



**SUBMITTAL TO THE BOARD OF DIRECTORS  
RIVERSIDE COUNTY REGIONAL PARK  
AND OPEN-SPACE DISTRICT  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM  
13.4  
(ID # 7706)

**MEETING DATE:**

Tuesday, September 11, 2018

**FROM :** REGIONAL PARK & OPEN SPACE DISTRICT:

**SUBJECT:** REGIONAL PARK & OPEN-SPACE DISTRICT: Approval of the Ground Lease Estoppel and the Ground Lessor Consent to Assignment and Assumption of Ground Lease between LQR Golf LLC and BRE Iconic LQR Owner LLC (Lake Cahuilla Park); District 4; [\$0] (13.2 of 08/28/2018)

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

1. Approve the attached Ground Lease Estoppel for the Lease (Lake Cahuilla Park), and authorize the Chairman of the Board to execute the same on behalf of the District; and
2. Approve the attached Ground Lessor Consent to Assignment and Assumption of Ground Lease between LQR Golf LLC and BRE Iconic LQR Owner LLC concerning the Lease (Lake Cahuilla Park), and authorize the Chairman of the Board to execute the same on behalf of the District; and
3. Direct the Clerk of the Board to return three (3) executed copies of the Ground Lease Estoppel and the Ground Lessor Consent to Assignment and Assumption to the District for transmittal and filing.

**ACTION:** Policy

Scott Bangle, Director General Manager / Park Director 8/16/2018

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**MINUTES OF THE BOARD OF DIRECTORS**

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

Ayes: Jeffries, Washington, Perez and Ashley  
Nays: None  
Absent: Tavaglione  
Date: September 11, 2018  
xc: Parks

Kedia Harper-Ihem  
Clerk of the Board

By:   
Deputy

**SUBMITTAL TO THE BOARD OF DIRECTORS RIVERSIDE COUNTY REGIONAL PARK  
AND OPEN-SPACE DISTRICT  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS: None</b>			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	18/19

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

**BACKGROUND:**

**Summary**

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

The County of Riverside conveyed the fee simple interest in real property formerly with Assessor's Parcel Number 761-050-001, now with APN 762-010-007, an approximately 1.19 acre portion of which is subject to the Ground Lease, to the District. On October 2, 2007, Item No. 3.39, the Board of Supervisors approved the Consent of Lessor and Assignment of Assumption of Ground Lease between CNL Desert Resorts, LP to MSR Resorts Golf Course, LLC. MS Resorts Golf Course, LLC assigned the Ground Lease to LQR Golf LLC pursuant to that certain Assignment of Ground Lease dated February 28, 2013.

On May 14, 2013, Item No. 13-1D, the Board of Directors ratified the Assignment and Assumption Agreement of Ground Lease between the County of Riverside and the Riverside County Regional Park and Open-Space District and approved a Ground Lessor Estoppel for the Ground Lease to be relied upon by United Overseas Bank Limited, Los Angeles Agency. The Lease remains in effect and in full force until June 22, 2037.

The District recommends that the Board of Directors approves the attached Ground Lessor Estoppel and the Ground Lessor Consent to Assignment and Assumption.

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

**IMPACT TO RESIDENTS AND BUSINESSES**

**SUBMITTAL TO THE BOARD OF DIRECTORS RIVERSIDE COUNTY REGIONAL PARK  
AND OPEN-SPACE DISTRICT  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**


BRE Iconic LQR Owner LLC will continue to provide recreational golfing opportunities for the community.

**Attachments:**

Ground Lessor Consent to Assignment and Assumption

Ground Lessor Estoppel

  
Rohini Basak, Principal Management Analyst 8/20/2018

  
Gregory Y. Priamos, Director County Counsel 8/16/2018

MINUTES OF THE BOARD OF DIRECTORS  
RIVERSIDE COUNTY REGIONAL PARK  
AND OPEN-SPACE DISTRICT  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



**13-2**

On motion of Director Jeffries, seconded by Director Perez and duly carried by unanimous vote, IT WAS ORDERED that the recommendation from Regional Park & Open Space District regarding the Approval of the Ground Lease Estoppel and the Ground Lessor Consent to Assignment and Assumption of Ground Lease between LQR Golf LLC and BRE Iconic LQR Owner LLC (Lake Cahuilla Park), 4<sup>th</sup> District 4, is continued to Tuesday, September 11, 2018 at 9:00 a.m.

Roll Call:

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

I hereby certify that the foregoing is a full true, and correct copy of an order made and entered on August 28, 2018 of Supervisors Minutes.

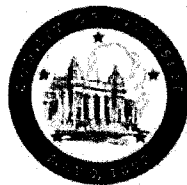
WITNESS my hand and the seal of the Board of Supervisors  
Dated: August 28, 2018  
Kecia Harper-Ihem, Clerk of the Board of Supervisors, in  
and for the County of Riverside, State of California.

(seal)

By:  Deputy

AGENDA NO.  
13-2

xc: Parks, CØB



**SUBMITTAL TO THE BOARD OF DIRECTORS  
RIVERSIDE COUNTY REGIONAL PARK  
AND OPEN-SPACE DISTRICT  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM  
13.2  
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**ACTION:** Policy

Scott Bangle, Director General Manager / Park Director

8/16/2018

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**MINUTES OF THE BOARD OF DIRECTORS**

**SUBMITTAL TO THE BOARD OF DIRECTORS RIVERSIDE COUNTY REGIONAL PARK  
AND OPEN-SPACE DISTRICT  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

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<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS: None</b>			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	18/19

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

**BACKGROUND:**

**Summary**

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

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The District recommends that the Board of Directors approves the attached Ground Lessor Estoppel and the Ground Lessor Consent to Assignment and Assumption.

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

**IMPACT TO RESIDENTS AND BUSINESSES**

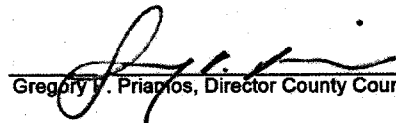
**SUBMITTAL TO THE BOARD OF DIRECTORS RIVERSIDE COUNTY REGIONAL PARK  
AND OPEN-SPACE DISTRICT  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

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**Attachments:**

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Ground Lessor Estoppel

  
Rohini Basak, Principal Management Analyst 8/20/2018

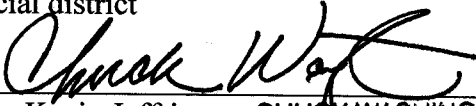
  
Gregory J. Priamos, Director County Counsel 8/16/2018

**GROUND LESSOR CONSENT  
TO  
ASSIGNMENT AND ASSUMPTION**

Reference is made to that certain Ground Lease (Lake Cahuilla Park), dated as of June 23, 1987, by and between the undersigned ("**Ground Lessor**"), the successor-in-interest to the initial ground lessor, County of Riverside, and Landmark Land Company of California, a Delaware corporation ("**Initial Lessee**"), as assigned by CNL Desert Resorts, LP, as successor-in-interest to KSL Landmark Corporation, as successor-in-interest to Landmark, to MSR Resort Golf Course LLC, a Delaware limited liability company ("**MSR**"), pursuant to that certain Assignment and Assumption of a Ground Lease dated May 30, 2008, as further assigned by MSR to LQR Golf LLC, a Delaware limited liability company ("**Seller**"), pursuant to that certain Assignment of Ground Lease dated as of February 28, 2013 (collectively, the "**Ground Lease**").


Ground Lessor hereby consents to Seller's assignment of the Ground Lease to BRE Iconic LQR Owner LLC ("**Purchaser**") and Purchaser's assumption of the Ground Lease made pursuant to that certain Assignment and Assumption of Ground Lease dated April 17, 2018 by and between Seller and Purchaser in connection with the sale of the La Quinta Resort & Club and PGA WEST to Purchaser. The Ground Lessor's consent herein, including with respect to any future assignments thereunder, is not, and will not be deemed or construed to modify, waive, or affect any of the provisions, covenants, or conditions of the Ground Lease, waive any breach of the Ground Lease or any of the rights of Ground Lessor, or enlarge or increase Ground Lessor's obligations under the Ground Lease.

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

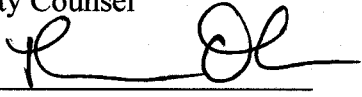
By:   
~~Kevin Jeffries~~ **CHUCK WASHINGTON**  
Chairman, Board of Directors

DATE: SEP 11 2018

ATTEST:  
Kecia Harper-Ihem  
Clerk of the Board

By:   
Deputy

APPROVE AS TO FORM  
Gregory P. Priamos  
County Counsel

By:   
Thomas Oh  
Deputy County Counsel

SEP 11 2018 13.4D



## GROUND LEASE ESTOPPEL

\_\_\_\_\_, 2018

BRE Iconic LQR Owner LLC ("**Purchaser**")  
345 Park Avenue  
New York, New York 10154

Dear Sirs and Madams:

The undersigned is present owner and holder of Lessor's interest under that certain Ground Lease (Lake Cahuilla Park), dated as of June 23, 1987, by and between the undersigned ("**Lessor**") and Landmark Land Company of California, a Delaware corporation, as assigned by CNL Desert Resorts, LP, as successor-in-interest to KSL Landmark Corporation, as successor-in-interest to Landmark, to MSR Resort Golf Course LLC, a Delaware limited liability company ("**MSR**"), pursuant to that certain Assignment and Assumption of a Ground Lease dated May 30, 2008, as further assigned by MSR to LQR Golf LLC, a Delaware limited liability company, pursuant to that certain Assignment of Ground Lease dated as of February 28, 2013, as further assigned by LQR Golf LLC to Purchaser ("**Lessee**"), pursuant to that certain Assignment and Assumption of Ground Lease dated as of April 17, 2018, current and complete copies of which are annexed hereto as Exhibit A (collectively, the "**Ground Lease**").

The truth and accuracy of the certifications contained herein may be relied upon by Lessee. The undersigned hereby represents to Lessee that as of the date hereof:

(i) the Ground Lease constitutes the entire agreement between the undersigned and Lessee and has not been modified or amended, except as specifically set forth in Exhibit A;

(ii) except as provided herein, the Ground Lease is in full force and effect and the term thereof commenced on June 23, 1987 and is scheduled to terminate on June 22, 2037 pursuant to the provisions thereof;

(iii) all conditions under the Ground Lease to be performed by Lessor have been satisfied;

(iv) neither the undersigned nor Lessee is in default under any terms, covenants or provisions of the Ground Lease and the undersigned knows of no event which, but for the passage of time or the giving of notice, or both, would constitute an event of default under the Ground Lease by the undersigned or Lessee thereunder;

(v) neither the undersigned nor Lessee has commenced any action or given or received any notice for the purpose of terminating the Ground Lease;

(vi) there are no defenses which the undersigned has against the enforcement of the Ground Lease by Lessee;

(vii) no security deposit has been deposited with the undersigned;


(viii) no rent is currently charged to Lessee and no monies are currently owed in any capacity to Lessor by Lessee or to Lessee by Lessor under the Ground Lease;

(ix) the undersigned recognizes that the Lessee is relying upon this estoppel certificate and the accuracy of the information contained herein.

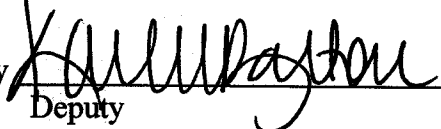
All capitalized terms used in this Ground Lessor Estoppel shall have the meanings given such terms in the Ground Lease, unless otherwise expressly defined herein.

[signatures on following page]

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

By:   
Name: ~~Kevin Jeffries~~ CHUCK WASHINGTON  
Its: Chairman, Board of Directors

ATTEST:  
Kecia Harper-Ihem  
Clerk of the Board

By:   
Deputy

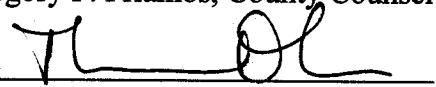
APPROVED AS TO FORM:  
Gregory P. Priamos, County Counsel  
By:   
Thomas Oh  
Deputy County Counsel

EXHIBIT A

CLERK'S COPY

335 4-23-87

7-20

*Parks*

*J. Hendriksen*

LEASE  
(Lake Cahuilla Park)

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

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

13 2. Use.

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

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

22 3. Term.

23 (a) The term of this lease shall be for a period  
24 commencing June 23, 19 87, and terminating June 22,  
25 2037, subject to the provisions contained in Paragraphs 14, 15  
26 and 16 herein.

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

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

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

*[Handwritten signature]*

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5. On-Site Improvements by Lessee.

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

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

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

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

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

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

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

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

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

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

14 13. Discrimination or Segregation.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19. Hold Harmless.

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



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

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

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

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

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

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

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

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

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

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

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

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

34           COUNTY

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

38           LESSEE

39           Steve Walser, Vice President  
40           Landmark Land Company of  
41           California, Inc., PGA West  
42           55-940 PGA Boulevard  
43           La Quinta, CA. 92253

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

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

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

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

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

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

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

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

Dated: JUN 23 1987

COUNTY OF RIVERSIDE

ATTEST:

By *Robert A. ...*  
Chairman, Board of Supervisors

GERALD A. MALONEY  
Clerk of the Board

By *Margaret ...*  
Deputy

(SEAL)

LANDMARK LAND COMPANY OF  
CALIFORNIA, a Delaware corporation

By *J. ...*  
Title: *Sr Vice Pres.*

(Corporate Seal)

IL:gjs  
'28/87  
17LIT  
rev.

ALD J GEERLINGS  
COUNTY COUNSEL  
SUITE 300  
35 10TH STREET  
RIVERSIDE CALIFORNIA

THIS MAP WAS PREPARED FOR PURPOSES OF RECORDING ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. REVISIONS SHOULD BE MADE AND INDICATED WITH LEGAL INSTRUMENTS OR OTHERWISE BY THE OWNER.

SEC. 20 T. 6S. R. 7E  
CITY OF LA QUINCY

I.A.A. 828-418  
828-000  
028-421

762-01  
761-65

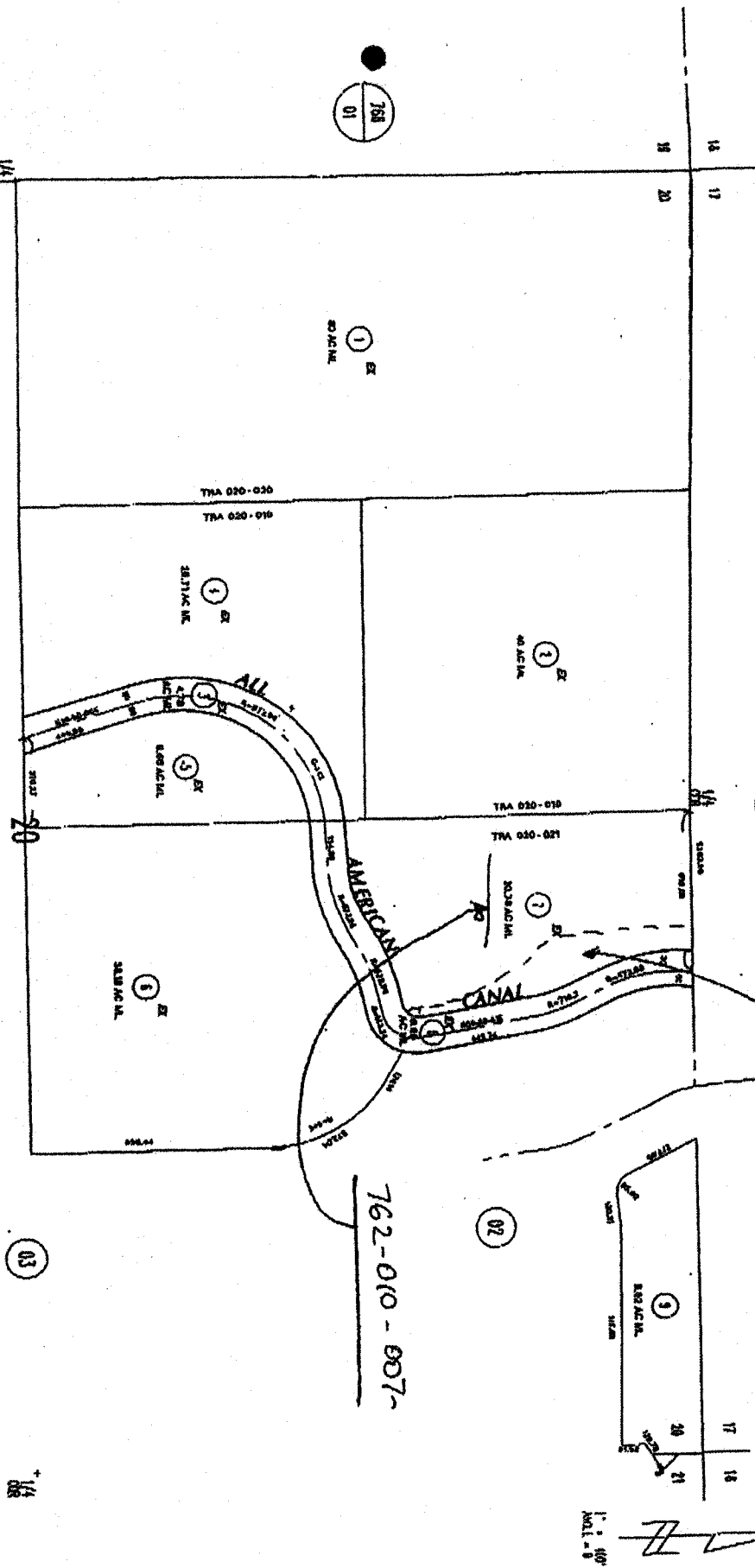
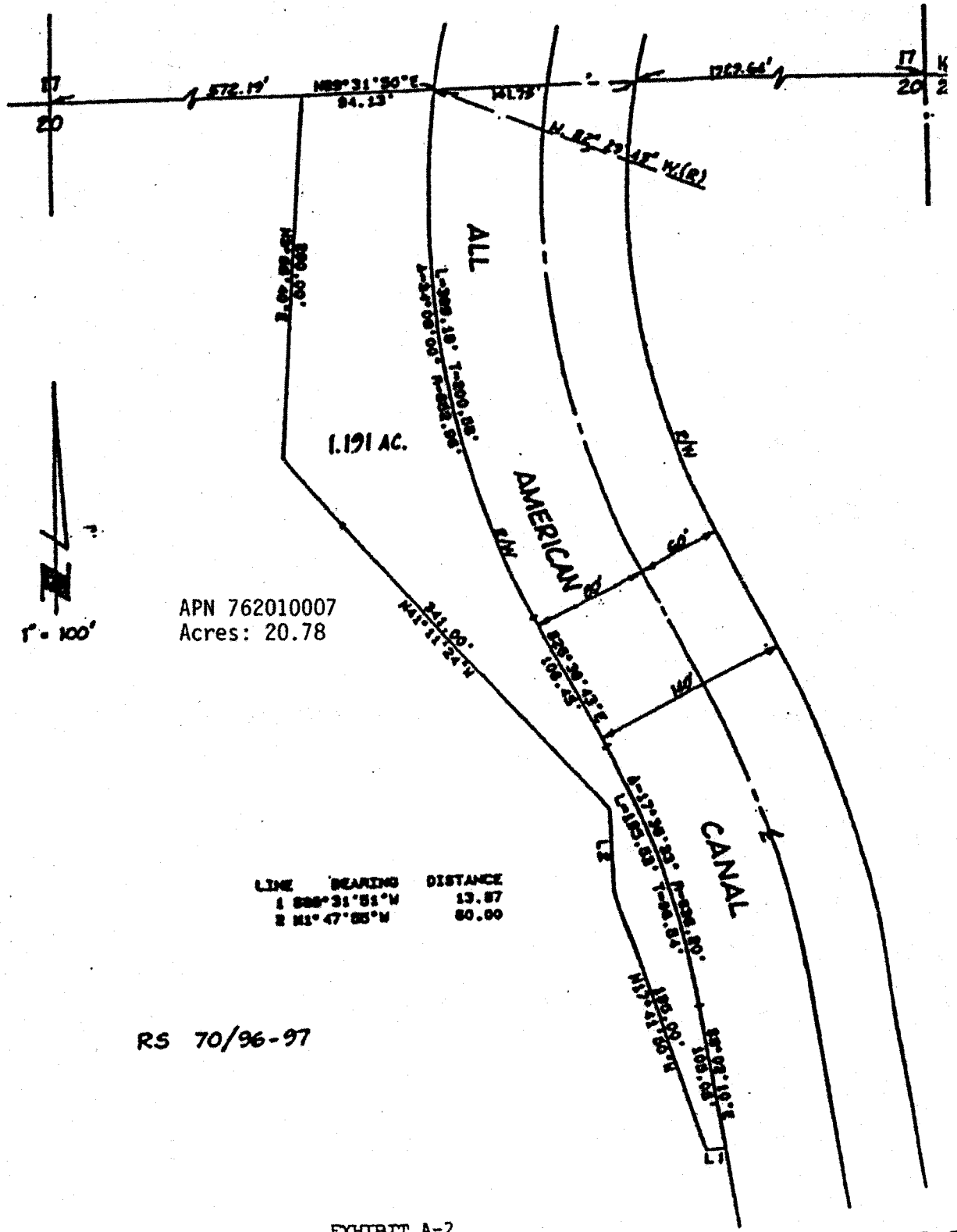


Exhibit A-1

ASSIGNOR'S MAP 8282 20.01  
Fresno County, Calif.

433  
CALIF. CO. REC. 8282 20.01  
8282 20.01  
8282 20.01

May 28, 1968



APN 762010007  
Acres: 20.78



LINE	BEARING	DISTANCE
1	S89°31'51"W	13.87
2	N1°47'55"W	80.00

RS 70/96-97

EXHIBIT A-2

11-23-87 225

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

Commencing at the Northeast corner of said Section 20;

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

Thence Southeasterly on a non-tangent curve concave Northeasterly having a radius of 652.96 feet through an angle of  $34^{\circ}09'00''$ , an arc length of 389.18 feet; (the initial radial line bears N  $82^{\circ}29'43''$  W)

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

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

Thence S  $89^{\circ}31'50''$  W a distance of 13.87 feet;

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

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

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

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

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

APN: 773010003  
ACRES: 460

**LAKE CAHUILLA  
RECREATION AREA  
BOUNDARY**

**1.191 acres  
of leased  
property here.**

APN: 773010004  
ACRES: 21370

APN: 782010003  
ACRES: 478

APN: 782010008  
ACRES: 9166

APN: 782010009  
ACRES: 608

APN: 782010010  
ACRES: 6849

*Lake Cahulla*

**LAKE CAHUILLA RECREATION AREA**







Recorded at Request of:  
 9850538

Fidelity National Title Insurance Company

When Recorded Mail to:

GOODWIN | PROCTER LLP  
 101 California St., Suite 1850  
 San Francisco, California 94111  
 Attn: Karla V. Galvez, Esq.

S	R	U	PAGE	SIZE	DA	MSC	LONG	RFD	COPY
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Mail Tax Statements to:

MSR Resort Golf Course LLC  
 c/o Morgan Stanley Real Estate Fund  
 1585 Broadway  
 New York, New York 10036  
 Attn: Assistant Secretary

45

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043

**ASSIGNMENT AND ASSUMPTION OF GROUND LEASE**

THIS ASSIGNMENT AND ASSUMPTION OF GROUND LEASE dated as of May 30, 2008 (this "Agreement"), is entered into by and between CNL DESERT RESORTS, LP, a Delaware limited partnership ("Assignor") and MSR RESORT GOLF COURSE LLC, a Delaware limited liability company ("Assignee").

**RECITALS**

- A. Landmark Land Company of California, a Delaware Corporation ("Original Lessee") is lessee under that certain ground lease agreement titled Lease (Lake Cahuilla Park) (the "Ground Lease"), dated as of June 23, 1987, by and between Lessee and The County of Riverside (the "Lessor") and executed with respect to that certain real property located within Lake Cahuilla Park in La Quinta, California (the "Property") as more fully described in EXHIBIT A attached thereto.
- B. Assignor is the successor to KSL Landmark Corporation, a Delaware corporation, which was the successor of the Original Lessee.
- C. Assignor desires to assign its interest as lessee in the Ground Lease to Assignee, and Assignee desires to accept the assignment thereof and assume the obligations of lessee arising from and after the Effective Date of this Agreement (defined below).

## AGREEMENT

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

1. Effective as of the Effective Date, Assignor hereby assigns to Assignee all of its right, title and interest in and to the Ground Lease, and Assignee hereby assumes all covenants, liabilities and obligations of lessee under the Ground Lease arising from and after the Effective Date.
2. Assignee hereby agrees to indemnify Assignor against and hold Assignor harmless from any and all cost, liability, loss, damage or expense, including, without limitation, attorneys' fees, arising out of or relating to events occurring on or after the Effective Date and arising, on or after the Effective Date, out of Lessee's obligations under the Ground Lease.
3. This Agreement shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest and assigns.
4. This Agreement shall be governed by and construed in accordance with the laws of the State of California.
5. For purposes of this Agreement, the "Effective Date" shall be the date of recordation of this Agreement.
6. This Agreement may be executed in one or more counterparts and each such counterpart shall be deemed to be an original; all counterparts so executed shall constitute one instrument and shall be binding on all of the parties to this Agreement notwithstanding that all of the parties are not signatory to the same counterpart.

[CONTINUED ON NEXT PAGE]

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

**ASSIGNOR:**

**CNL DESERT RESORTS, LP,**  
a Delaware limited partnership


By: **CNL Resort SPE GP, LLC,**  
its general partner

By: SIGNED IN COUNTERPART  
Name: Warren Fields  
Title: Vice President

By: SIGNED IN COUNTERPART  
Name: Jim Dina  
Title: Vice President

**ASSIGNEE:**

**MSR RESORT GOLF COURSE LLC,**  
a Delaware limited liability company

By:   
Name: Mark Hudspeth  
Title: Vice President

By: SIGNED IN COUNTERPART  
Name: Dan Wright  
Title: Vice President

**CONFIDENTIAL**

**Unofficial**

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

**ASSIGNOR:**

**CNL DESERT RESORTS, LP,**  
a Delaware limited partnership

By: **CNL Resort SRE GP, LLC,**  
its general partner

By: \_\_\_\_\_  
Name: **Warren Fields**  
Title: **Vice President**

By: \_\_\_\_\_  
Name: **Jim Dina**  
Title: **Vice President**

**ASSIGNEE:**

**MSR RESORT GOLF COURSE LLC,**  
a Delaware limited liability company

By: ~~SIGNED IN COUNTERPART~~  
Name: **Mark Hudspeth**  
Title: **Vice President**

By: \_\_\_\_\_  
Name: **Dan Wright**  
Title: **Vice President**

*(Handwritten signatures and scribbles over the Assignee section)*

**Unofficial**

STATE OF NEW YORK )  
 ) ss.  
COUNTY OF NEW YORK )

On August 27, 2007 before me, <sup>LIDIA</sup> ~~NOVAK~~  
, Notary Public,  
personally appeared MARK HUDSPETH

- personally known to me  
-or-  
 proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

Witness my hand and official seal

  
\_\_\_\_\_  
Signature of the Notary

**CAPACITY CLAIMED BY SIGNER**

Though statute does not require the Notary to fill in the data below, doing so may prove invaluable to persons relying on the document.

- Individual  
 Corporate Officer(s)  
Vice President \_\_\_\_\_  
 Partner(s)  Limited  General  
 Attorney-in-Fact  
 Trustee(s)  
 Guardian/Conservator  
 Other: \_\_\_\_\_

SIGNER \_\_\_\_\_ IS  
REPRESENTING: \_\_\_\_\_  
Name of person(s) or  
entity(ies)  
\_\_\_\_\_  
\_\_\_\_\_

This certificate must be attached to the document described at right:

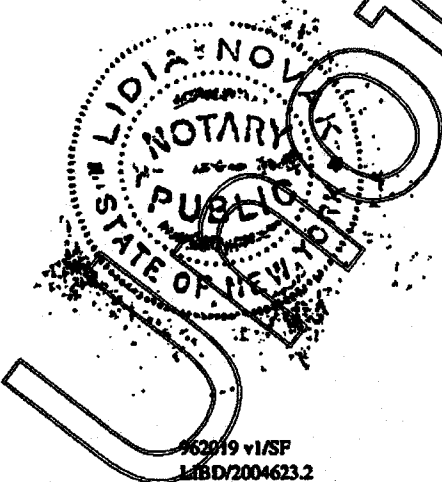
Title or Type of Document: Consent of Lessor

Number of Pages: 1

Date of Document: \_\_\_\_\_

Signer other than named above: \_\_\_\_\_

**LIDIA NOVAK**  
Notary Public State of New York  
No. 01NO4983705  
Qualified in Suffolk County  
Certificate Filed in New York County  
Commission Expires July 24, 2009



STATE OF MASSACHUSETTS )

COUNTY OF SUFFOLK )

) ss.  
)

On August 28, 2007 before me, Mary E. Barker  
Notary Public,  
personally appeared Daniel C. Wright.

- personally known to me
- or-
- proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.



Witness my hand and official seal.

Mary E. Barker  
Signature of the Notary

**CAPACITY CLAIMED BY SIGNER**

Though statute does not require the Notary to fill in the data below, doing so may prove invaluable to persons relying on the document.

- Individual
- Corporate Officer(s)
  - Vice President \_\_\_\_\_
- Partner(s)  Limited  General
- Attorney-in-Fact
- Trustee(s)
- Guardian/Conservator
- Other: \_\_\_\_\_

SIGNER \_\_\_\_\_ IS REPRESENTING: \_\_\_\_\_  
Name of person(s) or entity(ies)

This certificate must be attached to the document described at right:

Title or Type of Document: Consent of Lessor  
Number of Pages: 1 Date of Document: \_\_\_\_\_  
Signer other than named above: \_\_\_\_\_

Unofficial Copy

STATE OF MASSACHUSETTS

COUNTY OF SUFFOLK

)  
) ss.  
)

On August 30, 2007, before me, MARY E. BARKER,  
Notary Public,  
personally appeared Warren D Fields,

personally known to me

-or-

proved to me on the basis of satisfactory evidence

to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

Witness my hand and official seal.



MARY E. BARKER  
Notary Public  
COMMONWEALTH OF MASSACHUSETTS  
My Commission Expires  
November 1, 2013

Mary E. Barker  
Signature of the Notary

CAPACITY CLAIMED BY SIGNER

Though statute does not require the Notary to fill in the data below, doing so may prove invaluable to persons relying on the document.

- Individual
- Corporate Officer(s) Vice President
- Partner(s)  Limited  General
- Attorney-in-Fact
- Trustee(s)
- Guardian/Conservator
- Other: \_\_\_\_\_

SIGNER \_\_\_\_\_ IS  
REPRESENTING: \_\_\_\_\_  
Name of person(s) or  
entity(ies)

This certificate must be attached to the document described at right:

Title or Type of Document: Consent of Lessor

Number of Pages: 1

Date of Document: \_\_\_\_\_

Signer other than named above: \_\_\_\_\_

Unofficial

STATE OF MASSACHUSETTS

COUNTY OF SUFFOLK

)  
) ss.  
)

On August 30, 2007, before me, MARY E. BARKER,  
Notary Public,  
personally appeared JAMES DINK,

**CAPACITY CLAIMED BY SIGNER**

Though statute does not require the Notary to fill in the data below, doing so may prove invaluable to persons relying on the document.

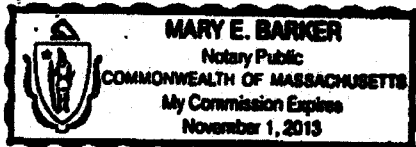
- Individual
- Corporate Officer(s) Vice President \_\_\_\_\_
- Partner(s)  Limited  General
- Attorney-in-Fact
- Trustee(s)
- Guardian/Conservator
- Other: \_\_\_\_\_

personally known to me  
-or-

proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.



Witness my hand and official seal



Mary E. Barker  
Signature of the Notary

SIGNER \_\_\_\_\_ IS  
REPRESENTING: \_\_\_\_\_  
Name of person(s) or  
entity(ies)

This certificate must be attached to the document described at right:

Title or Type of Document: Consent of Lessor  
Number of Pages: 1 Date of Document: \_\_\_\_\_  
Signer other than named above: \_\_\_\_\_

Unofficial



**EXHIBIT A**

**PARCEL 73:**

A Leasehold Estate in and to that portion of the Northeast 1/4 of Section 20, Township 6 South, Range 7 East, San Bernardino Base and Meridian, as shown on Record of Survey on file in Book 70, Pages 96 through 98, inclusive, Record of Surveys, Records of Riverside County, California, more particularly described as follows:

Commencing at the Northeast corner of said Section 20; thence South  $89^{\circ} 31' 50''$  West a distance of 2,071.39 feet to a point on the Westerly right of way line of the All American Canal as shown on said Record of Survey, said point also being the true point of beginning; thence southeasterly on a non-tangent curve concave Northeasterly having a radius of 652.96 feet through an angle of  $34^{\circ} 09' 00''$ , an arc length of 389.18 feet, (the initial radial line bears North  $82^{\circ} 29' 43''$  West); thence South  $26^{\circ} 38' 43''$  East a distance of 106.45 feet to the beginning of a tangent curve concave Southwesterly having a radius of 636.20 feet through an angle of  $17^{\circ} 36' 33''$ , an arc length of 195.53 feet; thence South  $09^{\circ} 02' 10''$  East a distance of 105.05 feet. The preceding 4 courses being the Westerly right of way line of the All American Canal as shown on said Record of Survey; thence South  $89^{\circ} 31' 50''$  West a distance of 13.87 feet; thence North  $17^{\circ} 41' 50''$  West a distance of 195.00 feet; thence North  $01^{\circ} 47' 55''$  West a distance of 60.00 feet; thence North  $41^{\circ} 11' 24''$  West a distance of 241.00 feet; thence North  $03^{\circ} 55' 40''$  East a distance of 260.00 feet; thence North  $89^{\circ} 31' 50''$  East a distance of 94.13 feet to the true point of beginning.

Unofficial

**When Recorded Mail to:**

Dechert LLP  
90 State House Square, 12th Floor  
Hartford, CT 06103  
Attn: Kathleen M. Mylod, Esq.

**Mail Tax Statements to:**

LQR Golf LLC  
One Bush Street, Ste 1100  
San Francisco, CA 94104

**QUITCLAIM ASSIGNMENT AND ASSUMPTION OF GROUND LEASE**

THIS QUITCLAIM ASSIGNMENT AND ASSUMPTION OF GROUND LEASE (this "Assignment") is made as of this 28<sup>th</sup> day of February, 2013 (the "Effective Date"), by and between MSR Resort Golf Course LLC, a Delaware limited liability company ("Assignor"), and LQR Golf LLC, a Delaware limited liability company ("Assignee").

Recitals

WHEREAS, Assignor and Assignee are parties to that certain Agreement of Purchase and Sale, dated as of February 11, 2013 (the "Purchase Agreement"), pursuant to which Assignor has agreed to sell, assign, transfer and convey to Assignee, that certain real property as more particularly described in the Purchase Agreement, and commonly known as the La Quinta Resort and Club (the "La Quinta Hotel").

WHEREAS, in connection with the sale and purchase of the La Quinta Hotel, Assignor has agreed to assign to Assignee, and Assignee has agreed to assume from Assignor, any and all of Assignor's right, title and interest to that certain unrecorded ground lease agreement titled Lease (Lake Cahuilla Park), dated as of June 23, 1987, by and between The County of Riverside, as landlord, and Assignor's predecessor-in-interest, as tenant (as amended, extended, modified or assigned, the "Ground Lease"), with respect to that certain real property located within Lake Cahuilla Park in La Quinta, California, as more fully described in Exhibit A attached hereto, as provided in the Purchase Agreement. The Ground Lease is evidenced by that certain Assignment and Assumption of Ground Lease, dated May 30, 2008, and recorded May 30, 2008 as Document No. 2008-0295137 in the Official Records of the County of Riverside, California.

All initial capitalized terms used, but not defined, in this Agreement shall have the meaning set forth in the Purchase Agreement.

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

1. Assignment by Assignor. Assignor hereby assigns, transfers and conveys to Assignee all of the Assignor's right, title and interest, if any, in and to the Ground Lease, together with any deposits thereunder made or held by Assignor.

2. Acceptance and Assumption by Assignee. Assignee hereby accepts the assignment, transfer and conveyance of the Ground Lease, and agrees to assume and perform all of the obligations, liabilities, covenants, duties and agreements of Assignor under the Ground Lease.

3. Successors and Assigns; Third-Party Beneficiaries. This Assignment shall be binding upon and inure to the benefit of Assignor and Assignee, and their respective successors and assigns. This Agreement shall not confer any rights or remedies upon any other third party.

4. Entire Agreement; Amendments to Agreement. This Assignment (including the recitals to this Assignment which are incorporated herein) and the Purchase Agreement set forth the entire understanding and agreement of the parties hereto, and shall supersede any other agreements and understandings (written or oral) between Assignor and Assignee on or prior to the date of this Assignment with respect to the matters set forth herein. No amendment or modification to any terms of this Assignment, waiver of the obligations or liabilities of Assignor or Assignee hereunder, or termination of this Assignment, shall be valid unless in writing and signed by Assignor and Assignee.

5. Further Assurances. The parties hereby agree to execute and deliver such further documents as reasonably necessary to carry out the intent of this Assignment.

6. Governing Law. This Assignment shall be governed and construed and interpreted in accordance with the laws of the state of New York.

7. Counterparts. This Assignment may be executed in any number of counterparts, each of which shall be deemed an original and all of which counterparts together shall constitute one agreement with the same effect as if the parties had signed the same signature page.


[Remainder of page intentionally left blank;  
Signatures on following pages]

IN WITNESS WHEREOF, Assignor and Assignee have caused this Assignment to be executed and delivered in their names by their respective duly authorized officers or representatives as of the Effective Date.

ASSIGNOR:

**MSR RESORT GOLF COURSE LLC**, a Delaware limited liability company

By: MSR Resort SPE GP LLC, its sole member

By:   
Name: Christopher Devine  
Title: Vice President

STATE OF MASSACHUSETTS )SS  
COUNTY OF SUFFOLK )

On February 22 2013, before me, Mary E Barker,  
Notary Public, personally appeared Christopher Devine, the Vice President of MSR Resort SPE GP LLC, a Delaware limited liability company, who proved to be on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that s/he executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

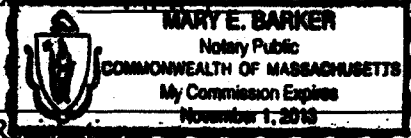
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



My Commission Expires 11/1/2013 *This area for official notarial seal*


  
Notary Name: MARY E. BARKER Notary  
COMMONWEALTH OF MASSACHUSETTS  
My Commission Expires November 1, 2013 Phone: 617 412 2880  
Notary Registration Number: \_\_\_\_\_ County of Principal Place of  
Business: \_\_\_\_\_


(Signatures continue on following page)

**ASSIGNEE:**

**LQR GOLF LLC, a Delaware limited liability company**

**By: LQR LA QUINTA, INC., a Delaware corporation  
its Managing Member**

By:   
Name: PETER STANFORD  
Title: Senior Vice President

By:   
Name: STEVEN B. SINNETT  
Title: Senior Vice President

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) SS

On \_\_\_\_\_, 2013, before me, \_\_\_\_\_,  
Notary Public, personally appeared \_\_\_\_\_, the  
\_\_\_\_\_, and \_\_\_\_\_, the

of LQR La Quinta, Inc., a Delaware corporation, who proved to be on the basis of satisfactory  
evidence to be the persons whose names are subscribed to the within instrument and  
acknowledged to me that they executed the same in their authorized capacity, and that by their  
signatures on the instrument, the person(s), or the entity upon behalf of which the person(s)  
acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

My Commission Expires: \_\_\_\_\_ This area for official notarial seal

Notary  
Name: \_\_\_\_\_  
Notary Registration  
Number: \_\_\_\_\_

Notary  
Phone: \_\_\_\_\_  
County of Principal Place of  
Business: \_\_\_\_\_

**ACKNOWLEDGMENT**

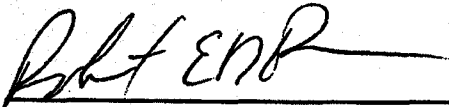
State of California  
County of San Francisco )

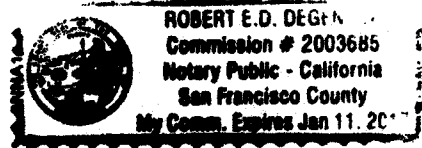
On February 20, 2013 before me, Robert E. D. DeGenova - Notary Public  
(insert name and title of the officer)

personally appeared Steven Sinnett and Peter Stanford  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are  
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing  
paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)



**EXHIBIT A**

**LEGAL DESCRIPTION**

**PARCEL 73:**

A Leasehold Estate in and to that portion of the Northeast 1/4 of Section 20, Township 6 South, Range 7 East, San Bernardino Base and Meridian, as shown on Record of Survey on tile in Book 70, Pages 96 through 98, inclusive, Record of Surveys. Records of Riverside County, California, more particularly described as follows:

Commencing at the Northeast corner of said Section 20; thence South 89° 31' 50" West a distance of 2,071.39 feet to a point on the Westerly right of way line of the All American Canal as shown on said Record of Survey, said point also being the true point of beginning; thence southeasterly on a non-tangent curve concave Northeasterly having a radius of 652.96 feet through an angle of 34° 09' 00", an arc length of 389.18 feet, (the initial radial line bears North 82° 29' 43" West); thence South 26° 38' 43" East a distance of 106.45 feet to the beginning of a tangent curve concave Southwesterly having a radius of 636.20 feet through an angle of 17° 36' 33", an arc length of 195.53 feet; thence South 09° 02' 10" East a distance of 105.05 feet. The preceding 4 courses being the Westerly right of way line of the All American Canal as shown on said Record of Survey; thence South 89° 31' 50" West a distance of 13.87 feet; thence North 17° 41' 50" West a distance of 195.00 feet; thence North 01° 47' 55" West a distance of 60.00 feet; thence North 41° 11' 24" West a distance of 341.00 feet; thence North 03° 55' 40" East a distance of 260.00 feet; thence North 89° 31' 50" East a distance of 94.13 feet to the true point of beginning.

PLEASE COMPLETE THIS INFORMATION  
RECORDING REQUESTED BY:  
First American Title Insurance Co.

AND WHEN RECORDED MAIL TO:  
Eric G. Liang  
First American Title Insurance Co.  
National Commercial Services  
666 Third Avenue, 5th Floor  
New York, New York 10017

**2018-0154620**

04/23/2018 12:02 PM Fee: \$ 67.00

Page 1 of 14

Recorded in Official Records  
County of Riverside  
Peter Aldana  
Assessor-County Clerk-Recorder



Space above this line for recorder's use only

420

Title of Document  
Assignment and Assumption of Ground Lease

TRA: 020-021

DTT: \$ 0.00

Exemption reason declared pursuant to Government Code 27388.1

- This document is a transfer that is subject to the imposition of documentary transfer tax.
- This is a document recorded in connection with a transfer that is subject to the imposition of documentary transfer tax.  
Document reference: Grant Deed *concurrently*
- This document is a transfer of real property that is a residential dwelling to an owner-occupier.
- This is a document recorded in connection with a transfer of real property that is a residential dwelling to an owner-occupier.  
Document reference: \_\_\_\_\_

THIS PAGE ADDED TO PROVIDE ADEQUATE SPACE FOR RECORDING INFORMATION  
(\$3.00 Additional Recording Fee Applies)



Recording  
 First American Title  
 National Commercial Services  
 777 S. Figueroa Street, 4th Floor  
 Los Angeles, CA 90017  
 File No: NCS **855204CA2**

RECORDING REQUESTED BY:

WHEN RECORDED MAIL TO:

Simpson Thacher & Bartlett LLP  
 425 Lexington Avenue  
 New York, New York 10017  
 Attention: Stephanie Brenner

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

DOCUMENTARY TRANSFER TAX IS \$0; Consideration less than \$100

### ASSIGNMENT AND ASSUMPTION OF GROUND LEASE

**THIS ASSIGNMENT AND ASSUMPTION OF GROUND LEASE** (this "Agreement") is made as of this 17th day of April, 2018 (the "Effective Date"), by and between LQR GOLF LLC, a Delaware limited liability company ("Assignor"), and BRE ICONIC LQR OWNER LLC, a Delaware limited liability company ("Assignee").

#### Recitals

WHEREAS, Assignor and Assignee (as successor-in-interest to BRE ICONIC HOLDINGS LLC, a Delaware limited liability company) are parties to that certain Purchase Agreement, dated as of February 14, 2018 (the "Purchase Agreement"), pursuant to which Assignor and LQR PROPERTY LLC, a Delaware limited liability company, have agreed to sell, assign, transfer and convey to Assignee, that certain real property located in Riverside County, California, as more particularly described in the Purchase Agreement, and commonly known as the La Quinta Resort & Club and PGA WEST (the "LQR Property").

WHEREAS, in connection with the sale and purchase of the LQR Property, Assignor has agreed to assign to Assignee, and Assignee has agreed to assume from Assignor, that certain Ground Lease (Lake Cahuilla Park), dated as of June 23, 1987, by and between RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT, a special district and Landmark Land Company of California, a Delaware corporation ("Landmark"), as assigned pursuant to that certain Assignment and Assumption of Ground Lease dated May 30, 2008, by and between CNL Desert Resorts, LP (as successor-in-interest to KSL Landmark Corporation, as successor-in interest to Landmark), as assignor, and MSR Resort Golf Course LLC, a Delaware limited liability company ("MSR"), as assignee, recorded as Instrument No. 2008-295137, as further assigned pursuant to that certain Quitclaim Deed pursuant to a confirmed bankruptcy plan of organization dated as of February 28, 2013, by and between MSR, as assignor, and LQR Golf LLC, a Delaware limited liability company, as assignee, as Instrument No. 2013-0100815 concerning certain real property described on Exhibit A attached hereto (as amended, the "Assigned Ground Lease"), as provided in the Purchase Agreement. All initial capitalized terms used, but not defined, in this Agreement shall have the meaning set forth in the Purchase Agreement.

6438333v5

CA

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

1. Assignment by Assignor. Assignor hereby assigns, transfers and conveys to Assignee all of the Assignor's right, title and interest in and to the Assigned Ground Lease, together with any deposits thereunder made or held by Assignor.
2. Acceptance and Assumption by Assignee. Assignee hereby accepts the assignment, transfer and conveyance of the Assigned Ground Lease, together with the deposits thereunder made or held by Assignor, and agrees to assume and perform all of the obligations, liabilities, covenants, duties and agreements of Assignor under the Assigned Ground Lease arising after the Effective Date.
3. Successors and Assigns; Third-Party Beneficiaries. This Agreement shall be binding upon and inure to the benefit of Assignor and Assignee, and their respective successors and permitted assigns. This Agreement shall not confer any rights or remedies upon any other third party.
4. Entire Agreement; Amendments to Agreement. This Agreement (including the recitals to this Agreement which are incorporated herein) and the Purchase Agreement set forth the entire understanding and agreement of the parties hereto, and shall supersede any other agreements and understandings (written or oral) between Assignor and Assignee on or prior to the date of this Agreement with respect to the matters set forth herein. No amendment or modification to any terms of this Agreement, waiver of the obligations or liabilities of Assignor or Assignee hereunder, or termination of this Agreement, shall be valid unless in writing and signed by Assignor and Assignee.
5. Further Assurances. The parties hereby agree to execute and deliver such further documents as reasonably necessary to carry out the intent of this Agreement.
6. Governing Law. This Agreement shall be governed and construed and interpreted in accordance with the laws of the State of California.
7. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which counterparts together shall constitute one agreement with the same effect as if the parties had signed the same signature page. Faxed or electronic (e.g. ".pdf" format) copies of signatures shall be acceptable in lieu of original signatures.

[Remainder of page intentionally left blank;

Signatures on following pages]


IN WITNESS WHEREOF, Assignor and Assignee have caused this Agreement to be executed and delivered in their names by their respective duly authorized officers or representatives as of the Effective Date.

ASSIGNOR:

LQR GOLF LLC,  
a Delaware limited liability company

By: LQR La Quinta, Inc.,  
a Delaware corporation,  
its Sole and Managing Member

By:   
Name: RYAN SEIDMAN  
Title: AUTHORIZED SIGNATORY

By:   
Name: THOMAS SHIN  
Title: AUTHORIZED SIGNATORY

ASSIGNOR'S ACKNOWLEDGMENT:

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF NEW YORK )  
 ) SS.  
COUNTY OF NEW YORK )

On 11<sup>th</sup> April, 2018 before me, YUK YIN LI, Notary Public, personally appeared Ryan Seidman, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of New York that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Yuk Yin Li  
NOTARY PUBLIC  
NOTARY PUBLIC STATE OF NEW YORK  
NO. 01LI6334417  
QUALIFIED IN NEW YORK COUNTY  
MY COMMISSION EXPIRES 12-14-2019

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF NEW YORK )  
 ) SS.  
COUNTY OF NEW YORK )

On 11<sup>th</sup> April, 2018 before me, YUK YIN LI, Notary Public, personally appeared Thomas Shin, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.


I certify under PENALTY OF PERJURY under the laws of the State of New York that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Yuk Yin Li  
NOTARY PUBLIC  
NOTARY PUBLIC STATE OF NEW YORK  
NO. 01LI6334417  
QUALIFIED IN NEW YORK COUNTY  
MY COMMISSION EXPIRES 12-14-2019

**ASSIGNEE:**

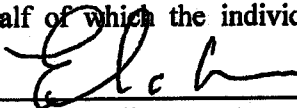
**BRE ICONIC LQR OWNER LLC,**  
a Delaware limited liability company

By:   
Name: Robert Harper  
Title: Senior Managing Director and Vice President

STATE OF NEW YORK

COUNTY OF New York

On the 13 day of April in the year of 2018 before me, the undersigned, personally appeared Robert Harper, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he has executed the same in his capacity and that by his signature on the instrument, the individual person upon behalf of which the individuals acted, executed the instrument.

  
Notary Public

My Commission Expires:

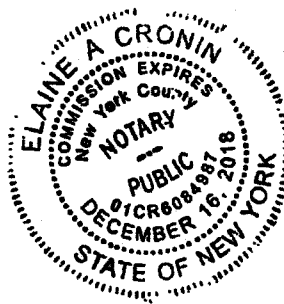


EXHIBIT A

## GROUND LEASED PREMISES DESCRIPTION

PARCEL 73: (PORTION OF 762-010-007)

A LEASEHOLD ESTATE IN AND TO THAT PORTION OF THE NORTHEAST 1/4 OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 7 EAST, SAN BERNARDINO BASE AND MERIDIAN, AS SHOWN ON RECORD OF SURVEY ON FILE IN BOOK 70, PAGES 96 THROUGH 98, INCLUSIVE, RECORD OF SURVEYS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 20; THENCE SOUTH 89° 31' 50" WEST A DISTANCE OF 2,071.39 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY LINE OF THE ALL AMERICAN CANAL AS SHOWN ON SAID RECORD OF SURVEY, SAID POINT ALSO BEING THE TRUE POINT OF BEGINNING; THENCE SOUTHEASTERLY ON A NON-TANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 652.96 FEET THROUGH AN ANGLE OF 34° 09' 00", AN ARC LENGTH OF 389.18 FEET, (THE INITIAL RADIAL LINE BEARS NORTH 82° 29' 43" WEST); THENCE SOUTH 26° 38' 43" EAST A DISTANCE OF 106.45 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 636.20 FEET THROUGH AN ANGLE OF 17° 36' 33", AN ARC LENGTH OF 195.53 FEET; THENCE SOUTH 09° 02' 10" EAST A DISTANCE OF 105.05 FEET. THE PRECEDING 4 COURSES BEING THE WESTERLY RIGHT OF WAY LINE OF THE ALL AMERICAN CANAL AS SHOWN ON SAID RECORD OF SURVEY; THENCE SOUTH 89° 31' 50" WEST A DISTANCE OF 13.87 FEET; THENCE NORTH 17° 41' 50" WEST A DISTANCE OF 195.00 FEET; THENCE NORTH 01° 47' 55" WEST A DISTANCE OF 60.00 FEET; THENCE NORTH 41° 11' 24" WEST A DISTANCE OF 341.00 FEET; THENCE NORTH 03° 55' 40" EAST A DISTANCE OF 260.00 FEET; THENCE NORTH 89° 31' 50" EAST A DISTANCE OF 94.13 FEET TO THE TRUE POINT OF BEGINNING.