

# Murrieta Executive Airpark, LLC 37552 Winchester Road, Murrieta, CA

## GENERAL RULES

1. Murrieta Executive Airpark, LLC, (MEA) reserves the right to refuse access to any persons MEA in good faith judges to be a threat to the safety, reputation or property of the MEA common buildings ("Offices"), aircraft storage hangars ("Hangars"), and their occupants.
2. Occupant shall not suffer or permit the obstruction of any Common Areas, including driveways, walkways and stairways.
3. Occupant shall not make or permit any noise or odors that annoy or interfere with other Occupants or persons having business within the MEA facility.
4. Occupant shall not keep animals or birds within the MEA facility and shall not bring bicycles, motorcycles or other vehicles into areas not designated as authorized for same.
5. Occupant shall not make, suffer or permit litter, waste or garbage, except in appropriate receptacles for that purpose.
6. Occupant shall not alter any lock or install new or additional locks or bolts.
7. Occupant shall be responsible for the inappropriate use of any toilet rooms, plumbing or other utilities. No foreign substances of any kind are to be inserted therein.
8. Occupant shall not deface the walls, partitions or other surfaces of the premises of the MEA facility.
9. Occupant shall not suffer or permit any thing in or around the MEA facility that causes excessive vibration or floor loading in any part of the facility.
10. Furniture, significant freight and equipment shall not be moved into or out of the Offices. Occupant shall be responsible for any damage to MEA arising from any such activity.
11. Occupant shall not employ any service or contractor for services or work to be performed at MEA, except as approved by MEA.
12. MEA reserves the right to close and lock the Offices. If Occupant uses the Offices on legal holidays, and on other days between the hours of 8:00 p.m. and 6:00 a.m. of the following day, Occupant shall be responsible for securely locking any doors it may have opened for entry.
13. Occupant shall return all keys at the termination of its tenancy and shall be responsible for the cost of replacing any keys that are lost.
14. No window coverings, shades, awnings or signs shall be installed or used by Occupant unless approved by MEA.
15. No Occupant, employee or invitee shall go upon the roof of any building in the MEA complex.
16. Occupant shall not suffer or permit smoking or carrying of lighted cigars or cigarettes in areas of the Offices or hangars.
17. Occupant shall not use any method of heating or air conditioning other than as provided by MEA.
18. Occupant shall not install, maintain or operate any vending machines upon the property of MEA.
19. MEA shall not be used for lodging or manufacturing, cooking or food preparation except within designated kitchen areas.
20. Occupant shall comply with all safety, fire protection and evacuation regulations established by MEA or any applicable governmental agency.
21. MEA reserves the right to waive any one of these rules or regulations, and/or as to any particular Occupant, and any such waiver shall not constitute a waiver of any other rule or regulation or any subsequent applicant thereof to such Occupant.
22. Occupant assumes all risks from theft or vandalism and agrees to keep its premises within MEA locked as may be required.
23. MEA reserves the right to make such other reasonable rules and regulations as it may from time to time deem necessary for the appropriate operation and safety of MEA and its occupants. Occupant agrees to abide by these and such rules and regulations.

EXHIBIT D

## VEHICLE PARKING RULES

1. Parking areas shall be used only for parking by vehicles no longer than full size, passenger automobiles herein called "Permitted Size Vehicles." Vehicles other than Permitted Size Vehicles are herein referred to as "Oversized Vehicles."
2. Occupants shall not permit or allow any vehicles that belong to or are controlled by Occupant or Occupant's employees, suppliers, shippers, customers or invitees to be loaded, unloaded, or parked in areas other than those designated by MEA for such activities.
3. MEA reserves the right to relocate all or part of parking spaces and to reasonably allocate them between compact and standard size spaces, as long as the same complies with applicable laws, ordinances and regulations.
4. Users of the parking area will obey all posted signs and park only in the areas designated for vehicle parking.
5. Unless otherwise instructed, every person using the parking area is required to park and lock his own vehicle. MEA will not be responsible for any damage to vehicles, injury to persons or loss of property, all of which risks are assumed by the party using the parking area.
6. The maintenance, washing, waxing or cleaning of vehicles in the parking areas is prohibited.
7. MEA shall be responsible for seeing that all of its employees, agents and invitees comply with the applicable parking rules, regulations, laws and agreements; however, MEA is not responsible for the acts or omissions of other Occupants and their employees, agents and invitees.
8. Occupant shall be responsible for seeing that all of its employees, agents and invitees comply with the applicable parking rules, regulations, laws and agreements.
9. MEA reserves the right to modify these rules and/or adopt such other reasonable and non-discriminatory rules and regulations as it may deem necessary for the proper operation of the parking area.
10. Such parking use as herein provided is intended merely as a license only and no bailment is intended or shall be created hereby.

## AIRCRAFT RULES

1. The aircraft to be hangared at MEA must fit within the assigned hangared area. The aircraft must not be allowed to protrude or infringe into an adjacent area so as to diminish the usability of another aircraft parking space, constitute a safety hazard, intrude into entryways or taxiways or otherwise block the public right of way. Helicopter flight or taxi operations within the MEA area are prohibited.
2. No improvement, change or alteration to the leased hangar or common space may be made without the written authorization of MEA.
3. No business or commercial activity or any type may be conducted from this facility without the written approval of MEA and the County of Riverside.
4. Aircraft maintenance is prohibited in the aircraft taxiways and aircraft hangars where aircraft are stored in common. Limited maintenance may be performed in the individual aircraft hangars so long as such maintenance does not interfere with the use and enjoyment of the facilities by the other Occupants and does not constitute a hazard, threat or liability to the facilities or its occupants. Spray painting, the use of open flames or welding and storage of flammables, caustics, oxidizers, reactants or any hazardous substances or materials are prohibited.
5. Fueling of an aircraft while in a hangar is prohibited.
6. Only Occupants of MEA and their invited guests are authorized access to the airport operations area.
7. Occupant shall operate his aircraft in a safe, courteous manner and faithfully observe all applicable federal, state and local laws, including all Federal Aviation Administration and County of San Diego rules and regulations. In addition, Occupant shall faithfully comply with all rules and regulations adopted from time to time by MEA.

# **Minimum Standards for Fixed Base Operators**

Riverside County Airports

RIVERSIDE  
C O U N T Y



**County of Riverside  
Economic Development Agency**  
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Riverside CA 92504  
Phone: (909) 351-0700  
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Adopted January 30, 2001

EXHIBIT C

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## I. INTRODUCTION

Riverside County is the owner (sponsor) of the following six airports in Riverside County: Blythe, Chiriaco Summit, Desert Center, Desert Resorts Regional, French Valley, and Hemet Ryan. The Riverside County Economic Development Agency (EDA) is the county agency responsible for operation of the County's airports.

Minimum standards are established to promote and attract a professional level of aviation services to the County's airports while safeguarding the public's interest. The Minimum Standards provide a framework that strengthens the relationship between the Sponsor and the Fixed Base Operator (FBO). They offer information, advice and, where necessary, they provide strict regulation so that both the prospective and experienced FBO may have a firmer understanding of the many considerations which contribute to a safe, successful, and useful operation. The standards are intended to be the minimum requirements for those wanting to provide aeronautical services to the public at Riverside County airports. Operators are encouraged to exceed the minimum requirements.

FBOs are responsible for complying with the Minimum Standards and shall be familiar with revisions made to the Standards. All FBOs on the airports must comply with the standards herein as well as all applicable government regulations; however, leases executed prior to August 16, 1988, are exempt until lease renegotiations. The County's airports are subject to federal, state, and local rules and regulations. The County has adopted local rules and regulations to implement Federal Aviation Administration (FAA) requirements and to provide for safe and orderly operation on the airports. Local rules and regulations governing airport activities include, but are not limited to, applicable portions of the following:

1. Ordinance No. 576 - Rules and Regulations for Operation of County Airports
2. Fixed Base Operator Minimum Standards
3. County Airport Fueling Standards
4. Special Event Permit Policy
5. Airport Design Standards

Federal and state rules and regulations include, but are not limited to: FAA Grant Assurances; FAA Order 5190.6A - Airport Compliance Requirements; Federal Airport Regulations (FAR's); State Aeronautics Act ( PUC § 21000); Government Code § 50470 - 50478; ADA Regulations; the California Environmental Quality Act (CEQA); and the National Environmental Policy Act (NEPA).

## II. DEFINITIONS

AERONAUTICAL ACTIVITY - Any activity or service that involves, makes possible, or is required for the operation of aircraft, or which contributes to or is required for the safety of such operations.

AGREEMENT, LEASE, OR PERMIT - A contractual agreement between the EDA and an entity granting a concession or otherwise authorizing the conduct of certain activities which is in writing, executed by both parties, and enforceable by law.

AIRPORT - Includes the following six (6) airports owned by Riverside County: Blythe, Chiriaco Summit, Desert Center, Desert Resorts Regional, French Valley, and Hemet Ryan, and its environs, such as, the property, buildings, facilities, and improvements within the exterior boundaries of each airport as it now exists or as it may hereafter be extended, enlarged, or modified.

AIRPORT SPONSOR - The designated entity or duly authorized representative, appointed by the Board of Supervisors, to manage the operation and development of Blythe, Chiriaco Summit, Desert Center, Desert Resorts Regional, French Valley, and Hemet Ryan airports.

ALP - Airport Layout Plan

APPLICANT - A person, persons, firm, partnership, or corporation desiring to acquire the use of a portion of an airport, or to establish or use any facility on an airport for an aeronautical activity or special event and who shall apply in writing and in the manner or form prescribed for authorization to establish such activities.

CEQA - California Environment Quality Act

COUNTY - County of Riverside, the FAA authorized airport sponsor.

EDA - Riverside County Economic Development Agency, the County agency designated to oversee and manage the County airports.

EQUIPMENT - All machinery, together with the supplies, tools, and apparatus necessary for the safe and proper procedure of the activity being performed.

FAA - Federal Aviation Administration

FAR - Federal Aviation Regulation

FIXED BASE OPERATOR (FBO) - Any person, firm, partnership, corporation, association, limited partnership, or any other legal entity duly licensed and authorized by written agreement with the Airport Sponsor (the County) to provide specific aeronautical services at an Airport, under strict compliance with such agreement and pursuant to these and all applicable regulations and standards.

FUEL - FAA authorized aviation fuel, including jet fuel

FUEL FARM - Any portion of an Airport, authorized by the Airport Sponsor, as an area in which gasoline or any other type of fuel may be stored.

FULL SERVICE FBO - An FBO which provides certain essential aeronautical services (e.g. aircraft maintenance and repair, flight instruction, fueling of aircraft, transient aircraft parking guidance, positioning of wheel chocks and tie-downs, fireguard for engine starts, baggage handling, standardized ground service and recovery equipment, pilots' lounge, and restrooms), subject to restrictions agreed to during lease negotiations (see Table A below for complete guidelines).

LIMITED SERVICE FBO - An FBO which provides certain of the aeronautical services provided by a Full Service FBO, subject to restrictions imposed by leasehold size requirements and to restrictions agreed to during lease negotiations (see Tables B through H below for complete guidelines).

MINIMUM STANDARDS - The qualifications and criteria set forth herein as the minimum requirements to be met as a condition for an FBO to conduct an aeronautical activity on an EDA sponsored airport.

NEPA - National Environmental Policy Act

THE BOARD - The Riverside County Board of Supervisors

TLMA - Transportation and Land Management Agency

### **III. AIRPORT RULES AND REGULATIONS**

#### **A. Lease**

All revenue generating, commercial and/or business activities, at County operated airports are required to secure a lease approved by the County Board of Supervisors (the "Board") prior to commencement of any commercial activity.

Prospective lessees should begin the process by requesting a meeting with County staff. The purpose of the initial meeting is to introduce staff, show the available sites,

and answer any questions. At the conclusion of this meeting the prospective lessee will be asked to submit a Lease Application and proposal.

Upon receipt of a lease application and proposal, County staff will review the proposal and will provide a written response. Once an agreement has been reached on the deal points and development proposal, a lease will be prepared for execution by the lessee. The lease shall be executed in three counterparts and all three copies shall be returned to the County. The County will then schedule the lease for consideration at the next available Board of Supervisors' meeting. ***Please be advised that the County Board of Supervisors is the only entity that can make a binding lease commitment and development may not proceed until the Board has approved the lease.***

Exclusive rights for any aeronautical activity will not be issued at any County airport. This is to ensure that airport patrons are offered competitive market prices for services.

#### **B. Airport Layout**

All new leases and new airport development shall comply with the current FAA approved Airport Layout Plan (ALP) for each airport. In addition, Desert Resorts Regional, French Valley, and Hemet Ryan airports have adopted Airport Master Plans and all new development shall comply with those master plans. Lessee proposals that conflict with ALP's and Master Plans will not be approved.

#### **C. Signs**

All signs (commercial, traffic, services, advertising, etc.) must receive written approval from the Assistant County Executive Officer / EDA or Designee prior to their placement. The request for approval should include the size, location, and design of sign. All outdoor advertising shall comply with County Ordinance No. 348 and applicable federal and state laws. FAA Form 7460-1, *Building Design, Construction, and/or Alteration*, must be submitted to the FAA Western Pacific Region for review and determination, with a copy of the form sent to the Assistant County Executive Officer / EDA

#### **D. Building Design, Construction, and/or Alterations**

All design, construction, and/or alterations shall be in compliance with Airport Design Guidelines. The County reserves the right to review and approve all architectural design of all construction or alterations to be performed on County operated airports.

The County reserves the right to review and approve the design and construction methods of all development at the County operated airports. All buildings shall comply with local codes and regulations as to their construction. FAA Form 7460-1, *Building Design, Construction, and/or Alteration*, must be submitted to the FAA for their review



and assessment with a copy of the form submitted to the Assistant County Executive Officer / EDA.

The County reserves the right to require a Material and Performance Bonds or a Letter of Credit prior to the construction of any facility for the return of funds expended by the County in the event that the applicant defaults on any obligations.

#### **E. Inspections**

The County reserves the right to make periodic inspections of the leased premises during reasonable hours to ensure lease compliance and Lessee's adherence with all applicable regulations. County staff, County contractors, the FAA, and/or the State of California may conduct inspections, under this provision.

#### **F. Flying Clubs**

All flying clubs located at Riverside County operated airports shall be nonprofit organizations. All rights shall be equally shared between members. No member shall share in profits, earnings, salaries, or other forms of compensation. The Flying Club shall not be engaged in any type of commercial operation. A copy of the Flying Club's Charter and By-laws, or other comparable documents, must be filed with the Aviation Division. Flying clubs must submit annual financial reports and furnish the County with proof of insurance of the types listed on Appendix A.

A minimum of one (1) aircraft, properly certified, is required for a flying club. Flight instruction shall only be offered to club members. The instructor must be a club member or an instructor who is a lessee on the airport for the purpose of flight instruction.

#### **G. Waiver from Minimum Standards**

Any tenant or prospective tenant wishing to waive any minimum standard set forth in the approved Minimum Standards must submit a letter to the Assistant County Executive Officer / EDA expressing their hardship to conform with the Minimum Standards. The Assistant County Executive Officer/EDA has the discretion of approving or disapproving the waiver as it would apply to the future viability of the airport, subject to applicable provisions, which may be contained in the tenant's lease approved by the Board. Waivers may be granted on a temporary basis, and may be withdrawn or terminated at the Director's discretion.

#### **H. Civil Rights**

All individuals using the County operated airports must comply with all the provisions of the Federal Civil Rights Act of 1964. The tenant or prospective tenant shall ensure

there shall be no discrimination in the availability of any services or commodities based on race, religious creed, color, national origin, ancestry, sex, age, physical handicap, medical condition, or marital status.

#### **I. Insurance**

The FBO shall procure, maintain, and pay premiums during the term of the agreement for insurance of the types and the minimum limits set forth by the County for each aeronautical activity. The FBO shall obtain and maintain insurance (See Appendix A), which contains an endorsement that the "County of Riverside, including its elected officials, officers, employees, and agents" are named as additional insured. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California unless such requirement is waived, in writing, by the Assistant County Executive Officer / EDA and/or the County Risk Manager. Each insurance company shall have an A.M. BEST rating of not less than A:VIII (A:8).

Proof of insurance must be submitted to the Assistant County Executive Officer / EDA prior to commencement of operations and upon each insurance renewal. The FBO shall provide either 1) a properly executed original Certificate(s) of Insurance and 'certified original' copies of Endorsements effecting coverage as required herein, or 2) if requested to do so in writing by the Assistant County Executive Officer / EDA and/or County Risk Manager, provide original Certified copies of policies including all endorsements and all attachments thereto, showing such insurance is in full force and effect. Certificate(s) shall contain the covenant that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration, or reduction in coverage of such insurance. Certificates of Insurance and the policies shall covenant that their coverage is primary and the County's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as primary.

If any policy contains a general aggregate limit, it shall apply separately to the Agreement with the County or be less than two (2) times the occurrence limit. All insurance policies are subject to review by the County's Department of Risk Management. The Assistant County Executive Officer / EDA, upon the advice of the County Risk Manager, reserves the right to increase the limits, or require additional insurance coverage, beyond those set forth in these Minimum Standards, subject to applicable provisions of the tenant's lease.

#### **J. Lot Size**

Lot sizes may vary according to the type of operation. If available, aircraft tie-downs and hangar space, as well as automobile parking spaces, may be leased from the County to meet these minimum standards. The number of aircraft, hangar, or automobile parking spaces shall be determined during lease negotiations.

**K. Outdoor Storage**

No outside storage will be permitted except behind enclosed block walls, screened from public view, or as approved by the Assistant County Executive Officer / EDA.

**L. Maintenance**

Lessee shall be responsible for the adequate maintenance of leased property and in compliance with all applicable Federal, State, and Local health and safety regulations.

**IV. SCOPE OF SERVICES**

Each aeronautical activity has a separate scope of services. The services required of a Full-Service FBO include the Minimum Standards for all combinations of aeronautical activities. The cumulative effect of the Minimum Standards will not equate to any minimum standard greater than that applicable to the Full-Service FBO.

**Table A - FULL SERVICE FBO**

Each airport shall have a minimum of one (1) Full Service FBO. Mandatory Requirements: Full Service FBOs shall provide: aircraft maintenance & repair; flight instruction; fueling of aircraft; transient aircraft parking guidance; positioning of wheel chocks and tie-downs; fireguard for engine starts; baggage handling upon request; have available and provide standardized ground service equipment and recovery equipment for aircraft weighing up to 30,000 lbs at FVA, 40,000 lbs at HRA, and 80,000 lbs at DRRR (service and recovery equipment shall include, but not be limited to, wheel chocks, tie-down ropes or chains, aircraft jacks, tow bars, auxiliary power units, and aircraft tugs); pilots' lounge; and restrooms. Optional Requirements: In addition to the required services listed in the preceding sentence, Full Service FBOs may provide: aircraft sales or leasing (including financing), sales of aircraft parts and supplies, radio and avionics sales and repair, aircraft storage hangars and tie-downs, painting and upholstering of aircraft, leasing or renting of automobiles, and operating a restaurant or café.

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
<b>LOT SIZE:</b> 3 acres or 130,680 SF		
Hangar area	14,000 SF	For aircraft storage
Outside storage area	30,000 SF	For tie-down or apron parking
Building space	2,000 SF	For offices, pilots' lounge and briefing area, conference rooms, classrooms, and restrooms
Automobile parking	20 spaces, with landscaping as required by Ord. 348	For employees per shift and customer parking
Fuel farm	Refer to Fueling Standards	
Landscaping	To be determined during lease negotiations	Landscaping required around vehicle parking, sidewalks, and building
<b><u>CERTIFICATION:</u></b>		
As applicable for each activity	FAA, State, and/or other responsible agency as applicable	For safe and efficient operation of airport and aeronautical activities
<b><u>PERSONNEL:</u></b>		
Staff	Adequate number	For safe and efficient operation of airport and aeronautical activities
Certification & training	Proper certification and training	To comply with all applicable regulations
<b><u>HOURS OF OPERATION:</u></b>		
Business Hours	7 days/week, 10 hrs/day	Or as demand may require
Fueling services	During business hours and emergency situations	One (1) hr response time during non-business hours
<b><u>EQUIPMENT:</u></b>		
Aeronautical operations	Refer to tables for equipment required for each activity	
FBOs providing aircraft fueling and servicing	Refer to Airport Fueling Standards	
<b><u>INSURANCE:</u></b>		
Refer to Appendix A		

**Table B - AIRCRAFT MAINTENANCE**

An aircraft airframe, engine, and accessory maintenance and repair FBO shall provide one or a combination of airframe, engine, and accessory overhauls and repair services on aircraft up to and may include business jet aircraft and helicopters. This category shall include the sale of aircraft parts and accessories.

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
<b>LOT SIZE:</b> ½ acre or 21,780 SF		
Hangar area	6,000 SF	For aircraft storage
Tie-down or apron parking	One (1) per 1,000 SF of hangar space	Outside storage
Building space	400 SF	For offices, public phone, and restrooms
	200 SF	Office storage room
Automobile parking	One (1) per 1,000 SF of hangar area, with landscaping as required by Ord. 348	For employees per shift and customer parking
Landscaping	Specific plans to be determined during lease negotiations	Landscaping required around vehicle parking, sidewalks, and building
<b>CERTIFICATION:</b>		
Station	Authorized repair station and certified under FAR Part 145 or Holder of an FAA inspection authorization under FAR Part 43	
<b>PERSONNEL:</b>		
Staff	Sufficient qualified technicians to meet proposal.	
Certification & training	Proper certification and training	To comply with all applicable regulations
<b>HOURS OF OPERATION:</b>		
Services	5 days/week, 8 hrs/day	
	Services offered for emergency situations	One (1) hr response time during non-business hours
<b>EQUIPMENT:</b>		
Sufficient inventory and equipment available to perform maintenance and repairs to manufacturers' specifications.	Should include but is not limited to tug, tow bar, jacks, and dollies	Operator is encouraged to have the capability of aircraft removal from the airport's operational areas
<b>INSURANCE:</b>		
Refer to Appendix A		

**Table C - RADIO AND AVIONICS REPAIR STATION & SALES**

A radio and avionics repair station FBO engages in the business of and provides a shop for the repair of aircraft avionics, instruments, and accessories for general aviation aircraft. This category also includes the sale of new or used aircraft avionics, instruments, and accessories.

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
<b>LOT SIZE:</b> 150 SF		
Repair station	150 SF	
Automobile parking	One (1) space per 150 SF, with landscaping as required by Ord. 348	
<b><u>CERTIFICATION:</u></b>		
Station	Authorized repair station and certified under FAR Part 145	
<b><u>PERSONNEL:</u></b>		
Staff	One (1) FAA certified repairman	
Certification & training	Proper certification and training	To comply with all applicable regulations
<b><u>HOURS OF OPERATION:</u></b>		
Business Hours	Available for appointment for at least 40 hrs/week	
<b><u>EQUIPMENT:</u></b>		
Sufficient inventory and equipment available to perform maintenance and repairs to manufacturers' specifications.		
<b><u>INSURANCE:</u></b>		
Refer to Appendix A		

**Table D - FLIGHT INSTRUCTION**

A flight instruction FBO engages in instructing pilots in dual and solo flight training, in fixed and/or rotary wing aircraft, and provides such related ground school instruction as is necessary preparatory to taking a written examination and flight check ride for the category or categories of pilots' licenses and ratings involved.

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
<u>LOT SIZE:</u> 500 SF (not necessarily contiguous)		
Classroom space	200 SF or as appropriate to the size of student population	For classroom instruction
Office and lobby areas	300 SF	For phones, restrooms, and space for adequate customer service
Automobile parking	3 spaces per aircraft, 2 for each additional for a maximum of 10 spaces, with landscaping as required by Ord. 348	For students and employees
Other	Any additional space necessary to house all owned or leased aircraft	
<u>PERSONNEL:</u>		
Staff	One (1) certified flight instructor	To be available during normal hours of operation
	One (1) qualified ground school instructor	For classroom instruction
<u>HOURS OF OPERATION:</u>		
Business Hours	Available for appointment for at least 40 hrs/week	
<u>EQUIPMENT:</u>		
Aircraft	One (1) single-engine aircraft	Available for flight training
<u>INSURANCE:</u>		
Refer to Appendix A		

**Table E AIRCRAFT SALES AND LEASING**

An aircraft sales and/or lease FBO engages in the sale and/or lease of aircraft to the public. New aircraft sales involves the sale of new aircraft through franchises or licensed dealerships (if required by local, county, or state authority) or distributorship (either on a retail or wholesale basis) of an aircraft manufacturer. Aircraft sales FBOs may also engage in the sale of used aircraft. This can be accomplished through various methods, including matching potential purchasers with an aircraft (brokering), assisting a customer in the purchase or sale of an aircraft, or purchasing used aircraft and marketing them to potential purchasers. A new aircraft sales and/or leasing FBO must show capability to support maintenance agreements for aircraft sold or leased. A used aircraft sales FBO may also provide such repair, services, and parts as may be necessary to support the operation of aircraft sold. Some requirements may not be appropriate to the sale of used aircraft because of each aircraft's unique operational history. An aircraft sales FBO may also finance aircraft purchases, subject to the applicable licensing requirements.

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
<b><u>LOT SIZE:</u></b> 150 SF		
Building space	150 SF	For offices, lobby area, public phone, and restrooms
Tie-down/Hangar space	Adequate number	Storage
Automobile parking	One (1) per employee One (1) per 50 SF of leased space With landscaping as required by Ord. 348	For employees per shift and customer parking
Landscaping	Specific plans to be determined during lease negotiations.	Landscaping required around vehicle parking, sidewalks, and buildings
<b><u>CERTIFICATION:</u></b>		
New aircraft	Dealers must possess sales and/or distribution franchise from a recognized aircraft manufacturer	
Aircraft available for sale and leasing	Aircraft must hold FAA registration and current airworthiness certificate	
<b><u>PERSONNEL:</u></b>		
Staff	One (1) commercial, qualified for aircraft type.	For demonstration of aircraft
<b><u>HOURS OF OPERATION:</u></b>		
Business Hours	Available for appointment at least 40 hrs/week	
<b><u>EQUIPMENT:</u></b>		
	Minimum equipment required shall be determined during lease negotiations.	
<b><u>INSURANCE:</u></b>		
Refer to Appendix A		



**Table F - AIRCRAFT STORAGE**

An aircraft storage FBO engages in the construction, rental, and maintenance of conventional hangars or multiple T-hangars.

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
<b>LOT SIZE:</b> 1 acre or 43,560 SF		
Storage area of the following or proportionate combination of:	1. Minimum of ten (10) T-Hangars to max of fourteen (14) per acre, or 2. Apron tie-down space of a minimum of 15 aircraft per acre, or 3. Conventional hangar of 10,000 SF. 4. Box hangars - Plot Plan subject to EDA and BOS approval	
Automobile parking	One (1) for every two (2) hangars, with landscaping as required by Ord. 348	Automobile parking separate from aircraft storage area
Landscaping	Specific plans to be determined during lease negotiations	Landscaping required around vehicle parking, sidewalks, and buildings
<b><u>PERSONNEL:</u></b>		
Staff	One (1) contact person	To be available during the normal work week (M-F, 8am-5pm)
<b><u>HOURS OF OPERATION:</u></b>		
Minimum via phone contact	5 days/week, 8 hrs/day	
<b><u>INSURANCE:</u></b>		
Refer to Appendix A		
<b><u>ADDITIONAL GUIDELINES:</u></b>		
The County and Full Service FBOs shall possess the right to provide and operate the public aircraft storage areas unless circumstances warrant otherwise. No business activities shall be operated from storage areas.		

**Table G. AGRICULTURAL APPLICATION**

An agricultural application FBO engages in air transportation for hire for the purpose of providing the use of aircraft for agricultural operations such as, but not limited to, crop dusting, seeding, spraying, and bird chasing.

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
<b>LOT SIZE:</b> ½ acre or 21,780 SF		
Apron, tie-down area	6,000 SF	Storage
Building space	400 SF	For offices, lobby, public phone, and restrooms
Chemical storage	400 SF	
Automobile parking	Minimum of five (5) parking spaces, with landscaping as required by Ord. 348	For number of employees per shift and average number customers
Landscaping	Specific plans to be determined during lease negotiations	Required around vehicle parking, sidewalks, and buildings
<b><u>CERTIFICATION:</u></b>		
Permits and certificates	Must be submitted to Assistant County Executive Officer / EDA or Designee prior to operations.	
Renewals	Furnished to EDA Executive Director or Designee as received.	
Agricultural Application Operator	Procure and maintain FAR Part 137 Commercial Agricultural Operators Certificate.	
Hazardous Materials Management Permit	Possess Hazardous Materials Management Permit	County Ordinance No. 615
<b><u>PERSONNEL:</u></b>		
Staff	Minimum number to be determined during lease negotiations.	
Certification & training	Personnel must be knowledgeable about the safe handling of poisons and agricultural chemicals and the proper disposal of substances intended to be used in operations.	
<b><u>HOURS OF OPERATION:</u></b>		
Business Hours	Available for appointment for a minimum of 40 Hrs/week	Services offered 7 days/week
<b><u>EQUIPMENT:</u></b>		
To be determined during lease negotiations.		
<b><u>INSURANCE:</u></b>		
Refer to Appendix		

**Table G - AGRICULTURAL APPLICATION (continued)**

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
<b>ADDITIONAL GUIDELINES:</b> Storage and containment of Hazardous Materials		
<p>a. Comply with California Regional Water Quality Control Board Resolution No. 79-38, dated March 14, 1979.</p> <p>b. Comply with County Ordinance No. 546, Division VIII-Fire Protection Requirement Buildings; and Division XIV-Fire Protection Requirements relating to storage of flammable or combustible liquids used as motor fuel.</p> <p>c. Comply with the 1982 Uniform Fire Code Article 80-Hazardous Materials (section 80.107, 80.108, 80.109, and 80.111); and Article 86-Pesticides storage (all sections).</p> <p>d. Comply with all hazardous waste regulations which can be found in Title 22 of the California Administrative Code and the California Health and Safety Code.</p> <p>e. Submit a waste management plan addressing the items mentioned below with an explicit clause stating that the applicant shall be held responsible for the safe and proper cleanup of any hazardous waste spills.</p> <p>f. Comply with Riverside County Ordinance No. 615 by completing the reporting form and obtaining a Hazardous Materials Management Permit.</p> <p>g. If hazardous wastes are treated and/or stored more than 90 days, or disposed or on-site, a hazardous waste facility must be obtained from the State Department of Health.</p> <p>h. If hazardous wastes are stored 90 days or less, storage area and containment shall meet the following:</p> <ol style="list-style-type: none"> <li>1. Tanks and/or containers shall be of sound construction and compatible with waste stored (Title 22, California Administrative Code, Sections 66508, 67242, and 67247).</li> <li>2. Tanks and/or containers shall be designed, constructed, maintained, and operated to minimize the possibility of fire, explosion, or any unplanned sudden, or non-sudden release of hazardous waste or any constituents to the soil, air, or surface waste which could threaten human health or the environment (Title 22, California Administrative Code, Sections 67241, 67243, 67244, 67257, and 67259).</li> <li>3. Storage of on-site hazardous waste containers shall be in a structure that will prevent the contamination of the environment with hazardous waste. Design of the structure shall be submitted to the Assistant County Executive Officer / EDA or Designee and Hazardous Material Division prior to construction.</li> <li>4. If hazardous wastes or materials are to be stored underground, applicant must comply with County Ordinance No. 617 by completing the reporting form and obtaining the proper permits.</li> <li>5. Underground tanks shall be of proper design and construction with approved monitoring systems. Records shall be maintained concerning operations, inspections, and monitoring pursuant to County Ordinance No. 617.</li> <li>6. The applicant must take steps to minimize the quantity, toxicity, or other hazards of the waste generated. Such steps shall be submitted in writing to Assistant County Executive Officer / EDA or Designee.</li> <li>7. The facility shall be in compliance with all statutes, regulations, and ordinances pertaining to the management of hazardous waste.</li> <li>8. Operator must submit a Letter of Credit or Performance Bond covering any clean-up or fines imposed caused by the actions or the operator.</li> </ol>		

**Table H OTHER AERONAUTICAL ACTIVITIES**

All aeronautical activities that were not included in previous sections are required to comply with these minimum standards. Activities include, but are not limited to, Air Tours, Air Charter, Banner Towing, Gliders, Ultra Lights, Parachuting, Airship Operations, and Ballooning.

<u>REQUIREMENT</u>	<u>MINIMUM STANDARD</u>	<u>PURPOSE / OTHER</u>
<b>LOT SIZE:</b> ½ acre or 21,780 SF		
Building space	400 SF	For offices, lobby area, and restrooms. Additional space may be required depending on the operation
Aircraft storage	To be determined during lease negotiations	Hangar or outside storage to accommodate the operational activities desired.
Automobile parking	Minimum of five (5) parking spaces or 810 SF, with landscaping as required by Ord. 348	For number of employees per shift and average number customers.
Landscaping	Specific plans to be determined during lease negotiations.	Required around vehicle parking, sidewalks, and buildings.
<b><u>CERTIFICATION:</u></b>		
As applicable for each activity	FAA, State, and local certification and licensing as applicable	For safe and efficient operation of airport and aeronautical activities
<b><u>PERSONNEL:</u></b>		
Staff	Sufficient number during normal hours of operation	
Certification & training	Properly trained and, if applicable, certified or licensed to perform the activities or a normal course of operation.	To comply with all applicable regulations
<b><u>HOURS OF OPERATION:</u></b>		
Services	To be determined during lease negotiations.	Minimum requirements would be: normal telephone contact five (5) days a week (M-F) eight (8) hours a day.
<b><u>EQUIPMENT:</u></b>		
	To be determined during lease negotiations depending on the type of activity proposed.	
<b><u>INSURANCE:</u></b>		
Refer to Appendix A		

**EXHIBIT E**

**SUBORDINATION, NON-DISTURBANCE AND  
ATTORNMEN T AGREEMENT**

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMEN T AGREEMENT (“Agreement”) is made on this 21<sup>st</sup> day of January, 2005 by and between The County of Riverside (hereinafter referred to as the “County”) and Sansom Family Revocable Trust dated February 5, 1999, Byron T. Sansom and Patricia W. Sansom, Trustees, or Assignee hereinafter referred to as “Sublessee”.

**RECITALS**

WHEREAS, the County has leased to Murrieta Executive Airpark MEA, LLC (“Lessee”) certain parcels of land (the “Land”) located at French Valley Airport in the County of Riverside, State of California, under the French Valley Airport Lease dated October 1, 2001 (the “Ground Lease”).

WHEREAS, the Lessee desires to sublease to Sublessee certain parcels of the Land described as hangar number 2C upon which aircraft hangar buildings are erected, pursuant to that certain Sublease in effect between Lessee and Sublessee dated March 1, 2004 (the “Sublease”).

WHEREAS, the Lessee and Sublessee desire that the County consent to the Sublease and provide assurances to Sublessee that its possession of the hangar number 2C will not be disturbed.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. CONFIRMATION. The County hereby confirms the following:
  - (1) The Land is owned by the County. The Land is leased by the Lessee pursuant to the Ground Lease. No consent or approval of any other person or entity is required in order for the County to enter into, or as a condition to the effectiveness of, this Agreement.
  - (2) Except as set forth in the recitals herein, the Ground Lease has not been amended or modified in any

respect, and the Ground Lease is presently in full force and effect.

2. NON-DISTURBANCE. Subject to paragraph 3 below, the County agrees that, so long as no uncured event of default has occurred under the Sublease and during any cure periods provided by the Sublease, the County will not disturb the Sublessee's possession of hangar number 2C under the Sublease, during the term of the Ground Lease, or any extension or renewal thereof.
3. ATTORNMENT. If the Lessee's interest in the Ground Lease is terminated prior to the expiration of the term of the Ground Lease, Sublessee will be deemed to have automatically succeeded to the Lessee's interest in the Ground Lease and Sublessee will be bound to the County, according to the Ground Lease (but only to the extent that the Ground Lease pertains to hangar number 2C), for the balance of the term of the Ground Lease and any extension thereof as if Sublessee was the original lessee under the Ground Lease, and, accordingly, Sublessee will attorn to the County as its lessor, immediately and upon the termination of Lessee's interest in the Ground lease. Upon such attornment the rights and obligations of Sublessee and the County will be the same as they would have been if Sublessee had been the lessee under the Ground Lease, subject to Paragraph 4 below. In furtherance of this provision, the County and Sublessee agree that they will, if either of them shall so request, enter into a new lease with respect to hangar number 2C, upon the same terms and conditions as those set forth in the Ground Lease. In such event, the rent payable to the County will be the rent as set forth in the Sublease.

4. LIMITATIONS ON OBLIGATIONS. If Sublessee succeeds to Lessee's interests in the Ground Lease with respect to parcel number 13, Sublessee will not be:

- (a) Liable for any act or omission of its predecessors in interest to the Ground Lease;
- (b) Subject to any offsets or defenses that the County may have against its predecessors in interest to the Ground Lease;
- (c) Liable for the payment of any rent payable to the County in accordance with the Ground Lease in excess of the rent defined in 3 above;
- (d) Liable for the default, act or omissions of parties, other than Sublessee, who have succeeded to Lessee's interests in the Ground Lease with respect to land and premises covered by the Ground Lease.

5. SUBORDINATION. The Sublease now is, and will be, subject and subordinate to the Ground Lease.

6. CONSENT. Whenever the consent of the County is required under the Ground Lease or the Sublease, with respect to actions of the Sublessee such consent will not be unreasonably withheld or delayed.

7. AMENDMENTS AND BINDING EFFECT. This agreement may be modified only by an agreement in writing signed by the parties hereto. This Agreement will inure to the benefit of and will be binding upon the County, Sublessee and their successors and assigns.

COUNTY OF RIVERSIDE

APR 19 2005

Date: \_\_\_\_\_

(SEAL)

By: Marion Ashley  
Chairman, Board of Supervisors  
**MARION ASHLEY**

Approved as to Form:

Attest:

By: Gordon V. Ubo 3/29/05 Deputy County Counsel  
By: Jamil Schlemmer

Sansom Family Revocable Trust dated February 5, 1999

Date: 1/31/05

By: Byron T. Sansom Patricia W. Sansom  
Byron T. Sansom and Patricia W. Sansom

Title: Trustees



MURRIETA EXECUTIVE AIRPARK HANGARS

LEGAL HANGAR NUMBER AND  
ASSIGNED HANGAR NUMBER

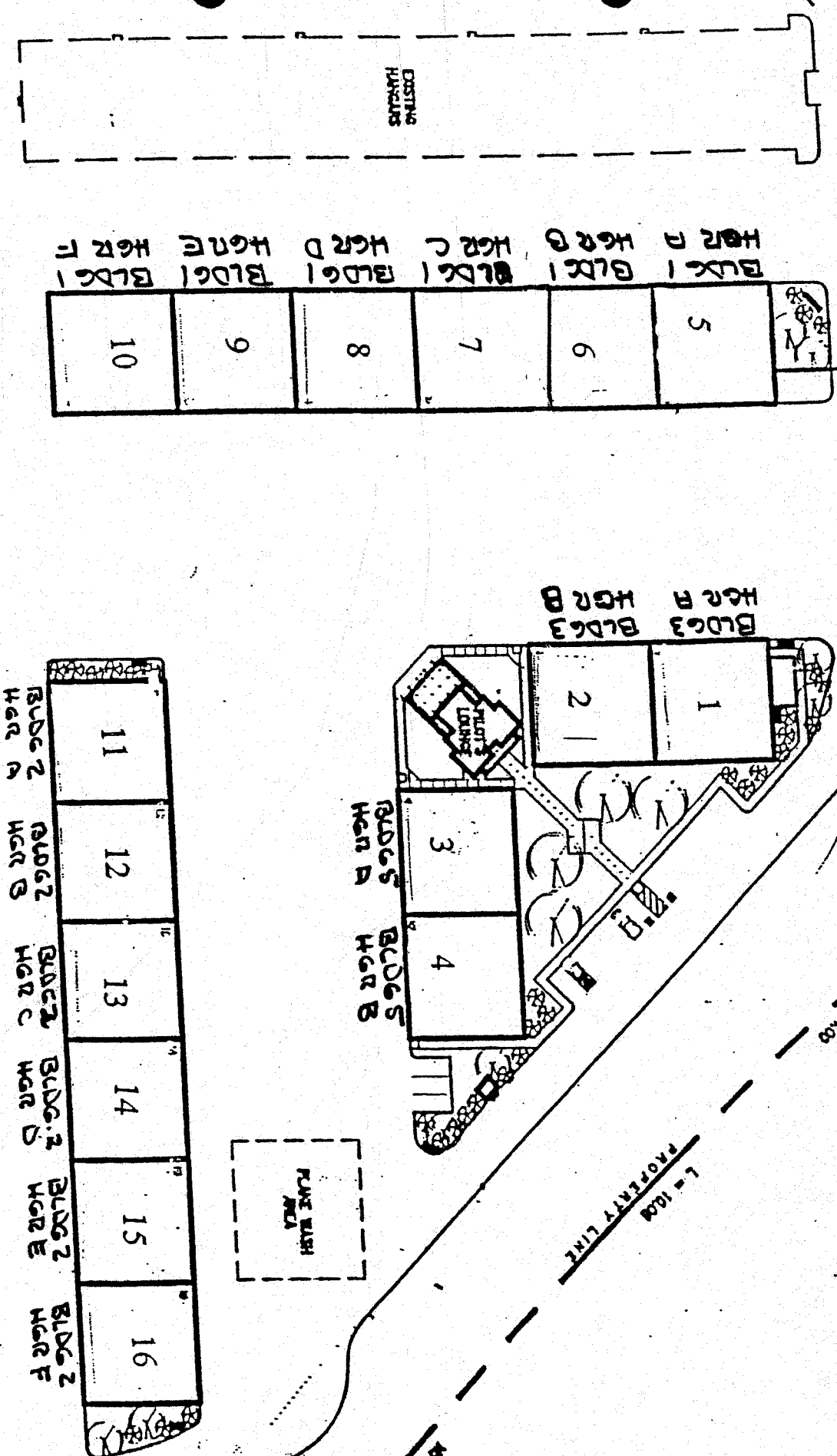


EXHIBIT C

752

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



FROM: Economic Development Agency

SUBMITTAL DATE:  
April 15, 2004

SUBJECT: Consent to Sublease for Units #6, #13 and #14 and Approval of Subordination, Non-Disturbance and Attornment Agreement, Murrieta Executive Air Park MEA, LLC, Sublessor, and Gary D. Roberts & Kimberly A. Roberts, husband & wife, Sublessee, French Valley Airport, 3<sup>rd</sup> District

RECOMMENDED MOTION: That the Board of Supervisors:

- (1) Approve the Subleases and the Subordination, Non-Disturbance, and Attornment Agreements; and
- (2) Authorize the Chairman to Execute the Consent to Subleases and the Subordination, Non-Disturbance and Attornment Agreements.

BACKGROUND: On September 11, 2001 the County of Riverside entered into a Lease with Murrieta Executive Air Park MEA, LLC (Lessee) for a four-acre parcel at the French Valley Airport for the development of aircraft storage hangars. The Lessee has entered into a Sublease for three of the hangars (Units #6, #13 and #14) with the same Sublessee and is requesting that the County approve the Subleases and the Subordination, Non-Disturbance and Attornment Agreements.

Staff recommends consent to the Subleases and approval of the Subordination, Non-Disturbance and Attornment Agreements, which have been reviewed and approved by County Counsel.

FORM APPROVED  
COUNTY COUNSEL

MAY 25 2004

BY: *Bradley J. Hudson*

*Robert J. King*

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Bradley J. Hudson  
Assistant County Executive Officer / EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	N/A

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

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

County Executive Office Signature *Brandon King*

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Venable, seconded by Supervisor Tavaglione and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Venable, Wilson and Ashley  
 Noes: None  
 Absent: None  
 Date: June 8, 2004  
 xc: EDA, Co.Co., Auditor

Nancy Romero  
Clerk of the Board  
By: *Nancy Romero*  
Deputy

Prev. Agn. Ref.: 9/11/01, 3.22 | District: 3rd | Agenda Number:

3.17

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

Departmental Concurrence  
 Filed  
 Hickory  
 mckay  
 FISCAL

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

**MURRIETA EXECUTIVE AIRPARK, LLC  
DEPOSIT RECEIPT**

This Deposit Receipt is executed this 12th day of December, 2003, by and between MURRIETA EXECUTIVE AIRPARK, LLC ("Seller") and Gary D. Roberts & Kimberly A. Roberts, husband & wife ("Buyer").

Seller has agreed to sell to Buyer the certain Hangar facility at the Murrieta Executive Airpark identified as unit #13, as described on the attached Exhibit "A". The Premises will be conveyed to Buyer on close of Purchase by execution of a Sublease, which contains a copy of the Main Lease between Riverside County ("County") and Murrieta Executive Airpark, LLC, a California limited liability company ("Seller") or ("MEA"); the legal description and outline of the proposed facility; and Rules and Regulations for the Premises. It is understood and agreed by Seller and Buyer that the Sublease is a proposed Sublease and has not yet been approved by County. Purchase cannot close until such Sublease is approved and the Buyer is approved by the County.

Buyer has deposited a check in the amount of Twenty Thousand Dollars (~~\$20,000.00~~ <sup>\$5,000.00</sup>) ("Deposit") made payable to Murrieta Executive Airpark, LLC. Acceptance of the Deposit and the agreement to sell the Premises from Seller to Buyer is subject to the approval of the County. In the event the County requires amendments to the Sublease the parties agree the Seller may amend the Sublease consistent with the requirements of the County.

The Purchase Price for the Premises is Two Hundred Two Thousand Dollars (\$202,000.00), which shall be paid from Buyer to Seller on close of Purchase. The Deposit provided for herein shall be applied towards reduction of the Purchase Price. Any leasehold title policy required by Buyer shall be at the sole expense of Buyer. The Purchase Price includes the Sublease of the real property and sale of the Hangar facility constructed on the Property by Seller.

Purchase shall close within two (2) weeks of completion of construction of the Premises (excluding any interior improvements). If the Sublease and Buyer have not been approved by the County close of Purchase shall be delayed until approval by the County.

In the event that the Seller is unable, for any reason, to deliver premises to the Buyer within a six month period of time from the date of this agreement, the deposit shall be refunded in full to the Buyer.

It is agreed by the parties that the deposit shall represent liquidated damages in the event Buyer does not proceed with the close of Purchase after approval of Buyer and Sublease by the County and Seller shall be entitled to retain the deposit as follows:

JUN 08 2004 5:17

**LIQUIDATED DAMAGES.** BUYER AND SELLER ACKNOWLEDGE AND AGREE THAT: (1) IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO DETERMINE SELLER'S ACTUAL DAMAGE IN THE EVENT OF BUYER'S DEFAULT UNDER THIS AGREEMENT WHICH DEFAULT RESULTS IN BUYER'S FAILURE TO ACQUIRE THE PROPERTY; AND (2) TAKING INTO ACCOUNT ALL OF THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS AGREEMENT, BUYER'S DEPOSIT IS A REASONABLE ESTIMATE OF SELLER'S ACTUAL DAMAGES IN SUCH EVENT. CONSEQUENTLY, IN THE EVENT OF BUYER'S DEFAULT UNDER THIS AGREEMENT WHICH DEFAULT RESULTS IN BUYER'S FAILURE TO ACQUIRE THE PROPERTY, SELLER'S SOLE AND EXCLUSIVE REMEDY SHALL BE TO TERMINATE THIS AGREEMENT AND TO RETAIN BUYER'S DEPOSIT. SELLER SPECIFICALLY WAIVES ANY RIGHTS TO SPECIFIC PERFORMANCE OR DAMAGES OTHER THAN AS SET FORTH HEREIN AND SPECIFICALLY WAIVES ITS RIGHTS UNDER SECTION 3389 OF THE CALIFORNIA CIVIL CODE.

KS.  
Seller's Initials

[Handwritten Signature]  
Buyer's Initials

Buyer shall have 14 days from the execution of this Agreement to review and approve the Sublease, the Exhibits attached thereto, the physical condition of the Property and to review and approve any and all other matters in connection with the sale of this building and the Sublease of the Property.

In the event of any litigation arising out of the enforcement or interpretation of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fee's and costs.

This Agreement is entered into the day and year first above written.

"SELLER"

By: [Handwritten Signature]  
Kevin Stumm, Vice President

"BUYER"

By: [Handwritten Signatures]  
Gary D. Roberts & Kimberly A. Roberts, husband & wife

REQUEST FOR CONSENT TO SUBLEASE

Reference is made to that certain Lease effective October 1, 2001, by and between the County of Riverside, ("County"), as Lessor, and Murrieta Executive Air Park MEA, LLC a California limited liability company ("MEA"), as Lessee, pertaining to an approximately 4 acre portion of the French Valley Airport ("Airport"), as set forth on Exhibit "A" to the Lease (the "Premises").

- 1. MEA hereby request the County's consent to Sublease by MEA, as Sublessor, to Gary D. Roberts & Kimberly A. Roberts, husband & wife, as Sublessee, to that certain portion of the Premises as outlined on Exhibits "B" and "C" to said Sublease, under the terms and conditions of said proposed Sublease, a copy of which is attached hereto as Exhibit A and made a part hereof.
- 2. The address of the proposed Sublessee is:  
23111 Maravilla Lane  
Trabuco Canyon, CA 92679
- 3. The nature and character of the proposed Sublessee's business is as set forth in the proposed Sublease.

This request is made on December 12, 2003.

MURRIETA EXECUTIVE AIR PARK, MEA  
a California limited liability company

By: [Signature]  
Kevin Stumm, Vice President

CONSENT TO SUBLEASE

THE UNDERSIGNED HEREBY CONSENT TO THE  
ABOVE-REFERENCED SUBLEASE

Executed this 8<sup>th</sup> day of June, 2003.

COUNTY OF RIVERSIDE

By: [Signature]  
ROY WILSON

ATTEST:  
NANCY ROMERO, Clerk  
BY [Signature]  
DEPUTY

- Exhibit A – Master Lease
- Exhibit B – Legal Description of Property
- Exhibit C – Property Diagram
- Exhibit D – Rules and Regulations of MEA
- Exhibit E: - Attornment

CHAIRMAN, BOARD OF SUPERVISORS

FORM APPROVED  
COUNTY COUNSEL

MAY 25 2004  
BY [Signature]

## SUBLEASE

This Sublease is made effective March 1, 2004 ("Commencement Date"), by and between Murrietta Executive Air Park MEA, LLC, a California Corporation, ("MEA" or "Sublessor"), and Gary D. Roberts & Kimberly A. Roberts, husband & wife, ("Sublessee").

### RECITALS

1. Sublessor is the tenant under a Lease effective October 1, 2001 (the "Lease" or "Master Lease"), by and between MEA as Lessee and the County of Riverside ("County"), as Lessor, covering an approximately 4 acre portion of the French Valley Airport ("Airport"). A copy of the Master Lease is attached hereto as Exhibit "A" and made a part hereof.
2. Sublessor intends to sublease to Sublessee a portion of the premises covered by the Master Lease and has obtained or will obtain permission from the County to sublease to Sublessee. The legal description of such portion is attached hereto as Exhibit "B" and made a part hereof. Sublessee intends to sublease such portion from Sublessor.

### AGREEMENT

**1.0 Premises.** Sublessor hereby subleases to Sublessee, and Sublessee hereby subleases from Sublessor upon the terms and conditions hereinafter set forth, those certain premises ("Premises"), Unit No. Thirteen (13) located at the Airport, including the real property described in Exhibit "B" and the area outlined on Exhibit "C" attached hereto and made a part hereof, said Premises being a portion of the premises currently leased to Sublessor under the Master Lease, to include the right to use certain portions of the Common Area as hereinafter further provided. "Common Area" is defined as any portion of the property referred to in Paragraph 3.2.

**2.0 Term.** This Sublease shall commence on the first day of the month following execution by all parties thereto, and shall terminate September 30, 2031 in accordance with the Master Lease. If the Sublessor exercises the option to extend the Master Lease for ten (10) years as provided by Paragraph 3. (b) of the Master Lease, then the Sublessee shall have the option to extend this sublease for a period of ten (10) years to coincide with the Master Lease.

**3.0 Use.** The principal authorized use of the Premises is private, personal hangar facility and office use, and use related thereto or associated with such private, personal occasional non-aviation related use as may be approved by Sublessor in its sole and absolute discretion and by the County, all as set forth in Paragraph 4 of the Master Lease; as may be further restricted elsewhere in this Sublease and by the Rules and Regulations attached hereto as Exhibit "D" and made a part hereof by reference ("Rules and Regulations"), all as set forth below.

**3.1 Authorized Use.** Sublessee is authorized to use the Premises for activities attendant to its private and personal hanger operation as may be approved by Sublessor and by the County, and in accordance with the provisions of the Master Lease and this Sublease, and not in conflict with the Sublessor.

**3.2 Non-Exclusive Use.** Sublessor grants to Sublessee, its employees, officers, patrons, and guests jointly in common with others entitled to the use thereof, a non-exclusive license to use the roadways and other Common Areas on the Airport, including use of the landing area and the right of aircraft ingress and egress between the Premises and landing area, to include those areas immediately contiguous to the Premises, as further depicted on Exhibit "C".

#### **4.0 Rent and Charges.**

**4.01 Initial Rent.** Beginning on the Commencement Date, Sublessee shall pay initial rent of \$164.06 (One Hundred Sixty-four Dollars and Six Cents) per month to be paid quarterly to the Sublessor at the office of Sublessor without reduction, abatement, deduction, offset or any prior demand therefor in advance of the first day of each quarter of the term hereof and subject to adjustment, which shall equal one 16<sup>th</sup> of the amount due from Sublessor to County under the Master Lease. Payments will be made to the office of the sublessor at 2262 Rutherford Road, Suite 103, Carlsbad, CA 92008.

**4.02. Non-Aviation Related Use License.** If Sublessee desires/or wishes to obtain a license from the County authorizing a non-aviation related use, in accordance with Paragraph 4 of the Master Lease, prior to issuance of such license. Any such non-aviation use must first be approved by Sublessor prior to Sublessee making application to the County for such non-aviation related use.

**4.03. Annual Adjustment.** The rent shall be adjusted commencing one year from the Commencement Date, and each year thereafter during the term, including any extension thereof, as provided in the Master Lease.

**5.0 Utilities.** Unless separately metered or billed to Sublessee, Sublessee shall pay all charges for all electricity, gas, water, sewer, trash disposal and other utility services used on or for the subleased Premises, including a pro rata share of the Common Area utilities.

**5.01 Common Area Payments.** Sublessee shall pay on a one-sixteenth pro rata basis, all charges for all maintenance, landscaping, sweeping to include security, common area insurance, management, and other Common Area costs to keep the Common Area in pristine condition on/or for the subleased Premises, including around the exterior of the Premises. Sublessee's estimated portion of all utilities, common area sweeping, landscaping charges and other common area charges billed by Sublessor to maintain the Common Area, ("Common Area Charges") not otherwise paid by Sublessee are less than

the actual Common Area Charges, Sublessee shall promptly pay the amount due to Sublessor. If the Common Area Charges for the previous year actually paid by Sublessee are more than the Actual Common Area Charges, Sublessee shall be credited with the amount of the difference which shall be applied to reduce the ensuing year's Common Area Charges.

**6.0 Late Payments.** If Sublessee shall fail to pay when due, any rent, amounts or charges payable by Sublessee under this Sublease or the Master Lease, then:

**6.01 Interest on Past Due Obligations.** Such unpaid amount shall bear interest, including common area payments, from the due date to the date of payment at the lesser of one percent (1%) per month or the maximum rate allowed under the applicable usury law.

**6.02 Late Charges.** Sublessee shall pay to Sublessor an additional sum of ten percent (10%) of any amount which remains due and unpaid 20 days after the due date. Sublessee acknowledges that late payment by Sublessee to Sublessor will cause Sublessor to incur costs not contemplated by this Sublease, including but not limited to processing and accounting charges, and late charges which may be imposed upon Sublessor, and that the exact amount of such costs is extremely difficult and impracticable to fix. The parties agree that this late charge represents a fair and reasonable estimate of the costs that Sublessor will incur by reason of late payment by Sublessee.

**7.0 Use Conditions.**

**7.01 Non-Exclusive Use.** To the extent granted to Sublessor in the Master Lease, Sublessor grants to Sublessee, its employees, officers, patrons and guests jointly and in common with others entitled to the use thereof, a non-exclusive license to use the roadways and other common areas of the Airport, including the use of the landing area.

**7.02 Compliance with Rules, Regulations, Ordinance, Codes and Law.** Sublessee shall at Sublessee's sole cost and expense at all times during the term of this Sublease or any renewal or extension thereof comply with and observe all rules, regulations, ordinances, codes and laws which have been or may be promulgated by Sublessor, the County, and the Rules and Regulations attached hereto, or other jurisdictions that relate to the Premises and the use of the facilities of the Airport including all fire regulations, safety regulations, noise control regulations and security regulations. Such rules, regulations, ordinances, codes, Rules and Regulations and laws are hereby made a part of this Sublease and Sublessee's failure to keep and observe the rules and regulations shall constitute a breach of the terms of this Sublease in like manner as if the same were contained herein. Sublessor and the County reserve the right to amend or supplement the rules, regulations, ordinances, codes and laws and to adopt additional rules, regulations, ordinances, codes and laws applicable to the Premises, to Sublessee's use of the Premises,



and the use of the facilities of the Airport. Sublessor shall have no obligation to Sublessee as a result of the violation of any such rules by any other person. Sublessee shall at all times obey the statutes, codes, ordinances, laws and regulations of the United States of America, the State of California, the County and any other governmental entity having jurisdiction, as the same may from time to time be amended during the term of this Sublease.

**7.03 Security.** Sublessee will acquaint itself with the County's security plan and all Federal Aviation Administration and other security requirements and shall at all times fully abide by the same. If Sublessor or the County is fined for any breach of security as a result of Sublessee's negligence or failure to abide by applicable security requirements, Sublessee shall reimburse Sublessor or the County, as appropriate, for such fine immediately upon demand. Sublessee shall similarly be responsible for the negligence or non-compliance of any of its assignees, subtenants or their licensees, invitees or guests.

**7.04 Other Use Restrictions.** Sublessee shall not commit or suffer to be committed any waste or any public or private nuisance or any other act or thing which may disturb the quiet enjoyment of any other person or organization at the Airport or upon the Premises or Common Area. Sublessee's method of lighting the Premises and its installation of all exterior light fixtures shall be subject to Sublessor's sole and absolute discretion. Sublessee shall maintain access control to the Premises in conformance with Federal Airport Security regulations, the security plan of the County and other federal and County directives and regulations that may be issued. All motor vehicles parked or operated upon the Premises or Common Area by Sublessee, its officers, employees, guests, patrons, and invitees shall be parked or operated in accordance with the County's and Sublessor's traffic and parking regulations, ordinances and other directives. Sublessee shall at all times maintain the Premises of Sublessee, as well as Common Areas used by Sublessee, in a clean condition, free from any garbage, trash, litter, oil, grease, or any other solvents or any debris not related to the use of the Premises. Any items applicable to the maintenance and support of aircraft, automobiles or related uses to Sublessee's business or office shall not be stored on the exterior of said Premises and shall not be visible from the exterior of the Premises. All maintenance of aircraft shall be at all times for the private, personal use of Sublessee and shall not be for profit, or public use, or sale.

## **8.0 Maintenance of Premises.**

**8.01 Delivery.** Sublessor agrees to deliver the Premises in working order and Sublessee agrees to accept the Premises in the delivered condition without further additions, modifications or improvements by the Sublessor. Sublessee agrees that Sublessor has made no warranties or representations of any kind respecting the condition of the Premises or utilities located thereon or the use to which the Premises may be put.

**8.02 Maintenance Costs.** Sublessee at its sole cost and expense shall at all times maintain the Premises and all buildings, structures and improvements thereon in a good state of repair and in a safe, clean, neat and sanitary condition. In the event Sublessee fails to make any repairs required to be made by Sublessee in accordance with the terms of this Sublease, Sublessor shall notify Sublessee of such failure, if within thirty (30) days of such notice, Sublessee has failed to make such repairs, Sublessor shall have the option but not the obligation to make such repairs at the expense of Sublessee. Sublessor shall have the option but not the obligation to make such repairs at the expense of Sublessee. Should Sublessor opt to make said repairs, Sublessor shall have the right to charge Sublessee, as additional rent due hereunder upon demand, all costs of Sublessor for making such repairs on a pro rata basis. If Sublessee fails to pay all costs to Sublessor for making repairs, Sublessor shall have the right to lien the property for said costs, to include costs of any suit together with reasonable attorneys fees. Sublessor shall have no liability to Sublessee for any damage, inconvenience or interference with the use of the Premises by Sublessee as a result of the making of any repairs made by Sublessor and the rent shall not be abated by reason thereof.

**9.0 Alterations and Improvements.** Sublessee shall not install, make, or suffer to be made, any alterations or improvements to the interior or exterior of the Premises or any part thereof without the prior written consent of Sublessor, such consent shall not be unreasonably withheld or delayed. If in accordance with good construction practices, applicable governmental requirements, the special conditions, plans and specifications approved by Sublessor. Sublessee shall comply with all construction and labor regulations of Sublessor and the County and shall provide reasonable insurance coverage required by Sublessor and the County, or other means of surety, to the reasonable satisfaction of Sublessor and the County shall be provided to ensure that, in the event that the Sublessee defaults and is unable to complete construction, there will be funds provided to return the Premises to the original condition and to satisfy any liens for labor and materials that may be brought for work on the Premises. All alterations or improvements performed by Sublessee shall be carried out by licensed contractors and said alterations and improvements shall be carried out in accordance with all applicable laws and regulations. Sublessee shall at Sublessee's sole cost and expense obtain all necessary permits, licenses and authorizations in connection with the construction. Sublessee's work shall be subject to the general inspection of Sublessor and the County. Sublessee shall provide proof satisfactory to Sublessor and the County that Sublessee's contractor will (a) provide warranties for not less than one year against defects in workmanship, materials, and equipment; (b) carry or cause to be carried worker's compensation insurance covering all of the contractor's and its subcontractor's employees; and (c) carry public liability and property damage insurance which names Sublessor as an additional insured and required thirty (30) days prior written notice to Sublessor before any change in or cancellation of coverage becomes effective. The policy or policies shall contain liability limits of not less than One Million Dollars (\$1,000,000) single limit coverage. All improvements, additions to or alterations of the Premises except movable furniture and trade fixtures shall at the termination of this Sublease remain attached to and become part of the Premises and be surrendered to Sublessor in good condition, reasonable use and wear excepted,

or at the option of Sublessor shall be removed by Sublessee and the Premises restored to the same condition which existed prior to the installation of any alterations, additions or improvements. Sublessor shall have the right to post a notice of non-responsibility for liens arising out of any work performed, materials furnished and obligations incurred by Sublessee. Sublessee agrees to advise Sublessor and the County in writing at least ten (10) business days in advance of the date upon which alterations will commence in order to permit Sublessor or County to post such a notice. Sublessee shall keep the Premises free from any and all liens arising out of any work performed, materials furnished or obligations incurred by Sublessee. Sublessee shall indemnify, defend and hold Sublessor and County harmless against any claim, demand, liability or expense on account of claims for work done or materials supplied for Sublessee or person claiming under it.

**10.0 Relocation of Premises.** In the event that the County requires the Premises for other Airport purposes, then the County in the exercise of its commercial business judgment shall first determine whether other reasonably comparable improved property at the Airport reasonably suitable for Sublessee's use is available. If such property is available then Sublessor or the County may, at the County's expense, relocate Sublessee to such property and the parties are unable to agree upon an appropriate rate of rent, the rent shall be established by such arbitrators as may be agreed upon by the parties, or if there is no such agreement then by arbitration conducted pursuant to the then existing rules of the American Arbitration Association. If in the exercise of its commercial business judgment the County determines that other reasonably suitable comparable improved property at the Airport reasonably suitable for Sublessee's use is not available, then the County shall pay to Sublessee the condemnation value of the improvements (condemnation value shall be the market value of the improvements made by Sublessee depreciated on a straight-line basis over the lease term). Except in the case of emergency, if all or any part of the Premises is taken or condemned by the County, the County agrees to provide Sublessee with not less than one hundred eighty (180) days written notice prior to the condemnation date.

**11.0 Damage or Destruction.** If the improvements to the Premises are damaged or destroyed during the term hereof, Sublessee may repair or rebuild said improvements to the condition immediately prior to the date of damage or destruction, within sixty (60) days after the occurrence of the event causing the damage or destruction. This Sublease shall continue and Sublessee shall diligently complete the repair or rebuilding of said improvements. Sublessee shall apply any insurance proceeds received as a result of damage to the improvements to the repair or replacement of said improvements.

**12.0 Condemnation.**

**12.01 Total Taking.** If all the Premises are taken or condemned for a public or quasi-public use, by an entity other than the County, this Sublease shall terminate as of the date of condemnation and Sublessee shall thereupon be released from any liability thereafter occurring hereunder.

**12.02 Partial Taking.** If any party of the Premises are taken or condemned for a public or a quasi-public use by an entity other than the County and there is such a major change in the character of the property as to prevent Sublessee from using the Premises in substantially the same manner as theretofore used then in such event Sublessee may terminate this Sublease as of the date of condemnation by giving written notice to Sublessor within fifteen (15) days after the date of condemnation. If any part of the Premises are taken or condemned for a public or quasi-public use by entity other than the County and either party does not have the power to terminate this Sublease as hereinabove set forth, then this Sublease shall continue in full force and effect except that as to the part so taken this Sublease shall terminate as of the date of condemnation and the annual rent payable hereunder shall be adjusted so that Sublessee shall be required to pay for the remainder of the term only such portion of such rent as the value of the remaining part after condemnation bears to the value of the Premises at the date of condemnation. In the event that the parties are unable to agree upon an appropriate rate of rent, the rent shall be established by such arbitrators as may be agreed upon by the parties, or if there is no such agreement then by arbitration conducted pursuant to the then existing rules of the American Arbitration Association.

### **13.0 Assignments and Subleases.**

**13.01** No portion of the Premises or of Sublessee's interest in this Sublease may be acquired by any other person or entity, whether by sale, assignment, mortgage, sublease, transfer, may be withheld in Sublessor's sole and absolute discretion except as provided in Section 13.02 below. Sublessor has the right to grant or withhold its consent as provided in Section 13.05 below. Any attempted transfer without consent shall be void and shall constitute a non-curable breach of this Sublease. If Sublessee is a partnership, any cumulative transfer of more than twenty percent (20%) of the partnership interests shall require Sublessor's consent. If sublessee is a corporation, any change in the ownership of a controlling interest of the voting stock of the corporation shall require Sublessor's consent.

**13.02 Sublessee Affiliate.** Sublessee may assign this Sublease or sublease the Premises without Sublessor's consent, to any corporation which controls, is controlled by or is under common control with Sublessee, or to any corporation resulting from the merger of or consolidation with Sublessee ("Sublessee's Affiliate"). In such case, any Sublessee's Affiliate shall assume in writing all of Sublessee's obligations under this Sublease.

**13.03 No Release of Sublessee.** No transfer permitted by this Article Thirteen, whether with or without Sublessor's consent, shall release Sublessee or change Sublessee's primary liability to pay the rent and to perform all other obligations of Sublessee under this Sublease. Sublessor's acceptance of rent from any other person is not a waiver of any provision of this Article Thirteen. Consent to one transfer is not a consent to any subsequent transfer. If Sublessee's transferee defaults under this Sublease, Sublessor may

proceed directly against Sublessee without pursuing remedies against the transferee. Sublessor may consent to subsequent assignments or modifications of this Sublease by Sublessee's transferee, without notifying Sublessee or obtaining its consent. Such action shall not relieve Sublessee's liability under this Sublease.

**13.04 First Offer to Sublease.** At all times during the term of this Sublease, prior to making any transfer of Sublessee's interest other than as provided in Paragraph 13.01 or 13.02, any proposed transfer of the Sublease and the Premises shall first be offered to Sublessor, who shall have three (3) days to accept or reject any offer to sublease or purchase the Sublease and/or Premises. Sublessee shall provide a copy of any offer to purchase the Sublease or Premises immediately upon receipt by Sublessee.

**13.05 Sublessor's Consent.** Sublessee's request for consent to any transfer described in Section 13.01 shall set forth in writing the details of the proposed transfer, including the name, business of the prospective transferee, financial details of the proposed transfer (e.g., the term of and the rent and security deposit payable under any proposed assignment or sublease), and any other information Sublessor deems relevant. Sublessor shall have the right to withhold consent, or to grant consent, in its sole and absolute discretion based on the following factors: (i) the business of the proposed assignee or sublessee and the proposed use of the Premises; and (ii) Sublessee's compliance with all of its obligations under the Sublease. Sublessor's consent to any such transfer shall not be unreasonably withheld.

**13.06 No Merger.** No merger shall result from Sublessee's sublease of the Premises under this Article Thirteen, Sublessee's surrender of this Sublease or the termination of this Sublease in any other manner. In any such event, Sublessor may terminate any or all subleases or succeed to the interest of Sublessee as Sublessor under any or all subleases.

#### **14.0 Default.**

**14.01 Event of Default.** Each of the following events shall be an event of default hereunder by Sublessee and a breach of this Sublease: (a) the failure by Sublessee to pay Sublessor any rent or other charges due under this Sublease as and when the same become due; (b) the failure by Sublessee to perform or observe any other agreements, terms, covenants or conditions, or Rules and Regulations attached hereto and made a part hereof, as such Rules and Regulations may be amended from time to time by Sublessor; (c) the filing by or against Sublessee in any court pursuant to any statute of the United States or of any state of a petition in bankruptcy or insolvency or for reorganization or arrangement or for the appointment of a receiver or trustee of all or any portion of Sublessee's property if within thirty (30) days after the commencement of any such proceedings against Sublessee or after such assignment for the benefit of creditors such petition shall not have been dismissed or such assignment shall not have been revoked; (d) the transfer of Sublessee's interest in this Sublease to any person, firm or corporation

whether voluntarily or by operation of law except in the manner expressly permitted in this Sublease; or (e) vacating or abandoning the Premises by Sublessee at any time during the term hereof.

**14.02 Sublessor's Remedies.** In the event of default as described in section 14.01, Sublessor shall notify Sublessee in writing that Sublessee is in default, and Sublessee will then have a cure period of thirty (30) days from date of notice from Sublessor to cure such an event. Sublessor shall have the following remedies if Sublessee fails to correct default. The remedies are not exclusive; they are cumulative and in addition to any remedies now or later allowed by law. Sublessor can continue this Sublease in full force and effect. Sublessor can enter the Premises and relet them or any part of them to third parties for Sublessee's account. No act by Sublessor in reletting the Premises allowed by this section shall terminate this Sublease. In the event of Sublessee's default and Sublessor's reentering of the Premises, Sublessee agrees to pay Sublessor as an additional item of damages, the cost of repairs, alterations, redecorating, Sublease commissions and Sublessor's other expenses incurred in reletting the Premises to a new tenant.

**14.03 Sublessor's Default.** In the event Sublessor fails to keep its Master Lease current with the County, to include failure to make any payments of rent to County as and when due, and Sublessee has been making payments directly to Sublessor, Sublessee shall have the right, after giving Sublessor thirty (30) days notice to cure, to make the payments, directly to County. If Sublessor does not cure within the applicable time period, Sublessee shall have the right to enter into a direct Lease with County.

**14.04 Attorneys Fees.** In the event of any action at law or in equity between Sublessor and Sublessee arising out of or concerning this Sublease or any right or obligation derived therefrom, then in addition to all other relief at law or in equity, the prevailing party shall be entitled to recover from the unsuccessful party reasonable attorneys fees and costs incurred therein by the prevailing party.

## **15.0 Indemnity and Insurance**

**15.01 Waiver.** This Sublease is made upon the express condition that Sublessee hereby waives all claims against Sublessor for damages to property or for injuries or death to any person or persons from any cause.

**15.02 Indemnity.** Sublessee hereby agrees to and shall indemnify and defend Sublessor against and hold Sublessor harmless from any and all claims, demands, actions, damages, liability and expense in connection with or for loss of or damage to property or injury or death to any person from any cause whatsoever while in , upon , or about the Premises or any such claims, demands or the like, arising from or out of any occurrence in, upon or at the Premises from or in connection with the occupancy or use by Sublessee of the Premises or any part thereof or from or in connection with the business conducted by

Sublessee in the Premises or occasioned wholly or in part by any act or omission of Sublessee, its agents, contractors, employees, licensees or concessionaires.

**15.03 Insurance Coverage.** During the term of this Sublease including any extension or renewal thereof, Sublessee at its cost shall at all times maintain in full force and effect comprehensive public liability insurance and property damage insurance (each more particularly described below) upon the Premises and upon all aircraft, and automobiles operated by Sublessee at the Airport.

**15.03.01 Hangarkeeper's Liability (Ground Coverage)** Should Sublessee's operations include care, custody or custody of aircraft stored on the Premises, Sublessee shall maintain hangarkeeper's legal liability insurance in an amount sufficient to fully cover the replacement value of all aircraft for which said custody is assumed while on the ground.

**15.03.02 Hangarkeeper's Liability (Flight Coverage)** Should Sublessee's operations include care, custody or custody of aircraft stored on the Premises that will be flight tested or used in commercial flight operations, Sublessee shall maintain hangarkeeper's legal liability insurance in an amount sufficient to fully cover the replacement value of all aircraft for which said custody is assumed while on the ground.

**15.03.03 Aircraft Liability.** Sublessee, and Sublessee's affiliates, sublessees, and licensees, shall maintain aircraft liability insurance which shall provide combined single limit for bodily injury and property damage for all aircraft owned, leased or operated by any of them from the Premises with minimum limits of One Million Dollars (\$1,000,000). Proof of insurance will be required to show that Murrieta Executive Airpark to be named as an additional insured.

**15.03.04 Fire Insurance.** Sublessee shall maintain fire insurance covering the Premises and all improvements, including protection against perils included within the classification standard fire and extended coverage together with insurance against vandalism and malicious mischief; in an amount sufficient to fully cover the replacement cost of all improvements.

**15.04 Other Insurance Requirements.** All policies shall name Sublessor, and the County as an additional insured. Insurance shall be with a company or companies satisfactory to Sublessor and the County in the amounts of not less than that specified herein or in minimum amounts as may be subsequently adjusted by Sublessor or the County in the exercise of their commercial business judgment and consistent with airport industry practice for similar kinds of activities. Sublessee shall at all times during the term of this Sublease, including any extension or renewal hereof, provide Sublessor and the County with a certificate from the insurance carrier or carriers insuring Sublessee as

set forth therein. Insurance policies shall not be subject to cancellation except after notice to Sublessor and the county by registered mail at least thirty (30) days prior to such cancellation. Where policies have normal expirations during the term of this Sublease or any extension thereof written evidence of renewal shall be furnished to Sublessor and the County thirty (30) days prior to such expiration.

**15.05 Waiver of Subrogation.** The parties release each other and their respective authorized representatives from any claims for damage to any person or to the Premises and to the fixtures, personal property, Sublessee improvements and alterations by Sublessor or Sublessee in or on the Premises that are caused by or result from risks insured against under any insurance policy carried by either party and in force at the time of any such damage to the extent of the insurance proceeds received from such policy. Each party shall cause each insurance policy obtained by it to provide that the insurance company waives all right of recovery by way of subrogation against either party in connection with any damage covered by any policy. If the insurance cannot be obtained or the party in whose favor a waiver of subrogation is desired refuses to pay the additional premium charged the other party is relieved of the obligation to obtain a waiver of subrogation right with respect to the particular insurance involved.

**16.0 Hazardous Substances.** The provisions of this section, which govern Sublessee's obligations with regard to hazardous substances, as defined below, shall survive termination of this Sublease.

**16.01 Responsibility for and Definition of Hazardous Substances.** Sublessee agrees to indemnify, defend, protect and hold Sublessor free and harmless from and against any and all claims, liability, loss, damage, actions or causes of action, costs and expenses (including attorney's fees) arising from or in connection with the presence of any Hazardous Substances other than those which can be shown to have been present in, on or under the Premises prior to the Commencement Date. Furthermore, Sublessee shall, at Sublessee's sole cost and expense, be responsible for the receiving, use, storage, handling, transportation, generation, spillage, migration, discharge, release, and disposition of all hazardous waste, toxic substances, or related materials including, without limitation, gasoline, oil, grease, battery acid, diesel fuel, flammable, combustible, explosive, corrosive, caustic, carcinogenic or radioactive matter, or any other Hazardous Substances to the extent any such are used, stored, brought onto, located on or shipped from within the Premises in connection with Sublessee's occupancy and use thereof, in accordance with all applicable rules, regulations, orders, ordinances, statutes, codes and laws. For purposes of this Sublease, "Hazardous Substances" shall include, but not be limited to petroleum or petroleum related materials and/or substances defined as "hazardous substances", hazardous materials", "hazardous waste" or "toxic substances" in any federal, state or local laws or regulations adopted or publications promulgated pursuant to said laws (hereinafter collectively referred to as the "Laws"). Sublessee shall



at Sublessee's sole cost and expense, comply fully with all requirements of the Laws applicable to Sublessee's use of the Premises and obligations contained herein.

**16.02 Cleanup of Hazardous Substances.** In the event of a release, leak, spill, or threatened or actual contamination or deterioration of the Premises or groundwater by a Hazardous Substance, other than those which can be shown to have been present in, on or under the Premises prior to the Commencement Date, whether the result of an act or omission of Sublessee or its agents, employees, contractors, licensees, or invitees or any other third parties, Sublessee shall, immediately notify Sublessor, the County, and all appropriate health, safety and environmental regulatory agencies. Sublessee hereby covenants and agrees to implement and complete, at its sole cost and expense, and to the satisfaction of Sublessor and the County, all investigation and remediation measures required by such agency or agencies. If Sublessee fails to take such action Sublessor may, but shall not be obligated to, take such action. In such event, all costs incurred by Sublessor or the County with respect to such cleanup activities shall be for the account of Sublessee and Sublessee shall promptly make reimbursement therefore. Sublessee shall not take any remedial action in response to the presence of any Hazardous Substances in any way connected with the Premises, nor enter into any settlement agreement, consent decree or other compromise in respect to any claims relating to any Hazardous Substances in any way connected with the Premises without first notifying the Sublessor and the County of Sublessee's intention to do so and affording Sublessor and the County ample opportunity to appear, intervene or otherwise appropriately assess and protect its interest and respect thereto.

**16.03 Hazardous Substances from Subtenants or Assignees.** As between Sublessor and Sublessee, Sublessee shall bear responsibility for the presence of any Hazardous Substances as a result of a subtenant's or assignee's activities, whether before, during or after construction, in or around any part of the Premises or the soil, groundwater or soil vapor on or under the Premises. Upon demand by Sublessor, Sublessee shall defend any investigation, action or proceeding alleging the presence of any Hazardous Substances in any such location, which affects the Premises or which is brought or commenced against Sublessor or the County, whether alone or together with Sublessee or any other person, all at Sublessee's own cost and by counsel to be approved by Sublessor. In the alternative, Sublessor or the County may elect to conduct its own defense at the expense of Sublessee.

**16.04 Compliance Regarding Hazardous Substances.** Sublessee shall comply and cause all occupants of the Premises to comply with all statutes, codes, regulations, rules, ordinances, orders and other laws governing or applicable to Hazardous Substances as well as the recommendations of any qualified environmental engineer or other expert which apply or pertain to the Premises, Sublessee's use of the Premises or of the facilities of the Airport. Sublessee acknowledges that the presence of Hazardous Substances may permanently and materially impair the value and use of the Premises.

**16.05 Notice Regarding Hazardous Substances.** Sublessee shall promptly notify Sublessor and the County if Sublessee knows, suspects or believes that there may be any Hazardous Substances in or around the Premises, or in the soil, groundwater or soil vapor on or under the Premises, or that Sublessee or the Premises may be subject to any threatened or pending investigation by any governmental agency under any statute, code, regulation, rule, ordinance, order or other law pertaining to any Hazardous Substance.

**16.06 Site Visits, Observations and Testing.** Sublessor, the County, and their agents and representatives shall have the right from time to time to enter and visit the Premises to make observations of the Premises, take and remove soil or groundwater samples, and conduct tests. Sublessor is under no duty, however, to visit or observe the Premises or to conduct tests. No site visit, observation or testing by Sublessor shall result in a waiver of any default of Sublessee or impose any liability on Sublessor. In no event shall any site visit, observation or testing by Sublessor be a representation that Hazardous Substances are or are not present in, on or under the Premises or that there has been compliance with any statute, code, regulation, rule, ordinance, order or other law pertaining to Hazardous Substances. Neither Sublessee nor any other party is entitled to rely on any site visit, observation or testing by Sublessor. Sublessor shall not be obligated to disclose to Sublessee or any other party any report or finding made as a result, or in connection with, any site visit, observation or testing by Sublessor. Sublessor shall not be obligated to disclose to Sublessee or any other party any report or finding made as a result, or in connection with, any site visit, observation or testing by Sublessor. In each instance, Sublessor shall give Sublessee reasonable notice before entering the Premises.

**16.07 Business Response Plan.** Sublessee must conform with the Murrieta Executive Airpark "Business Response Plan" on file with the Airport Fire Marchall in accordance with the Health and Safety Code.

**17.0 Sublessee Rights and Obligations.** Sublessor grants to Sublessee all rights and benefits with respect to the Premises that are granted to Sublessor under the terms of the Master Lease. Sublessee assumes and agrees to perform all obligations and duties with respect to the Premises that have been assumed by Sublessor in the Master Lease. Sublessee shall have the right at any time to take any action required to be taken, but not timely taken, by Sublessor, which may be necessary to prevent or cure a default under the terms of the Master Lease. To the extent that the County fails or refuses to perform its obligations under the Master Lease with respect to the leased Premises, Sublessor shall perform such obligations. Further, Sublessor agrees not to modify or surrender the Master Lease as it relates to this Sublease and the Premises, without the prior consent of Sublessee, and any modification or surrender made without such consent shall be null and void and shall have no effect on the rights of Sublessee under this Sublease.

**18.0 Notices.** Any notice required or desired to be served by either party upon the other shall be addressed to the respective parties asset forth below:

Sublessor

Murrieta Executive Air Park, LLC  
2262 Rutherford Road, Suite 103  
Carlsbad, CA 92008  
Attn: Kevin Stumm

Sublessee

Gary D. & Kimberly A. Roberts, husband & wife  
23111 Maravilla Lane  
Trabuco Canyon, CA 92679  
Attn: Gary D. Roberts

**19.0 Taxes.** In the event a possessory interest tax or property tax is levied by the appropriate County or State taxing authority, Sublessee shall be solely responsible for payment of Sublessee's pro rata share of such tax.

**20.0 Protection of Lenders.**

**20.01 Subordination.** Sublessor shall have the right to subordinate this Sublease to any deed of trust or mortgage encumbering the Premises, any advances made on the security thereof and any renewals, modifications, consolidations, replacements or extensions thereof, whenever made or recorded. Sublessee shall cooperate with Sublessor and any lender which is acquiring a security interest in the Premises or the Sublease. Sublessee shall execute such further documents and assurances as such lender may require, provided that Sublessee's obligations under this Sublease shall not be increased in any material way (the performance of ministerial acts shall not be deemed material), and Sublessee shall not be deprived of its rights under this Sublease. Sublessee's right to quiet possession of the Premises during the Sublease Term shall not be disturbed if Sublessee pays the rent and performs all of Sublessee's obligations under this Sublease and is not otherwise in default. If any beneficiary or mortgagee elects to have this Sublease prior to the lien of its deed of trust or mortgage and gives written notice thereof to Sublessee, this Sublease shall be deemed prior to such deed of trust or mortgage whether this Sublease is dated prior or subsequent to the date of said deed of trust or mortgage or the date of recording itself.

**20.02 Attornment.** If Sublessor's interest in the Premises is acquired by any beneficiary under a deed of trust, mortgagee, or purchaser at a foreclosure sale, Sublessee shall attorn to the transferee of or successor to Sublessor's interest in the Premises and recognize such transferee or successor as Sublessor under this Sublease. Sublessee waives the protection of any statute or rule of law which gives or purports to give Sublessee any right to terminate this Sublease or surrender possession of the Premises upon the transfer of Sublessor's interest.

**20.03 Signing of Documents.** Sublessee shall sign and deliver any instrument or documents necessary or appropriate to evidence any such attornment or subordination or agreement to do so. Sublessee has ten (10) days to do so after written request.

#### **20.04 Estoppel Certificates.**

**20.04.01** Unless Sublessee has entered into a direct lease with the County, upon Sublessor's written request, Sublessee shall execute, acknowledge and deliver to Sublessor a written statement certifying: (i) that none of the terms or provisions of this Sublease have been changed (or if they have been changed, stating how they have been changed); (ii) that this Sublease has not been canceled or terminated; (iii) the last date of payment of the Base Rent and other charges and the time period covered by such payment; (iv) that Sublessor is not in default under this Sublease (or, if Sublessor is claimed to be in default, stating why); and (v) such other representations or information with respect to Sublessee.

**20.04.02** If Sublessee does not deliver such statement to Sublessor within ten (10) days, Sublessor, and any prospective purchaser or encumbrancer, may conclusively presume and rely upon the following facts: (i) that the terms and provisions of this Sublease have not been changed except as otherwise represented by Sublessor; (ii) that this Sublease has not been canceled or terminated except as otherwise represented by Sublessor; (iii) that not more than one years Base Rent or other charges have been paid in advance, and (iv) that Sublessor is not in default under the Sublease. In such event, Sublessee shall be estopped from denying the truth of such facts.

**20.05 Sublessee's Financial Condition.** Unless Sublessee has entered into a direct lease with the County, within ten (10) days after written request from Sublessor, Sublessee shall deliver to Sublessor such financial statements as Sublessor reasonably requires to verify the net worth of Sublessee or any assignee, subtenant, or guarantor of Sublessee. In addition, Sublessee shall deliver to any lender designated by Sublessor any financial statements required by such lender to facilitate the financing or refinancing of the Premises. Sublessee represents and warrants to Sublessor that each such financial statement is a true and accurate statement as of the date of such statement. All financial statements shall be confidential and shall be used only for the purposes set forth in this Sublease.

**21.0 Time.** Time is of the essence.

**22.0 Entire Agreement.** This Sublease contains all agreements between Sublessor and Sublessee with respect to any matter mentioned herein. This Sublease may be modified only by a writing signed by the parties in interest at the time of the modification.

**23.0 Applicable Law.** This Sublease shall be governed by the laws of the State of California.

**24.0 No Waiver.** Sublessor's waiver of any provision of this Sublease shall not be deemed a waiver of any other provision hereof, or of any subsequent breach by Sublessee of the same or

any other provision. Sublessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Sublessor's consent to, or approval of, any subsequent act by Sublessee.

**25.0 Partial Invalidity.** The invalidity or unenforceability of any provision of this Sublease or the application thereof to any person or circumstances shall in no way affect the validity of any other provision or its application to any other person or circumstances.

**26.0 Interpretation.** The captions of the Sections of this Sublease are to assist the parties in reading this Sublease and are not a part of the terms or provisions of this Sublease. Whenever required by the context of this Sublease, the singular shall include the plural and the plural shall include the singular. The masculine, feminine and neuter genders shall each include the other. In any provision relating to the conduct, acts or omissions of Sublessee, the term "Sublessee" shall include Sublessee's agents, employees, contractors, invitees, successors or others using the Premises with Sublessee's expressed implied permission.

**27.0 Corporate Authority; Partnership Authority.** If Sublessee is a corporation, each person signing this Sublease on behalf of Sublessee represents and warrants that he has full authority to do so and that this Sublease binds the corporation. Within thirty (30) days after this Sublease is signed, Sublessee shall deliver to Sublessor a certified copy of a resolution of Sublessee's Board of Directors authorizing the execution of this Sublease or other evidence of such authority reasonably acceptable to Sublessor. If Sublessee is a partnership, each person or entity signing this Sublease for Sublessee represents and warrants that he or it is a general partner of the partnership, that he or it has full authority to sign for the partnership and that this Sublease binds the partnership and all general partners of the partnership. Sublessee shall give written notice to Sublessor of any general partner's withdrawal or addition. Within thirty (30) days after this Sublease is signed, Sublessee shall deliver to Sublessor a copy of Sublessee's recorded statement of partnership or certificate of limited partnership.

**28.0 Joint and Several Liability.** All parties signing this Lease as Sublessee shall be jointly and severally liable for all obligations of Sublessee.

**29.0 Force Majeure.** If Sublessor cannot perform any of its obligations due to events beyond Sublessor's control, the time provided for performing such obligations shall be extended by a period of time equal to the duration of such events. Events beyond Sublessor's control include, but are not limited to, acts of God, war, terrorism, civil commotion, labor disputes, strikes, fire, flood or other casualty, shortages of labor or material, government regulation or restriction and weather conditions.

**30.0 Execution of Lease.** This Lease may be executed in counterparts and, when all counterpart documents are executed, the counterparts shall constitute a single binding instrument.

**31.0 Negotiated Agreement.** The parties hereby acknowledge, agree and understand that this Sublease and its wording have been arrived at through a process of negotiation between the parties in which each party participated to the fullest extent desired by that party and that neither party is to be deemed the party who prepared this Lease or the party who caused any uncertainty to exist within the meaning of California Civil Code Section 1654.


**32.0 Intentional Interference.** If the Subleasee creates any intentional interference with business and economic opportunities of the Sublessor, the Sublessor will have the right to terminate the Lease.

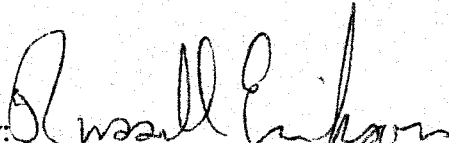
**SIGNATURE PAGE**

In witness whereof, the parties hereto have executed this Sublease as of the day and year first above written.

**SUBLESSOR:**

**MURIETTA EXECUTIVE AIR PARK MEA, LLC.**  
a California limited liability company

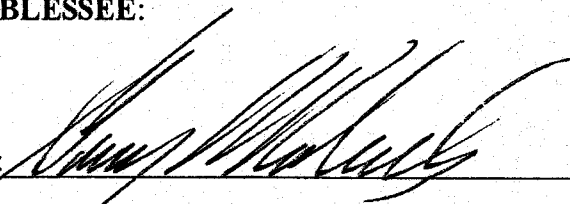
By:   
Kevin Stumm, Vice President

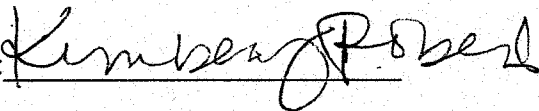
By:   
Russell Erickson, President

Address:  
Murrieta Executive Air Park, LLC  
2262 Rutherford Road, Suite 103  
Carlsbad, CA 92008  
Attn: Kevin Stumm

**SUBLEESSEE:**

A

By: 

By: 

Address:  
Gary D. Roberts & Kimberly A. Roberts, husband & wife  
23111 Maravilla Lane  
Trabuco Canyon, CA 92679  
Attn: Gary D. Roberts

**ATTACHMENT F**

(Behind this Page)



## LISTING OF PRIOR ASSIGNMENT OF SUBLESSEE INTEREST

Unit no. 13 (also identified as Hangar 2C)  
Ground Leaseholder – Murrieta Executive Airpark MEA, LLC

### Agenda Item #3.8 of 4/19/05

- Murrieta Executive AirPark, MEA, LLC, a California limited liability company, as Sublessor, sold and assigned hangar to Sansom Family Revocable Trust dated February 5, 1999, as Sublessee.

### Agenda Item #3.17 of 6/8/04

- Murrieta Executive AirPark, MEA, LLC, a California limited liability company, as Sublessor, sold and assigned hangar to Gary D. Roberts & Kimberly A. Roberts, husband & wife, as Sublessee. Sale fell through after execution of Sublease.

### Agenda Item #3.22 of 9/11/01

- Master Ground Lease executed between County of Riverside, a political Subdivision of the State of California, as Lessor and Murrieta Executive AirPark, MEA, LLC, a California limited liability company, as Lessee.