

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



2016
6/19

FROM: Successor Agency to the Redevelopment Agency

SUBMITTAL DATE:
September 20, 2016

SUBJECT: Resolution No. 2016-011, Authorization to Sell Real Property located in Jurupa Valley, State of California; Approval of Agreement of Purchase and Sale and Joint Escrow Instructions; CEQA Exempt; District 2 [\$13,500]; Redevelopment Property Tax Trust Fund

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the Project is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061 (b)(3);
2. Adopt Successor Agency Resolution No. 2016-011 authorizing the sale of real property located in Jurupa Valley, California, identified by Assessor's Parcel Number 179-211-004, in accordance with ABx1 26 enacted in June 2011 (as amended by AB 1484 enacted in June 2012) and the Amended Long Range Property Management Plan approved by the California Department of Finance;
3. Approve the Agreement of Purchase and Sale and Joint Escrow Instructions between the Successor Agency to the Redevelopment Agency for the County of Riverside and Chavy Hov in the amount of \$31,000 (Purchase Agreement), and Grant Deed and authorize the Chairman of the Board to execute the Purchase Agreement on behalf of the Successor Agency;

(Continued)

Rohini Dasika

Rohini Dasika
Principal Management Analyst

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 13,500	\$ 0	\$ 13,500	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS: Redevelopment Property Tax Trust Fund				Budget Adjustment: No	
				For Fiscal Year: 2016/17	

C.E.O. RECOMMENDATION:

APPROVE

BY: *Alex Gann*

Alex Gann

County Executive Office Signature

**MINUTES OF THE BOARD OF SUPERVISORS OF THE SUCCESSOR AGENCY TO
THE REDEVELOPMENT AGENCY**

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

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
Nays: None
Absent: None
Date: September 20, 2016
xc: E.O., Recorder

Kecia Harper-Ihem
Clerk of the Board

By: *Kecia Harper-Ihem*
Deputy

DISTRICT 2

4-1

FORM APPROVED COUNTY COUNTY 1/21
BY: GREGORY P. PRIAMOS
DATE

Robert Field, Assistant County Executive Officer/EDA
Riverside County Economic Development Agency/EDA

RF Field

By: Positions Added
 Change Order

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

Successor Agency to the Redevelopment Agency

FORM 11: Resolution No. 2016-011, Authorization to Sell Real Property located in Jurupa Valley, State of California; Approval of Agreement of Purchase and Sale and Joint Escrow Instructions; CEQA Exempt; District 2 [\$13,500]; Redevelopment Property Tax Trust Fund

DATE: September 20, 2016

PAGE: 2 of 4

RECOMMENDED MOTION: (Continued)

4. Authorize the Assistant County Executive Officer of the Economic Development Agency, or his designee, to execute any other documents and administer all actions necessary to complete or memorialize the sale contemplated in the Purchase Agreement, including, but not limited to executing the Grant Deed attached to the Purchase Agreement;
5. Authorize and direct staff to submit the Purchase Agreement to the Oversight Board for approval;
6. Approve and authorize reimbursement to EDA-Real Estate in the amount not-to-exceed \$13,500 for due diligence and staff expenses; and
7. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk within five days of approval by the Board.

BACKGROUND:

Summary

ABx1 26 enacted in June 2011 (as amended by AB 1484 in June 2012) (collectively the Dissolution Act) charges the Successor Agency to the Redevelopment Agency for the County of Riverside (Successor Agency) with winding down the affairs of the former Redevelopment Agency for the County of Riverside (RDA). Pursuant to Health and Safety Code Section 34191.5, added by the Dissolution Act, the Successor Agency prepared a Long Range Property Management Plan (LRPMP) which identified all real property assets owned by the former RDA and recommended appropriate disposition strategies for each identified parcel. The LRPMP includes property profiles, a description of each property's potential use, and an explanation of the benefit of the proposed disposition strategy to the surrounding community. The LRPMP was approved by the California Department of Finance (DOF) on December 18, 2015.

The LRPMP contemplates the sale of that certain real property consisting of approximately 0.85 acres, located at 5533 Mission Boulevard, Jurupa Valley, California, identified by Assessor's Parcel Number 179-211-004, as depicted on the attached site map (Property). In the LRPMP, the property is designated for sale using various sale methods to properly and effectively market the property to prospective buyers. Pursuant to the disposition process set forth in the LRPMP, Successor Agency staff created marketing flyers and was placed on the Economic Development Agency's website. Staff then emailed a Notice to all Public Agencies, including the link for the website, on April 4, 2016, allocating a sixty day time frame to express an interest on any of the properties. Staff placed "for sale" signs on various properties in the community, attracting interest from the public on all available properties.

The Successor Agency's marketing strategy attracted the interest of Chavy Hov whom currently owns and operates a liquor store on adjacent parcels from the Property. The Successor Agency received an offer from Chavy Hov in the amount of \$31,000 and recommends acceptance of this offer. An updated appraisal conducted by Michael J. Francis, MAI, dated May 18, 2016 found the fair market value of the Property to be \$30,962. There are not-to-exceed costs of \$13,500 associated with this transaction.

(Continued)

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

Successor Agency to the Redevelopment Agency

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DATE: September 20, 2016

PAGE: 3 of 4

BACKGROUND:

Summary (Continued)

Successor Agency staff has negotiated the sale of the Property to Chavy Hov for \$31,000. Chavy Hov currently owns adjacent parcels identified as Assessor's Parcel Numbers 179-211-011 and 179-211-012 to the subject parcel and owns a liquor store. Chavy Hov intends to invest to rehabilitate the vacant building to open a new business or expand her current business. The terms of the proposed sale of the Property from the Successor Agency to Chavy Hov are set forth in the attached proposed Agreement of purchase and Sale with Joint Escrow Instructions, including exhibits (Purchase Agreement). The sale proceeds, minus customary closing and escrow costs, will be disbursed to the taxing entities pursuant to Health and Safety Code Section 34188. If approved by the Successor Agency, the Purchase and Sale Agreement will be forwarded to the Oversight Board of the Successor Agency to the Redevelopment Agency for the County of Riverside, for consideration.

The Successor Agency's disposition of the Property, in a manner consistent with the Dissolution Act, LRPMP and proposed Purchase Agreement, will facilitate the unwinding of the former RDA by liquidating its property in a manner aimed at maximizing value for the benefit of the taxing entities.

Pursuant to the California Environmental Quality Act (CEQA), the sale of the Property was reviewed and determined to be categorically exempt from CEQA under State CEQA Guidelines Section 15061 (b)(3), common sense, general rule exemption. The proposed project is the sale of vacant real property and no development is contemplated at this time, and it can be seen with certainty that there is no possibility that the activity in question will have a significant impact on the environment the conveyance is merely a transfer in title to the real property; it will not require any construction activities and will not lead to any direct or reasonably foreseeable indirect physical environmental impacts.

Resolution No. 2016-011 and the Agreement of Purchase and Sale and Joint Escrow Instructions have been approved as to legal form by County Counsel.

Impact on Citizens and Businesses

Pursuant to the Dissolution Act, the net proceeds from the sale of the identified disposal properties will be distributed to taxing entities, including school districts, special districts and the County.

(Continued)

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

Successor Agency to the Redevelopment Agency

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PAGE: 4 of 4

SUPPLEMENTAL:

Additional Fiscal Information

The following summarizes the funding necessary for the sale of the real property located in Jurupa Valley, identified as Assessor's Parcel Numbers 179-211-004:

Estimated Title and Escrow Charges	2,000
Preliminary Title Report	500
County Appraisals (Updated)	1,000
EDA Real Property Staff Time (including County Counsel Staff Time)	10,000
Total Estimated Acquisition Costs (Not-to-Exceed)	\$13,500

Attachments:

Site Map

Resolution No. 2016-011

Agreement of Purchase and Sale with Joint Escrow Instructions, including exhibits

Appraisal

Notice of Exemption

DOF Letter

1 BOARD OF SUPERVISORS

SUCCESSOR AGENCY TO THE
2 REDEVELOPMENT AGENCY FOR
3 THE COUNTY OF RIVERSIDE

4
5 **RESOLUTION NO. 2016-011**

6 **APPROVING THE SALE OF REAL PROPERTY LOCATED IN JURUPA VALLEY,**
7 **CALIFORNIA, IDENTIFIED AS ASSESSOR'S PARCEL NUMBER**
8 **179-211-004 BY GRANT DEED TO CHAVY HOV**
9

10 **WHEREAS,** the Redevelopment Agency for the County of Riverside ("Agency") was
11 formed, existed, and exercised its powers pursuant to Community Redevelopment Law
12 (California Health and Safety Code section 33000 et seq. the "CRL");

13 **WHEREAS,** Assembly Bill No. x1 26, as modified by Assembly Bill No. 1484
14 ("Dissolution Act"), added Parts 1.8 and 1.85 to Division 24 of the CRL. As a result of the
15 Dissolution Act, the Agency was dissolved on February 1, 2012 such that the Agency is now
16 deemed a former redevelopment agency under Health and Safety Code section 34173;

17 **WHEREAS,** Upon the dissolution of the former Agency, all authority, rights, powers,
18 duties, and obligations previously vested with the former Agency (except for the former
19 Agency's housing assets and functions) under the CRL have been vested in the Successor
20 Agency to the Redevelopment Agency for the County of Riverside ("Successor Agency") under
21 Health and Safety Code section 34173;

22 **WHEREAS,** pursuant to Health and Safety Code section 34175 (b), all real property
23 and other assets of the former Agency were transferred to the Successor Agency as of
24 February 1, 2012, including, but not limited to that certain real property located in Thermal,
25 California, identified by Assessor's Parcel Number 179-211-004, legally described in Exhibit "A"
26 attached hereto and incorporated herein by this reference ("Property");

27 **WHEREAS,** pursuant to Health and Safety Code section 34191.5 (b), an Amended
28 Long-Range Property Management Plan ("LRPMP") was prepared and submitted for review

1 and approval to the Oversight Board for the Successor Agency to the Redevelopment Agency
2 for the County of Riverside ("Oversight Board") and the California Department of Finance
3 ('DOF"). The LRPMP addresses the disposition and use of the real property owned by the
4 former Agency. The LRPMP was approved by the DOF on December 18, 2015;

5 **WHEREAS**, the LRPMP provides for disposition of the Property at its highest value.
6 The fair market value for the Property is \$30,962 based on that certain appraisal prepared by
7 Michael J. Francis, MAI on May 18, 2016;

8 **WHEREAS**, pursuant to the LRPMP, Successor Agency staff created marketing flyers
9 which were placed on the County Economic Development Agency's website. Staff then
10 emailed a Notice to all Public Agencies, including the link for the website on April 4, 2016,
11 allocating a sixty (60) day time frame to express an interest on any of the properties. Staff
12 placed "for sale" signs on various properties in the community, attracting interest from the
13 public on any available properties.

14 **WHEREAS**, the Successor Agency attracted the interest of Chavy Hov, current
15 property owner of parcels adjacent to the Property, where she owns and operates an existing
16 liquor store. The Successor Agency received an offer from Chavy Hov in the amount of
17 \$31,000 and desires to accept the offer received, which exceeds the fair market value of the
18 Property.

19 **WHEREAS**, Successor Agency desires to convey the Property and Chavy Hov desires
20 to acquire the Property from the Successor Agency pursuant to the terms and provisions of the
21 proposed Agreement of Purchase and Sale with Joint Escrow Instructions, including exhibits,
22 ("Purchase Agreement") attached hereto as Exhibit "B" and incorporated herein by this
23 reference;

24 **WHEREAS**, net sale proceeds, minus customary closing and escrow costs, will be
25 disbursed to the taxing entities pursuant to Health and Safety Code Section 34188;

26 **WHEREAS**, the Successor Agency has reviewed and determined that the sale of the
27 Property is categorically exempt from the California Environmental Quality Act ("CEQA")
28 pursuant to CEQA Guidelines Section 15061(b) (3) as the proposed project is the conveyance

1 of vacant real property involving merely the transfer of title to the real property, no development
2 is contemplated, and it can be seen with certainty that there is no possibility that the activity in
3 question will have a significant impact on the environment and will not lead to any direct or
4 reasonably foreseeable indirect physical environmental impacts;

5 **WHEREAS**, the Successor Agency's disposition of the Property, in a manner consistent
6 with the Dissolution Act, LRPMP and proposed Purchase Agreement, will facilitate the
7 unwinding of the former Agency by liquidating its property in a manner aimed at maximizing
8 value for the benefit of the taxing entities.

9 **NOW, THEREFORE, BE IT RESOLVED, FOUND, DETERMINED AND ORDERED** by
10 the Board of Supervisors of the Successor Agency to the Redevelopment Agency for the
11 County of Riverside ("Board"), in regular session assembled on September 13, 2016, in the
12 meeting room of the Board of Supervisors located on the 1st floor of the County Administrative
13 Center, 4080 Lemon Street, Riverside, California, as follows:

- 14 1. The Recitals set forth above are true and correct and incorporated herein by
15 reference.
- 16 2. The Board, based upon a review of the evidence and information presented on the
17 matter as it relates to the sale, has determined that the proposed sale is
18 categorically exempt from CEQA pursuant to State CEQA Guidelines Section
19 15061(b)(3) because it can be seen with certainty that there is no possibility that the
20 activity in question will have a significant effect on the environment because the
21 conveyance is merely a transfer in title to the real property, the transfer will not
22 prompt or require any construction activities and will not lead to any direct or
23 reasonably foreseeable indirect physical environmental impacts.
- 24 3. The Board hereby approves and authorizes the sale to Chavy Hov of that certain
25 real property located in Jurupa Valley, California, identified by Assessor's Parcel
26 Number 179-211-004, as more particularly described in Exhibit "A" attached hereto,
27 and incorporated herein by this reference ("Property"), for a purchase price of
28

FORM APPROVED COUNTY COUNSEL
BY: *Sharon R. Brown* 8-29-16
MAYRA R. BROWN DATE

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\$31,000. Net sale proceeds, minus customary closing and escrow costs, will be disbursed to the taxing entities pursuant to Health and Safety Code Section 34188;

4. The Board hereby approves the Agreement of Purchase and Sale with Joint Escrow Instructions, including all exhibits, attached hereto as Exhibit "B" and incorporated herein by this reference ("Purchase Agreement"), and authorizes and directs the Deputy County Executive Officer, or designee, to execute an Agreement of Purchase and Sale with Joint Escrow Instructions substantially conforming in form and substance to Exhibit "B", and to take any actions and execute any documents necessary to implement the disposition of the Property pursuant to the terms approved in this Resolution, including, but not limited to a grant deed, and to administer the Successor Agency's obligations, responsibilities, and duties to be performed under said Purchase Agreement, subject to approval by County Counsel.
5. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, words or parts thereof of the Resolution or their applicability to other persons or circumstances.
6. The Deputy County Executive Officer or designee is hereby authorized and directed to submit a copy of this Resolution, including all exhibits, to the Oversight Board for the Successor Agency to the Redevelopment Agency for the County of Riverside for review and approval.

ROLL CALL:

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
Nays: None
Absent: None

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

KECIA HARPER-IHEM, Clerk of said Board
By *Kallie Harper-Ihem*
Deputy

5533 Mission Blvd, Jurupa Valley



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EXHIBIT A
LEGAL DESCRIPTION

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

Lots 4 and 5 in Block A of Wilcox Square as shown by map on file in Book 15, Page 86 of Maps, Records of Riverside County, California. Excepting therefrom the Southwesterly 37 feet.

Assessor's Parcel No: 179-211-004

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EXHIBIT B
AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS

(behind this page)

AGREEMENT OF PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS

Address: 5533 Mission Blvd, Jurupa Valley
APN No: 179-211-004
Project: Mission Blvd/Packard
Escrow No: _____

This AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS (“Agreement”) is made and entered into as of this ____ day of _____ 2016, and constitutes an agreement by which the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE, public entity (“Seller”) agrees to sell to, and CHAVY HOV, an unmarried woman (“Buyer”) agrees to purchase, on the terms and conditions hereinafter set forth, that certain real property described in the “Legal Description” attached hereto as Exhibit “A” and incorporated herein by this reference, and shown on the “Property Map” attached hereto as Exhibit “B” and incorporated herein by this reference, together with all Improvements, if any, as hereinafter defined (collectively, the “Property”).

RECITALS

WHEREAS, Assembly Bill No. x1 26, as modified by Assembly Bill No. 1484 (“Dissolution Act”), added Parts 1.8 and 1.85 to Division 24 of the California Community Redevelopment Law (Health and Safety Code sections 33000 et seq., the “CRL”). The Redevelopment Agency for the County of Riverside (“RDA”) was dissolved on February 1, 2012 such that the RDA is now deemed a former redevelopment agency under Health and Safety Code section 34173; and

WHEREAS, Pursuant to the Dissolution act all authority, rights, powers, duties and obligations of the former RDA under the CRL (except for housing assets and functions) have been vested in Seller; and

WHEREAS, Seller now owns the Property and desires to convey the Property to Buyer and Buyer desires to acquire the Property from Seller pursuant to the CRL and Dissolution Act, and the terms and provisions set forth below.

The terms and conditions of this Agreement and the instructions to Lawyers Title Company, Attn: Colleen Graves or such other title or escrow company mutually agreed to by the parties (“Escrow Holder”) with regard to the escrow (“Escrow”) created pursuant hereto are as follows:

1. Property. The Property to be acquired by Buyer from Seller under this Agreement consists of vacant land approximately 0.09 acres total in size, located at 5533 Mission Boulevard in Jurupa Valley, California, also known as Assessor Parcel Number 179-211-004 and

Improvements, if any, located on the Property. Seller currently owns fee title to the Property and all of the Improvements. For purposes of this Agreement, the term "Improvements" shall mean and include all buildings, structures, improvements, pavement, areas improved with asphalt, concrete or similar materials, and fixtures and equipment installed upon or located in or on the Property. For purposes of this Agreement, the term "Property" shall mean and include the above-referenced parcel of land, the Improvements, and all singular estates, rights, privileges, easements and appurtenances owned by Seller and belonging or in any way appertaining to the Property. The Property is subject to the CRL and the Dissolution Act.

a. Recitals. The Recitals set forth above are true and correct and incorporated herein by this reference.

2. Acquisition.

a. Board of Supervisor's Approval. The conveyance of the Property by Seller shall be subject to the approval of Seller's Board of Supervisors.

b. Purchase Price. The purchase price to be paid by Buyer to Seller for the Property shall be Thirty One Thousand Dollars (\$31,000) ("Purchase Price"), which Seller and Buyer agree is the fair market value of the Property based on an Appraisal Report prepared by Michael J. Francis, M.A.I., dated May 18, 2016.

3. Payment of Purchase Price. The Purchase Price for the Property shall be payable by Buyer as follows:

a. Buyer's First Deposit. On the Opening Date, Buyer shall deposit ten percent (10%) of the total purchase price totaling Three Thousand and One Hundred Dollars, (\$3,100) (the "First Escrow Deposit") with the Escrow Holder. The First Escrow Deposit shall be refundable in full if Buyer terminates the Escrow prior to the expiration of the Due Diligence Period (as defined below) and absent an uncured default by Buyer.

b. Closing Funds. Within ten (10) days of written request from Escrow Holder, and in any event prior to the Close of Escrow, Buyer shall deposit or cause to be deposited with Escrow Holder, in cash or by a certified or bank cashier's check made payable to Escrow Holder or a confirmed wire transfer of funds, the balance of the Purchase Price after application of the Escrow Deposit. All escrow, recording and title insurance costs shall be paid by Buyer in accordance with Paragraph 10 below.

4. Escrow.

a. Opening of Escrow. For purposes of this Agreement, the Escrow shall be deemed opened on the date Escrow Holder shall have received an executed counterpart of this Agreement from both Buyer and Seller ("Opening Date"). Escrow Holder shall notify Buyer and Seller, in writing, of the Opening Date and the Closing Date, as defined in Paragraph 4.b, below. In addition, Buyer and Seller agree to execute, deliver, and/or be bound by any reasonable or customary supplemental joint order escrow instructions of either party, or other instruments as

may reasonably be required by Escrow Holder, in order to consummate the transaction contemplated by this Agreement. Any such supplemental instructions shall not conflict with, amend, or supersede any portion of this Agreement. If there is any inconsistency between such supplemental instructions and this Agreement, then this Agreement shall control.

b. Close of Escrow. For purposes of this Agreement, "Close of Escrow" shall be defined as the date the Grant Deed, the form of which is attached hereto as Exhibit "C" and incorporated herein by this reference ("Grant Deed") conveying the Property to Buyer, is recorded in the Official Records of Riverside County, California. The Close of Escrow shall occur on or before ninety (90) days after the Opening Date, unless extended in writing by the mutual written agreement of the parties ("Closing Date"). In the event the Close of Escrow does not occur ninety (90) days after the Opening Date, Escrow Holder shall deposit the Escrow Deposit and any other funds deposited by Buyer to be used towards the Purchase Price and the Escrow, in an interest bearing account. Any interest accrued in such account shall be applied toward payment of the Purchase Price and any remaining balance shall be returned to Buyer upon the Close of Escrow.

c. Due Diligence Period. Buyer shall have thirty (30) days from the Opening Date ("Due Diligence Period") to inspect the Property and Due Diligence Materials. In the event Buyer finds the Property unsatisfactory for any reason, Buyer shall notify Seller and Escrow Holder in writing prior to expiration of the Due Diligence Period. Thereafter, Buyer and Seller shall have no obligation to each other (except as otherwise set forth herein) and Buyer shall be entitled to the return of its First Escrow Deposit. In the event of a cancellation of Escrow caused by Buyer, Buyer shall pay any Escrow cancellation fees. In addition, Seller shall have the right to terminate this Agreement without cause, prior to the expiration of the Due Diligence Period, provided Seller notifies Buyer in writing prior to such expiration date. After Seller's cancellation, Buyer and Seller shall have no obligation to each other (except as otherwise set forth herein) and Buyer shall be entitled to the return of its First Escrow Deposit.

5. Conditions of Title. It shall be a condition to the Close of Escrow and a covenant of Seller that Seller shall convey good and marketable fee simple title to the Property by the Grant Deed, subject only to the following approved conditions of title ("Approved Condition of Title"):

- a. A lien to secure payment of real estate taxes, not delinquent;
- b. Matters created by or with the written consent of Buyer; and
- c. Exceptions which are disclosed by the Title Report described in Paragraph 7.a.(1) hereof and which are approved or deemed approved by Buyer in accordance with Paragraph 7.a.(2) hereof.

6. Title Policy. Title shall be evidenced by the willingness of the Title Company to issue its CLTA Policy of Title Insurance ("Title Policy") in the amount of the Purchase Price showing title to the Property vested in Buyer subject only to the Approved Condition of Title.

7. Conditions to Close of Escrow.

a. Conditions to Buyer's Obligations. The Close of Escrow and Buyer's obligation to consummate the transaction contemplated by this Agreement are subject to the satisfaction of the following conditions for Buyer's benefit or prior to the dates designated below for the satisfaction of such conditions:

(1) Due Diligence Materials/Title. Within fifteen (15) business days of the Opening Date, Seller will deliver to Buyer copies of the following items, if and to the extent such items are in Seller's possession (collectively referred to herein as the "Due Diligence Materials"): (i) a Preliminary Title Report dated June 21, 2016 ("Title Report") for the Property and legible copies of all documents, whether recorded or unrecorded, referred to in the Title Report; and (ii) any and all environmental reports relating to the Property.

(2) Review and Approval of Due Diligence Materials. Prior to the expiration of the Due Diligence Period, Buyer shall have the right to review and approve or disapprove, at Buyer's sole cost and expense, the Due Diligence Materials. Failure of Buyer to give disapproval of the Due Diligence Materials, in a writing delivered by Buyer to Seller on or before the expiration of the Due Diligence Period, shall be deemed to constitute Buyer's approval of all Due Diligence Materials. If Buyer disapproves or conditionally approves any matters of title shown in the Title Report, then Seller may, within ten (10) days after its receipt of Buyer's notice of disapproval of the Due Diligence Materials, elect to eliminate or ameliorate to Buyer's satisfaction the disapproved or conditionally approved title matters. Seller shall thereupon give Buyer written notice of those disapproved or conditionally approved title matters, if any, which Seller covenants and agrees to either eliminate from the Title Policy as exceptions to title to the Property or to ameliorate to Buyer's satisfaction by the Closing Date as a condition to the Close of Escrow for Buyer's benefit. If Seller does not elect to eliminate or ameliorate to Buyer's satisfaction any disapproved or conditionally approved title matters, or if Buyer disapproves of Seller's notice, or if, despite its reasonable efforts, Seller is unable to eliminate or ameliorate to Buyer's satisfaction all such disapproved matters prior to the Closing Date, then Buyer shall have the right to, by a writing delivered to Seller and Escrow Holder: (i) waive its prior disapproval, in which event the disapproved matters shall be deemed approved; or (ii) terminate this Agreement and the Escrow created pursuant thereto, in which event Buyer shall be entitled to the return of all monies previously deposited with Escrow Holder or released to Seller pursuant to this Agreement, and the Escrow and the rights and obligations of the parties hereunder shall thereafter terminate.

(3) Representations, Warranties, and Covenants of Seller. Seller shall have duly performed each and every agreement to be performed by Seller hereunder and Seller's representations, warranties, and covenants set forth in Paragraph 14 shall be true and correct in all material respects as of the Closing Date.

(4) No Material Changes. At the Closing Date, there shall have been no material adverse changes in the physical condition of the Property.

(5) Inspections and Studies. Prior to the expiration of the Due Diligence Period, Buyer shall have approved the results of any and all inspections, investigations, tests and studies (including, without limitation, investigations with regard to zoning, building codes and other governmental regulations, architectural inspections, engineering tests, economic feasibility studies and soils, seismic and geologic reports) with respect to the Property (including all structural and mechanical systems and leased areas) as Buyer may elect to make or obtain. The failure of Buyer to disapprove the results of said inspections, investigations, tests and studies in writing on or prior to the expiration of the Due Diligence Period shall be deemed to constitute Buyer's approval of the results. The cost of any such inspections, tests and studies shall be borne solely by Buyer. During the term of this Escrow, Buyer, its agents, contractors and subcontractors shall have the right to enter upon the Property, at reasonable times during ordinary business hours, to make any and all inspections and tests as may be necessary or desirable in Buyer's sole judgment and discretion. Such right of entry shall also be subject to that certain Right of Entry Agreement executed by Buyer and Seller a copy of which is attached hereto as Exhibit "D" and incorporated herein by this reference. Buyer shall use care and consideration in connection with any of its inspections. Buyer hereby indemnifies Seller and Seller's Board of Supervisors, directors, officers, shareholders, employees, consultants, representatives, contractors and agents from and against any and all personal injuries, damage to the Property and mechanics' liens, arising out of any such entry by Buyer or its agents, designees, contractors, subcontractors, or representatives onto the Property. From and after the Opening Date, Buyer and Buyer's representatives, agents and designees shall have the right to consult with any party for any purpose relating to the Property. Notwithstanding the foregoing, Buyer shall not be permitted to undertake any intrusive or destructive testing of the Property, including without limitation a "Phase II" environmental assessment, without in each instance first obtaining Seller's written consent, which consent shall not be unreasonably withheld. In conducting any inspections, tests or studies, Buyer and its authorized agents and representatives shall (a) not materially interfere with the operation, use and maintenance of the Property, (b) except for normal damage incidental to studies, inspections, investigations and tests, not damage any part of the Property or any personal property owned or held by any third party, (c) not injure or otherwise cause bodily harm to Seller or any of its respective agents, contractors and employees or any other third party, (d) promptly pay when due, the cost of all inspections, tests or studies, (e) not permit any liens to attach to the Property by reason of the exercise of their rights under this Paragraph 7.a.(5), (f) restore the Property to the condition in which the same was found before any such inspections, tests or studies were undertaken and, (g) not reveal or disclose any information obtained prior to the Close of Escrow concerning the Property to anyone outside of Buyer or its attorneys, except to the extent required by applicable law or court order. Seller shall be provided an opportunity to have a

representative of Seller present during any testing. Prior to any entry onto the Property by Buyer or Buyer's representatives, Buyer shall furnish to Seller a copy of a certificate of insurance or self-insurance evidencing that Seller has been added as an additional insured to Buyer's general policy of liability insurance with the liability limit required in the Right of Entry Agreement (Exhibit "D") in connection with entry onto the Property. If the Close of Escrow does not occur for any reason other than the default of Seller, Buyer agrees to give to Seller copies of reports, studies, investigations or other work product of third party professionals retained by Buyer in connection with Buyer's due diligence activities.

b. Conditions Precedents to Seller's Obligation. For the benefit of Seller, the Close of Escrow shall be conditioned upon the occurrence and satisfaction of each of the following conditions (or Seller's waiver thereof, it being agreed Seller may waive any or all of such conditions):

(1) Buyer's Obligations. Buyer shall have timely performed all of the obligations required by the terms of this Agreement to be performed by Buyer; and;

(2) Buyer's Representations. All representations and warranties made by Buyer to Seller in this Agreement shall be true and correct in all material respects as of the Close of Escrow.

8. Deposits by Seller. At least three (3) business days prior to the Close of Escrow, Seller shall deposit or cause to be deposited with Escrow Holder the following documents and instruments:

a. Seller's Nonforeign Affidavit. A Certificate of Nonforeign Status (Seller's Certificate), duly executed by Seller.

b. Grant Deed. The Grant Deed conveying the Property to Buyer duly executed by Seller, acknowledged and in recordable form, substantially similar to Exhibit C.

9. Deposits by Buyer. At least five (5) business days prior to the Close of Escrow, Seller shall deposit or cause to be deposited with Escrow Holder the following documents and instruments:

a. Funds. The funds which are to be applied toward the payment of the Purchase Price in the amounts and at the times designated in Paragraph 3 above.

10. Costs and Expenses. The cost and expense of the Title Policy attributable to CLTA coverage, plus the cost attributable to an endorsement insuring Buyer's title against any mechanics' liens as of the Closing Date, shall be paid by Buyer. The escrow fee of Escrow Holder shall be paid by Buyer. Buyer shall pay all documentary transfer taxes, if any, payable in connection with the recordation of the Grant Deed. Buyer shall pay the Escrow Holder's

customary charges to Buyer and Seller for document drafting, recording, and miscellaneous charges. Except as otherwise provided herein, each party shall be responsible for their respective legal fees and costs in connection with this transaction. All other costs and expenses shall be allocated as provided in this Paragraph 10.

11. Prorations. For purposes of calculating proration, Buyer shall be deemed to own fee title to the Property (and therefore entitled to all revenue therefrom and responsible for expenses thereon) commencing on the date the Close of Escrow occurs. All proration will occur on the date of the Close of Escrow based on a thirty (30) day month. The obligations of the parties pursuant to this Paragraph 11 shall survive the Close of Escrow and shall not merge into the Close of Escrow and the recording of the Grant Deed in the Official Records.

12. Taxes. Seller is responsible for all real and personal property taxes and assessments accruing on the Property before the Close of Escrow. Buyer is responsible for all real and personal property taxes and assessments accruing on the Property on and after the Close of Escrow.

13. Disbursements and Other Actions by Escrow Holder. Upon the Close of Escrow, the Escrow Holder shall promptly undertake all of the following in the manner indicated:

a. Prorations. Prorate all matters referenced herein, based upon the statement delivered into Escrow signed by the parties.

b. Recording. Cause the Grant Deed and any other documents which the parties hereto may mutually direct, to be recorded in the Official Records of Riverside County, California ("Official Records").

c. Funds. From funds deposited by Buyer with Escrow Holder, disburse the balance of the Purchase Price, after deduction for all items chargeable to the account of Buyer, to Seller; and disburse funds for all items chargeable to the account of Seller in payment of such costs from funds deposited by Seller over and above the Purchase Price; and disburse the balance of such funds, if any, to Buyer.

d. Documents to Buyer. Deliver the Seller's Certificate, executed by Seller, and, when issued, the Title Policy, to Buyer.

e. Documents to Seller. Deliver, when issued, the Title Policy, to Seller.

f. Reporting Person. Buyer and Seller hereby acknowledge and agree that the Escrow Holder is designated as the "Reporting Person" for the transaction which is the subject of this Agreement pursuant to Section 6045(e) of the Internal Revenue Code.

14. Seller's Representations and Warranties. In consideration of Buyer entering into this Agreement, and as an inducement to Buyer to purchase the Property, Seller makes the following representations and warranties, each of which is material and is being relied upon by

Buyer (and the continued truth and accuracy of which shall constitute a condition precedent to Buyer's obligations hereunder):

a. Authorization. This Agreement has been duly and validly authorized, executed and delivered by Seller, and no other action is requisite to the execution and delivery of this Agreement by Seller.

b. Threatened Actions. There are no actions, suits or proceedings pending against, or, to the best of Seller's actual knowledge, threatened or affecting the Property in law or equity.

c. Third Party Consents. To the best of Seller's actual knowledge, no consents or waivers of, or by, any third party are necessary to permit the consummation by Seller of the transactions contemplated pursuant to this Agreement.

d. Violations of Law. To the best of Seller's actual knowledge, Seller has not received written notice of any outstanding violations, past or present, of any governmental laws, ordinances, rules, requirements or regulations of any governmental agency, body or subdivision thereof bearing on the Property, and Seller has no actual knowledge or reason to have knowledge of any condition which constitutes such a violation.

e. Condemnation. There are no pending, or, to the best of Seller's actual knowledge, threatened proceedings in eminent domain or otherwise, which would affect the Property or any portion thereof.

f. Compliance with Law. To the best of Seller's actual knowledge, all laws, ordinances, rules, and requirements and regulations of every governmental agency, body, or subdivision thereof bearing on the Property have been complied with by Seller.

g. Agreements. To the best of Seller's actual knowledge, there are no agreements (whether oral or written) affecting or relating to the right of any party with respect to the possession of the Property, or any portion thereof, which are obligations which will affect the Property or any portion thereof subsequent to the recordation of the Grant Deed, except as may be reflected in the Title Report, which shall have been approved by Buyer pursuant to the terms of this Agreement.

h. Documents. To the best of Seller's actual knowledge, all documents delivered to Buyer pursuant to this Agreement are true and correct copies of originals, and any and all information supplied to Buyer by Seller in accordance with Paragraph 7.a hereof is true and correct.

i. Occupancy Agreements. To the best of Seller's actual knowledge, there are no written leases, written subleases, occupancies or tenancies in effect pertaining to the Property, and Seller has no actual knowledge of any oral agreements with anyone, with respect to the occupancy of the Property.

j. Hazardous Substances. To the best of Seller's actual knowledge no Hazardous Substances (defined below) exist now or have been used or stored on any portion of the Property except those substances which are or have been used or stored on the Property by Seller in the normal course of use and operation of the Property in compliance with all applicable Environmental Laws (defined below).

k. Buyer's Knowledge. Notwithstanding anything to the contrary contained in this Agreement, Seller shall have no liability, obligation or responsibility of any kind to Buyer or any party claiming by, under or through Buyer with respect to any of the representations and warranties contained in Paragraphs 14.a through 14.j above if, prior to the Closing, Buyer has knowledge from any source prior to the Closing (including the Due Diligence Materials or any documents provided to Buyer by any third party) that contradicts any of the foregoing representations and warranties, or renders any of the foregoing representations and warranties untrue or incorrect, and Buyer nevertheless consummates the transaction contemplated by this Agreement.

l. Maximum Liability to Seller. Notwithstanding anything to the contrary contained in this Agreement, in no event shall Seller's aggregate liability for any and all breaches of its representations and warranties herein prior to the Closing exceed Three Hundred and Ten Dollars (\$310) if the Closing shall have occurred. This Paragraph 14.l shall not be applicable to a default by Seller prior to the Closing, such pre-closing default being governed by Paragraph 21.b hereof.

Seller's representations and warranties made in this Paragraph 14 shall be continuing and shall be true and correct as of the Close of Escrow with the same force and effect as if remade by Seller in a separate certificate at that time and shall not merge into the Close of Escrow and the recording of the Grant Deed in the Official Records.

The term, "Hazardous Substance(s)" used herein shall mean any substance, material or waste which is or becomes designated, classified or regulated as being "toxic" or "hazardous" or a "pollutant" or which is or becomes similarly designated, classified or regulated under any Environmental Law.

The term, "Environmental Law(s)" used herein shall mean any law, statute, ordinance or regulation pertaining to health, industrial hygiene or the environment, including, CERCLA (Comprehensive Environmental Response, Compensation and Liability Act of 1980) and RCRA (Resources Conservation and Recovery Act of 1976).

15. Buyer's Representations and Warranties. In consideration of Seller entering into this Agreement, and as an inducement to Seller to sell the Property to Buyer, Buyer makes the following representations and warranties, each of which is material and is being relied upon by Seller (the continued truth and accuracy of which shall constitute a condition precedent to Seller's obligations hereunder):

a. This Agreement has been duly and validly authorized, executed and delivered by Buyer, and no other action is requisite to the execution and delivery of this Agreement by Buyer.

b. This Agreement has been, and all documents executed by Buyer under this Agreement which are to be delivered to Seller at the time of Close of Escrow will be, duly authorized, executed, and delivered by Buyer, and is, or, as to all documents to be executed by Buyer at the Close of Escrow, will be, legal, valid, and binding obligations of Buyer, and do not, and at the Close of Escrow will not violate any provisions of any agreement or judicial order to which Buyer is a party or to which it is subject.

c. Buyer's representations and warranties made in this Paragraph 15 shall be continuing and shall be true and correct as of the Close of Escrow with the same force and effect as if remade by Buyer in a separate certificate at that time and shall not merge into the Close of Escrow and the recording of the Grant Deed in the Official Records.

16. Intentionally Deleted.

17. HOLD HARMLESS/INDEMNIFICATION. Buyer shall indemnify and hold harmless Seller, the County of Riverside, their respective Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability whatsoever, based or asserted upon any acts of Buyer its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of Buyer, its officers, employees, subcontractors, agents or representatives Indemnities from this Agreement. Buyer shall defend, at its sole expense, all costs and fees including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or omissions. With respect to any action or claim subject to indemnification herein by Buyer, Buyer shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of Seller; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Buyer's indemnification to Indemnitees as set forth herein. Buyer's obligation hereunder shall be satisfied when Buyer has provided to Seller the appropriate form of dismissal relieving Seller and the Indemnitees from any liability for the action or claim involved. The specified insurance limits required in this Agreement shall in no way limit or circumscribe Buyer's obligations to indemnify and hold harmless the Indemnitees herein from third party claims. In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve Buyer from indemnifying the Indemnitees to the fullest extent allowed by law.

18. Damage or Condemnation Prior to Closing. Seller shall promptly notify Buyer of any knowledge by Seller of casualty to the Property or any condemnation proceeding commenced prior to the Close of Escrow. If any such damage or proceeding relates to, or may

result in, the loss of any material portion of the Property, Seller or Buyer may, at their option, elect either to:

a. Terminate this Agreement, in which event all funds deposited into Escrow by Buyer shall be returned to Buyer and neither party shall have any further rights or obligations hereunder, except those which expressly survive the termination of this Agreement, or

b. Continue the Agreement in effect, in which event upon the Close of Escrow, Buyer shall be entitled to any compensation, awards, or other payments or relief resulting from such casualty or condemnation proceeding which accrue or are otherwise payable to Seller.

19. Notices. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered or sent by registered or certified mail, postage prepaid, return receipt requested, delivered, or sent by facsimile, and shall be deemed received upon the earlier of (a) if personally delivered, the date of delivery to the address of the person to receive such notice, (b) if mailed, four (4) business days after the date of posting by the United States post office, or (c) if given by facsimile, when sent. Any notice, request, demand, direction, or other communication sent by facsimile must be confirmed within forty-eight (48) hours by letter mailed or delivered in accordance with the foregoing:

To Buyer: Chavy Hov
3587 Cortez Street
Riverside, California 92504
Phone: (951) 956-3801

To Seller: Successor Agency to the Redevelopment Agency
for the County of Riverside
C/O Economic Development Agency
Real Estate Division
3403 10th Street, Suite 400
Riverside, California 92501
Attn: Monica Tlaxcala

Notice of change of address shall be given by written notice in the manner detailed in this Paragraph. Rejection or other refusal to accept, or the inability to deliver because of changed address of which no notice was given, shall be deemed to constitute receipt of the notice, demand, request, or communication sent.

20. Assignment. Buyer shall not be entitled to assign this Agreement without the prior written consent of Seller, which consent may be withheld, conditioned or delayed in Seller's sole and absolute discretion.

21. Legal and Equitable Enforcement of this Agreement.

a. Default. In the event of a default under this Agreement, the non-defaulting party shall give written notice of such default to the defaulting party, specifying the nature of the default and the required action to cure the default. If a default remains uncured fifteen (15) business days after receipt by the defaulting party of such notice, the non-defaulting party may exercise the remedies set forth in subparagraph (b) below.

b. Remedies.

(1) Default by Seller. In the event the Close of Escrow and the acquisition of the Property by Buyer does not occur by reason of any uncured default by Seller, Buyer shall be entitled to terminate this Agreement in which case following such termination, neither party shall have any further right, remedy or obligation under this Agreement, except that Buyer shall be entitled to the return of the First Deposit and the Closing Funds (if deposited with Escrow). Buyer hereby waives any right it may have to seek specific performance, consequential, punitive or any other damages from Seller as a result of any uncured default by Seller under this Agreement.

(2) Default By Buyer. IN THE EVENT THE CLOSE OF ESCROW AND THE ACQUISITION OF THE PROPERTY BY BUYER DOES NOT OCCUR AS HEREIN PROVIDED BY REASON OF AN UNCURED DEFAULT OF BUYER AFTER NOTICE AND OPPORTUNITY TO CURE, BUYER AND SELLER AGREE THAT IT WOULD BE IMPRACTICAL AND EXTREMELY DIFFICULT TO ESTIMATE THE DAMAGES WHICH SELLER MAY SUFFER. THEREFORE BUYER AND SELLER DO HEREBY AGREE THAT A REASONABLE ESTIMATE OF THE TOTAL NET DETRIMENT THAT SELLER WOULD SUFFER IN THE EVENT THAT BUYER DEFAULTS AND FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY IS AND SHALL BE, AS SELLER'S SOLE AND EXCLUSIVE REMEDY (WHETHER AT LAW OR IN EQUITY), THE FIRST ESCROW DEPOSIT IN THE AMOUNT OF THREE THOUSAND AND ONE HUNDRED DOLLARS (\$3,100) THE RETURN TO SELLER OF THE ESCROW DEPOSIT SHALL BE THE FULL, AGREED AND LIQUIDATED DAMAGES FOR THE BREACH OF THIS AGREEMENT BY BUYER, ALL OTHER CLAIMS TO DAMAGES OR OTHER REMEDIES BEING HEREIN EXPRESSLY WAIVED BY SELLER. THE PAYMENT OF SUCH AMOUNT AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 OR 3369, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677. UPON DEFAULT BY BUYER, THIS AGREEMENT SHALL BE TERMINATED AND NEITHER PARTY SHALL HAVE ANY FURTHER RIGHTS OR OBLIGATIONS HEREUNDER EXCEPT FOR THE RIGHT OF SELLER TO COLLECT SUCH LIQUIDATED DAMAGES FROM BUYER AND ESCROW HOLDER. NOTWITHSTANDING ANYTHING TO THE

CONTRARY CONTAINED IN THIS AGREEMENT, NOTHING HEREIN SHALL BE DEEMED TO LIMIT OR OTHERWISE AFFECT BUYER'S INDEMNIFICATION OBLIGATIONS UNDER THIS AGREEMENT.

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Buyer's Initials

Seller's Initials

c. Waiver of Default. Except as otherwise expressly provided in this Agreement, any failure or delay by either party in asserting any of its rights or remedies as to any default shall not operate as a waiver of said default or of any rights or remedies in connection therewith or of any subsequent default or any rights or remedies in connection therewith, or deprive such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

22. Natural Hazard Disclosure Requirement Compliance. Buyer and Seller acknowledge that Seller may be required to disclose if the Property lies within the following natural hazard areas or zones: (i) a special flood hazard area designated by the Federal Emergency Management Agency (California Civil Code Section 1102.17); (ii) an area of potential flooding (California Government Code Section 8589.4); (iii) a very high fire hazard severity zone (California Government Code Section 51183.5); (iv) a wild land area that may contain substantial forest fire risks and hazards (Public Resources Code Section 4136); (v) earthquake fault zone (Public Resources Code Section 2621.9); or (vi) a seismic hazard zone (Public Resources Code Section 2694) (sometimes all of the preceding are herein collectively called the "Natural Hazard Matters"). Seller has engaged or will engage the services of a third-party (who, in such capacity, is herein called the "Natural Hazard Expert") to examine the maps and other information specifically made available to the public by government agencies for the purposes of enabling Seller to fulfill its disclosure obligations, if and to the extent such obligations exist, with respect to the natural hazards referred to in California Civil Code Section 1102.6a (as amended) and to report the result of its examination to Buyer and Seller in writing.

23. AS-IS Condition of Property.

a. AS-IS. Buyer specifically acknowledges, represents and warrants that prior to Close of Escrow, Buyer and its agents and representatives will have thoroughly inspected the Property and observed the physical characteristics and condition of the Property. Notwithstanding anything to the contrary contained in this Agreement, Buyer further acknowledges and agrees that Buyer is purchasing the Property subject to all applicable laws, rules, regulations, codes, ordinances and orders. By Buyer purchasing the Property and upon the occurrence of the Close of Escrow, Buyer waives any and all right or ability to make a claim of any kind or nature against Seller, and each of its Board of Supervisors, commissioners, directors, officers, employees, representatives, Property managers, asset managers, agents, attorneys, affiliated and related entities, heirs, successors and assigns (collectively "Releasees") for any and all deficiencies or defects in the physical characteristics and condition of the Property which would be disclosed by such inspection and expressly agrees to acquire the Property with any and all of such deficiencies and defects and subject to all matters disclosed by Seller herein or in any separate writing with respect to the Property. Buyer further acknowledges and agrees that except

for any representations expressly made by Seller in Paragraph 14 of this Agreement neither Seller or any of Seller's Board of Supervisors, employees, agents or representatives have made any representations, warranties or agreements by or on behalf of Seller of any kind whatsoever, whether oral or written, express or implied, statutory or otherwise, as to any matters concerning the Property, the condition of the Property, the size of the Property, the size of the Improvements (including without limitation, any discrepancies in square footage, the present use of the Property or the suitability of Buyer's intended use of the Property. Buyer hereby acknowledges, agrees and represents that the Property is to be purchased, conveyed and accepted by Buyer in its present condition, "AS IS", "WHERE IS" AND WITH ALL FAULTS, and that no patent or latent defect or deficiency in the condition of the Property whether or not known or discovered, shall affect the rights of either Seller or Buyer hereunder nor shall the Purchase Price be reduced as a consequence thereof. Any and all information and documents furnished to Buyer by or on behalf of Seller relating to the Property shall be deemed furnished to Buyer without any warranty of any kind from or on behalf of Seller. Buyer hereby represents and warrants to Seller that Buyer has performed an independent inspection and investigation of the Property and has also investigated and has knowledge of operative or proposed governmental laws and regulations including without limitation, land use laws and regulations to which the Property may be subject. Buyer further represents that, except for any representations expressly made by Seller in Paragraph 14 of this Agreement, it shall acquire the Property solely upon the basis of its independent inspection and investigation of the Property, including without limitation, (i) the quality, nature, habitability, merchantability, use, operation, value, marketability, adequacy or physical condition of the Property or any aspect or portion thereof, including, without limitation, structural elements, foundation, roof, appurtenances, access, landscaping, parking facilities, electrical, mechanical, HVAC, plumbing, sewage, and utility systems, facilities and appliances, soils, geology and groundwater, or whether the Property lies within a special flood hazard area, an area of potential flooding, a very high fire hazard severity zone, a wildland fire area, an earthquake fault zone or a seismic hazard zone, (ii) the dimensions or lot size of Property or the square footage of the Improvements thereon or of any tenant space therein, (iii) the development or income potential, or rights of or relating to, the Property or its use, habitability, merchantability, or fitness, or the suitability, value or adequacy of such Property for any particular purpose, (iv) the zoning or other legal status of the Property or any other public or private restrictions on the use of the Property, (v) the compliance of the Property or its operation with any applicable codes, laws, regulations, statutes, ordinances, covenants, conditions and restrictions of any governmental or regulatory agency or authority or of any other person or entity (including, without limitation, the American with Disabilities Act), (vi) the ability of Buyer to obtain any necessary governmental approvals, licenses or permits for Buyer's intended use or development of the Property, (vii) the quality of any labor and materials used in any Improvements, or (viii) the economics of, or the income and expenses, revenue or expense projections or other financial matters, relating to the operation of the Property.

b. No Obligation to Repair. Any reports, repairs or work required by Buyer are the sole responsibility of Buyer, and Buyer agrees that there is no obligation on the part of Seller to make any changes, alterations or repairs to the Property or to cure any violations of law or to comply with the requirements of any insurer.

c. No Merger. The provisions of this Paragraph 23 shall survive the Close of Escrow and shall not be deemed merged into any instrument or conveyance delivered at the Close of Escrow.

24. Miscellaneous.

a. Compliance with Laws. Buyer shall comply with all applicable Federal, State and local laws and regulations. Buyer will comply with all applicable County of Riverside and Seller policies and procedures. In the event that there is a conflict between the various laws or regulations that may apply, the Buyer shall comply with the more restrictive law or regulation.

b. Effective Date. The effective date of this Agreement shall be the date this Agreement is executed by Seller ("Effective Date").

c. Administration/Agreement Liaison. The Deputy County Executive Officer of Seller, or designee, shall implement and administer this Agreement on behalf of Seller.

d. Nonliability of Seller Officials and Employees. No member, official, employee or consultant of the COUNTY shall be personally liable to the Buyer, or any successor in interest, in the event of any default or breach by the COUNTY or for any amount which may become due to the Buyer or to its successor, or on any obligations under the terms of this Agreement.

e. Survival of Covenants. The covenants, representations and warranties of both Buyer and Seller set forth in this Agreement shall survive the recordation of the Grant Deed and the Close of Escrow.

f. Required Actions of Buyer and Seller; Further Assurances. Buyer and Seller agree to execute such instruments and documents and to diligently undertake such actions as may be required in order to consummate the purchase and sale herein contemplated, and shall use their best efforts to accomplish the Close of Escrow in accordance with the provisions hereof.

g. Time of Essence. Time is of the essence of each and every term, condition, obligation, and provision hereof.

h. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

i. Captions. Any captions to, or headings of, the paragraphs or subparagraphs of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

j. Broker. Buyer and Seller each represent and warrant to the other party that neither has dealt with or engaged a broker in connection with this transaction. Buyer agrees to indemnify and save harmless Seller from and against all claims, costs, liabilities and expenses (including court costs and reasonable attorney's fees) incurred by the Seller as a result of a breach of this representation.

k. No Obligations to Third Parties. Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the parties hereto, to any person or entity other than the parties hereto.

l. Exhibits and Schedules. The Exhibits and Schedules attached hereto are hereby incorporated herein by this reference.

m. Amendment to this Agreement. The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

n. Waiver. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

o. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

p. Fees and Other Expenses. Except as otherwise provided herein, each of the parties shall pay its own fees and expenses in connection with this Agreement.

q. Entire Agreement. This Agreement, including any attachments or exhibits, supersedes any prior agreements, negotiations, and communications, oral or written, and contain the entire agreement between Buyer and Seller as to the subject matter hereof. No subsequent agreement, representation, or promise made by either party hereto, or by or to an employee, officer, agent or representative of either party shall be of any effect unless it is in writing and executed by the party to be bound thereby.

r. Successors and Assigns; Binding Effect. This Agreement, and the terms, provisions, promises, covenants and conditions hereof, shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

s. Severability. In the event that any provision of this Agreement or the application thereof becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this Agreement will continue in full force and effect and the application of such provision to other persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto. The parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purposes of such void or unenforceable provision.

t. Governing Law; Jurisdiction, and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The parties agree that any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

u. No Partnership. Nothing contained in this Agreement shall be deemed or construed to create a lending partnership, other partnership, joint venture, or any other relationship between the parties hereto other than seller and buyer according to the provisions contained herein, or cause Seller to be responsible in any way for the debts or obligations of Borrower, or any other party.

25. Use Restrictions. The parties hereto acknowledge and agree that the covenants, conditions and restrictions set forth in the Grant Deed attached hereto as Exhibit C (collectively, "Covenants") are an integral part of this Agreement, and that Seller would not have agreed to sell the Property if such Covenants were not included in said Grant Deed. The parties acknowledge and agree that the Covenants are reasonably related to one or more legitimate objectives of the Seller. Buyer, on behalf of itself, its successors and assigns, agrees to abide by said Covenants, and to include said Covenants, or a reference to the Covenants set forth in the recorded Grant Deed, in all deeds executed by Buyer, its successors and assigns.

[Remainder of page intentionally blank]

[Signatures on following page]

THIS AGREEMENT IS OF NO FORCE OR EFFECT UNTIL APPROVED AND EXECUTED BY THE BOARD OF SUPERVISORS OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE.

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

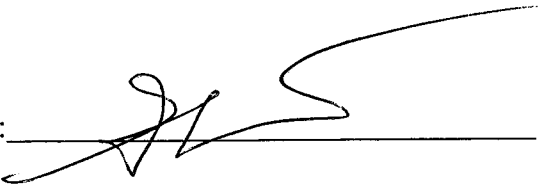
SELLER:

BUYER:

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY FOR THE
COUNTY OF RIVERSIDE, public entity

CHAVY HOV, an unmarried woman

By: _____
John Benoit, Chairman
Board of Commissioners

By: _____


Dated: _____

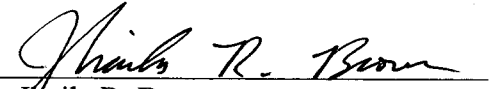
Dated: 08/26/2016

ATTEST:
KECIA HARPER-IHEM

Clerk of the Board

By: _____
Deputy

APPROVED AS TO FORM:
GREGORY P. PRIAMOS
COUNTY COUNSEL

By: _____

Jhaila R. Brown,
Deputy County Counsel



Acceptance by Escrow Holder:

Lawyers Title Company hereby acknowledges that it has received a fully executed counterpart of the foregoing Agreement of Purchase and Sale and Joint Escrow Instructions and agrees to act as Escrow Holder thereunder and to be bound by and perform the terms thereof as such terms apply to Escrow.

Dated: _____

Lawyers Title Company

By: _____

Name: _____

Its: _____

EXHIBIT A

LEGAL DESCRIPTION

Lots 4 and 5 in Block A of Wilcox Square as shown by map on file in Book 15, Page 86 of Maps, Records of Riverside County, California. Excepting therefrom the Southwesterly 37 feet.

Assessor Parcel Number: 179-211-004

Parcel Number: 179211004-1
 Map Book: 179
 Page/Block: 211
 Parcel: 4
 Check Digit: 1

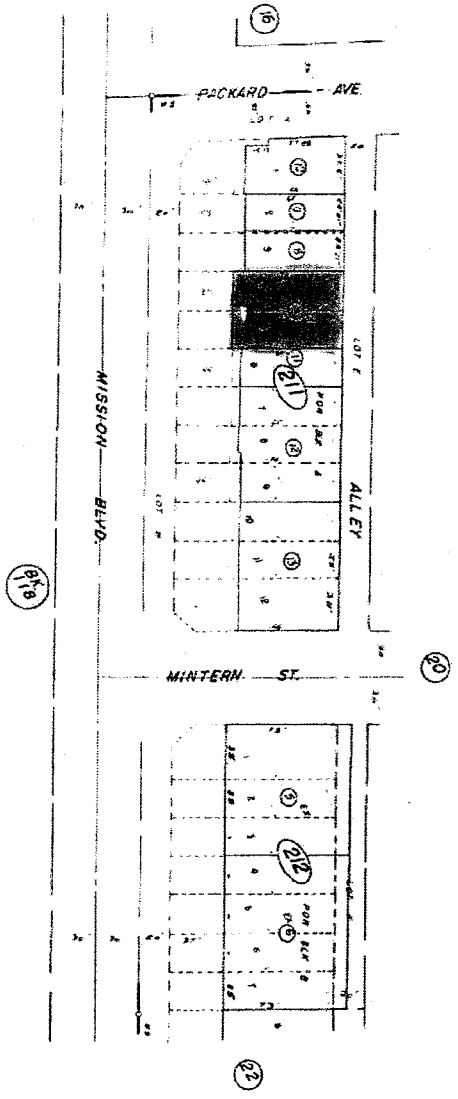
THE MAP AND THE INFORMATION HEREON ARE PROVIDED FOR YOUR INFORMATION ONLY. THE COUNTY OF SAN JOAQUIN DOES NOT WARRANT THE ACCURACY OF THE INFORMATION HEREON. THE COUNTY OF SAN JOAQUIN SHALL NOT BE LIABLE FOR ANY DAMAGES, INCLUDING REASONABLE ATTORNEY'S FEES, ARISING FROM THE USE OF THIS INFORMATION.

POR RUBIDOUX RANCHO
 T 2 S
 R 5 W

T 2 S
 R 5 W

179-21

HOW TO READ THE ASSESSOR'S MAP PAGE
 The numerical parcel number on a map page consists of three main segments. The first three digits is the map book number. The second set of three numbers is the page/block number, and the third segment identifies the parcel number.



ASSESSORS MAP 6/17/90
 MARIENSBURG COUNTY, CALIF.

MAR 15/2008 WILCOX SQUARE

NOV 1974

PARCEL NUMBER	ACRES	AREA	PERCENTAGE
179-21-1	1.00	1.00	100.00
179-21-2	1.00	1.00	100.00
179-21-3	1.00	1.00	100.00
179-21-4	1.00	1.00	100.00
179-21-5	1.00	1.00	100.00
179-21-6	1.00	1.00	100.00
179-21-7	1.00	1.00	100.00
179-21-8	1.00	1.00	100.00
179-21-9	1.00	1.00	100.00
179-21-10	1.00	1.00	100.00
179-21-11	1.00	1.00	100.00
179-21-12	1.00	1.00	100.00
179-21-13	1.00	1.00	100.00
179-21-14	1.00	1.00	100.00
179-21-15	1.00	1.00	100.00
179-21-16	1.00	1.00	100.00
179-21-17	1.00	1.00	100.00
179-21-18	1.00	1.00	100.00
179-21-19	1.00	1.00	100.00
179-21-20	1.00	1.00	100.00
179-21-21	1.00	1.00	100.00
179-21-22	1.00	1.00	100.00
179-21-23	1.00	1.00	100.00
179-21-24	1.00	1.00	100.00
179-21-25	1.00	1.00	100.00
179-21-26	1.00	1.00	100.00
179-21-27	1.00	1.00	100.00
179-21-28	1.00	1.00	100.00
179-21-29	1.00	1.00	100.00
179-21-30	1.00	1.00	100.00

EXHIBIT B
PROPERTY MAP

EXHIBIT C
GRANT DEED

Recorded at request of and return to:
County of Riverside
Economic Development Agency
Real Property Division
3403 10th Street, Suite 400
Riverside, CA 92501

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

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

PROJECT: LRPMP
APN: 179-211-004

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the Successor Agency to the Redevelopment Agency for the County of Riverside, public entity ("Grantor") hereby grants to CHAVY HOV, an unmarried woman, the real property in the County of Riverside, State of California, as more particularly described in that certain legal description attached hereto as Exhibit "A" and incorporated herein by this reference, together with all appurtenant easements and access rights and other rights and privileges appurtenant to the land, and subject only to matters of records ("Property").

1. The Grantee covenants and agrees for itself, its successors, its assigns and every successor in interest to the Property or any part thereof, that there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor shall the transferee itself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of the Property. With respect to familial status, this paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in this paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the Government Code shall apply to this paragraph.

2. The Grantee covenants and agrees for itself, its successors, its assigns and every successor in interest to the Property or any part thereof, that Grantee, its successors and assigns shall refrain from restricting the rental, sale or lease of the Property on the basis of the race,

color, creed, religion, sex, sexual orientation, marital status, national origin or ancestry of any person. All deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

(a) In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. With respect to familial status, this paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in this paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the Government Code shall apply to this paragraph. The foregoing covenants shall run with the land."

(b) In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased. With respect to familial status, this paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in this paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the Government Code shall apply to this paragraph."

(c) In contracts: "There shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code,

in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor shall the transferee itself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of the land. With respect to familial status, this paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in this paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the Government Code shall apply to this paragraph.”

3. All conditions, covenants and restrictions contained in this Grant Deed shall be covenants running with the land, and shall, in any event, and without regard to technical classification or designation, legal or otherwise, be, to the fullest extent permitted by law and equity, binding for the benefit and in favor of, and enforceable by Grantor, its successors and assigns, against Grantee, its successors and assigns, to or of the Property conveyed herein or any portion thereof or any interest therein, and any party in possession or occupancy of said Property or portion thereof. The covenants contained in this Grant Deed shall be construed as covenants running with the land and not as conditions which might result in forfeiture of title.

4. Every covenant and condition and restriction contained in this Grant Deed shall remain in effect in perpetuity.

5. In amplification and not in restriction of the provisions set forth hereinabove, it is intended and agreed that Grantor shall be deemed a beneficiary of the agreements and covenants provided hereinabove both for and in its own right and also for the purposes of protecting the interests of the community. All covenants without regard to technical classification or designation shall be binding for the benefit of Grantor, and such covenants shall run in favor of Grantor for the entire period during which such covenants shall be in force and effect, without regard to whether Grantor is or remains an owner of any land or interest therein to which such covenants relate. Grantor shall have the right, in the event of any breach of any such agreement or covenant, to exercise all the rights and remedies, and to maintain any actions at law or suit in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant.

6. No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Grant Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage or deed of trust or security interest; provided, however, that any subsequent owner of the Property shall be bound by such remaining covenants, conditions, restrictions, limitations, and provisions, whether such owner's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Grantor has caused this instrument to be executed on its behalf by its officer hereunto duly authorized this _____ day of _____, 20__.

GRANTOR:

Successor Agency to the Redevelopment
Agency to the County of Riverside, public entity

By: _____

Alex Gann,
Deputy County Executive Officer

APPROVED AS TO FORM:
GREGORY P. PRIAMOS
COUNTY COUNSEL

By: _____

Jhaila R. Brown,
Deputy County Counsel

EXHIBIT D
RIGHT OF ENTRY AGREEMENT

RIGHT OF ENTRY AGREEMENT

5533 Mission Blvd, Jurupa Valley

This Right of Entry Agreement (“Agreement”) is made and entered into this _____ day of _____, 2016, between the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE, public entity (“Grantor”), and CHAVY HOV, an unmarried woman (“Grantee”). Grantor and Grantee are collectively referred to as the “Parties” and individually as a “Party.”

RECITALS

- A. Grantor is the current owner of that certain real property located at 5533 Mission Blvd, Jurupa Valley, California also known as Assessor Parcel Number 179-211-004, as legally described in Exhibit “A” attached hereto and incorporated herein by this reference (“Property”), and has the right to grant to Grantee permission to enter upon and use the Property.
- B. Grantor and Grantee have entered into an Agreement of Purchase and Sale with Joint Escrow Instructions (“Purchase and Sale Agreement”) dated _____, 2016 providing for the sale of the Property by Grantor to Grantee.
- C. Grantee desires to obtain Grantor’s permission to enter upon and use the Property, on a temporary basis, for soils testing and other due diligence on the Property prior to the sale of the Property.
- D. Grantor is agreeable to allowing Grantee such access to the Property on a temporary basis, for soils testing and other due diligence on the Property, as more specifically set forth below.

NOW, THEREFORE, Grantor and Grantee do hereby agree as follows:

AGREEMENT

1. Right of Entry. Grantor hereby grants to Grantee, its agents, employees and contractors a temporary, non-exclusive, right of entry onto the Property to perform soils testing and other due diligence as more specifically set forth in the Scope of Activities attached hereto as Exhibit "B" and incorporated herein by this reference, and for no other purpose (collectively the "Permitted Purpose"). Grantee will enter the Property entirely at its own cost, risk and expense. Grantee agrees that the Permitted Purpose shall be completed in accordance with any permits and authorization issued by any governmental entity having jurisdiction over the Property in connection with the Permitted Purpose. Grantee and/or its duly authorized employees', agents', consultants', independent contractors' (collectively, "Grantee Representatives") use of the Property shall not interfere with the use and enjoyment of the Property by Grantor and/or its directors, officers, members, employees, agents and independent contractors (collectively, "Grantor Representatives"), or anyone claiming under or through them. Grantee shall not permit any other party associated with Grantee, except the Grantee Representatives, to enter onto the Property during the term of this Agreement without the prior written consent of the Grantor's Deputy County Executive Officer or designee, which may be withheld in his or her sole and absolute discretion. Grantee and the Grantee Representatives shall not perform any work other than the Permitted Purpose upon the Property. Grantee acknowledges and agrees that Grantee shall not be entitled to any reimbursement or repayment for any work, including, but not limited to the Permitted Purpose, performed upon the Property pursuant to this Agreement

2. Term. The term of this Agreement shall commence on the Effective Date (defined below) and shall automatically terminate three (3) months thereafter, unless extended or terminated earlier as provided herein. No later than thirty (30) days before the expiration of the term, Grantee may request in writing to Grantor for an extension of the term, which may be granted or withheld in the sole and absolute discretion of Grantor. This Agreement is

subordinate to all prior or future rights and obligations of Grantor in the Property, except that Grantor shall grant no rights inconsistent with the reasonable exercise by Grantee of the rights under this Agreement. The "Effective Date" shall be the date this Agreement is signed by Grantor.

3. Consideration. In consideration of Grantor's granting of the right of entry set forth in this Agreement, Grantee shall promptly provide Grantor with a copy of all reports and test results arising from this Agreement, without creating any liability for Grantee or the preparer of such reports.

4. Notice of Work. Prior to entry upon the Property, Grantee shall notify the Grantor representatives identified in in this Section 4 below by written and oral communication, which may include email, of Grantee's intent to enter the Property, with such notice being provided at least one (1) week prior to the intended date of entry and commencement of any work, and shall include information regarding the length of time that Grantee will be on the Property.

Grantor Representative: Successor Agency to the Redevelopment Agency
 for the County of Riverside
 Economic Development Agency/Real Estate Division
 3403 10th Street, Suite 400, Riverside, CA 92501
 Attention: Monica Tlaxcala

4. Liens. Grantee shall not permit any lien to be placed against the Property, or any part thereof, as a result of Grantee's activities under this Agreement, including, but not limited to liens by design professionals', mechanics', material man's contractors' or subcontractors' liens, and shall ensure that any such lien is removed or bonded to the Grantor's satisfaction within ten (10) days of recording. Grantee acknowledges and agrees to hold Grantor harmless for any loss or expense, including reasonable attorneys' fee, arising from any such liens which might be filed or recorded against the Property, or any part thereof.

5. Indemnification; Hold Harmless. Grantee shall indemnify and hold harmless Grantor, County of Riverside, its Agencies, Boards, Districts, Special Districts and Departments,

their respective directors, officers, Board of Commissioners, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any act or omission of Grantee, its officers, employees, contractors, subcontractors, agents or representatives arising out of or in any way relating to or in any way connected with Grantee's use of the Property or this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever. Grantee shall defend, at its sole expense, all costs and fees including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards, the Grantor, County of Riverside, its Agencies, Boards, Districts, Special Districts and Departments, their respective directors, officers, Board of Commissioners, Board of Supervisors, elected and appointed officials, employees, agents and representatives in any claim or action based upon such alleged acts or omissions. The obligations set forth in this paragraph shall survive the termination of this agreement.

With respect to any action or claim subject to indemnification herein by Grantee, Grantee shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of Grantor; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Grantee's indemnification to Grantor as set forth herein.

Grantee's obligation hereunder shall be satisfied when Grantee has provided to Grantor the appropriate form of dismissal relieving Grantor from any liability for the action or claim involved. The specified insurance limits required in this Agreement shall in no way limit or circumscribe Grantee's obligations to indemnify and hold harmless the Grantor herein from third party claims. In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve Grantee from indemnifying the Grantor to the fullest extent allowed by law.

6. Insurance. Without limiting or diminishing Grantee's obligation to indemnify or hold the Grantor harmless, Grantee shall procure and maintain or cause to be procured and

maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement. In respects to the insurance section, the Grantor herein refers to the Successor Agency to the Redevelopment Agency for the County of Riverside, County of Riverside, its Agencies, Boards, Districts, Special Districts and Departments, their respective directors, officers, Board of Commissioners, Board of Supervisors, elected and appointed officials, employees, agents and representatives as Additional Insureds.

6.1 Workers' Compensation. If Grantee has employees as defined by the State of California, Grantee shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.

6.2 Commercial General Liability. Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of Grantee's performance of its obligations hereunder. Policy shall name the County as Additional Insured. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

6.3 Vehicle Liability. If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then Grantee shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the County as Additional Insureds.

6.4 General Insurance Provisions – All lines:

1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the Grantor Risk Manager. If the Grantor's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2) Grantee must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the Grantor Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the Grantor, and at the election of the Country's Risk Manager, Grantee's carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the Grantor, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3) Grantee shall cause Grantee's insurance carrier(s) to furnish the Grantor with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the Grantor Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the Grantor prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate unless the Grantor receives another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. *Grantee shall not commence operations until the Grantor has been furnished original Certificate (s) of Insurance and certified original*

copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so, on its behalf, shall sign the original endorsements for each policy and the Certificate of Insurance.

4) It is understood and agreed to by the Parties hereto that Grantee's insurance shall be construed as primary insurance, and the Grantor's insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

5) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of the Agreement; or, there is a material change in the scope of entry or permitted activities under this Agreement; or, the term of this Agreement, including any extensions thereof, exceeding five (5) years; the Grantor reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the Grantor Risk Manager's reasonable judgment, the amount or type of insurance carried by Grantee has become inadequate.

6) Grantee shall pass down the insurance obligations contained herein to all tiers of contractors and subcontractors working under this Agreement.

7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the Grantor.

8) Grantee agrees to notify Grantor of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

7. Compliance with Laws. Grantee shall, and shall cause its contractors, agents and employees to, conduct all activities undertaken pursuant to this Agreement in compliance with applicable federal, state and local laws, statues, ordinances, rules, regulations and orders. Without limiting the generality of the foregoing, Grantee shall secure, at its sole cost and expense, any and all permits and approvals which may be required by any applicable law, rule,

regulation or ordinance, for Grantee's conduct of the activities contemplated in this Agreement.

8. Inspection. Grantor, its representatives, employees, agents and independent contractors shall have the right enter and inspect the Property or any portion thereof, including, but not limited to any improvements, at any time and from time to time at reasonable times to verify Grantee's compliance with the terms and conditions of this Agreement.

9. Non-Exclusive Nature of Grant. Grantee acknowledges and agrees that the rights granted to Grantee hereunder are temporary and non-exclusive.

10. No Real Property Interest; No Possessory Interest. Grantee expressly understands, acknowledges and agrees that this Agreement does not in any way whatsoever grant or convey any permanent easement, lease, fee or other real property interest in the Property, or any portion thereof, to Grantee.

Grantee further acknowledges and agrees that Grantor's grant of the right of entry to use the Property pursuant to this Agreement creates no possessory interest in the Property and therefore Grantee shall abandon the use of the Property without the necessity of a judicial proceeding by the Grantor no later than the expiration of this Agreement, or, in the event of an earlier termination of this Agreement, Grantee shall abandon the use of the Property immediately upon such earlier termination. Grantee further acknowledges and agrees that any failure to abandon the use of the Property upon expiration or termination of this Agreement shall constitute a trespass. This Agreement is intended to be for a short term duration.

11. Condition Of The Property. The Property is licensed to Grantee in an "as is" condition, existing as of the Effective Date of this Agreement. Grantee shall not construct any temporary or permanent improvements or make any material changes to the Property as part of Grantee's use of the Property without Grantor's prior written consent, which may be withheld in its sole and absolute discretion. Such prohibition on construction of improvements or material changes to the Property shall include but shall not be limited to any signs, paving, construction of fencing, retaining walls, buildings or structures, or the removal of any living trees.

12. Protection and Restoration of Property. Grantee, its employees, agents,

contractors and subcontractors, shall protect the Property, including all improvements and the natural resources thereon, at all times at Grantee's sole cost and expense, and Grantee, its employees, agents, contractors and subcontractors, shall strictly adhere to the following restrictions:

12.1 Grantee shall not commit waste upon the Property;

12.2 Grantee shall not permit any dangerous condition to be created on the Property as a result of the activities of Grantee or the Grantee Representatives;

12.3 Grantee shall not place or dump garbage, trash or refuse anywhere upon or within the Property;

12.4 Grantee shall not commit or create, or suffer to be committed or created, a hazardous condition and/or nuisance to exist upon the Property;

12.5 Grantee shall not cut, prune or remove any native trees or brush upon the Property, except for the elimination of safety hazards, without first obtaining Grantor's written consent. Grantee shall take all necessary precautions to prevent the import and/or release into the environment of any hazardous materials which are imported to, in, on or under the Property during the performance of the Permitted Purpose. If hazardous materials are imported onto the Property as a result of the performance of the Permitted Purpose, Grantee shall be solely responsible for removing such imported hazardous materials in conformance with all governmental requirements. Grantee shall report to grantor, as soon as possible after each incident, any incidents with respect to the environmental condition of the Property;;

12.6 Grantee shall not disturb, move or remove any rocks or boulders upon the Property, except as necessary for the elimination of safety hazards, without the prior written consent of Grantor;

12.7 Grantee shall exercise due diligence in order to protect the Property from damage, destruction by fire, vandalism or other causes;

12.8 Grantee shall remove all debris generated by Grantee, its employees,

agents, contractors and subcontractors on the Property; and

12.9 Grantee shall not damage the Property in the process of performing its contemplated activities under this Agreement.

Upon the termination or expiration of this Agreement, and provided that the Property has not been conveyed to Grantee, Grantee shall at its sole cost and expense, cause the Property to be restored from any damage or material change caused by Grantee or any Grantee Representative to substantially the same condition as the Property was in prior to Grantee's entry onto the Property under this Agreement.

13. Public Safety. Grantee shall, and shall cause its contractors, subcontractors and employees entering the Property to, take necessary and reasonable steps to protect themselves and members of the public from harm resulting from Grantee's activities on the Property, including by wearing highly visible clothing, maintaining strobe lights on vehicles and using a VHF radio when conducting activities on the Property.

14. Termination. In the event that Grantee or a Grantee Representative violates any of the terms or conditions set forth in this Agreement, the Deputy County Executive Officer or designee, after giving Grantee written notice of such violation and a ten (10) calendar day period within which to cure the same, shall have the right to immediately terminate this Agreement by providing written notice to Grantee of said termination. No termination or expiration of this Agreement shall relieve Grantee of performing any of its obligations required hereunder which were either required prior to or which survive such termination or expiration.

15. Waiver. Any waiver by Grantor of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any term thereof. Failure on the part of the Grantor to require exact, full, and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms hereof, or estopping Grantor from enforcement hereof at a later date.

16. Grantor's Proprietary Capacity. Grantee agrees that Grantor, in making and entering into this Agreement, is acting and shall be deemed to be acting solely in Grantor's

proprietary capacity for all purposes and in all respects; and nothing contained in this Agreement shall be deemed directly or indirectly to restrict or impair in any manner or respect whatsoever any of Grantor's governmental powers or rights or the exercise thereof by Grantor, whether with respect to the Property or Grantee's use thereof or otherwise. It is intended that Grantee shall be obligated to fulfill and comply with all such requirements as may be imposed by any governmental agency or authority of the Grantor having or exercising jurisdiction over the Property in its governmental capacity.

17. Independent Capacity. Grantee shall act at all times in an independent capacity during the term of this Agreement, and shall not act as, shall not be, nor shall they in any manner be construed or deemed to be agents, officers, or employees of Grantor.

18. Entire Agreement. This Agreement is the result of negotiations between the Parties and no ambiguity in this Agreement shall be construed against the drafter. The Parties declare and represent that no inducement, promise or agreement not set forth herein has been made to them and that this Agreement contains the entire agreement between the Parties regarding the subject matter herein. The terms of this Agreement are contractual and not a mere recital.

19. Warranty of Authority. The undersigned represents that it has the authority to, and does, bind the person or entity on whose behalf and for whom it is signing this Agreement and the attendant documents provided for herein, and this Agreement and said additional documents are, accordingly, binding on said person or entity.

20. Assignment. This Agreement shall not, nor shall any interest herein be assigned, mortgaged, hypothecated, or transferred by Grantee, whether voluntary or involuntary or by operation of law, nor shall Grantee let or sublet or grant any license of permit with respect to the use and occupancy of the Property or any portion thereof.

21. Governing Law; Jurisdiction, and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The Parties agree that any legal action related to the performance or interpretation of this Agreement shall be filed only in

the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location.

22. Modification. This Agreement may be modified, changed or amended only by a writing signed by the Parties hereto, or their respective successors or assigns.

23. Incorporation of Exhibits. All exhibits to this Agreement are hereby incorporated into this Agreement by reference as though fully set forth at length.

24. Time is of the Essence. Time is of the essence as to every term and condition of this Agreement.

25. Recordation. Neither party shall record this Agreement.

26. Severability. In the event that any provisions of this Agreement shall be held to be invalid, the same shall not affect in any respect whatsoever the validity of the remainder of the Agreement.

27. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

(REMAINDER OF PAGE LEFT INTENTIONALLY BLANK)

(SIGNATURES ON NEXT PAGE)

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Right of Entry Agreement on the dates written below.

GRANTOR:

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

By: _____
Alex Gann, Deputy County
Executive Officer

Date: _____

APPROVED AS TO FORM:

GREGORY P. PRIAMOS
COUNTY COUNSEL

By: _____
Jhaila R. Brown, Deputy County Counsel

GRANTEE:

CHAVY HOV, an unmarried woman

By: _____
Chavy Hov

Date: _____

EXHIBIT "A"
LEGAL DESCRIPTION OF PROPERTY

Lots 4 and 5 in Block A of Wilcox Square as shown by map on file in Book 15, Page 86 of Maps, Records of Riverside County, California. Excepting therefrom the Southwesterly 37 feet.

Assessor Parcel Number: 179-211-004m

EXHIBIT "B"

SCOPE OF ACTIVITIES

The scope of activities to be performed under the Right of Entry Agreement ("Agreement") between the Successor Agency to the Redevelopment Agency for the County of Riverside, public entity ("Grantor"), and Chavy Hov, an unmarried woman ("Grantee"), include the following:

(1) obtain soil samples and make surveys and tests necessary to determine the suitability of the Property for Grantee's purposes; (2) conduct reasonable investigations on and beneath the Property to determine the presence of hazardous substances; (3) allow Grantee's engineers or architects to obtain data for drawings, calculations, plans and specifications; and (4) other studies reasonably approved by Grantor's Deputy County Executive Officer or designee as requested by Grantee to assess the feasibility of the purchase of the Property.



Original Negative Declaration/Notice of Determination was routed to County Clerks for posting on.

9/20/16
Date

kb
Initial

NOTICE OF EXEMPTION

July 14, 2016

Project Name: Long Range Property Management Plan Surplus Sale, 5533 Mission Jurupa Valley, County of Riverside

Project Number: ED1900194

Project Location: 5533 Mission Boulevard, east of Packard Avenue, City of Jurupa Valley, Riverside County, California; Assessor's Parcel Number (APN): 179-211-004 (See attached exhibit)

Description of Project: The Successor Agency to the Redevelopment Agency for the County of Riverside (Successor Agency) is required to conclude the affairs of the former Redevelopment Agency for the County of Riverside. A Long-Range Property Management Plan (LRMP) was created and approved by the Department of Finance on December 18, 2015, which identified all assets owned and appropriate disposition strategies. The 0.85-acre subject property located at 5533 Mission Boulevard in the City of Jurupa Valley was identified as a property that was determined to be surplus property and has been designated surplus property for sale. An offer has been received for the Property and the Successor Agency recommends acceptance of the offer from Chavy Hov in the amount of \$31,000. An appraisal recently conducted found the fair market value of the Property to be \$30,962. The sale proceeds, minus customary closing and escrow costs, will first be used to pay Successor Agency enforceable obligations, and then disbursed to the taxing entities, including school districts, special districts and the County, pursuant to Health and Safety Code Section 34188. The County has determined that the real property pursuant to Government Code 22520 is no longer necessary to be retained by the County for public purposes. The sale of the property and transfer of title is identified as the proposed Project under the California Environmental Quality Act (CEQA). The proposed Project is limited to the sale of surplus property and does not allow for any construction activity, change in use, or any other condition that may lead to a direct or indirect physical environmental impact at this time. Any future activity or project at the location would require additional CEQA review for any changes to the property. Any attempt at evaluating physical impacts related to future development at this time would be wholly speculative and would provide no meaningful input or analysis.

Name of Public Agency Approving Project: County of Riverside, Economic Development Agency

Name of Person or Agency Carrying Out Project: County of Riverside, Economic Development Agency, Schneider Real Estate Associates Inc.

Exempt Status: State CEQA Guidelines, Section 15312 (a)(b)(3), Sale of Surplus Government Property Exemption; Section 15061(b)(3), General Rule or "Common Sense" Exemption.

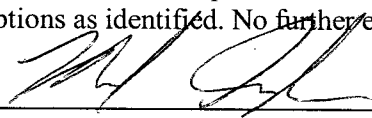
SEP 20 2016 4-1

- Administration, Aviation, Business Intelligence, Cultural Services, Community Services, Custodial, Housing, Housing Authority, Information Technology, Maintenance, Marketing, Economic Development, Edward-Dean Museum, Environmental Planning, Fair & National Date Festival, Foreign Trade, Graffiti Abatement, Parking, Project Management, Purchasing Group, Real Property, Redevelopment Agency, Workforce Development

Reasons Why Project is Exempt: The Project is exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The Project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. The Project is the proposed sale of real property that is no longer needed for the use by or purposes of the County. The Project will not cause any impacts to scenic resources, historic resources, or unique sensitive environments and will not result in any physical changes to the existing site. Any future development projects at this property would require a full evaluation under CEQA at that time. Further, no unusual circumstances or potential cumulative impacts would occur that may reasonably create an environmental impact. The proposed sale of real property will not have an effect on the environment and does not allow for any development, construction, or change of use that may create a future direct or indirect physical environmental impact; thus, no environmental impacts are anticipated to occur.

- **Section 15312 (a)(b)(3)– Sale of Surplus Government Property Exemption:** The Project, as proposed, is the sale of real property consisting of approximately 1.26 acres of vacant land. The property does not have significant values for wildlife habitat or other environmental purposes, and the use of the property has not changed since the time of acquisition by the County. The action does not provide for an increase in use of the land or any development activity and would not result in any physical environmental impacts under CEQA.
- **Section 15061 (b)(3) – “Common Sense” Exemption:** In accordance with CEQA, the use of the Common Sense Exemption is based on the “general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment” State CEQA Guidelines, Section 15061(b)(3). The use of this exemption is appropriate if “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” *Ibid*. This determination is an issue of fact and if sufficient evidence exists in the record that the activity cannot have a significant effect on the environment, then the exemption applies and no further evaluation under CEQA is required. See *Muzzy Ranch Co. v Solano County Airport Land Use Comm’n* (2007) 41 Cal.4th 372. With certainty, there is no possibility that the Project may have a significant effect on the environment. As stated, the Project is merely the proposed sale of existing surplus property and any future activity or project at the location would require CEQA review, and any potential change of use or future project would be wholly speculative at this time. Therefore, in no way would the Project, as proposed, have the potential to cause a significant environmental impact and the Project is exempt from further CEQA analysis.

Based upon the identified exemptions above, the County of Riverside, Economic Development Agency hereby concludes that no physical environmental impacts are anticipated to occur and the Project, as proposed, meets all of the required categorical exemptions as identified. No further environmental analysis is warranted.

Signed:  Date: 7/14/16

Mike Sullivan, Senior Environmental Planner
County of Riverside, Economic Development Agency



Date: July 14, 2016

To: Mary Ann Meyer, Office of the County Clerk

From: Mike Sullivan, Senior Environmental Planner, Project Management Office

Subject: **County of Riverside Economic Development Agency Project # ED1900194**
Long Range Property Management Plan Surplus Sale 5533 Mission Boulevard located in the City of Jurupa Valley, County of Riverside

The Riverside County's Economic Development Agency's Project Management Office is requesting that you post the attached Notice of Exemption. Attached you will find an authorization to bill by journal voucher for your posting fee.

After posting, please return the document to:

Mail Stop #1330

Attention: Mike Sullivan, Senior Environmental Planner,

Economic Development Agency,

3403 10th Street, Suite 400, Riverside, CA 92501

If you have any questions, please contact Mike Sullivan at 955-8009.

Attachment

cc: file

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

Project Name: Long Range Property Management Plan Surplus Sale, 5533 Mission Boulevard,
located in the City of Jurupa Valley, County of Riverside

Accounting String: 524830-47220-7200400000- ED1900194

DATE: July 14, 2016

AGENCY: Riverside County Economic Development Agency

THIS AUTHORIZES THE COUNTY CLERK & RECORDER TO BILL FOR FILING AND
HANDLING FEES FOR THE ACCOMPANYING DOCUMENT(S).

NUMBER OF DOCUMENTS INCLUDED: One (1)

AUTHORIZED BY: Mike Sullivan, Senior Environmental Planner, Economic
Development Agency

Signature: 

PRESENTED BY: Monica Tlaxcala, Real Estate Division, Economic Development
Agency

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -

RESTRICTED APPRAISAL REPORT

The land value of approximately 25 properties encompassing 53 assessor parcel numbers and representing a total of approximately 37.22 acres of mostly vacant land located in Riverside County, California (Please see attached properties list)

PREPARED FOR:

Ms. Monica Tlaxcala
Real Property Agent
Real Estate Division
County Of Riverside - Economic Development Agency
on behalf of the Successor Agency to the
Redevelopment Agency for the County of Riverside
3403 10th Street, Suite 400
Riverside, CA 92501

PREPARED BY:

Michael J. Francis, MAI
P.O. Box 11808
Newport Beach, CA 92658

VALUATION DATE

May 16, 2016

DATE PREPARED

May 18, 2016

MICHAEL J. FRANCIS, MAI
Real Estate Appraiser and Consultant

May 18, 2016

Ms. Monica Tlaxcala
Real Property Agent
Real Estate Division
County Of Riverside - Economic Development Agency
on behalf of the Successor Agency to the
Redevelopment Agency for the County of Riverside
3403 10th Street, Suite 400
Riverside, CA 92501

RE: The land value of approximately 25 properties encompassing 53 assessor parcel numbers and representing a total of approximately 37.22 acres of mostly vacant land located in Riverside County, California (Please see attached properties list)

Dear Ms. Tlaxcala,

Pursuant to your request and authorization, I have conducted the investigations and analyses necessary to form an opinion of the above referenced value of the subject properties. As you are aware, I have previously performed a Restricted Appraisal Report on the above referenced properties (36 in total) for your office in May 2015. In this Restricted Appraisal Report I have appraised only subject property # 1, 8 thru 12, 14 thru 28 and 32 through 35 (I have not appraised in this report property # 2 through 7, 13, 29, 30, 31 and 36). Factors involving some of the subject properties which I had not taken into consideration last year but I have now considered in this report are summarized in the following paragraph.

With respect to subject property # 10 (Mecca Comfort Station), there will be a lot line adjustment and I have appraised this property reflecting this lot line adjustment and the subsequent new acreage of the property. With respect to subject property # 11 (Mecca Fire Station Surplus Property), I have valued the land and property improvements (i.e. - Post Office building) which entailed analyzing value impact of the post office lease and valuing the excess land on the property. With respect to subject property # 20 (SR 60 / Valley Interchange) and subject property # 21 (Rubidoux Village), I have valued the billboard lease on each of the properties in addition to the land. With respect to property # 26 (Hemet Ryan Vicinity), I have valued this property after considering the value impact of the flood easement on this property.

P.O. Box 11808, Newport Beach, CA 92658
Tel: (949) 306-3388 * Fax: (949) 528-1300 * Email: mfrancismai@aol.com

This is a Restricted Appraisal Report that is intended to comply with the reporting requirements as set forth under the Uniform Standards of Professional Appraisal Practice (USPAP). It contains statements relating to my opinion as to the highest and best use of the subject properties, my estimate of market value for the subject properties, as well as other report information as required under USPAP. Please note that USPAP requires that I inform you that as a restricted report, there is a use restriction that limits reliance on the report to you, my client and furthermore please be warned that this report cannot be understood properly without additional information in my work files.

Based upon the investigations conducted, analyses made, and on my experience as a real estate analyst and appraiser, I have formed the opinion that as of May 16, 2016, and subject to the Assumptions and Limiting Conditions set forth in the report which follows, the market value of the subject properties are shown on the following pages. Please note that all or a portion of property # 11, 20 and 21 are currently leased and, therefore, the estimated values for these properties reflect the market value of the Leased Fee Estate. All of the other subject properties are reportedly unencumbered by a lease and, therefore, the estimated values for these properties reflect the market value of the Fee Simple Estate.

Subject Property Summary List with Estimates of Market Value

Original Property No.	APN No. (count)	Permissible Use Detail	Address	APN #	Approx. Lot Size (acres)	Approx. Lot Size (Sq. Ft.)	Current Zoning	Estimate of Current Market Value / SF	Estimate of Current Market Value
1	1	Lakeland Village Property	18641 Grand Ave Lakeland Village	371-210-028	2.66	115,870	R-R (Rural Residential)	\$2.10	\$243,327
8	2	Future Oasis Fire Station Property	Harrison St, Mecca	749-160-012	3.08	134,165	A-1-10 (Light Agriculture)	\$0.95	\$127,457
9	3	Mecca Triangle Park	Hammond Rd, Mecca	727-184-036	0.22	9,583	C-P-S (Scenic Highway Commercial)	\$4.50	\$43,124
10	4	Mecca Comfort Station	2nd St/66th Ave Mecca	727-193-047	0.19	8,276	C-P-S	\$3.90	\$32,276
10	5	Mecca Comfort Station	2nd St/66th Ave Mecca	727-193-013	0.08	3,626	C-P-S	\$3.90	\$14,141
10	6	Mecca Comfort Station	2nd St/66th Ave Mecca	727-193-046	0.24	10,454	C-P-S	\$3.90	\$40,771
10	7	Mecca Comfort Station	2nd St/66th Ave Mecca	727-193-038	0.07	2,909	C-P-S	\$3.90	\$11,345
				Property 10 Totals:	0.58	25,265		\$3.90	\$98,534
11	8	Mecca Fire Station Surplus Property	2nd St, Mecca	727-193-027	0.15	6,548	C-P-S	\$3.90	\$25,537
11	9	Mecca Fire Station Surplus Property	91307 2nd St, Mecca	727-193-028	0.14	6,073	C-P-S	\$3.90	\$23,685
11	10	Mecca Fire Station Surplus Property	91279 2nd St, Mecca	727-193-041	0.59	25,700	C-P-S	\$3.90	\$100,230
11		NPV of Post Office Lease on Mecca Fire Station Surplus Property	91307 2nd St, Mecca						\$31,000
				Property 11 Totals:	0.88	38,321		\$4.71	\$180,452
12	11	Mecca Roundabout Surplus Property	4th St/Hammond Rd Mecca	727-161-025	0.06	2,614	C-P-S	\$2.40	\$6,274
12	12	Mecca Roundabout Surplus Property	4th St/Hammond Rd Mecca	727-161-026	0.04	1,742	C-P-S	\$2.40	\$4,181
12	13	Mecca Roundabout Surplus Property	4th St/Hammond Rd Mecca	727-161-028	0.09	3,920	C-P-S	\$2.40	\$9,408
12	14	Mecca Roundabout Surplus Property	4th St/Hammond Rd Mecca	727-161-027	0.01	436	C-P-S	\$2.40	\$1,046
12	15	Mecca Roundabout Surplus Property	4th St/Hammond Rd Mecca	727-161-030	0.19	8,276	C-P-S	\$2.40	\$19,862
				Property 12 Totals:	0.39	16,988		\$2.40	\$40,771
14	16	"A" Street Surplus Property	Harvill Ave, Paris	317-270-014	0.61	26,572	M-H	\$3.50	\$93,002
15	17	University Research Park	1400 Research Park Dr Riverside	257-030-014	4.32	188,179	BMP (Business Manufacturing)	\$7.25	\$1,364,298
15	18	University Research Park	532 Technology Dr Riverside	257-030-012	3.15	137,214	BMP (Business Manufacturing)	\$7.25	\$994,802
				Property 15 Totals:	7.47	325,393		\$7.25	\$2,359,099
16	19	Home Gardens Surplus Property	Magnolia Ave Home Gardens	135-022-003	0.22	9,583	C-1/C-P (General Commercial)	\$10.50	\$100,622
16	20	Home Gardens Surplus Property	Magnolia Ave Home Gardens	135-022-028	0.05	2,178	R-1 (One Family Dwelling)	\$10.50	\$22,869
16	21	Home Gardens Surplus Property	Magnolia Ave Home Gardens	135-022-030	0.21	9,148	C-1/C-P (General Commercial)	\$10.50	\$96,054

Subject Property Summary List with Estimates of Market Value

Original Property No.	APN No. (count)	Permissable Use Detail	Address	APN #	Approx. Lot Size (acres)	Approx. Lot Size (Sq. Ft.)	Current Zoning	Estimate of Current Market Value / SF	Estimate of Current Market Value
				Property 16 Totals:	0.48	20,909		\$10.50	\$219,545
17	22	Vernola Park/Wineville Realignment Surplus Property	Wineville Rd Jurupa Valley	156-340-049	0.19	8,276	M-SC (Manufacturing Service)	\$9.00	\$74,484
18	23	Mission Boulevard/Arora Commercial Property	5435 Mission Blvd Jurupa Valley	179-222-010	0.12	5,227	R-VC (Rubidoux Village)	\$5.10	\$26,658
18	24	Mission Boulevard/Arora Commercial Property	3762 Arora St Jurupa Valley	179-203-027	0.19	8,170	R-VC (Rubidoux Village)	\$5.10	\$41,667
				Property 18 Totals:	0.31	13,397		\$5.10	\$68,325
19	25	Mission Boulevard/Packard Commercial Property	5533 Mission Blvd Jurupa Valley	179-211-004	0.09	3,753	R-VC (Rubidoux Village)	\$8.25	\$30,962
20	26	SR 60/Valley Interchange Surplus Property	Mission Blvd Jurupa Valley	174-150-022	4.22	183,823	A-1 (Light Agriculture)	\$6.20	\$1,139,703
20		NPV of Billboard Lease on SR 60/Valley Interchange Surplus	Mission Blvd Jurupa Valley	174-150-022					\$24,200
				Property 20 Totals:	4.22	183,823		\$6.33	\$1,163,903
21	27	Rubidoux Village Commercial Property	5362 37th St Jurupa Valley	179-260-017	0.17	7,232	R-VC East (Rubidoux village)	\$4.75	\$34,352
21	28	Rubidoux Village Commercial Property	5358 37th St Jurupa Valley	179-260-018	0.17	7,205	R-VC East (Rubidoux village)	\$4.75	\$34,224
21	29	Rubidoux Village Commercial Property	37th St Jurupa Valley	179-260-019	0.17	7,477	R-VC East (Rubidoux village)	\$4.75	\$35,516
21	30	Rubidoux Village Commercial Property	5348 37th St Jurupa Valley	179-260-020	0.13	5,500	R-VC East (Rubidoux village)	\$4.75	\$26,125
21	31	Rubidoux Village Commercial Property	5357 Mission Blvd Jurupa Valley	179-260-008	0.13	5,706	R-VC East (Rubidoux village)	\$4.75	\$27,104
21	32	Rubidoux Village Commercial Property	5393 Mission Blvd Jurupa Valley	179-260-046	1.26	54,886	R-VC East (Rubidoux village)	\$6.00	\$329,316
21		NPV of Billboard Lease on Rubidoux Village Commercial Property							\$1,900
				Property 21 Total:	2.02	88,006		\$5.55	\$488,536
22	33	Rubidoux Health Clinic Surplus Property	5256 Mission Blvd Jurupa Valley	181-120-015	0.38	16,553	R-VC East (Rubidoux village)	\$5.75	\$95,180
23	34	Mission Boulevard/Daly Commercial Property	5292 Mission Blvd Jurupa Valley	181-120-014	0.62	27,007	R-VC Center (Rubidoux Village)	\$6.00	\$162,042
23	35	Mission Boulevard/Daly Commercial Property	Daly Ave Jurupa Valley	181-120-017	0.01	436	R-VC East (Rubidoux village)	\$6.00	\$2,616
				Property 23 Totals:	0.63	27,443		\$6.00	\$164,658
24	36	Mission Boulevard/Fort Commercial Property	5538 Mission Blvd Jurupa Valley	181-061-002	0.06	2,750	R-VC East (Rubidoux village)	\$7.25	\$19,938
25	37	Valley Way/Armstrong Road Surplus Property	3644 Valley Way Riverside	177-091-002	0.15	6,534	C-1/C-P (General Commercial)	\$5.25	\$34,304
26	38	Hemet Ryan Vicinity Commercial Property	Stetson Ave Hemet	456-020-010	4.17	181,645	M-2 (Heavy Manufacturing)	\$2.32	\$422,023
27	39	Thermal Street Improvement Surplus Property	Church St/Date St Thermal	757-052-015	0.16	6,970	R-3-4000 (General Residential)	\$2.75	\$19,168
27	40	Thermal Street Improvement Surplus Property	Church St/Date St Thermal	757-052-016	0.24	10,454	R-3-4000 (General Residential)	\$2.75	\$28,749
27	41	Thermal Street Improvement Surplus Property	Church St/Date St Thermal	757-052-014	0.15	6,534	R-3-4000 (General Residential)	\$2.75	\$17,969

Subject Property Summary List with Estimates of Market Value

Original Property No.	APN No. (count)	Permissible Use Detail	Address	APN #	Approx. Lot Size (acres)	Approx. Lot Size (Sq. Ft.)	Current Zoning	Estimate of Current Market Value / SF	Estimate of Current Market Value
27	42	Thermal Street Improvement Surplus Property	Church St/Date St Thermal	757-052-017	0.09	3,920	R-3-4000 (General Residential)	\$2.75	\$10,780
27	43	Thermal Street Improvement Surplus Property	Church St/Date St Thermal	757-052-013	0.13	5,663	R-3-4000 (General Residential)	\$2.75	\$15,573
27	44	Thermal Street Improvement Surplus Property	Church St/Date St Thermal	757-052-010	0.01	436	R-3-4000 (General Residential)	\$2.75	\$1,199
				Property 27 Totals:	0.78	33,977		\$2.75	\$93,437
28	45	Thermal Commercial Property	Main St/Market St Thermal	757-054-018	0.20	8,712	C-P-S (Scenic Highway Commercial)	\$3.90	\$33,977
28	46	Thermal Commercial Property	Main St/Market St Thermal	757-054-019	0.01	436	C-P-S (Scenic Highway Commercial)	\$3.90	\$1,700
28	47	Thermal Commercial Property	56105 Hwy 111 Thermal	757-042-008	0.14	6,098	C-P-S (Scenic Highway Commercial)	\$4.90	\$29,880
28	48	Thermal Commercial Property	56027 Hwy 111 Thermal	757-041-030	0.08	3,485	C-P-S (Scenic Highway Commercial)	\$3.75	\$13,069
				Property 28 Totals:	0.43	18,731		\$4.20	\$78,626
32	49	Cabazon/Ramona Commercial Property	50052 Ramona St Cabazon	526-021-006	0.59	25,700	C-P-S (Scenic Highway Commercial)	\$0.95	\$24,415
32	50	Cabazon/Ramona Commercial Property	Ramona St, Cabazon	526-021-007	0.29	12,632	C-P-S (Scenic Highway Commercial)	\$0.95	\$12,000
				Property 32 Totals:	0.88	38,332		\$0.95	\$36,415
33	51	Cabazon Sewer Project	Elm St, Cabazon	525-150-012	3.44	149,846	R-A-5 (Residential Agriculture)	\$0.30	\$44,954
34	52	Romoland Property	Briggs Road, Menifee	333-170-013	2.10	91,476	R-R (Rural Residential)	\$1.50	\$137,214
35	53	Hwy 74 Surplus Property	Hwy 74/Sherman Rd Menifee	329-030-011	1.00	43,560	C-P-S (Scenic Highway Commercial)	\$6.75	\$294,030
		Grand Totals:			37.22	1,621,168		\$4.10	\$6,652,297

NOTE:

- 1) There are a total of 25 subject properties, many of which contain multiple APNs. The rows have been colored to visually help separate the properties.
- 2) The total figures (i.e., total acreage, total SF, \$/SF and total property value estimate) for each of the 25 subject properties are shown above in bold.
- 3) The Grand Total shows the overall average estimated market value per SF (i.e., for all 25 subject properties).
- 4) With respect to APNs that are adjacent to each other, the estimated value of these APNs assumed that they are sold together as a single property.
- 5) Subject property # 11, 20 and 21 are encumbered by a lease and, therefore, the above values for these properties reflect the estimated value of the Leased Fee Estate. All of the other above values for the subject properties reflect the estimated market value of the Fee Simple Estate, since they are all reportedly unencumbered by leases.

The narrative report which follows sets forth the data and analysis upon which my opinion of value is, in part, predicated.

Respectfully submitted,

A handwritten signature in cursive script that reads "Michael J. Francis". The signature is written in black ink and is positioned below the text "Respectfully submitted,".

Michael J. Francis, MAI
CA State Cert. No.: AG002243

TABLE OF CONTENTS

Cover Page 1
Transmittal Letter 2
Certification 9
Assumptions and Limiting Conditions 10
Introduction / Property Description 15
Area Description 20
Highest and Best Use 24
Valuation Methodology 31
Sales Comparison Approach 32
Reconciliation and Final Value 37

ADDENDA

- Qualifications of the Appraiser

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional, analyses, opinions, and conclusions.
- I have no present or prospective interest in the properties that is the subject of this report and I have no personal interest with respect to the parties involved.
- I have no bias with respect to any properties that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- I have made a personal inspection of the properties that is the subject of this report.
- I have performed no services, as an appraiser or in any other capacity, regarding the properties that is the subject of this report within a three year period immediately preceding acceptance of this assignment.
- No one provided significant real properties appraisal assistance to the person signing this report as stated herein.
- As of the date of this report, I have completed the requirements of the continuing education program of the Appraisal Institute.

Respectfully submitted,



Michael J. Francis, MAI
CA State Cert. No.: AG002243

Assumptions and Limiting Conditions

The analyses and opinions set forth in this appraisal are subject to the following assumptions and limiting conditions:

General Assumptions and Limiting Conditions

This Restricted Appraisal Report that is intended to comply with the reporting requirements as set forth under the Uniform Standards of Professional Appraisal Practice (USPAP). It contains statements relating to my opinion as to the highest and best use of the subject properties, my estimate of market value for the subject properties, as well as other report information as required under USPAP. Please note that USPAP requires that I inform you that as a restricted report, there is a use restriction that limits reliance on the report to you, my client and furthermore please be warned that this report cannot be understood properly without additional information in my work files.

I reserve the right to change the value conclusion set forth within should additional information be made available or uncovered by your appraiser that was not previously available for my review and analysis as of the effective date of this appraisal.

Information contained in this appraisal has been gathered from sources which are believed to be reliable, and, where feasible, has been verified. No responsibility is assumed for the accuracy of information supplied by others.

I assume no responsibility for economic or physical factors which may affect the opinions herein stated which may occur at some date after the date of value.

The properties is appraised assuming it to be under responsible ownership and competent management, and available for its highest and best use.

Maps, plats and exhibits included herein are for illustration only, as an aid in visualizing matters discussed within the appraisal. They should not be considered as surveys nor relied upon for any other purpose, nor should they be removed from, reproduced, or used apart from this report.

Your appraiser has inspected the subject properties as far as possible by observation; however, it was impossible to personally inspect below ground conditions; therefore, no representation is made as to these matters unless specifically indicated within this appraisal.

Your appraiser shall not be required, by reason of this appraisal, to give testimony or to be in attendance in court or any governmental or other hearing with reference to the properties without prior arrangements having first been made relative to such additional employment.

I am a member of the Appraisal Institute. The Bylaws and Regulations of the Institute require each member to control the use and distribution of each appraisal signed by such member. Therefore, except as hereinafter provided, the party for whom this appraisal was prepared may distribute copies of this appraisal, in its entirety, to such third parties as may be selected by the party for whom this appraisal was prepared; however, selected portions of this appraisal shall not be given to third parties without the prior written consent of the signatories of this appraisal. Further, neither all nor part of this appraisal shall be disseminated to the general public by the use of advertising media, public relations media, news media, sales media or other media for public communication without the prior written consent of the signatories of this appraisal.

Assumptions and Limiting Conditions Specific to the Subject Properties

With respect to subject property # 10 (Mecca Comfort Station), there will be a lot line adjustment and I have appraised this property reflecting this lot line adjustment and the subsequent new acreage of the property. With respect to subject property # 11 (Mecca Fire Station Surplus Property), I have valued the land and property improvements (i.e. - Post Office building) which entailed analyzing value impact of the post office lease and valuing the excess land on the property. With respect to subject property # 20 (SR 60 / Valley Interchange) and subject property # 21 (Rubidoux Village), I have valued the billboard lease on each of the properties in addition to the land. With respect to property # 26 (Hemet Ryan Vicinity), I have valued this property after considering the value impact of the flood easement on this property. Please note that copies of the above referenced leases and information relative to the lot line adjustment and flood easement I have kept in my files.

Almost all of the subject properties represent vacant land. Except for subject property # 11, 20 and 21 as discussed herein, for purposes of this report I am to assume that the subject properties all represent vacant land and I am to provide only the land value estimate for the subject properties (even though some of the other subject properties may have building improvements on them such as subject property # 19). In addition, for purposes of this report I assume that all of the subject properties have legal property access and nearby utility access and are not located in a significantly detrimental flood zone (i.e.- a flood plain, etc.). All subject property information (i.e.- parcel sizes, zoning, APN / Address information, permissible land use, and so forth) presented herein was provide to your appraiser by my client and checked by your appraiser where possible and is assumed to be correct. Please note that all of the subject properties were appraised with their current zoning, but as part of the valuation process I have also considered the highest and best use of each subject property as discussed within the Highest and Best Use section of this report. Should any of the assumptions made in this paragraph found later not to be the case, I reserve the right to adjust my opinion of value accordingly.

I assume that all of the numerous assumptions made in this report with respect to the leases on subject property 11, 20 and 21 as well as the new acreage amount for subject property # 10 and the flood easement for subject property # 26 are correct and should any of these assumptions or any other assumptions made within this report (for example assumptions made within the Highest and Best Use section of this report, etc.) with respect to the subject properties be later found to be incorrect I reserve to adjust my value estimate for the subject property as stated herein accordingly.

No engineering survey of the boundaries of the subject properties was undertaken by your appraiser. All areas and dimensions furnished and reported herein are presumed to be correct. Should a future engineering study be conducted which results in measurements or figures different from those reported herein, and if such difference affects my value estimate as presented herein, I reserve the right to adjust my opinion of value accordingly.

I have not been provided with a preliminary title report for any of the subject properties. No responsibility is assumed for matters which are legal in nature. No opinion of title is rendered, and the properties is appraised as though free of all encumbrances and the title is assumed to be marketable. I assume that there are no items in the subject's title reports which would negatively affect my value estimates presented within this report. It is assumed that easements, if any, would reflect normal utility easements and/or access easements which do not adversely affect the value of the subject properties. In my valuation analysis of the subject properties, I have assumed that the subject properties have clear and marketable title. Properties taxes on the subject properties, if applicable, are assumed to be current. Should any of the assumptions made in this paragraph found later not to be the case, I reserve the right to adjust my opinion of value accordingly.

I have not been provided with an environmental report for the subject properties. Your appraiser did not detect the existence of any hazardous and/or toxic materials on the subject properties which posed a hazardous threat to the subject properties. Your

appraiser has no knowledge of the existence of such harmful materials on or in the properties. Your appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos or other potentially hazardous materials may affect the value of the properties. The value estimate is predicated on the assumption that there are no such hazardous and/or toxic materials on or in the properties that would cause a loss in value. No responsibility is assumed for any such condition, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

I have not received soils reports for the subject properties. I explicitly assume that the subject property's soils do not contain any unusual conditions and that there are no adverse soil conditions at the subject properties. I also assume that the subject's soils conditions will not negatively affect the value of the subject properties.

The subject properties are not located within 1,000 yards of the ocean and none of the subject properties are assumed to be in a designated wetland area. It is, therefore, assumed that the subject either satisfies, or is not affected by, the State or Federal wetlands acts/regulations.

INTRODUCTION

Purpose of the Appraisal Report / Identification of the Properties

The purpose of this appraisal report is to estimate the current market value of the subject properties that are identified herein. Please note that all or a portion of property # 11, 20 and 21 are currently leased and, therefore, the estimated values for these properties reflect the market value of the Leased Fee Estate. All of the other subject properties are reportedly unencumbered by a lease and, therefore, the estimated values for these properties reflect the market value of the Fee Simple Estate.

Appraisal Client / Intended User

My appraisal client and the intended user of this appraisal report is the County of Riverside Economic Development Agency on behalf of the Successor Agency to the Redevelopment Agency for the County of Riverside.

Function or Intended Use of the Appraisal Report / Appraisal Client

The function or intended use of this appraisal report is for the use of my client with respect to internal property analysis purposes.

Scope of the Appraisal

The scope of this appraisal includes the process of collecting primary and secondary data (i.e., CoStar Comps, TRW, etc. for sale data) relative to the subject properties along with the supporting market data and various data and information concerning the subject properties. This data has been analyzed and confirmed, whenever possible, leading to the value conclusions set forth herein.

This is a Restricted Appraisal Report that is intended to comply with the reporting requirements as set forth under the Uniform Standards of Professional Appraisal Practice (USPAP). It contains statements relating to my opinion as to the highest and best use of the subject properties, my estimate of market value for the subject properties, as well as other report information as required under USPAP. Please note

that USPAP requires that I inform you that as a restricted report, there is a use restriction that limits reliance on the report to you, my client and furthermore please be warned that this report cannot be understood properly without additional information in my work files.

The Sales Comparison Approach was determined to be the most appropriate approach to determine value and has been used to estimate the market value of the properties. Please refer to the Sales Comparison Approach section, given later in this report, for further explanation of what this approach entailed.

Date of the Appraisal / Date of Subject Properties Inspection

The opinions expressed in this report are stated as of May 16, 2016. I performed a drive-by inspection of the subject properties on May 18, 2015 and May 19, 2015.

Date of Appraisal Preparation

The appraisal was prepared on May 18, 2016.

Interest Appraised

All or a portion of property # 11, 20 and 21 are currently leased and, therefore, the estimated values for these properties reflect the market value of the Leased Fee Estate. All of the other subject properties are reportedly unencumbered by a lease and, therefore, the estimated values for these properties reflect the market value of the Fee Simple Estate.

Market Value Defined

The term Market Value¹ is defined as follows:

Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the properties would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market,

¹Uniform Appraisal Standards for Federal Land Acquisitions, Section B-2, Page 30.

from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the properties at the time of the appraisal.

Highest and Best Use Defined

Highest and Best Use² is an appraisal concept which has been defined as follows:

That reasonable and probable use that will support the highest present value, as defined, as of the effective date of the appraisal. Alternatively, that use, from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in highest land value.

Fee Simple Estate Defined

The term Fee Simple Estate³ is defined as follows:

Absolute ownership unencumbered by any other interest or estate; subject only to the limitations of eminent domain, escheat, police power, and taxation.

Exposure Time Defined

The term Exposure Time⁵ is defined as follows:

The estimated length of time the properties interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market.

²Real Estate Appraisal Terminology, Byrl N. Boyce, Ph.D., Ed., Ballinger Publishing Company, Cambridge, Massachusetts, 1981.

³Real Estate Appraisal Terminology, Byrl N. Boyce, Ph.D., Ed., Ballinger Publishing Company, Cambridge, Massachusetts, 1981.

⁵ USPAP, 1998 Edition, Statement on Appraisal Standards No. 6.

Marketing Time Defined

The term Marketing Time⁶ is defined as follows:

1. The time it takes an interest in real properties to sell on the market subsequent to the date of the appraisal;
2. Reasonable marketing time is an estimate of the amount of time it might take to sell an interest in real properties at its estimated market value during the period immediately after the effective date of the appraisal; the anticipated time required to expose the properties to a pool of prospective purchasers and to allow the appropriate time for negotiation, the exercise of due diligence, and the consummation of a sale at a price supportable by concurrent market conditions. Marketing time differs from exposure time, which is always presumed to precede the effective date of the appraisal.

Properties Ownership / Legal Description

Property ownership and legal descriptions are contained in my work files.

Properties History

Property histories are contained in my work files.

Subject Property Description

As shown in the previously given subject property valuation summary chart, there are a total of 25 subject properties which encompass 53 APNs and approximately 37.22 acres. Also, in the previously given subject property valuation summary chart is subject property information relating to parcel sizes, zoning, APN / address information, permissible land uses, and so forth.

Except for subject property # 11, 20 and 21 as discussed herein, for purposes of this report I am to assume that the subject properties all represent vacant land and I am to provide only the land value estimate for the subject properties. Please refer to the

⁶ The Dictionary of Real Estate Appraisal, 3rd Edition, 1993.

Assumptions and Limiting Conditions, given earlier in this report, for other assumptions utilized with respect to the subject properties.

AREA DESCRIPTION

Riverside County Description

The subject properties is situated in a part of the greater Los Angeles area which is known as the "Inland Empire" which is composed of Riverside and San Bernardino Counties. A Location Map is included for reference on the preceding page. Riverside and San Bernardino Counties ("Inland Empire") represent contiguous counties that are located in the southeastern portion of the state. The western portions of these counties combine to form the Riverside-San Bernardino-Ontario Metropolitan Statistical Area (MSA), the sixth largest MSA in the state of California.

Riverside County encompasses an area of approximately 7,300 square miles. The western portion of the county is separated from the rest of the area by a series of mountain ranges, including the San Jacinto and Santa Ana ranges. With more than 20,000 square miles in area, San Bernardino County is geographically the largest county in the nation. More than 90% of the county is desert, consisting of low mountains, valleys, and dry lakebeds.

The Inland Empire has an international airport, transcontinental railroads, major interstate highways, numerous trucking companies, and facilities within operating proximity to the two largest West Coast ports: Los Angeles and Long Beach. Additionally, the Inland Empire's strategic location allows businesses based here to rapidly serve markets throughout California, in the western states, and in Pacific Rim countries.

Riverside and San Bernardino Counties extend about 200 miles easterly to the Colorado River on the Arizona Border, to within 50 miles of the Pacific Ocean. The majority of the population resides within the metropolitan area surrounding the cities of Riverside and San Bernardino, both situated near the westerly end of their respective counties. The varied county topography includes level land areas, mountains, valleys, dry lake beds, the Colorado River Valley, the San Gabriel and San Bernardino

Mountains, several lakes and a large valley which forms a part of Southern California's citrus belt.

All modes of transportation are available to Inland Empire. A well-integrated freeway system serves the general area. Freeways which link the Inland Empire to business centers of Southern California include Interstate Highways 10, 15, and 215, and California State Highways 60 and 91. The subject properties has adequate local and regional access.

The Inland Empire has excellent rail service, with the largest switching yard west of Chicago located in the cities of Colton and Rialto. The area is serviced by the Santa Fe, Southern Pacific, and Union Pacific Railroads. Commuter rail service has been instituted between San Bernardino and downtown Los Angeles as well as Riverside and downtown Los Angeles. This service is provided by the Metrolink commuter train system which connects to the Los Angeles subway system at Union Station northeast of the Los Angeles downtown area.

Overall, the region's natural and man-made physical environment provides adequate resources for commercial and residential development.

Population

The San Bernardino-Riverside Counties area is one of the fastest growing regions in the nation. This is attributable to a desirable physical environment, low housing costs, and a diverse mixture of industry experiencing expansion. Since 1950, population in the area has rapidly. According to the US Census Bureau, in 2000 the population of Riverside County was 1,545,387 and in 2010 the population had grown to 2,189,641, reflecting a 41.7% population increase. The 2015 population estimate for Riverside County is 2,361,026 reflecting an approximate 7.8% increase over the 2010 population figure. These positive population growth trends are expected to continue as less expensive commercial, industrial and residential land attracts residents and businesses from the more expensive and intensely developed Los Angeles and Orange County

regions. Migration to the region by industrial and service businesses, families searching for more affordable housing and the natural growth of a relatively young population have all added to the positive changes that have taken place. Further demographic and other information for the County of Riverside may be found in the addenda.

Economy

Similar to the national economy, the economy of Riverside County continues to recover and improve from the previous prolonged national economic recession. Riverside County continues to offer a diverse labor pool, abundance of affordable land available for development, and the increasing population base. Further data relating to the economy of the region may be found in the addenda. Overall, the long term economic trends are positive, with forecasted increasing retail sales and real estate values as the national economic conditions continue to improve. These long term trends should ultimately positively impact the region.

Regional Area Conclusion

Riverside County is continuing to experience an expansion of its population and economic base, albeit at a somewhat slower pace in recent years, precipitated by affordable housing and direct access to major employment centers via the area's network of freeways. The growth of the local housing market is due to the area's relatively abundant supply of affordable land and direct access to employment. There is a growing trend of younger families who work in the Orange - Los Angeles Counties metropolitan area and moving to the San Bernardino-Riverside area to find affordable housing. New commercial and industrial businesses are also attracted to the area by an available labor pool, relatively close proximity to major metropolitan areas and lower land costs. In summary, this combination of social and economic forces will continue to generate demand for properties such as the subject properties.

According to brokers interviewed and sales data in my files, in general, prior to 2013 land sale prices in Riverside County were flat to very gradually increasing. However, starting in 2013 to the present, land prices have experienced more appreciation in the range of say 3% to 7% per year (say approximately 5% per year on average), depending on primarily upon property location. Consequently, I have based my time adjustments for market conditions for the land sale comparables analyzed within this report, accordingly.

The majority of the subject properties are located within fair proximity to local shopping facilities and restaurants and within a generally reasonable commuting distance to major retail and commercial centers within the greater region. Overall, in general, the subject properties and their surrounding environments appear to contain all the elements to ensure continued growth and economic viability.

HIGHEST AND BEST USE

Highest and Best Use is an appraisal concept which has been defined as follows:

That reasonable and probable use that will support the highest present value, as defined, as of the effective date of the appraisal.

Alternatively, that use, from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, financially feasible, and which results in highest land value.

The highest and best use of a properties is an economic concept that measures the interaction of the following four criteria – legally permissible, physically possible, financially feasible and maximally productive. The determination of a property's highest and best use is a critical appraisal component that provides the valuation framework upon which comparable market information is derived. Such comparable data includes cost, sales, and income and expense data pertaining to the property's concluded best use.

To render a reliable use and value estimate, the highest and best use of the properties as if vacant must be considered separately from the highest and best use of the properties as improved. This is because the site must be valued as though vacant and available for development to its highest and best use even if the property's existing improvements do not represent the highest and best use of the site. The following discussion relates to the highest and best use considerations of the subject as vacant followed by supporting analyses and conclusions.

Please note, as previously stated, it is my understanding that a few of the subject properties contain older houses and possibly other structures / improvements on them. However, **for purposes of this report, except for subject property # 11, 20 and 21 as discussed herein, I assume that the subject properties all represent vacant land.**

HIGHEST AND BEST USE – AS VACANT

Highest and best use of land or a site as though vacant⁷ is defined as:

Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a properties based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.

Legally Permissible. Zoning varies per property (see previous property summary chart).

Physically Possible. The physical characteristics of a site that may affect its possible use(s) include, but are not limited to, location, street frontage, size, shape, street access, availability of utilities, easements, soils and sub-soils, and topography. From the physical inspection of the subject properties, it appears that the subject properties can physically support a number of use types assuming that the soils conditions are made adequate for properties development.

Financially Feasible. It appears as though a variety of developments may be financially feasible. Among the physically and legally permissible land uses which may be considered a financially feasible improvement is any use that provides a positive net return to the land. With the exception of subject property 12, 20 and 32, based on my discussions with local real estate agents and market data in my files, it appears the eventual development of the subject properties with product consistent with its zoning would potentially provide the highest positive net return to the land. Subject properties 12 and 32 are reportedly zoned commercial, however, given their locations and surrounding land uses, it appears as though the most financially feasible use of these properties would be for residential use. Subject property number 20 is zoned agricultural, however, given its location and surrounding land uses, it appears as though

⁷Per The Dictionary of Real Estate Appraisal, Third Edition, (Chicago: Appraisal Institute, 1993) p. 171)

the most financially feasible use of this property would be for commercial use. Please note that all of the subject properties were appraised with their current zoning, but as part of the valuation process I have also considered the highest and best use of each subject property.

Maximally Productive. The determination of financial feasibility is dependent primarily upon demand. Given the subject's physical characteristics and considering the subject's reported zoning and current market conditions, it is my opinion that with the exception of subject property 12, 20 and 32, based on my discussions with local real estate agents and market data in my files, it appears the eventual development of the subject properties with product consistent with its zoning would potentially provide the highest positive net return to the land. Subject properties 12 and 32 are reportedly zoned commercial, however, given their locations and surrounding land uses, it appears as though the most financially feasible use of these properties would be for residential use. Subject property number 20 is zoned agricultural, however, given its location and surrounding land uses, it appears as though the most financially feasible use of this property would be for commercial use.

Conclusion: Highest and Best Use – As Vacant

With the exception of subject property 12, 20 and 32, based on my discussions with local real estate agents and market data in my files, it appears the eventual development of the subject properties with product consistent with its zoning would potentially provide the highest positive net return to the land. Subject properties 12 and 32 are reportedly zoned commercial, however, given their locations and surrounding land uses, it appears as though the most financially feasible use of these properties would be for residential use. Subject property number 20 is zoned agricultural, however, given its location and surrounding land uses, it appears as though the most financially feasible use of this property would be for commercial use.

Given the above analysis, the considering the immediate and greater surrounding areas and current market conditions, the highest and best use of the subject properties, as

vacant, appears to be for eventual development of the subject properties as discussed above.

HIGHEST AND BEST USE - AS IMPROVED

(As it pertains to the post office building on subject property # 11 and the billboard sign on subject property # 20 and # 21, ONLY)

Highest and Best Use of property as improved⁸ is defined as:

The use that should be made of a property as it exists. An existing property should be renovated or retained as long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.

Legally Permissible. Within the scope of this legal analysis, the existing improvements of the subject property # 11, 20 and 21 as referenced above are assumed to a legal, conforming use of the site with respect to the zoning requirements.

Physically Possible. There appears to be no reason the subject site (i.e.- for subject property # 11, 20 and 21) cannot continue to support the above referenced existing improvements. With respect to subject property # 11, 20 and 21, based on the subject's land areas, the configuration, the positioning and design of the improvements on the sites and so forth, the existing improvements are appear functional for the sites.

Financially Feasible. Income and estimated expenses for the subject property # 11, 20 and 21 (based on the existing leases) are given in this report. The resulting estimate of the subject's net operating income suggests the subject property # 11, 20 and 21 can generate income in excess of its operating expenses, indicating that demolition of the improvements is not prudent. As will be discussed later in this report, the net operating income from subject property # 11, 20 and 21 was assumed expire on 10-4-20, 1-10-31 and 10-24-21, respectively. Given the relatively short term nature of this income (particularly for subject property # 11 and 21), I have considered this income to

⁸Per The Dictionary of Real Estate Appraisal, Third Edition, (Chicago: Appraisal Institute, 1993) p. 171)

essentially represent interim income. I have calculated the net present value (NPV) of this interim net operating income for subject property # 11, 20 and 21 and I have added this NPV of this interim income to the land value for these properties.

Maximally Productive. No other probable or profitable alternative use for the site is believed to exist that would economically justify the immediate removal or modification of the existing improvements to allow for an alternate use.

With respect to subject property # 11, as will be discussed later within this report, a portion of subject property # 11 is currently improved with a post office building (which is currently leased), however, there does appear to be some excess vacant land on this property. Until such time as the existing building improvements for subject property # 11 outlive their economic life, the currently maximally productive and, therefore, the Highest and Best Use of subject property # 11, as it pertains to the improved portion of that property, is for the continued use of the existing building improvements until its current lease expires as explained later in this report.

With respect to subject property # 20 and # 21, as will be discussed later within this report, a very small portion of subject property # 20 and # 21 is currently improved with a billboard sign (which are currently leased), however, vast majority of these properties represent vacant land. Until such time as the existing billboard sign improvements for subject property # 11 outlive their economic life, the currently maximally productive and, therefore, the Highest and Best Use of subject property # 20 and # 21, as it pertains to the improved portions of those properties, is for the continued use of those existing billboard improvements until their leases either expire or are assumed to expire, as explained later in this report. It appears as though the highest and best use of the unimproved vast majority of subject property # 20 and # 21 is for commercial development.

Conclusion: Highest and Best Use - As Improved

The subject improvements are designed in a cosmetic quality exterior fashion such that, in my opinion, they generally conform to the immediate area. Furthermore, a comparison of the value conclusions reached in the valuation analysis which follows, indicates that the improvements have a contributory value to the land. Therefore, after having applied the tests of availability, adaptability, and demand, I have concluded that until such time as the existing improvements outlive their economic life, the present Highest and Best Use "as improved" of subject property # 11, 20 and 21, as it pertains to those improved portions of those properties, is for the continued use of those existing improvements.

A portion of subject property # 11 is currently improved with a post office building, however, there does appear to be some excess land on this property. While the existing post office building appears to currently represent the highest and best use of the improved portion of this property, it does appear as though the highest and best use of the remaining unimproved portion of this property (i.e.- of the excess land) is for commercial development.

It should further be noted that a small portion of data # 20 and # 21 are improved with billboard signs which are currently leased. While these existing improvements appear to the represent the maximally productive highest and best use of those small, improved portions of the these properties, it does appear as though the highest and best use of the remaining vacant portions of these two properties is for commercial development.

VALUATION METHODOLOGY

Basis Of Valuation

The valuation performed herein is based on general and specific background experience, opinions of qualified informed persons, consideration of all data gathered during the investigative phase of the appraisal, and on analysis of all market data available to the appraiser.

Valuation Approaches / Appraisal Methodology

The three primary approaches to value that are available to the appraiser are: the Cost Approach, the Income Approach, and the Sales Comparison Approach. To estimate the value of the subject's land, only the Sales Comparison Approach was found to be appropriate and, therefore, only this approach was utilized.

SALES COMPARISON APPROACH

The Principle of Substitution states that the value of a properties tends to be set by the price at which comparable properties have recently sold or for which they can be bought. The Sales Comparison Approach requires a detailed comparison of sales of comparable properties with the subject properties. Given this fact, I have, consequently, analyzed recent comparable properties sales within the subject's greater area utilizing a price per square foot analysis, the primary indicator of value utilized by buyers in the market. By analyzing these comparable sales for their similarities and differences and then adjusting them for such differences, an indication of the subject's land value can be derived.

Land Sales Analysis

I have performed a search of comparable sales for all of the subject properties. Numerous factors for each sale comparable were considered and adjusted for, including property rights, financing, condition of sale and market conditions. In addition, physical characteristics of each sale comparable such as location, size, zoning, parcel shape, on-site and off-site improvements, site access, site topography and property views and so forth were also considered and adjusted for by your appraiser.

Given this sales information, and considering discussions with several local real estate agents and current market conditions, I have estimated the market value of the subject properties to be as shown on the following section of this report.

Valuation of Subject Property # 10, 11, 21 and 22

As previously stated, I have previously performed a Restricted Appraisal Report on the above referenced properties (36 in total) for your office in May 2015. In this Restricted Appraisal Report I have appraised only subject property # 1, 8 thru 12, 14 thru 28 and 32 through 35 (I have not appraised in this report property # 2 through 7, 13, 15, 29, 30, 31 and 36). Factors involving some of the subject properties which I had not taken into

consideration last year but I have considered in this report are summarized and valued on the following pages.

Subject Property # 10: Lot Line Adjustment

With respect to subject property # 10 (Mecca Comfort Station), there will be a lot line adjustment and I have appraised this property reflecting this lot line adjustment and the subsequent new acreage of the property. Previously, the total acreage of this property was approximately .70 acres, however, after the lot line adjustment the new acreage of this property will be reportedly approximately .58 acres. This assumes that APN 727-193-013 (currently 6,515sf) and APN 727-193-038 (currently 5,227sf) will both be reduced by a combined total of approximately 5,207sf.

Specifically, based upon their current lot sizes and dimensions, I have estimated that APN 727-193-013 will be reduced by approximately 2,889sf and that APN 727-193-038 will be reduced by approximately 2,318sf (which reflects a combined size reduction total of 5,207sf). This results in an estimated new parcel size for APN 727-193-013 to be 3,626sf and the new parcel size for APN 727-193-038 to be 2,909sf. Please note that I have assumed that the other 2 parcels which comprise subject property # 10 will remain unchanged. Based upon the above assumptions, I have estimated the current market value of subject property # 10 as shown in the following section of this report.

Subject Property # 11: Valuation of Post Office Building Lease

With respect to subject property # 11 (Mecca Fire Station Surplus Property), I have valued the land and property improvements (i.e. – an approximate 1,750sf old Post Office building) which entailed analyzing value impact of the post office lease.

The post office building is reportedly in its 5 year lease option period which will end on 10-4-20. The current rent of \$1,267/month, or approximately \$0.72/sf/month, is fixed over the current 5 year lease option period. The property is leased on a modified gross lease basis which reportedly calls for the tenant to pay for all utility expenses and for the landlord to pay for all other property operating expenses. For purposes of this analysis,

I have assumed that the building will be not be re-leased. I have assigned no further value to the subject's building after 10-4-20. Please note that the subject's current rent is equivalent to approximately \$0.45/sf/month of a NNN lease basis, which I consider to be generally reflective of current market rent for the property.

Assuming nominal property operating expenses of 4% per year (for property management, reserves for replacement, etc.) and a discount rate of 8% year, I have estimated the net present value of the subject's post office lease to be approximately \$31,000. Since this lease has less than five years remaining on it and I have given the improvements no value after the lease ends, for valuation purposes I have considered the NPV of this lease as the value of the interim income. The older building age (nearing the end of its economic life) and the location of the building on the larger partial appears to indicate that the building does not ultimately represent the highest and best use of the site, however, it does produce interim income which is of value until the site can ultimately be developed to its highest and best use.

Please refer to the following section of this report for the valuation of the land area of subject property # 11.

Subject Property # 20: Billboard Valuation

With respect to subject property # 20 (SR 60 / Valley Interchange), I valued the billboard lease on this property in addition to the land. I have assumed the lease started on 1-11-11, the date the lease was signed. Since the lease began, the landlord has reportedly only received the base rent of \$3,000/year and no percentage rent. For purposes of this analysis, I have assumed the landlord to only receive \$3,000/year for the remainder of the 20 year lease term (assumed to expire on 1-10-31). I have not assumed that the billboard lease will be renewed beyond 1-10-31. Assuming nominal property operating expenses of 2% per year (for property management, etc.) and a discount rate of 8% year, I have estimated the net present value of this billboard lease to be approximately \$24,200. Please refer to the following section of this report for the land valuation of subject property # 20 which has considered the reportedly approximately 300sf of land

area that is associated with the billboard sign.

Subject Property # 21: Billboard Valuation

With respect to subject property # 21 (Rubidoux Village), I valued the billboard lease on this property in addition to the land. From what I can determine, this lease commenced on 10-25-76 for a period of one year and at a rental rate of \$480/year. This lease has been reportedly annually renewed at the same rental rate of \$480/year. For purposes of this report, I have assumed that this lease will be renewed at the same rental of \$480/year for 5 more years (i.e.- ending on 10-24-21). I have not assumed that the billboard lease will be renewed beyond 10-24-21.

Based upon this assumption and assuming nominal property operating expenses of 2% per year (for property management, etc.) and a discount rate of 8% year, I have estimated the net present value of this billboard lease to be approximately \$1,900. Please refer to the following section of this report for the land valuation of subject property # 21 which has considered the reportedly approximately 300sf of land area that is associated with the billboard sign.

Subject Property # 26: Value Impact of the Flood Easement

With respect to property # 26 (Hemet Ryan Vicinity) there is reportedly a non-exclusive flood easement on this property which is into perpetuity and reportedly no structures can be built the area of the subject that is covered by this easement. I have roughly estimated the area of this easement to be approximately 51,344 square feet or approximately 1.18 acres. The flood easement runs along the northern boundary of the property (mostly in the required building set back area). Moreover, a lot of the flood easement in areas of the property that would not be built on anyway, such as the driveway area off South Cawston Avenue and the tiny triangle piece at the western corner of the property - these areas could not be built on anyway (note: a driveway would go in these areas). Consequently, it appears as though that this flood easement has a relatively minimal negative impact to the overall value to the subject property. I have, therefore, estimated this easement to diminish the value of that portion of the

property that is effected by this easement by a factor of 25%.

The total value impact of this flood easement upon the value of this property is shown below. Please note that I have estimated the market value of this property with no flood easement to be approximately \$2.50/sf.

Market value with no flood easement: \$2.50/sf x 181,645sf = \$454,113

Value impact of the flood easement: \$2.50/sf x .25 x 51,344sf = \$ 32,090

Market value with flood easement: \$422,023*

****Note: \$422,023 equates to value/sf of the entire property of approximately \$2.32/sf and the overall value of the subject property, after considering the impact of the flood easement, dropped by approximately 7%.***

Given the above analysis, I have estimated the market value of the subject properties to be as shown on the following section of this report.

RECONCILIATION AND FINAL VALUE

With respect to reconciliation, there is, in this case, only one applicable approach to value, the Sales Comparison Approach. The Sales Comparison Approach to value is believed the most relevant indicator of value, as it is the most likely method of valuation a potential purchaser would use in the marketplace. As a result, this is the sole basis for the value conclusion. The following value estimate reflects current market conditions.

Based upon the investigations conducted, analyses made, and on my experience as a real estate analyst and appraiser, I have formed the opinion of the Market Value of the subject properties as of May 16, 2016 is as shown on the following pages.

Subject Property Summary List with Estimates of Market Value

Original Property No.	APN No. (count)	Permissible Use Detail	Address	APN #	Approx. Lot Size (acres)	Approx. Lot Size (Sq. Ft.)	Current Zoning	Estimate of Current Market Value / SF	Estimate of Current Market Value
1	1	Lakeland Village Property	18641 Grand Ave Lakeland Village	371-210-028	2.66	115,870	R-R (Rural Residential)	\$2.10	\$243,327
8	2	Future Oasis Fire Station Property	Harrison St, Mecca	749-160-012	3.08	134,165	A-1-10 (Light Agriculture)	\$0.95	\$127,457
9	3	Mecca Triangle Park	Hammond Rd, Mecca	727-184-036	0.22	9,583	C-P-S (Scenic Highway Commercial)	\$4.50	\$43,124
10	4	Mecca Comfort Station	2nd St/66th Ave Mecca	727-193-047	0.19	8,276	C-P-S	\$3.90	\$32,276
10	5	Mecca Comfort Station	2nd St/66th Ave Mecca	727-193-013	0.08	3,626	C-P-S	\$3.90	\$14,141
10	6	Mecca Comfort Station	2nd St/66th Ave Mecca	727-193-046	0.24	10,454	C-P-S	\$3.90	\$40,771
10	7	Mecca Comfort Station	2nd St/66th Ave Mecca	727-193-038	0.07	2,909	C-P-S	\$3.90	\$11,345
				Property 10 Totals:	0.58	25,265		\$3.90	\$98,534
11	8	Mecca Fire Station Surplus Property	2nd St, Mecca	727-193-027	0.15	6,548	C-P-S	\$3.90	\$25,537
11	9	Mecca Fire Station Surplus Property	91307 2nd St, Mecca	727-193-028	0.14	6,073	C-P-S	\$3.90	\$23,685
11	10	Mecca Fire Station Surplus Property	91279 2nd St, Mecca	727-193-041	0.59	25,700	C-P-S	\$3.90	\$100,230
11		NPV of Post Office Lease on Mecca Fire Station Surplus Property	91307 2nd St, Mecca						\$31,000
				Property 11 Totals:	0.88	38,321		\$4.71	\$180,452
12	11	Mecca Roundabout Surplus Property	4th St/Hammond Rd Mecca	727-161-025	0.06	2,614	C-P-S	\$2.40	\$6,274
12	12	Mecca Roundabout Surplus Property	4th St/Hammond Rd Mecca	727-161-026	0.04	1,742	C-P-S	\$2.40	\$4,181
12	13	Mecca Roundabout Surplus Property	4th St/Hammond Rd Mecca	727-161-028	0.09	3,920	C-P-S	\$2.40	\$9,408
12	14	Mecca Roundabout Surplus Property	4th St/Hammond Rd Mecca	727-161-027	0.01	436	C-P-S	\$2.40	\$1,046
12	15	Mecca Roundabout Surplus Property	4th St/Hammond Rd Mecca	727-161-030	0.19	8,276	C-P-S	\$2.40	\$19,862
				Property 12 Totals:	0.39	16,988		\$2.40	\$40,771
14	16	"A" Street Surplus Property	Harvill Ave, Perris	317-270-014	0.61	26,572	M-H	\$3.50	\$93,002
15	17	University Research Park	1400 Research Park Dr Riverside	257-030-014	4.32	188,179	BMP (Business Manufacturing)	\$7.25	\$1,364,298
15	18	University Research Park	532 Technology Dr Riverside	257-030-012	3.15	137,214	BMP (Business Manufacturing)	\$7.25	\$994,802
				Property 15 Totals:	7.47	325,393		\$7.25	\$2,359,099
16	19	Home Gardens Surplus Property	Magnolia Ave Home Gardens	135-022-003	0.22	9,583	C-1/C-P (General Commercial)	\$10.50	\$100,622
16	20	Home Gardens Surplus Property	Magnolia Ave Home Gardens	135-022-028	0.05	2,178	R-1 (One Family Dwelling)	\$10.50	\$22,869
16	21	Home Gardens Surplus Property	Magnolia Ave Home Gardens	135-022-030	0.21	9,148	C-1/C-P (General Commercial)	\$10.50	\$96,054

Subject Property Summary List with Estimates of Market Value

Original Property No.	APN No. (count)	Permissible Use Detail	Address	APN #	Approx. Lot Size (acres)	Approx. Lot Size (Sq. Ft.)	Current Zoning	Estimate of Current Market Value / SF	Estimate of Current Market Value
				Property 16 Totals:	0.48	20,909		\$10.50	\$219,545
17	22	Vernola Park/Wineville Realignment Surplus Property	Wineville Rd Jurupa Valley	156-340-049	0.19	8,276	M-SC (Manufacturing Service)	\$9.00	\$74,484
18	23	Mission Boulevard/Arora Commercial Property	5435 Mission Blvd Jurupa Valley	179-222-010	0.12	5,227	R-VC (Rubidoux Village)	\$5.10	\$26,658
18	24	Mission Boulevard/Arora Commercial Property	3762 Arora St Jurupa Valley	179-203-027	0.19	8,170	R-VC (Rubidoux Village)	\$5.10	\$41,667
				Property 18 Totals:	0.31	13,397		\$5.10	\$68,325
19	25	Mission Boulevard/Packard Commercial Property	5533 Mission Blvd Jurupa Valley	179-211-004	0.09	3,753	R-VC (Rubidoux Village)	\$8.25	\$30,962
20	26	SR 60/Valley Interchange Surplus Property	Mission Blvd Jurupa Valley	174-150-022	4.22	183,823	A-1 (Light Agriculture)	\$6.20	\$1,139,703
20		NPV of Billboard Lease on SR 60/Valley Interchange Surplus	Mission Blvd Jurupa Valley	174-150-022					\$24,200
				Property 20 Totals:	4.22	183,823		\$6.33	\$1,163,903
21	27	Rubidoux Village Commercial Property	5362 37th St Jurupa Valley	179-260-017	0.17	7,232	R-VC East (Rubidoux village)	\$4.75	\$34,352
21	28	Rubidoux Village Commercial Property	5358 37th St Jurupa Valley	179-260-018	0.17	7,205	R-VC East (Rubidoux village)	\$4.75	\$34,224
21	29	Rubidoux Village Commercial Property	37th St Jurupa Valley	179-260-019	0.17	7,477	R-VC East (Rubidoux village)	\$4.75	\$35,516
21	30	Rubidoux Village Commercial Property	5348 37th St Jurupa Valley	179-260-020	0.13	5,500	R-VC East (Rubidoux village)	\$4.75	\$26,125
21	31	Rubidoux Village Commercial Property	5357 Mission Blvd Jurupa Valley	179-260-008	0.13	5,706	R-VC East (Rubidoux village)	\$4.75	\$27,104
21	32	Rubidoux Village Commercial Property	5393 Mission Blvd Jurupa Valley	179-260-046	1.26	54,886	R-VC East (Rubidoux village)	\$6.00	\$329,316
21		NPV of Billboard Lease on Rubidoux Village Commercial Property							\$1,900
				Property 21 Total:	2.02	88,006		\$5.55	\$488,536
22	33	Rubidoux Health Clinic Surplus Property	5256 Mission Blvd Jurupa Valley	181-120-015	0.38	16,553	R-VC East (Rubidoux village)	\$5.75	\$95,180
23	34	Mission Boulevard/Daly Commercial Property	5292 Mission Blvd Jurupa Valley	181-120-014	0.62	27,007	R-VC Center (Rubidoux Village)	\$6.00	\$162,042
23	35	Mission Boulevard/Daly Commercial Property	Daly Ave Jurupa Valley	181-120-017	0.01	436	R-VC East (Rubidoux village)	\$6.00	\$2,616
				Property 23 Totals:	0.63	27,443		\$6.00	\$164,658
24	36	Mission Boulevard/Fort Commercial Property	5538 Mission Blvd Jurupa Valley	181-061-002	0.06	2,750	R-VC East (Rubidoux village)	\$7.25	\$19,938
25	37	Valley Way/Armstrong Road Surplus Property	3644 Valley Way Riverside	177-091-002	0.15	6,534	C-1/C-P (General Commercial)	\$5.25	\$34,304
26	38	Hemet Ryan Vicinity Commercial Property	Stetson Ave Hemet	456-020-010	4.17	181,645	M-2 (Heavy Manufacturing)	\$2.32	\$422,023
27	39	Thermal Street Improvement Surplus Property	Church St/Date St Thermal	757-052-015	0.16	6,970	R-3-4000 (General Residential)	\$2.75	\$19,168
27	40	Thermal Street Improvement Surplus Property	Church St/Date St Thermal	757-052-016	0.24	10,454	R-3-4000 (General Residential)	\$2.75	\$28,749
27	41	Thermal Street Improvement Surplus Property	Church St/Date St Thermal	757-052-014	0.15	6,534	R-3-4000 (General Residential)	\$2.75	\$17,969

Subject Property Summary List with Estimates of Market Value

Original Property No.	APN No. (count)	Permissible Use Detail	Address	APN #	Approx. Lot Size (acres)	Approx. Lot Size (Sq. Ft.)	Current Zoning	Estimate of Current Market Value / SF	Estimate of Current Market Value
27	42	Thermal Street Improvement Surplus Property	Church St/Date St Thermal	757-052-017	0.09	3,920	R-3-4000 (General Residential)	\$2.75	\$10,780
27	43	Thermal Street Improvement Surplus Property	Church St/Date St Thermal	757-052-013	0.13	5,663	R-3-4000 (General Residential)	\$2.75	\$15,573
27	44	Thermal Street Improvement Surplus Property	Church St/Date St Thermal	757-052-010	0.01	436	R-3-4000 (General Residential)	\$2.75	\$1,199
				Property 27 Totals:	0.78	33,977		\$2.75	\$93,437
28	45	Thermal Commercial Property	Main St/Market St Thermal	757-054-018	0.20	8,712	C-P-S (Scenic Highway Commercial)	\$3.90	\$33,977
28	46	Thermal Commercial Property	Main St/Market St Thermal	757-054-019	0.01	436	C-P-S (Scenic Highway Commercial)	\$3.90	\$1,700
28	47	Thermal Commercial Property	56105 Hwy 111 Thermal	757-042-008	0.14	6,098	C-P-S (Scenic Highway Commercial)	\$4.90	\$29,880
28	48	Thermal Commercial Property	56027 Hwy 111 Thermal	757-041-030	0.08	3,485	C-P-S (Scenic Highway Commercial)	\$3.75	\$13,069
				Property 28 Totals:	0.43	18,731		\$4.20	\$78,626
32	49	Cabazon/Ramona Commercial Property	50052 Ramona St Cabazon	526-021-006	0.59	25,700	C-P-S (Scenic Highway Commercial)	\$0.95	\$24,415
32	50	Cabazon/Ramona Commercial Property	Ramona St, Cabazon	526-021-007	0.29	12,632	C-P-S (Scenic Highway Commercial)	\$0.95	\$12,000
				Property 32 Totals:	0.88	38,332		\$0.95	\$36,415
33	51	Cabazon Sewer Project	Elm St, Cabazon	525-150-012	3.44	149,846	R-A-5 (Residential Agriculture)	\$0.30	\$44,954
34	52	Romoland Property	Briggs Road, Menifee	333-170-013	2.10	91,476	R-R (Rural Residential)	\$1.50	\$137,214
35	53	Hwy 74 Surplus Property	Hwy 74/Sherman Rd Menifee	329-030-011	1.00	43,560	C-P-S (Scenic Highway Commercial)	\$6.75	\$294,030
		Grand Totals:			37.22	1,621,168		\$4.10	\$6,652,297

NOTE:

- 1) There are a total of 25 subject properties, many of which contain multiple APNs. The rows have been colored to visually help separate the properties.
- 2) The total figures (ie - total acreage, total SF, \$/SF and total property value estimate) for each of the 25 subject properties are shown above in bold.
- 3) The Grand Total shows the overall average estimated market value per SF (ie - for all 25 subject properties).
- 4) With respect to APNs that are adjacent to each other, the estimated value of these APNs assumed that they are sold together as a single property.
- 5) Subject property # 11, 20 and 21 are encumbered by a lease and, therefore, the above values for these properties reflect the estimated value of the Leased Fee Estate. All of the other above values for the subject properties reflect the estimated market value of the Fee Simple Estate, since they are all reportedly unencumbered by leases.

ADDENDA

Qualifications of the Appraiser

QUALIFICATIONS
OF
MICHAEL J. FRANCIS, MAI
Real Estate Appraiser and Consultant

PROFESSIONAL EXPERIENCE

Michael J. Francis, MAI, has been actively engaged in the real estate profession since 1984, providing full service real estate appraisal and consulting services on undeveloped acreage and a wide variety of commercial, industrial and residential properties located in southern California.

Before operating independently, Michael J. Francis, MAI, was employed as an Associate Appraiser with Joseph J. Blake and Associates, in San Francisco, California. Prior to that Michael J. Francis was a salesperson in Commercial Real Estate with Grubb & Ellis.

PROFESSIONAL ASSOCIATIONS

Member of the Appraisal Institute, with MAI designation

LICENSES

State of California - "Certified General Real Estate Appraiser"
California State Certification No. AG002243
Expiration Date: January 22, 2018
State of California - "Real Estate Broker License"
California Department of Real Estate
Expiration Date: July 20, 2020

EDUCATIONAL ACTIVITIES

B.A., Business, Economics and Law, University of California, Berkeley, California 1980.
Special courses in Real Estate:

- Introduction to Real Property Appraisal
- Legal Aspects of Real Estate
- Introduction to Real Estate and Urban Land Economics
- Real Estate Finance
- Monetary Theory and Banking Systems

Graduate Course Work, Real Estate Masters Program, Golden State University, San Francisco, California.

Courses sponsored by American Institute of Real Estate Appraisers:

Course 1A-1	Real Estate Appraisal Principals
Course 1A-2	Basic Valuation Procedures
Course 1B-A	Capitalization Theory and Techniques, Part A
Course 1B-b	Capitalization Theory and Techniques, Part B
Course 2-1	Case Studies in Real Estate Valuation
Course 2-2	Valuation Analysis and Report Writing
Course S-PP	Standards of Professional Practice
Course 2-2	Valuation Analysis and Report Writing

EDUCATIONAL ACTIVITIES (continued)

Course S-PP	Standards of Professional Practice
Seminar	Non-Residential Demonstration Appraisal Report Writing
Seminar	Appraisal Regulations of the Federal Banking Agencies
Seminar	Non-Residential Demonstration Appraisal Report Writing
Seminar	Appraisal Regulations of the Federal Banking Agencies
Seminar	Standards of Appraisal Practice
Seminar	Residential Subdivisions
Seminar	Litigation Seminar
Course 746	Uniform Appraisal Standards for Federal Land Acquisitions
Course 797	Valuation of Conservation Easements
Course 401	Appraisal of Partial Acquisitions (sponsored by the International Right of Way Association)

Numerous seminars, short courses and clinics on real estate appraisal and other related topics on a continuing basis.

SCOPE OF EXPERIENCE

I have performed appraisal and consulting work for a wide variety of clients including lenders, pension funds, corporations, public and governmental agencies, law firms, and private parties. Public agency appraisal services include the valuation of full and partial acquisitions for eminent domain and the valuation of conservation easements. I have also served as an legal expert witness.

Vacant Land

Single-family residential sites, multi-family residential sites, commercial and industrial sites, a wide variety of undeveloped acreage (large and small, ocean front/coastal and inland), contaminated land, planned communities.

Residential

Residential subdivisions, single-family residences, apartments, condominiums, section 8 housing projects, planned unit developments.

Commercial

Shopping centers, retail stores, general office buildings, medical office buildings, office and retail condominiums.

Industrial

Single- and multi-tenant warehouses and manufacturing buildings, truck terminals, business parks, R & D buildings, automotive repair facilities, garages.

Special Purpose

Conservation easements, mixed-use developments, wetland properties, landfill sites, agricultural land, forest land, master planned communities, skilled nursing care facilities (convalescent hospitals), senior residential care facilities (assisted living/board and care), senior apartment projects, hotels, mobile and manufactured home parks, RV parks, golf courses, timeshare projects, boat marinas, restaurants, theaters, bowling alleys, churches, schools, gas stations, car washes, and various market studies.



December 18, 2015

Mr. Alex Gann, County Executive Officer
Riverside County
4080 Lemon Street, 4th Floor
Riverside, CA 92501

Dear Mr. Gann:

Subject: Long-Range Property Management Plan

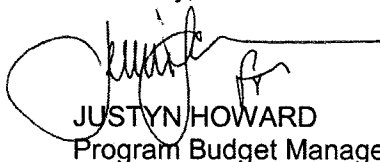
Pursuant to Health and Safety Code (HSC) section 34191.5 (b), the Riverside County Successor Agency (Agency) submitted a Long-Range Property Management Plan (LRPMP) to the California Department of Finance (Finance) on September 22, 2014. The Agency subsequently submitted a revised LRPMP to Finance on November 5, 2015. Finance has completed its review of the LRPMP, which may have included obtaining clarification for various items.

The Agency received a Finding of Completion on April 18, 2014. Further, based on our review and application of the law, we are approving the Agency's use or disposition of all the properties listed on the LRPMP. It is our understanding that the properties identified with a proposed disposition of "Retain for future development" will be transferred to the County of Riverside for future development.

In accordance with HSC section 34191.4 (a), upon receiving a Finding of Completion from Finance and approval of a LRPMP, all real property and interests in real property shall be transferred to the Community Redevelopment Property Trust Fund of the Agency, unless that property is subject to the requirements of an existing enforceable obligation. Pursuant to HSC section 34191.3 (a) the approved LRPMP shall govern, and supersede all other provisions relating to, the disposition and use of all the real property assets of the former redevelopment agency.

Please direct inquiries to Cindie Lor, Supervisor, or Satveer Ark, Lead Analyst at (916) 445-1546.

Sincerely,



JUSTYN HOWARD
Program Budget Manager

cc: Ms. Rohini Dasika, Senior Management Analyst, Riverside County
Ms. Pam Elias, Chief Accountant Property Tax Division, Riverside County



EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

December 18, 2015

Mr. Alex Gann, County Executive Officer
Riverside County
4080 Lemon Street, 4th Floor
Riverside, CA 92501

Dear Mr. Gann:

Subject: Long-Range Property Management Plan

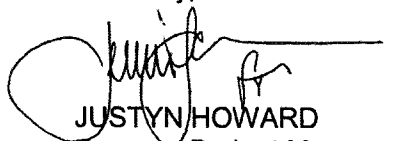
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JUSTYN HOWARD
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