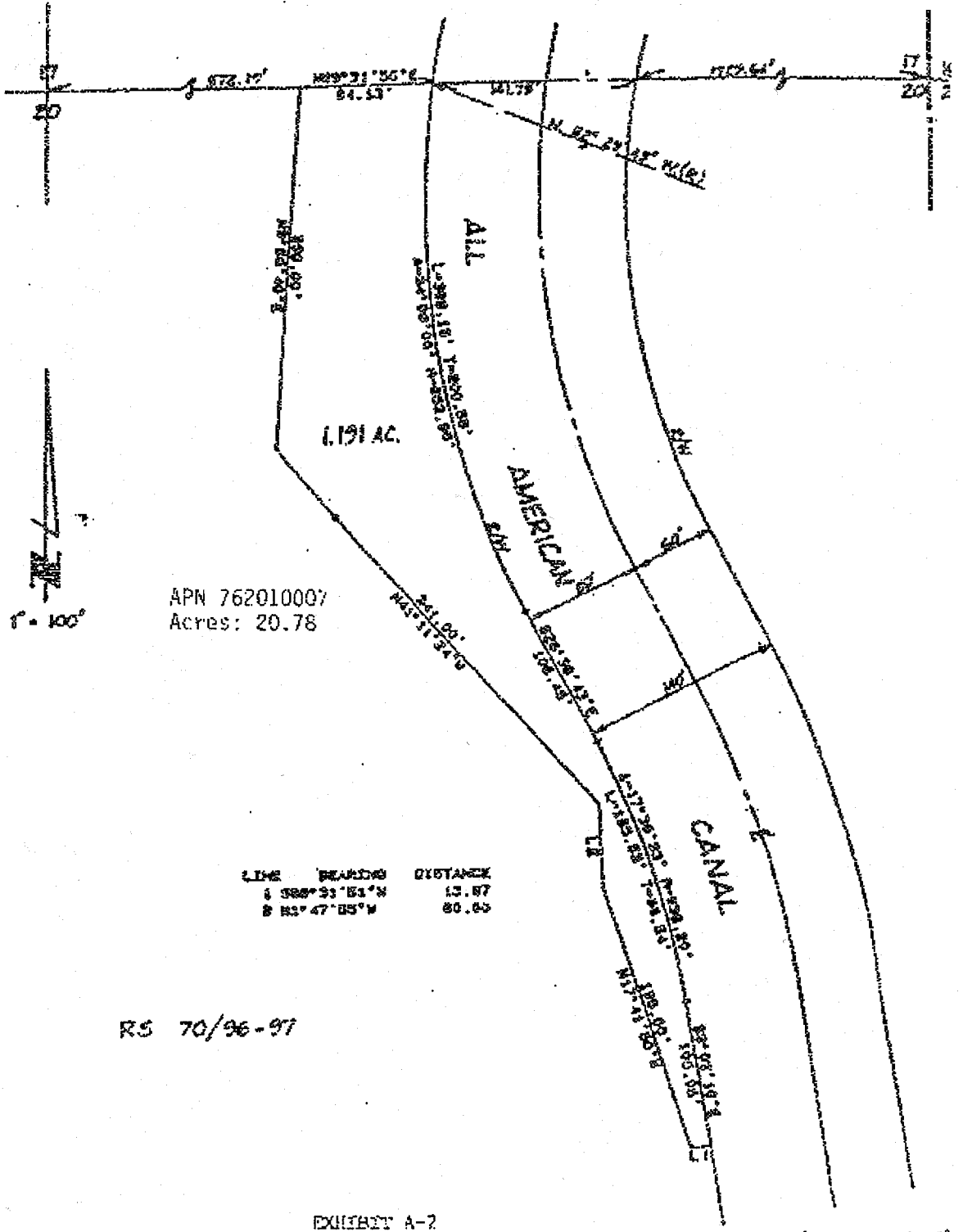


762-010 - 007-

Exhibit A-1

2551 SOUTH 54TH STREET, LOS ANGELES, CALIF. 90008

1983



11-22-90 225

That portion of the Northeast quarter of Section Township 6 South, Range 7 East, S.B.M. as shown on Record of Survey in Book 70, at pages 96 through 98 thereof, Records of Riverside County, California, more particularly described as follows:

Commencing at the Northeast corner of said Section 20:

Thence S $89^{\circ}31'50''$ W a distance of 2,071.39 feet to a point on the Westerly right of way line of the All American Canal as shown on said Record of Survey, said point also being the true point of beginning;

Thence Southeasterly on a non-tangent curve concave Northeasterly having a radius of 652.86 feet through an angle of $34^{\circ}09'00''$, an arc length of 389.18 feet; (the initial radial line bears N $82^{\circ}29'43''$ W)

Thence S $26^{\circ}38'43''$ E a distance of 106.45 feet to the beginning of a tangent curve concave Southwesterly having a radius of 636.20 feet through an angle of $17^{\circ}36'33''$, an arc length of 195.53 feet;

Thence S $09^{\circ}02'10''$ E a distance of 105.05 feet; The preceding four courses being the Westerly right of way line of the All American Canal as shown on said Record of Survey;

Thence S $89^{\circ}31'50''$ W a distance of 12.87 feet;

Thence N $17^{\circ}41'50''$ W a distance of 195.00 feet;

Thence N $01^{\circ}47'55''$ W a distance of 60.00 feet;

Thence N $41^{\circ}11'24''$ W a distance of 341.00 feet;

Thence N $03^{\circ}55'40''$ E a distance of 260.00 feet;

Thence N $89^{\circ}31'50''$ E a distance of 94.13 feet to the true point of beginning.

GROUND LESSOR ESTOPPEL
(LA QUINTA)

May 14, 2013

United Overseas Bank, Los Angeles Agency
777 South Figueroa Street, Suite 518
Los Angeles, California 90017

As the present owner and holder of Lessor's interest under that certain Lease (Lake Cahuilla Park), dated as of June 23, 1987, by and between the undersigned ("**Lessor**") and Landmark Land Company of California, a Delaware corporation ("**Landmark**"), as assigned by CNL Desert Resorts, LP, as successor-in-interest to KSL Landmark Corporation, as successor-in-interest to Landmark, to MSR Resort Golf Course LLC, a Delaware limited liability company ("**MSR**"), pursuant to that certain Assignment and Assumption of a Ground Lease dated May 30, 2008, as further assigned by MSR to LQR Golf LLC, a Delaware limited liability company ("**Lessee**"), pursuant to that certain Assignment of Ground Lease dated as of February 28, 2013, current and complete copies of which are annexed hereto as Exhibit A (collectively, the "**Ground Lease**"), the undersigned hereby represents to you that as of the date hereof: (i) the Ground Lease constitutes the entire agreement between the undersigned and Lessee and has not been modified or amended, except as specifically set forth in Exhibit A; (ii) except as provided herein, the Ground Lease is in full force and effect and the term thereof commenced on June 23, 1987 and is scheduled to terminate on June 22, 2037 pursuant to the provisions thereof; (iii) all conditions under the Ground Lease to be performed by Lessor have been satisfied; (iv) neither the undersigned nor Lessee is in default under any terms, covenants or provisions of the Ground Lease, except for Lessee's bankruptcy, as referenced herein, and the undersigned knows of no other event which, but for the passage of time or the giving of notice, or both, would constitute an event of default under the Ground Lease by the undersigned or Lessee thereunder; (v) neither the undersigned nor Lessee has commenced any action or given or received any notice for the purpose of terminating the Ground Lease, nor does the undersigned intend or desire to exercise the right to terminate the Ground Lease due to Lessee's bankruptcy; (vi) there are no defenses which the undersigned has against the enforcement of the Ground Lease by Lessee; (vii) no security deposit has been deposited with the undersigned; (viii) no rent is currently due by Lessee under the Ground Lease; and (x) the undersigned recognizes that United Overseas Bank Limited, Los Angeles Agency ("**Lender**") is relying upon this estoppel certificate and the accuracy of the information contained herein.

In addition, pursuant to Section 20 of the Ground Lease, the undersigned hereby consents to the assignment and mortgage of the Ground Lease to Lender by Lessee, as collateral for financing provided the transaction between Lender and Lessee, its successor or assign, is consummated. By executing this Ground Lessor Estoppel, the undersigned agrees that should Lender (or anyone acquiring its interest through Lender) acquire all or any portion of the improvements made by Lessee or the leasehold interest under the Ground Lease by foreclosure (whether judicial or non-judicial), deed-in-lieu of foreclosure, or any other remedy in or relating

to the Deed of Trust, the Ground Lease shall continue in full force and effect and the undersigned shall recognize and accept Lender (or anyone acquiring its interest through Lender) as lessee under the Ground Lease.

The undersigned further agrees that so long as the Deed of Trust shall remain unsatisfied, the following shall apply:

1. As used herein, the term “**Deed of Trust**” shall be deemed to mean each and every recorded mortgage, deed of trust, deed to secure debt, collateral assignment of lease or other similar instrument creating a lien or other encumbrance on Lessee’s interest in the Ground Lease (regardless of the priority thereof), any assignment thereof and any modification or amendment of any of the terms thereof, including, without limitation, any extension, renewal or refinancing of any indebtedness secured thereby or an additional advance secured by any Deed of Trust or any additional Deed of Trust given to secure the same.

2. Lessor, upon serving Lessee with any notice hereunder or under the provisions of, or with respect to, the Ground Lease, shall also serve a copy of such notice upon Lender (in the same manner as required by Section 28 of the Ground Lease for notices to Lessee) at the address specified above, or at such other address as Lender shall designate in writing to Lessor. No notice from Lessor to Lessee shall be deemed to have been duly given unless and until a copy thereof has been so served.

3. In the event that Lessee shall be in default under the Ground Lease, Lender shall have the right, but not the obligation, to remedy such default, or cause the same to be remedied, within fifteen (15) days after the expiration of all applicable grace or cure periods as provided in the Ground Lease, and Lessor shall accept such performance by or at the instance of Lender as if the same had been made by Lessee.

4. In the event Lessee shall default in the performance of any of the terms, covenants, agreements, and conditions of this Lease on Lessee’s part to be performed, Lessor will take no action to effect a termination of this Lease by reason thereof unless such default has continued beyond fifteen (15) days after Lessor shall have served a copy of the Notice as provided in Section 28 of the Ground Lease upon Lessee and Lender who has been given notice as provided in Section 2 above, it being the intent hereof and the understanding of the parties that Lender shall be allowed not less than fifteen (15) days in addition to the fifteen (15) days granted to Lessee, for a total of thirty (30) days, to cure any default of Lessee for performance required under the terms of this Lease.

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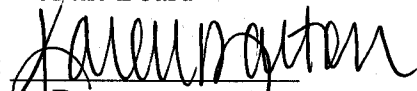
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5. Notwithstanding anything in the Ground Lease to the contrary, in the event that the default cannot be cured within thirty (30) days and steps to cure any such default or event of default shall have been commenced in good faith and such remedy is being prosecuted with diligence and continuity within such grace period granted to Lender as provided in Section 3 and 4, then the opportunity to cure will be extended for a period of ninety (90) days, but in no circumstances whatsoever shall the total cure period exceed one hundred twenty (120) days.

RIVERSIDE COUNTY REGIONAL PARK
AND OPEN-SPACE DISTRICT, a special
district

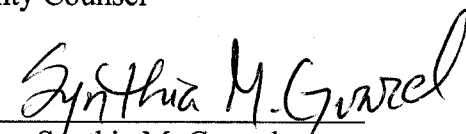
By: 
Chairman, Board of Directors
KEVIN JEFFRIES

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: 
Deputy

(Seal)

APPROVED AS TO FORM:
Pamela J. Walls
County Counsel

By: 
Synthia M. Gunzel
Deputy County Counsel