

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



**ITEM  
3.7  
(ID # 8649)**

**MEETING DATE:**

Tuesday, April 30, 2019

**FROM :** ECONOMIC DEVELOPMENT AGENCY (EDA):

**SUBJECT:** ECONOMIC DEVELOPMENT AGENCY (EDA): Consent to Bills of Sale Coupled with Sublease between the following: William and Gwynneth Watson, trustees of the Watson Family Trust dated 1/21/89 and Daniel W. Arnold, trustee of the Daniel W. Arnold Family Trust; Star Aviation, LLC and Susan Besheer; and Lloyd B. Janzen, trustee of the Janzen Revocable Living Trust dated 4/21/03, Robert R. Miles, trustee of the Robert R. Miles Trust U/T/D February 12, 1998, and Robin J. Miles, trustee of the Robin J. Miles Trust, U/T/D February 12, 1998 and Thundersky Farms Inc.; Consent to Sub-Leases with Sale of Aviation Hangar between the following: John Obradovich and Betty Obradovich and Daniel W. Arnold, trustee of the Daniel W. Arnold Family Trust; John Obradovich and Betty Obradovich and Susan Besheer; and John Obradovich and Betty Obradovich and Thundersky Farms Inc. – Jacqueline Cochran Regional Airport – CEQA Exempt - District 4 - [\$0] (Clerk of the Board to file the Notice of Exemption)

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

1. Find that the project is exempt from California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301, Existing Facilities exemption;

Continued on page 2

**ACTION: Policy**

Robert Field, Assistant County Executive Officer/ECD

3/11/2019

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**MINUTES OF THE BOARD OF SUPERVISORS**

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

**Ayes:** Jeffries, Spiegel, Washington and Perez  
**Nays:** None  
**Absent:** Hewitt  
**Date:** April 30, 2019  
**xc:** EDA, Recorder

Kecia Harper  
Clerk of the Board  
By:   
Deputy

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

2. Approve and consent to the attached Bill of Sale Coupled with Sublease of Building A, Hangar No. 10 located within Jacqueline Cochran Regional Airport in Thermal, California, between William and Gwynneth Watson, trustees of the Watson Family Trust dated 1/21/89 (as seller) and Daniel W. Arnold, trustee of the Daniel W. Arnold Family Trust (as buyer), and authorize the Chairman of the Board of Supervisors to sign the attached Consent to Bill of Sale Coupled with Sublease for said transaction;
3. Approve and consent to the attached Sub-Lease with Sale of Aviation Hangar for Building A, Hangar No. 10 located within the Jacqueline Cochran Regional Airport in Thermal, California, between John Obradovich and Betty Obradovich (as sublessor) and Daniel W. Arnold, trustee of the Daniel W. Arnold Family Trust (as sublessee), and authorize the Chairman of the Board of Supervisors to sign the attached Consent to Sub-Lease with Sale of Aviation Hangar for said transaction;
4. Approve and consent to the attached Bill of Sale Coupled with Sublease of Building B, Hangar No. 23 located within Jacqueline Cochran Regional Airport in Thermal, California (Subleased Property), between Star Aviation, LLC (as seller) and Susan Besheer (as buyer), and authorize the Chairman of the Board of Supervisors to sign the attached Consent to Bill of Sale Coupled with Sublease for said transaction;
5. Approve and consent to the attached Sub-Lease with Sale of Aviation Hangar for Building B, Hangar No. 23 located within the Jacqueline Cochran Regional Airport in Thermal, California, between John Obradovich and Betty Obradovich (as sublessor) and Susan Besheer (as sublessee), and authorize the Chairman of the Board of Supervisors to sign the attached Consent to Sub-Lease with Sale of Aviation Hangar for said transaction;
6. Approve and consent to the attached Bill of Sale Coupled with Sublease for Building D, Hangar No. 4 located within Jacqueline Cochran Regional Airport in Thermal, California, between Lloyd B. Janzen, trustee of the Janzen Revocable Living Trust dated 4/21/03, Robert R. Miles, trustee of the Robert R. Miles Trust U/T/D February 12, 1998, and Robin J. Miles, trustee of the Robin J. Miles Trust, U/T/D February 12, 1998 (as seller) and Thundersky Farms, Inc. (as buyer), and authorize the Chairman of the Board of Supervisors to sign the attached Consent to Bill of Sale Coupled with Sublease for said transaction;
7. Approve and consent to the attached Sub-Lease with Sale of Aviation Hangar for Building D, Hangar No. 4 located within Jacqueline Cochran Regional Airport in Thermal, California, between John Obradovich and Betty Obradovich (as sublessor) and Thundersky Farms, Inc. (as sublessee), and authorize the Chairman of the Board of

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Supervisors to sign the attached Consent to Sub-Lease with Sale of Aviation Hangar for said transaction;

8. Authorize the Assistant County Executive Officer/ECD, or his/her designee, to execute any additional documents necessary to implement the attached Bills of Sale and Sub-Leases, subject to approval by County Counsel; and
9. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk within five (5) days of approval of the project.

<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: N/A</b>			<b>Budget Adjustment: No</b>	
			<b>For Fiscal Year: 2018/19</b>	

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

**BACKGROUND:**

**Summary**

The County of Riverside (County), as lessor, and John Obradovich and Betty Obradovich (collectively, Obradovich), as lessee, entered into that certain Lease Desert Resorts Regional Airport dated June 3, 2003, as amended by that certain First Amendment to Lease Jacqueline Cochran Regional Airport dated on or about September 14, 2004, that certain Second Amendment to Lease Jacqueline Cochran Regional Airport dated September 12, 2006, and that certain Third Amendment to Lease Jacqueline Cochran Regional Airport dated March 17, 2009 (collectively, Lease). The Lease relates to approximately 9 acres of real property located at the Jacqueline Cochran Regional Airport (Leased Premises). Pursuant to Section 24 of the Lease, Obradovich cannot assign, sublease, or transfer any rights, duties, or obligations under the Lease without the written consent of the County.

The Economic Development Agency (EDA) has received a request for consent to four (4) Bills of Sale Coupled with Sublease (Bills of Sale) in connection with the Leased Premises. The following hangar sale transactions will require written consent from the Riverside County Board of Supervisors (Board).

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Agreement	Date Signed	Seller	Buyer	Hangar Unit Number
Bill of Sale Coupled with Sublease	April 1, 2018	William and Gwynneth Watson, Trustees of the Watson Family Trust dated 1/21/89	Daniel W. Arnold, trustee of the Daniel W. Arnold Family Trust	Building A, Hangar No. 10 (Hangar A10)
Bill of Sale Coupled with Sublease	June 1, 2018	Star Aviation, LLC	Susan Besheer	Building B, Hangar No. 23 (Hangar B23)
Bill of Sale Coupled with Sublease	January 1, 2018	Lloyd B. Janzen, trustee of The Janzen Revocable Living Trust dated 4/21/03, and Robert R. Miles, trustee of the Robert R. Miles Trust U/T/D February 12, 1998, and Robin J. Miles, trustee of the Robin J. Miles Trust, U/T/D February 12, 1998	Thundersky Farms Inc.	Building D, Hangar No. 04 (Hangar D4)

Additionally, EDA received requests for consent to four (4) Sub-Leases with Sale of Aviation Hangar ("Subleases") associated with the Bills of Sale. The following Subleases will require written consent from the Board.

Agreement	Date Signed	Sublessor	Sublessee	Hangar Unit Number
Sub-Lease with Sale of Aviation Hangar	April 1, 2018	John Obradovich and Betty Obradovich	Daniel W. Arnold, trustee of the Daniel W. Arnold Family Trust	Building A, Hangar No. 10 (Hangar A10)
Sub-Lease with Sale of Aviation Hangar	June 1, 2018	John Obradovich and Betty Obradovich	Susan Basheer	Building B, Hangar No. 23 (Hangar B23)
Sub-Lease with Sale of Aviation Hangar	January 1, 2018	John Obradovich and Betty Obradovich	Thundersky Farms Inc.	Building D, Hangar No. 04 (Hangar D4)

Pursuant to the California Environmental Quality Act ("CEQA"), the consent to the Bills of Sale and Subleases was reviewed and determined to be categorically exempt from CEQA under CEQA Guidelines 15301, Class 1 – Existing Facilities. The proposed project, the consent to the Bills of Sale and Subleases, allows for the letting of property involving existing facilities and no expansion of an existing use will occur. EDA staff recommends that the Board of Supervisors approves and consents to the Bills of Sales and Subleases (collectively "Agreements") and authorize the Assistant County Executive Officer/ECD to execute any additional documents necessary for the implementation of the Agreements, subject to approval by County Counsel. County Counsel has reviewed and approved the attached Consents to Bill of Sale and Consents to Sub-Leases as to legal form.

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**Impact on Citizens and Businesses**

The Agreements will assist in the County's effort to increase airport operations which in turn provides increased patron activities for local businesses.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

There is no net county cost and no budget adjustment required.

**ATTACHMENTS:**

**(Daniel W. Arnold Family Trust)**

Attachment A – Lease Cancellation Agreement

Attachment B – Consent to Bill of Sale Coupled with Sublease

Attachment C – Sub-Lease and the Sale of Aviation Hangar

**(Susan Besheer)**

Attachment D – Lease Cancellation Agreement

Attachment E – Consent to Bill of Sale Coupled with Sublease

Attachment F – Sub-Lease and the Sale of Aviation Hangar

**(Thundersky Farms Inc.)**


Attachment G – Lease Cancellation Agreement

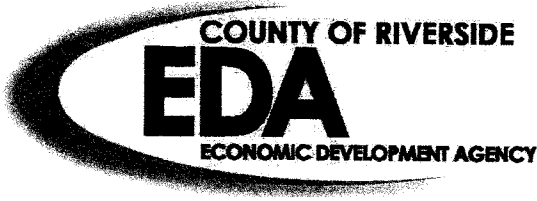
Attachment H – Consent to Bill of Sale Coupled with Sublease

Attachment I – Sub-Lease and the Sale of Aviation Hangar

Attachment J – Master Lease and Amendments

  
Nehini Dasika, Principal Management Analyst 4/18/2019

  
Gregory F. Priarios, Director County Counsel 4/5/2019



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

5/11/19  
Date

kb  
Initial

**NOTICE OF EXEMPTION**

January 14, 2019

**Project Name:** County of Riverside, Consent to Assignment of Subleases and Bills of Sale for Building A at Hangar 10, Building B at Hangar 23, and Buildings D and E at Hangar 4, Jacqueline Cochran Regional Airport, Thermal

**Project Number:** ED1910012

**Project Location:** 56850 Higgins Drive, south of Airport Boulevard, Assessor's Parcel Number (APN) 759-060-017, Thermal, Riverside County, California, 92274 (See attached exhibit)

**Description of Project:** On September 14, 2004, the County of Riverside (County) entered into a Lease Agreement with John Obradovich and Betty Obradovich (collectively, "Obradovich"), as lessee, and amended three times previously relating to the lease of approximately 9 acres of land, located at the Jacqueline Cochran Regional Airport. Pursuant to Section 24 of the Lease, Obradovich cannot assign, sublease, or transfer any rights, duties, or obligations under the Lease without the written consent of the County. The Economic Development Agency (EDA) has received a request for consent to four Bills of Sale (Bills of Sale) coupled with Sublease (Subleases) in connection with the Leased Premises involving Building A, at Hangar A10, Building B, at Hangar 23, Buildings D and E at Hangar 4. These hangar sale transactions and Assignment of Subleases will require written consent from the Riverside County Board of Supervisors (Board). The Consent to Bill of Sale and Assignment of Subleases is identified as the proposed project under the California Environmental Quality Act (CEQA). No additional direct or indirect physical environmental impacts are anticipated.

**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, John Obradovich and Betty Obradovich

**Exempt Status:** State CEQA Guidelines Section 15301 Existing Facilities Exemption, Section 15061(b) (3), General Rule or "Common Sense" Exemption, Codified under Title 14, Article 5 Sections 15061.

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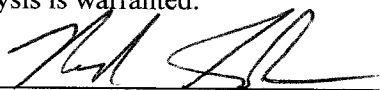
- |                       |                        |                               |                       |
|-----------------------|------------------------|-------------------------------|-----------------------|
| Administration        | Housing                | Economic Development          | Parking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

**Reasons Why Project is Exempt:** The proposed project is categorically 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 will not cause an impact to an environmental resource of hazardous or critical concern nor would the project include unusual circumstances which would have a potentially significant effect on the environment. The project would not result in impacts to scenic highways, hazardous waste sites, historic resources, or other sensitive natural environments, or have a cumulative effect to the environment. The project is limited to administrative approval that is required as part of the Lease Agreement and would not result in any physical direct or reasonably foreseeable indirect impacts to the environment. and no significant environmental impacts are anticipated to occur.

- **Section 15301 –Existing Facilities:** This Class 1 categorical exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site’s use. The project, as proposed, is limited to the consent to Bills of Sale and Assignment of existing Subleases regarding Building A, at Hangar A10, Building B, at Hangar 23, Buildings D and E at Hangar 4 at Jacqueline Cochran Regional Airport. The changes are limited to the change in ownership and responsibility for the terms of the Sublease. The Consent to Bills of Sale Assignment of Subleases will have the same purpose and substantially similar capacity on the existing facilities at the airport and would be consistent with the existing land use and contractual requirements for the use of the site. Therefore, the project is exempt as it meets the scope and intent of the Categorical Exemption identified in Section 15301, Article 19, Categorical Exemptions of the CEQA Guidelines.
- **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 *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal. 3d 68. The ruling in this case stated that if a project falls within a category exempt by administrative regulation or 'it can be seen with certainty that the activity in question will not have a significant effect on the environment', no further agency evaluation is required. With certainty, there is no possibility that the project may have a significant effect on the environment. The consent to the Bills of Sale and Assignment of Subleases is an administrative function, that is required as part of the terms of the Lease at the existing airport and would result in the continued operation of the airport on the leased premises under different owners. No significant direct or indirect environmental impacts would occur. 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 is exempt under CEQA. No further environmental analysis is warranted.

Signed:



Date:

1/15/19

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

**RIVERSIDE COUNTY CLERK & RECORDER**

**AUTHORIZATION  
TO BILL  
BY JOURNAL VOUCHER**

**Project Name:** Consent to Assignments and Bills of Sales for Building A at Hangar 10, Building B at Hangar 23, and Buildings D and E at Hangar 4, Jacqueline Cochran Regional Airport, Thermal

**Accounting String:** 537080-22100-1910700000- ED1910012

DATE: January 14, 2019

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: Jose Ruiz, Real Property Agent III, Economic Development Agency

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -





Date: January 14, 2019

To: Kiyomi Moore/Josefina Castillo, Office of the County Clerk

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

**Subject: County of Riverside Economic Development Agency Project # ED1910012**  
Consent to Assignments and Bills of Sale for Building A at Hangar 10, Building B at Hangar 23, and Buildings D and E at Hangar 4, Jacqueline Cochran Regional Airport, Thermal

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 10<sup>th</sup> Street, Suite 400, Riverside, CA 92501**

**If you have any questions, please contact Mike Sullivan at 955-8009 or email at [msullivan@rivco.org](mailto:msullivan@rivco.org).**

Attachment

cc: file

Attachment A  
**(Daniel W. Arnold Family Trusts)**  
Lease Cancellation Agreement

APR 30 2019 3.7

1 LEASE CANCELLATION AGREEMENT

2 JACQUELINE COCHRAN REGIONAL AIRPORT

3  
4 WHEREAS, John Obradovich and Betty Obradovich, hereinafter Sublessor, and  
5 William and Gwynneth Watson, Trustees of the Watson Family Trust dated 1/21/89, herein  
6 after Sublessee, as entered into that certain Sublease dated 3/30/2005,  
7 attached hereto as Exhibit A, and by this reference incorporated herein, relating to land located  
8 at Jacqueline Cochran Regional Airport (formerly Desert Resorts Regional Airport), Riverside  
9 County, California; and

10 WHEREAS, Sublessor improved the land with a 2,750 square foot  
11 aircraft storage hangar; and

12 WHEREAS, Sublessor sold the improvements to Sublessee; and


13 WHEREAS, Sublessee has subsequently sold the improvements to a third party


14 WHEREAS, Sublessor and Sublessee find it in their mutual best interests to cancel the  
15 Lease;

16 NOW, THEREFORE, the parties hereto for good and valuable consideration do mutually  
17 agree to cancel the Lease effective the date of execution of this agreement by all parties.

18 Date: 4/1/2018


SUBLESSEE

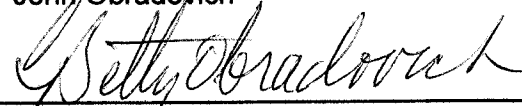
19 By:   
20 William Watson, Trustee

21 By:   
22 Gwynneth Watson, Trustee

23  
24 Date: 4/1/2018

SUBLESSOR

25 By:   
26 John Obradovich

27 By:   
28 Betty Obradovich

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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 California

County of Riverside

On 3/21/18 before me, Tami S. Adams, Notary Public,  
Date Here Insert Name and Title of the Officer

personally appeared William Watson and  
Gwynneth Watson  
Name(s) of Signer(s)

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 Tami S. Adams  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

- Signer's Name: \_\_\_\_\_
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Individual  Attorney in Fact
- Trustee  Guardian or Conservator
- Other: \_\_\_\_\_

- Signer's Name: \_\_\_\_\_
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Individual  Attorney in Fact
- Trustee  Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

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State of California )  
County of Riverside )

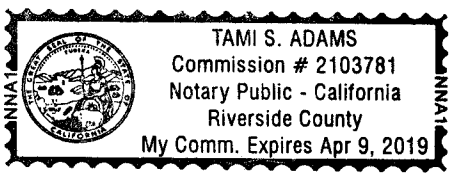
On 3/27/18 before me, Tam S. Adams, Notary Public,  
Date Here Insert Name and Title of the Officer

personally appeared John Obradovich and  
Name(s) of Signer(s)  
Betty Obradovich

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 Tam S. Adams  
Signature of Notary Public



Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_  
Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_ Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  Partner —  Limited  General  
 Individual  Attorney in Fact  Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_ Signer Is Representing: \_\_\_\_\_

**SUB-LEASE WITH SALE OF AVIATION HANGAR**

John Obradovich and Betty Obradovich, herein called Sub-Lessor, sub-leases to William and Gwynneth Watson, Trustees of The Watson Family Trust dated January 21, 1989, herein called Sub-Lessee, the property described below, upon the following items and conditions.

**RECITALS**

Sub-Lessor leases from the County of Riverside, approximately nine (9) acres located at the Jacqueline Cochran Regional Airport, Thermal, in the County of Riverside, State of California.

This and other sub-leases entered into by the Sub-Lessor are intended to conform with, be compatible with, and be subject to the terms and conditions of the Master Lease dated May 3, 2003, amended September 14, 2004 and recorded June 3, 2003, between the County of Riverside as Lessor, and John and Betty Obradovich, Husband and Wife, as Lessee which lease and amendments thereto shall be called the "Master Lease" and the County of Riverside shall be called the "County."

By separate document entitled, "Bill of Sale", a copy of which is attached hereto as Exhibit "A", Sub-Lessor intends to convey, assign or transfer to Sub-Lessee its (Sub-Lessor's) interest in certain facilities and improvements it owns within the premises sub-leased hereunder.

**DESCRIPTION**

The premises sub-leased hereby are located within Desert Resorts Regional Airport generally, and within the area leased from County by Sub-Lessor consisting of nine (9) acres and as more particularly shown on Exhibit "B", attached thereto and by this reference, made a part of this sub-lease. The portion of the nine acres being sub-leased is that portion of land occupied in Building A, Hangar # 10 as depicted in Exhibit "B". In addition to the forgoing during the term of this lease Sublessor grants to Sublessee the right to ingress and ingress over that portion of the leasehold premises of Sublessor held under the Master Lease and a license to use the taxiway areas as designated by Sublessor.

**USE**

The premises are sub-leased hereby for the purposes of aircraft storage.

**TERM**

The term of this sub-lease, subject to any provisions in the Master Lease that may be applicable and take precedence, shall be for a period equal to the portion of thirty (30) years remaining under the Master Lease and terminating on June 30, 2033. Sub-Lessor has an option to extend the term for an additional ten (10) years, as provided in the Master Lease. If the Sub-Lessor extends the lease with the County for the additional ten years, this Sub-Lease shall extend as well for the additional ten years. Nothing in this Sublease shall be interpreted to obligate or require the Sublessor to so extend the term of the Master Lease and Sublessor or its successors and assigns may or may not so extend the term of the Master Lease in its sole and absolute discretion

**RENT**

Sub-Lessee shall pay to Sub-Lessor the sum of \$51.75 per month, payable in advance, on the 1st day of each

month.

The monthly rent shall be subject to adjustment as of the dates and in the amounts as described in Section 5, paragraphs (d) and (e) of the Master Lease. In no event shall any adjustment be a negative adjustment.

The monthly rent is due and payable on or before the first of the appropriate month during the term of this lease agreement and shall be considered delinquent, if not paid by the 15th of the month. If the monthly rent becomes delinquent, lessee will be charged a late fee equivalent to ten percent (10%) of the delinquent rental amount, exclusive of late fees, for each month that rent is delinquent.

#### **ADDITIONAL OBLIGATIONS OF SUB-LESSEE**

Sub-Lessee shall, during the terms of this sub-lease;

Observe and comply with all rules, regulations and laws which govern and are in effect adopted by Sublessor or the County of Riverside. Maintain premises and equipment in a clean, orderly, neat and safe condition.

Pay for all utilities, including trash disposal and a pro rata share of Sublessor's cost of maintaining and insuring the Project, as determined by Sublessor.

#### **SUB-LESSOR'S RESERVED RIGHTS**

Sub-Lessor and County, or either duly authorized agents, shall have the right to enter the sub-leased premises for inspections, repairs or for any other reasonable cause.

#### **IMPROVEMENTS, REPAIRS & SIGNS**

Sub-Lessee shall not make any improvements, repairs or modifications, paint the exterior of the hangar or install any signs without prior written approval of Sub-Lessor.

#### **INSURANCE**

Sub-Lessee shall, during the term of this sub-lease, procure and maintain the following described insurance coverage and limits as indicated.

a. Procure and maintain comprehensive General Liability Insurance coverage that shall protect Lessee from claims for damages for personal injury, including 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 be by Lessee, by a subcontractor, or by anyone employed directly or indirectly by either of them. Such insurance shall name Sublessor and all Agencies, Districts, Special Districts, and Departments of the County of Riverside, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds with respect to this sublease and obligations of Sublessee hereunder. Such insurance shall provide for limits of not less than \$1,000,000, per occurrence.

b. Furnish Sublessor and the County of Riverside with Certificates of Insurance showing that such insurance is in full force and effect, and that additional insureds are named as required in (a) above. Further, said certificates shall contain the covenant of the insurance carrier that 30 days written notice will be given to the County of Riverside and Sublessor prior to cancellation or reduction in coverage of such insurance.

## **TERMINATION BY SUB-LESSOR**

Sub-Lessor shall have the right to terminate this Sub-Lease.

In the event a petition is filed for voluntary or involuntary bankruptcy, for the adjudication of Sub-Lessee as a debtor.

In the event that Sub-Lessee makes a general assignment, or sub-lessee's interest hereunder is assigned involuntarily or by operation of law for the benefit of creditors.

In the event of any act which operates to deprive Sub-Lessee of the ability to perform its duties under this Sub-Lease.

In the event of the abandonment of, or the discontinuance of the use of the sub-leased premises by Sub-Lessee.

In the event Sub-Lessee fails to perform, keep or observe any of its duties or obligations hereunder, provided however that Sub-Lessee shall have 30 days in which to correct its breach or default after written notice hereof has been served on it by Sub-Lessor.

In the event that the lease premises are rendered unfit for Sub-Lessee's use and cannot be restored within a reasonable time.

## **TERMINATION BY SUB-LESSEE**

Sub-Lessee shall have the right to terminate this Sub-Lease;

In the event a petition is filed for voluntary or involuntary bankruptcy, for the adjudication of Sub-Lessor as a debtor.

In the event that Sub-Lessor makes a general assignment for the benefit of creditors.

In the event of any act which operates to deprive Sub-Lessee of the ability to perform its duties under this lease.

In the event of the abandonment of, or the discontinuance of the use of the leased premises by Sub-Lessor.

In the event Sub-Lessor fails to perform, keep or observe any of its duties or obligations hereunder, provided however that Sub-Lessor shall have 30 days in which to correct its breach or default after written notice hereof has been served on it by Sub-Lessee.

In the event that the leased premises are rendered unfit for Sub-Lessor's use and cannot be restored within a reasonable time.

## **HOLD HARMLESS**

Sub-Lessee shall indemnify and hold Sub-Lessor and County, their officers, agents, employees and independent contractors free and harmless from any liability whatsoever, based or asserted on any act or omission of Sub-Lessee, its officers, agents, employees, subcontractors and independent contractors for property damage, bodily injury, or death (Sub-Lessee's employees included) or any other element of damage or any kind or nature in any way connected with or arising



from its use and responsibilities in connection therewith of the leased premises, or the condition thereof, and Sub-Lessee shall defend at its expense, including attorney fees, Sub-Lessor, County, its officers, agents, employees and independent contractors in any legal action based on any alleged acts or omissions.

#### **ASSIGNMENT**

Lessee cannot assign, sublet, mortgage, hypothecate or otherwise transfer in any manner any of its rights, duties and obligations hereunder to any person or entity without the written consent of Sub-Lessor and County being first obtained.

#### **BINDING ON SUCCESSORS**

Sub-Lessee, his heirs, assigns and successor in interest shall be bound by all the terms and conditions contained in this sub-lease, and all of the parties thereto shall be jointly and severally liable hereunder.

#### **EMPLOYEES AND AGENTS OF SUB-LESSEE**

It is understood that all persons hired or engaged by Sub-Lessee shall be considered to be employees or agents of Sub-Lessee and not of Sub-Lessor or County.

#### **COMPLIANCE WITH LAW**

Sub-Lessee shall observe all statutes, rules, regulations, ordinances, and orders relating to the use of the sub-leased premises enacted or promulgated by County, the State of California, the United States of America and the agencies thereof.

#### **WAIVER OF PERFORMANCE**

No waiver by Sub-Lessor at any time of any of the terms and conditions of his sub-lease shall be deemed or construed as a waiver at any time thereafter of the same or any other terms and conditions contained herein or of the strict and timely performance of such terms and conditions.

#### **SEVERABILITY**

The invalidity of any provision in this sub-lease as determined by a court of competent jurisdiction shall in no way effect the validity of any other provisions hereof.

#### **NOTICES**

Any notices required or desired to be served by either party upon the other shall be addressed to the respective parties as set forth below:

##### **SELLER:**

All Inside AV Storage, Inc.  
84-401 Cabazon Center Drive  
Indio, CA 92201

##### **BUYER:**

William and Gwynneth Watson  
42-419 Adams St.  
Bermuda Dunes, CA 92203

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

## **VENUE**

Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights for by this sub-lease shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other County.

## **TAXES**

Sub-Lessee shall pay for all fees and taxes levied or required by any authorized public entity. Sub-Lessee recognizes and understands that this Sub-Lease will create a possessory interest subject to property taxation and that Sub-Lessee will be subject to the payment of property taxes levied on such interest.

## **TOXIC MATERIALS**

During the term of this sub-lease and any extension thereof, Sub-Lessee shall not violate any federal, state or local law, or ordinance or regulation, relating to industrial hygiene or to the environmental condition on, under or about the sub-leased premises including, but not limited to, soil and ground water conditions. Further, Sub-Lessee, its successors and assigns shall not use, generate, manufacture, produce, store or dispose of, on, under or about the sub-leased premises or transport to or from the sub-leased premises, any flammable explosives, asbestos, radioactive materials, hazardous wastes, toxic substances or related injurious materials, whether injurious by themselves or in combination with other materials (collectively, "hazardous materials"). For the purpose of this sub-lease, hazardous materials shall include, but not be limited to, substances defined as "hazardous substances," "hazardous materials" or "toxic substances," in the Comprehensive Environmental Response, Cleanup and Liability Act of 1980, as amended, 42 U.S.C. § 9601, et seq.; the Hazardous Materials Transportation Act, 49, U.S.C. § 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq.; and those substances defined as "hazardous wastes" in Section 25117 of the California Health and Safety Code or as "hazardous wastes" in Section 25316 of the California Health and Safety Code; and in the regulations adopted in publications promulgated pursuant to said laws.

## **FREE FROM LIENS**

Sub-Lessee shall pay, when due, all sums of money that may become due for any labor, services, material, supplies, or equipment, alleged to have been furnished or to be furnished to Sub-Lessee, in, upon or about the sub-leased premises, and which may be secured by a mechanic's, materialmen's, or other lien against the sub-leased premises or County's interest therein, and will cause such lien to be fully discharged and released at the time the performance of any obligation secured by such lien matures or becomes due, provided, however, that if Sub-Lessee desires to contest any such lien provided that it either pays the lien or obtains a bond to allow release of said lien, and then it may do so, but notwithstanding any such contest, if such lien shall be reduced to final 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, Sub-Lessee shall forthwith pay and discharge said judgment.

## **DISPUTES/DAMAGES**

In the event it is necessary to enforce or interpret any provision herein contained, or to recover any rent due or to

recover possession of the Premises for any default or breach of the Agreement, the matter shall be submitted to binding arbitration conducted by the American Arbitration Association ("AAA") who shall be selected by mutual agreement of the parties. The Arbitrator shall comply with, and the decision of the Arbitrator shall be rendered in accordance with the law of the State of California. The Arbitrator shall have the power to grant all legal and equitable remedies and award compensatory damages provided by California Law, but shall not have the power to award punitive damages. The parties agree to be bound by the decision of the Arbitrator, which shall be final, shall not be appealable, and which shall allow for no trial de novo on the same issues. The Arbitrator's decision shall be rendered within 30 days following submission of the matter at issue, but the failure to comply with this provision shall in no way invalidate any decision or award as may be rendered more than 30 days after submission.

Judgment upon the decision rendered by the arbitrator may be entered in any court having proper jurisdiction or applications may be made to such court for judicial acceptance of the award and an Order of Enforcement.

You are agreeing to have any dispute arising out of the matters included in the "Arbitration of Disputes" provision decided by neutral arbitration as provided by California Law and you are giving up any rights you might possess to have the dispute litigated in a court or jury trial. You are giving up your judicial rights to discovery and appeal, unless those rights are specifically included in the "Arbitration of Disputes" provision. If you refuse to submit to Arbitration after agreeing to this provision, you may be compelled to arbitrate under the authority of the California Code of Civil Procedure. Your agreement to this arbitration provision is voluntary.

#### MASTER LEASE/SURVIVAL OF SUB-LEASE

a. Sub-Lessee acknowledges and agrees that it shall be bound, and shall otherwise be subject to all of the terms and conditions contained in the Master Lease except as otherwise permitted by the provisions of Paragraph 29 of the Master Lease.


b. In the event the Master Lease is terminated, Sub-Lessee agrees to keep, observe and perform all of the terms and conditions of the Master Lease on the part of the Sub-Lessor to be kept, observed and performed, and Sub-Lessee's right to possession shall remain in effect as provided in Paragraph 29 of the Master Lease to all intents and purposes as though Sub-Lessee was the original Lessee thereunder; provided however, that such assumption and agreement shall pertain only to the sub-leased premises and not to the entire leased premises under the Master Lease, and Sub-Lessee, among other things, shall make rental payments to County in an amount equal to such payments which Sub-Lessee is required to pay Sub-Lessor under this sub-lease.


#### CONSENT BY COUNTY

The parties hereto understand and agree that this Sub-Lease shall not be enforceable by either unless and until consent has been obtained from County in writing.

IN WITNESS WHEREOF, this Sublease is executed on 3-30, 2005.

SUB-LESSOR:

  
\_\_\_\_\_  
John Obradovich

  
\_\_\_\_\_  
Betty Obradovich

SUB-LESSEE:

William Watson  
William Watson

Gwynneth Watson  
Gwynneth Watson

STATE OF California )  
 ) SS.  
COUNTY OF Riverside )

On 3/30/05 before me, Janet Lawver-Vafai, Notary Public

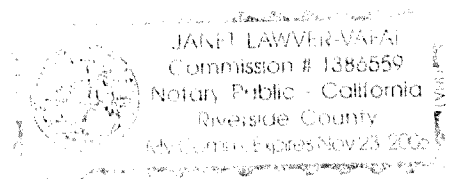
A Notary Public in and for said County and State, personally appeared John Obradovich, Betty Obradovich, and William Watson, Gwynneth Watson.

~~Personally known to me~~ (or 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.

WITNESS my hand and official seal.

Seal:

Janet Lawver-Vafai  
Signature of Notary



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

On \_\_\_\_\_ before me, \_\_\_\_\_

A Notary Public in and for said County and State, personally appeared \_\_\_\_\_

Personally known to me (or 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.

WITNESS my hand and official seal.

Seal:

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

The COUNTY OF RIVERSIDE hereby consents to the foregoing Sublease.

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

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

Date: 3-30-05 **LESSEE**

*John Obradovich*  
John Obradovich

*Betty Obradovich*  
Betty Obradovich

Date: MAY 24 2005 **LESSOR**

The County of Riverside hereby consents to the foregoing Sublease.

**COUNTY OF RIVERSIDE**

By: *Marion Ashley*  
Chairman, Board of Supervisors

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

MARION ASHLEY

ATTEST:  
NANCY ROMERO,  
Clerk of the Board

FORM APPROVED:  
WILLIAM C. KATZENSTEIN,  
County Counsel

By: *Joni Schlemmer*  
Deputy

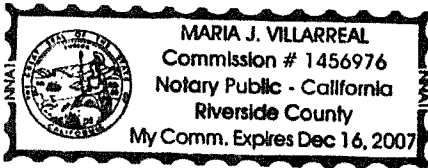
By: *Gordon V. Woo 4/18/05*  
Deputy

STATE OF CALIFORNIA )  
 ) SS.  
COUNTY OF RIVERSIDE )

On May 24, 2005, before me, Maria J. Villarreal, Notary Public  
personally appeared Marion Ashley

personally known to me (or 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.

WITNESS my hand and official seal.



Maria J. Villarreal  
Notary Public

STATE OF CALIFORNIA )  
 ) SS.  
COUNTY OF RIVERSIDE )

On \_\_\_\_\_, 2005, before me, \_\_\_\_\_  
personally appeared \_\_\_\_\_

personally known to me (or 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.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public

## BILL OF SALE COUPLED WITH SUB-LEASE

All Inside AV Storage, Inc. hereinafter called the "Seller," hereby sells to William and Gwynneth Watson, Trustees of The Watson Family Trust dated January 21, 1989, hereinafter called the "Buyer," and said Buyer hereby purchases from Seller the property described below, upon the following terms and conditions:

1. **RECITALS.** The Seller owns concrete floor structures and steel buildings labeled as Bldg. A, Bldg. B, Bldg. C, Bldg. D, and Bldg. E at Jacqueline Cochran Regional Airport, Thermal, California, Riverside County, as described on the attached **Exhibit B** also described as **Bldg A, Hangar # 10**, the sale of which is the subject of this Agreement and which is intended to convey title thereto for the sum of \$103,500.00.

2. **THIS BILL OF SALE IS SUBJECT TO MASTER LEASE AND COUPLED WITH SUB-LEASE.** This Bill of Sale is subject to that certain Master Lease executed by the County of Riverside and John and Betty Obradovich, dated May 13, 2003, amended September 14, 2004 and recorded June 3, 2002 which instruments affect directly the uses and purposes to which the aforesaid subject personal property may be put. Furthermore, Seller hereby incorporates in this instrument by reference the terms and conditions of that certain "Sub-Lease" executed by the parties hereto on 3-30-05. This Bill of Sale shall be enforceable only on the condition that the parties have entered into the aforesaid Sub-Lease.

3. **WARRANTY OF TITLE.** Seller does hereby, for the benefit of Buyer, covenant and agree to warrant and defend title to the aforesaid personal property hereby conveyed, against the just and lawful claims and demands of all persons whomsoever, and Seller further covenants that the aforesaid real property is not subject to liens of any type, including but not limited to liens for unpaid taxes, nor is said personal property subject to a security agreement or financing statement.

4. **REVERSION OF PROPERTY TO SELLER.** The aforesaid Sub-Lease, with which this Bill of Sale is coupled provides for a sub-lease period of approximately 30 years with a 10-year option, during which time the Buyer hereto, subject to certain conditions precedent, may sell, rent, assign, convey, hypothecate, or encumber the personal property subject to is instrument, provided further, that upon the expiration of said Sub-Lease or 30 years with a 10-year option lease period, whichever shall first occur, the personal property subject to this Bill of Sale shall revert to the Seller hereunder, or to Seller's assignee, or to the County of Riverside, which reversion shall be governed by the terms and conditions of the aforesaid Master Lease and all of the aforesaid amendments thereto and the terms and conditions of the aforementioned Sub-Lease between Sub-Lessor and Sub-Lessee. Provided further that in accordance with the aforesaid Sub-Lease, Buyer hereunder shall not sell, rent, assign, hypothecate or encumber the personal property subject to this instrument except upon the express written consent of the county of Riverside and Seller or his assignee hereunder, which consent shall not be unreasonably withheld.

5. **TAX CLAUSE.** During the aforementioned period of possession of Buyer of the personal property, Buyer shall be solely responsible for the payment of the personal property and/or possessory interest taxes and all other taxes levied upon the specific structure by the County of Riverside and/or all other lawfully constituted taxing authorities, and said responsibility shall include real property taxes which may be assessed to Seller, to Seller's successor, or to Buyer in connection with the subject property.

### 6. **BUYER'S RIGHT TO TRANSFER PROPERTY AND SURVIVAL OF SUB-LEASE.**

a. **RIGHT TO TRANSFER.** Seller hereby consents to and agrees that Buyer may convey, assign, or transfer Buyer's interest in or to the subject personal property to one or more individuals; provided however, that such conveyance, assignment, or transfer includes the aforementioned sub-lease and shall be subject to the prior written approval of the Seller, County of Riverside, and Sub-Lessor. Provided further, that Seller shall have the right of first refusal to purchase, lease, rent, or receive Buyer's interest in the subject property and the subleasehold estate of Buyer on

purchase, lease, rent, or receive Buyer's interest in the subject property and the subleasehold estate of Buyer on the same terms as offered by Buyer to any other individual or entity. Seller's failure to exercise right of first refusal within sixty (60) days of written notice thereby by Buyer to Seller shall be deemed to be waiver of such right by Seller. Upon such waiver or rejection by Seller, and subject to the provisions contained in this Paragraph 6 (a) Buyer may proceed to convey, assign or transfer all of part of his/her interest in the subject property on the same terms and conditions offered to Seller; provided, however, that Buyer shall not, except with Seller's permission, convey, lease, rent or sell any portion of the premises to any commercial operations for the purpose of doing any business at Jacqueline Cochran Regional Airport (Thermal) other than if said sale is to the aforesaid Seller.

b. **SURVIVAL OF SUB-LEASE.** Subject to the provision of the aforesaid Master Lease, Buyer's rights, including the right of possession and all other rights not in conflict with the terms and conditions of the aforesaid Lease and amendments thereto, and all of the Buyer's obligations and duties under the aforementioned Sub-Lease and the Master Lease and amendments thereto, shall remain in effect, notwithstanding a termination of the aforesaid Master Lease, or an assignment or a transfer of the Seller's rights, duties and obligations hereunder, prior to the expiration of the aforementioned Sub-Lease, provided that the Buyer (as Sub-Lessee under the aforementioned Sub-Lease) has fully and faithfully performed the terms and conditions that it is required to perform under the aforementioned Sub-Lease and Master Lease and amendments thereto, and it otherwise is not in default hereunder.

7. **NOTICES.** Any notices required or desired to be served by either party upon the other shall be addressed to the respective party as set forth below:

**SELLER:**

All Inside AV Storage, Inc.  
84-401 Cabazon Center Drive  
Indio, CA 92201

**BUYER:**

William and Gwynneth Watson  
42-419 Adams St.  
Bermuda Dunes, CA 92203

or such other addresses as from time to time shall be assigned by the respective parties.

8. **TERMS.** The terms of this Bill of Sale shall be governed by and construed in accordance with the laws of the State of California and the parties hereto stipulate to the jurisdiction of the Riverside County Courts.

9. **DISPUTES/DAMAGES.** In the event it is necessary to enforce or interpret any provision herein contained, the matter shall be submitted to binding arbitration conducted by the American Arbitration Association ("AAA") who shall be selected by mutual agreement of the parties. The Arbitrator shall comply with, and the decision of the Arbitrator shall be rendered in accordance with the laws of the State of California. The Arbitrator shall have the power to grant all legal and equitable remedies and award compensatory damages provided by California Law, but shall not have the power to award punitive damages. The parties agree to be bound by the decision of the Arbitrator, which shall be final, shall not be appealable, and which shall allow for no trial de novo on the same issues. The Arbitrator's decision shall be rendered within 30 days following submission of the matter at issue, but the failure to comply with this provision shall in no way invalidate any decision or award as may be rendered more than 30 days after submission.

Judgment upon the decision rendered by the arbitrator may be entered in any court having proper jurisdiction or applications may be made to such court for judicial acceptance of the award and an Order of Enforcement. The parties hereby agree to have any dispute arising out of the matters included in the "Arbitration of Disputes" provision decided by neutral arbitration as provided by California Law and are giving up any rights to have the dispute litigated in a court or jury trial, as well as judicial rights to discovery and appeal, unless those rights are specifically included in the "Arbitration of Disputes" provision. Your agreement to this arbitration provision is voluntary.

IN WITNESS WHEREOF, this Bill of Sale is executed on March 30, 2005.



The COUNTY of Riverside hereby consents to the foregoing Bill of Sale.

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

Date: 3-30-05 LESSEE

Jed Aland  
Betty Chadovick

By: \_\_\_\_\_  
Managing Member

Date: MAY 24 2005 LESSOR

COUNTY OF RIVERSIDE

By: Marion Ashley By: \_\_\_\_\_  
Chairman, Board of Supervisors  
MARION ASHLEY

ATTEST:  
NANCY ROMERO,  
Clerk of the Board

FORM APPROVED:  
WILLIAM C. KATZENSTEIN,  
County Counsel

By: Sam Schlemmer  
Deputy

By: Gordon V. Woo 4/18/05  
Deputy

**SELLER:**

All Inside AV Storage, Inc.

[Signature]  
Signature

John Obradovich, President  
Printed Name and Title

**BUYER:**

[Signature]  
Signature

William Watson, Trustee  
Printed Name and Title

[Signature]  
Signature

Gwynneth Watson, Trustee  
Printed Name and Title

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Printed Name

STATE OF California )

) SS.

COUNTY OF Riverside )

On 3/30/65 before me, Janet Lawver-Vafai, Notary Public

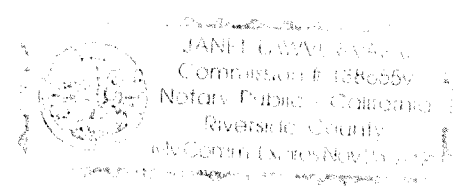
A Notary Public in and for said County and State, personally appeared John Obradovich,  
and William Watson, Trustee and Gwynneth Watson, Trustee

~~Personally known to me~~ (or 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.

WITNESS my hand and official seal.

Seal:

[Signature]  
Signature of Notary





Attachment B

**(Daniel W. Arnold Family Trusts)**

Consent to Bill of Sale Coupled with Sub-Lease

CONSENT TO  
BILL OF SALE COUPLED WITH SUBLEASE

The County of Riverside, a political subdivision of the State of California, ("County") hereby consents to the Bill of Sale Coupled with Sub-Lease ("Bill of Sale"), dated April 1, 2018 between William and Gwynneth Watson, trustees of the Watson Family Trust dated 1/21/89 (as "Seller") and Daniel W. Arnold, trustee of the Daniel W. Arnold Family Trust (as "Buyer"), relating to the sale of the aircraft storage hangar known as Building "A", Hangar "10", located at the Jacqueline Cochran Regional Airport, Thermal, California. The Bill of Sale Coupled with Sublease, including exhibits, is attached hereto as Exhibit "A" and incorporated herein by this reference.

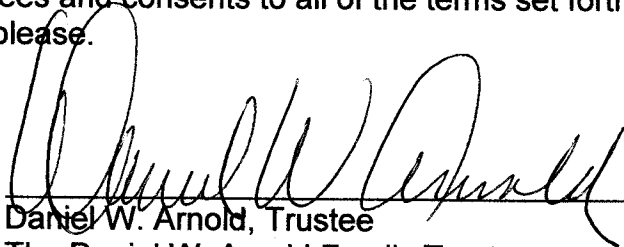
By consenting to the Bill of Sale, the County neither undertakes nor assumes nor will have any responsibility or duty to Buyer or to any third party to review, inspect, supervise, pass judgment upon or inform Buyer or any third party, of any matter in connection with the subject aircraft storage hangar, whether regarding the quality, adequacy or suitability of the subject aircraft storage hangar for Buyer's proposed use, or otherwise. Buyer and all third parties shall rely upon its or their own judgment regarding such matters. The County makes no representations, express or implied, with respect to the legality, fitness, or desirability of the subject aircraft storage hangar for Buyer's intended use.

[Remainder of Page Intentionally Left Blank]

[Signatures on Following Page]

Daniel W. Arnold, Trustee of The Daniel W. Arnold Family Trust, hereby acknowledges, agrees and consents to all of the terms set forth in this Bill of Sale Coupled with Sublease.

By:



---


Daniel W. Arnold, Trustee  
The Daniel W. Arnold Family Trust

Dated: April 1, 2018

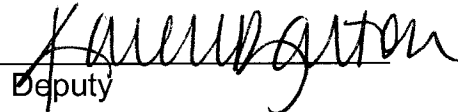
IN WITNESS WHEREOF, the County has caused its duly authorized representative to execute this Consent to Bill of Sale Coupled with Sub-Lease as of the date set forth below.

Date: APR 30 2019


COUNTY OF RIVERSIDE, a political  
Subdivision of the State of California

By:   
Kevin Jeffries, Chairman  
Board of Supervisors

**ATTEST:**  
Kecia Harper ~~Thom~~  
Clerk of the Board

By:   
Deputy

APPROVED AS TO FORM  
GREGORY P. PRIAMOS, County Counsel

By:   
for Thomas Oh  
Deputy County Counsel

[Daniel W. Arnold, Acknowledgement on Following Page]

**EXHIBIT A**  
**BILL OF SALE**  
**(behind this page)**



## BILL OF SALE COUPLED WITH SUB-LEASE

William and Gwynneth Watson, trustees of the Watson Family Trust dated 1/21/89 hereinafter called the "Seller," hereby sells to Daniel W. Arnold, trustee of the Daniel W. Arnold Family Trust hereinafter called the "Buyer," and said Buyer hereby purchases from Seller the property described below, upon the following terms and conditions:

1. **RECITALS.** The Seller owns concrete floor structure and steel building labeled as Bldg A10 at Jacqueline Cochran Regional Airport, (formerly Desert Regional Resorts Airport) Thermal, California, Riverside County, as described on the attached **Exhibit "1"** also described as Bldg A, Hangar # 10, the sale of which is the subject of this Agreement and which is intended to convey title thereto for the sum of \$ 150,000.

2. **THIS BILL OF SALE IS SUBJECT TO MASTER LEASE AND COUPLED WITH SUB-LEASE.** This Bill of Sale is subject to that certain Master Lease executed by the County of Riverside and John and Betty Obradovich, dated April 24, 2003, executed June 3, 2003, and amended September 14, 2004, and September 12, 2006, and March 17, 2009, and which instruments affect directly the uses and purposes to which the aforesaid subject personal property may be put. Furthermore, Seller hereby incorporates in this instrument by reference the terms and conditions of that certain "Sub-Lease" executed by the parties hereto on April 1, 2018. This Bill of Sale shall be enforceable only on the condition that the parties have entered into the aforesaid Sub-Lease.

3. **WARRANTY OF TITLE.** Seller does hereby, for the benefit of Buyer, covenant and agree to warrant and defend title to the aforesaid personal property hereby conveyed, against the just and lawful claims and demands of all persons whomsoever, and Seller further covenants that the aforesaid real property is not subject to liens of any type, including but not limited to liens for unpaid taxes, nor is said personal property subject to a security agreement or financing statement.

4. **REVERSION OF PROPERTY TO SELLER.** The aforesaid Sub-Lease, with which this Bill of Sale is coupled provides for a sub-lease period of approximately 30 years with a 10-year option, during which time the Buyer hereto, subject to certain conditions precedent, may sell, rent, assign, convey, hypothecate, or encumber the personal property subject to is instrument, provided further, that upon the expiration of said Sub-Lease or 30 years with a 10-year option lease period, whichever shall first occur, the personal property subject to this Bill of Sale shall revert to the Seller hereunder, or to Seller's assignee, or to the County of Riverside, which reversion shall be governed by the terms and conditions of the aforesaid Master Lease and all of the aforesaid amendments thereto and the terms and conditions of the aforementioned Sub-Lease between Sub-Lessor and Sub-Lessee. Provided further that in accordance with the aforesaid Sub-Lease, Buyer hereunder shall not sell, rent, assign, hypothecate or encumber the personal property subject to this instrument except upon the express written consent of the county of Riverside and Seller or his assignee hereunder, which consent shall not be unreasonably withheld.

5. **TAX CLAUSE.** During the aforementioned period of possession of Buyer of the personal property, Buyer shall be solely responsible for the payment of the personal property and/or possessory interest taxes and all other taxes levied upon the specific structure by the County of Riverside and/or all other lawfully constituted taxing authorities, and said responsibility shall include real property taxes which may be assessed to Seller, to Seller's successor, or to Buyer in connection with the subject property.

6. **BUYER'S RIGHT TO TRANSFER PROPERTY AND SURVIVAL OF SUB-LEASE.**

a. **RIGHT TO TRANSFER.** Seller hereby consents to and agrees that Buyer may convey, assign, or transfer Buyer's interest in or to the subject personal property to one or more individuals; provided however, that such conveyance, assignment, or transfer includes the aforementioned sub-lease and shall be subject to the prior written approval of the Seller, County of Riverside, and Sub-Lessor. Provided further, that Seller shall have the right of first refusal to purchase, lease, rent, or receive Buyer's interest in the subject property and the subleasehold estate of Buyer on the same terms as offered by Buyer to any other individual or entity. Seller's failure to exercise right of first refusal within

sixty (60) days of written notice thereby by Buyer to Seller shall be deemed to be waiver of such right by Seller. Upon such waiver or rejection by Seller, and subject to the provisions contained in this Paragraph 6 (a) Buyer may proceed to convey, assign or transfer all of part of his/her interest in the subject property on the same terms and conditions offered to Seller; provided, however, that Buyer shall not, except with Seller's permission, convey, lease, rent or sell any portion of the premises to any commercial operations for the purpose of doing any business at Jacqueline Cochran Regional Airport (Thermal) other than if said sale is to the aforesaid Seller.

b. **SURVIVAL OF SUB-LEASE.** Subject to the provision of the aforesaid Master Lease, Buyer's rights, including the right of possession and all other rights not in conflict with the terms and conditions of the aforesaid Lease and amendments thereto, and all of the Buyer's obligations and duties under the aforementioned Sub-Lease and the Master Lease and amendments thereto, shall remain in effect, notwithstanding a termination of the aforesaid Master Lease, or an assignment or a transfer of the Seller's rights, duties and obligations hereunder, prior to the expiration of the aforementioned Sub-Lease, provided that the Buyer (as Sub-Lessee under the aforementioned Sub-Lease) has fully and faithfully performed the terms and conditions that it is required to perform under the aforementioned Sub-Lease and Master Lease and amendments thereto, and it otherwise is not in default hereunder.

7. **NOTICES.** Any notices required or desired to be served by either party upon the other shall be addressed to the respective party as set forth below:

**SELLER:**

William And Gwynneth Watson, Trustees  
The Watson Family Trust dated 1/21/89  
42-419 Adams Street #24  
Bermuda Dunes, CA 92201

**BUYER:**

Daniel W. Arnold, Trustee  
The Daniel W. Arnold Family Trust  
PO BOX 248  
Genoa, NV 89411

or such other addresses as from time to time shall be assigned by the respective parties.

8. **TERMS.** The terms of this Bill of Sale shall be governed by and construed in accordance with the laws of the State of California and the parties hereto stipulate to the jurisdiction of the Riverside County Courts.

9. **DISPUTES/DAMAGES.** In the event it is necessary to enforce or interpret any provision herein contained, the matter shall be submitted to binding arbitration conducted by the American Arbitration Association ("AAA") who shall be selected by mutual agreement of the parties. The Arbitrator shall comply with, and the decision of the Arbitrator shall be rendered in accordance with the laws of the State of California. The Arbitrator shall have the power to grant all legal and equitable remedies and award compensatory damages provided by California Law, but shall not have the power to award punitive damages. The parties agree to be bound by the decision of the Arbitrator, which shall be final, shall not be appealable, and which shall allow for no trial de novo on the same issues. The Arbitrator's decision shall be rendered within 30 days following submission of the matter at issue, but the failure to comply with this provision shall in no way invalidate any decision or award as may be rendered more than 30 days after submission.

Judgment upon the decision rendered by the arbitrator may be entered in any court having proper jurisdiction or applications may be made to such court for judicial acceptance of the award and an Order of Enforcement. The parties hereby agree to have any dispute arising out of the matters included in the "Arbitration of Disputes" provision decided by neutral arbitration as provided by California Law and are giving up any rights to have the dispute litigated in a court or jury trial, as well as judicial rights to discovery and appeal, unless those rights are specifically included in the "Arbitration of Disputes" provision. Your agreement to this arbitration provision is voluntary.

IN WITNESS WHEREOF, this Bill of Sale is executed on April 1, 2018.

**SELLER:**

  
\_\_\_\_\_

William Watson, Trustee

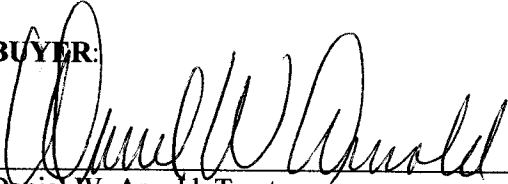
The Watson Family Trust dated 1/21/89

  
\_\_\_\_\_

Gwynneth Watson, Trustee

The Watson Family Trust dated 1/21/89

**BUYER:**

  
\_\_\_\_\_


Daniel W. Arnold, Trustee

The Daniel W. Arnold Family Trust

**LESSEE:**

  
\_\_\_\_\_

John Obradovich

  
\_\_\_\_\_

Betty Obradovich

The COUNTY of Riverside hereby consents to the foregoing Bill of Sale.

**LESSOR:**

COUNTY OF RIVERSIDE, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA

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

Chairman, Board of Supervisors

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

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

**ATTEST:**

Kecia Harper-Ihem,,  
Clerk of the Board

**FORM APPROVED:**

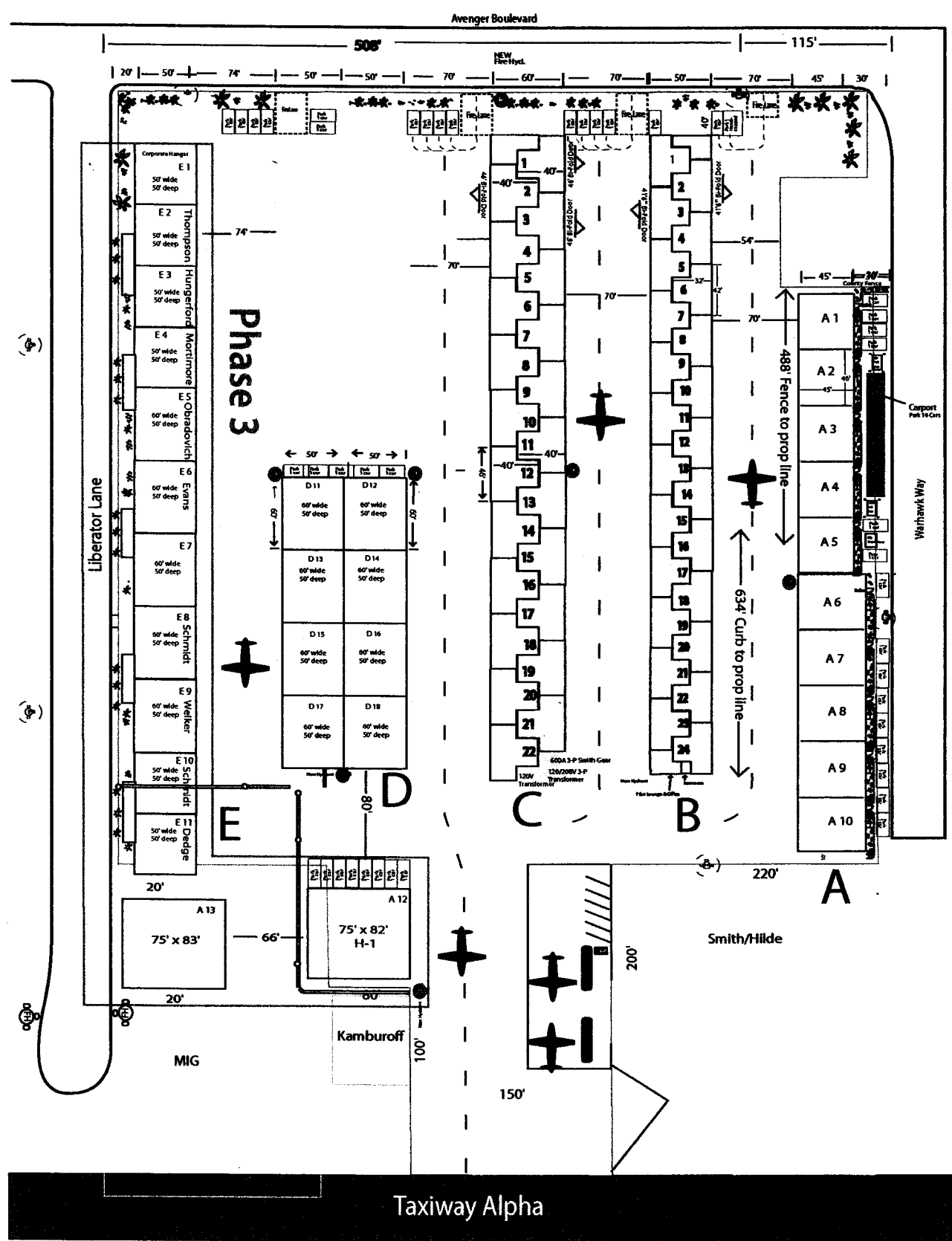
Pamela J. Walls,  
County Counsel

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

Deputy

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

Deputy



**Phase 1**

24 Tee Hangars - 42x32' (1050')	=	25,200
2 Tee Ends	=	1,050
5 Mini Box Hangars - 46x45' (2070')	=	10,350
		<u>36,600 Sq Ft.</u>

**Phase 2**

22 Tee Hangars - 46x40' (1380)	=	30,360
5 Business Box Hangars - 46x55'	=	12,650
8 Large Box Hangars - 60x50'	=	24,000
		<u>67,010 Sq Ft.</u>

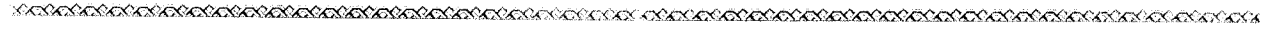
**Phase 3**

5 Corp. Box Hangars - 60x50'	=	15,000
5 Corp. Offices - 10x20'	=	1,000
6 Corp. Box Hangars - 50x50'	=	15,000
6 Corp. Offices - 10x25'	=	1,500
2 Large Box Hangar - 78x75'	=	11,700
		<u>44,200 Sq Ft.</u>

<b>Thermal Regional Airport</b>	
County of Riverside, Thermal, California	
<b>Master Development 9 Acres</b>	
<b>All Inside AV Storage and Self Serve Fuel</b>	
John & Betty Otradowich	
All Inside AV Storage, Inc.	
94-401 Cabazon Center Drive	
Thermal, CA 92701	

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**



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 California )  
County of Riverside )

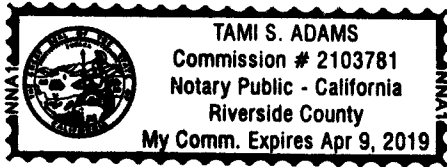
On 3/21/18 before me, Tami S. Adams, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Daniel W. Arnold  
Name(s) of Signer(s)

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 Tami S. Adams  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_



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State of California )

County of Riverside )

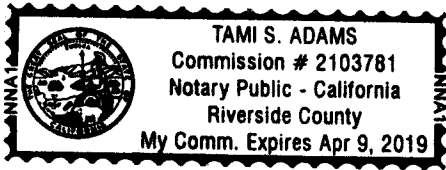
On 3/21/18 before me, Tami S. Adams, Notary Public,  
Date Here Insert Name and Title of the Officer

personally appeared William Watson and  
Name(s) of Signer(s)  
Gwynneth Watson

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 Tami S. Adams  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

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Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

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State of California )

County of Riverside )

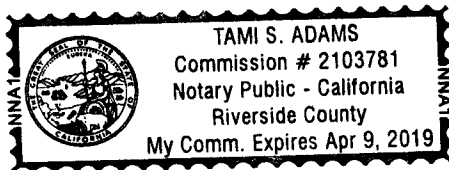
On 2/27/18 before me, Tami S. Adams, Notary Public,  
Date Here Insert Name and Title of the Officer

personally appeared John Obradovich and  
Name(s) of Signer(s)  
Betty Obradovich

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.

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WITNESS my hand and official seal.



Signature Tami S. Adams  
Signature of Notary Public

Place Notary Seal Above

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Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_



## BILL OF SALE COUPLED WITH SUB-LEASE

William and Gwynneth Watson, trustees of the Watson Family Trust dated 1/21/89 hereinafter called the "Seller," hereby sells to Daniel W. Arnold, trustee of the Daniel W. Arnold Family Trust hereinafter called the "Buyer," and said Buyer hereby purchases from Seller the property described below, upon the following terms and conditions:

1. **RECITALS.** The Seller owns concrete floor structure and steel building labeled as Bldg A10 at Jacqueline Cochran Regional Airport, (formerly Desert Regional Resorts Airport) Thermal, California, Riverside County, as described on the attached Exhibit "1" also described as Bldg A, Hangar # 10, the sale of which is the subject of this Agreement and which is intended to convey title thereto for the sum of \$ 150,000.

2. **THIS BILL OF SALE IS SUBJECT TO MASTER LEASE AND COUPLED WITH SUB-LEASE.** This Bill of Sale is subject to that certain Master Lease executed by the County of Riverside and John and Betty Obradovich, dated April 24, 2003, executed June 3, 2003, and amended September 14, 2004, and September 12, 2006, and March 17, 2009, and which instruments affect directly the uses and purposes to which the aforesaid subject personal property may be put. Furthermore, Seller hereby incorporates in this instrument by reference the terms and conditions of that certain "Sub-Lease" executed by the parties hereto on April 1, 2018. This Bill of Sale shall be enforceable only on the condition that the parties have entered into the aforesaid Sub-Lease.

3. **WARRANTY OF TITLE.** Seller does hereby, for the benefit of Buyer, covenant and agree to warrant and defend title to the aforesaid personal property hereby conveyed, against the just and lawful claims and demands of all persons whomsoever, and Seller further covenants that the aforesaid real property is not subject to liens of any type, including but not limited to liens for unpaid taxes, nor is said personal property subject to a security agreement or financing statement.

4. **REVERSION OF PROPERTY TO SELLER.** The aforesaid Sub-Lease, with which this Bill of Sale is coupled provides for a sub-lease period of approximately 30 years with a 10-year option, during which time the Buyer hereto, subject to certain conditions precedent, may sell, rent, assign, convey, hypothecate, or encumber the personal property subject to is instrument, provided further, that upon the expiration of said Sub-Lease or 30 years with a 10-year option lease period, whichever shall first occur, the personal property subject to this Bill of Sale shall revert to the Seller hereunder, or to Seller's assignee, or to the County of Riverside, which reversion shall be governed by the terms and conditions of the aforesaid Master Lease and all of the aforesaid amendments thereto and the terms and conditions of the aforementioned Sub-Lease between Sub-Lessor and Sub-Lessee. Provided further that in accordance with the aforesaid Sub-Lease, Buyer hereunder shall not sell, rent, assign, hypothecate or encumber the personal property subject to this instrument except upon the express written consent of the county of Riverside and Seller or his assignee hereunder, which consent shall not be unreasonably withheld.

5. **TAX CLAUSE.** During the aforementioned period of possession of Buyer of the personal property, Buyer shall be solely responsible for the payment of the personal property and/or possessory interest taxes and all other taxes levied upon the specific structure by the County of Riverside and/or all other lawfully constituted taxing authorities, and said responsibility shall include real property taxes which may be assessed to Seller, to Seller's successor, or to Buyer in connection with the subject property.

6. **BUYER'S RIGHT TO TRANSFER PROPERTY AND SURVIVAL OF SUB-LEASE.**

a. **RIGHT TO TRANSFER.** Seller hereby consents to and agrees that Buyer may convey, assign, or transfer Buyer's interest in or to the subject personal property to one or more individuals; provided however, that such conveyance, assignment, or transfer includes the aforementioned sub-lease and shall be subject to the prior written approval of the Seller, County of Riverside, and Sub-Lessor. Provided further, that Seller shall have the right of first refusal to purchase, lease, rent, or receive Buyer's interest in the subject property and the subleasehold estate of Buyer on the same terms as offered by Buyer to any other individual or entity. Seller's failure to exercise right of first refusal within

sixty (60) days of written notice thereby by Buyer to Seller shall be deemed to be waiver of such right by Seller. Upon such waiver or rejection by Seller, and subject to the provisions contained in this Paragraph 6 (a) Buyer may proceed to convey, assign or transfer all of part of his/her interest in the subject property on the same terms and conditions offered to Seller; provided, however, that Buyer shall not, except with Seller's permission, convey, lease, rent or sell any portion of the premises to any commercial operations for the purpose of doing any business at Jacqueline Cochran Regional Airport (Thermal) other than if said sale is to the aforesaid Seller.

b. **SURVIVAL OF SUB-LEASE.** Subject to the provision of the aforesaid Master Lease, Buyer's rights, including the right of possession and all other rights not in conflict with the terms and conditions of the aforesaid Lease and amendments thereto, and all of the Buyer's obligations and duties under the aforementioned Sub-Lease and the Master Lease and amendments thereto, shall remain in effect, notwithstanding a termination of the aforesaid Master Lease, or an assignment or a transfer of the Seller's rights, duties and obligations hereunder, prior to the expiration of the aforementioned Sub-Lease, provided that the Buyer (as Sub-Lessee under the aforementioned Sub-Lease) has fully and faithfully performed the terms and conditions that it is required to perform under the aforementioned Sub-Lease and Master Lease and amendments thereto, and it otherwise is not in default hereunder.

7. **NOTICES.** Any notices required or desired to be served by either party upon the other shall be addressed to the respective party as set forth below:

**SELLER:**

William And Gwynneth Watson, Trustees  
The Watson Family Trust dated 1/21/89  
42-419 Adams Street #24  
Bermuda Dunes, CA 92201

**BUYER:**

Daniel W. Arnold, Trustee  
The Daniel W. Arnold Family Trust  
PO BOX 248  
Genoa, NV 89411

or such other addresses as from time to time shall be assigned by the respective parties.

8. **TERMS.** The terms of this Bill of Sale shall be governed by and construed in accordance with the laws of the State of California and the parties hereto stipulate to the jurisdiction of the Riverside County Courts.

9. **DISPUTES/DAMAGES.** In the event it is necessary to enforce or interpret any provision herein contained, the matter shall be submitted to binding arbitration conducted by the American Arbitration Association ("AAA") who shall be selected by mutual agreement of the parties. The Arbitrator shall comply with, and the decision of the Arbitrator shall be rendered in accordance with the laws of the State of California. The Arbitrator shall have the power to grant all legal and equitable remedies and award compensatory damages provided by California Law, but shall not have the power to award punitive damages. The parties agree to be bound by the decision of the Arbitrator, which shall be final, shall not be appealable, and which shall allow for no trial de novo on the same issues. The Arbitrator's decision shall be rendered within 30 days following submission of the matter at issue, but the failure to comply with this provision shall in no way invalidate any decision or award as may be rendered more than 30 days after submission.

Judgment upon the decision rendered by the arbitrator may be entered in any court having proper jurisdiction or applications may be made to such court for judicial acceptance of the award and an Order of Enforcement. The parties hereby agree to have any dispute arising out of the matters included in the "Arbitration of Disputes" provision decided by neutral arbitration as provided by California Law and are giving up any rights to have the dispute litigated in a court or jury trial, as well as judicial rights to discovery and appeal, unless those rights are specifically included in the "Arbitration of Disputes" provision. Your agreement to this arbitration provision is voluntary.

IN WITNESS WHEREOF, this Bill of Sale is executed on April 1, 2018.

**SELLER:**

William Watson  
William Watson, Trustee  
The Watson Family Trust dated 1/21/89

Gwyneth Watson  
Gwyneth Watson, Trustee  
The Watson Family Trust dated 1/21/89

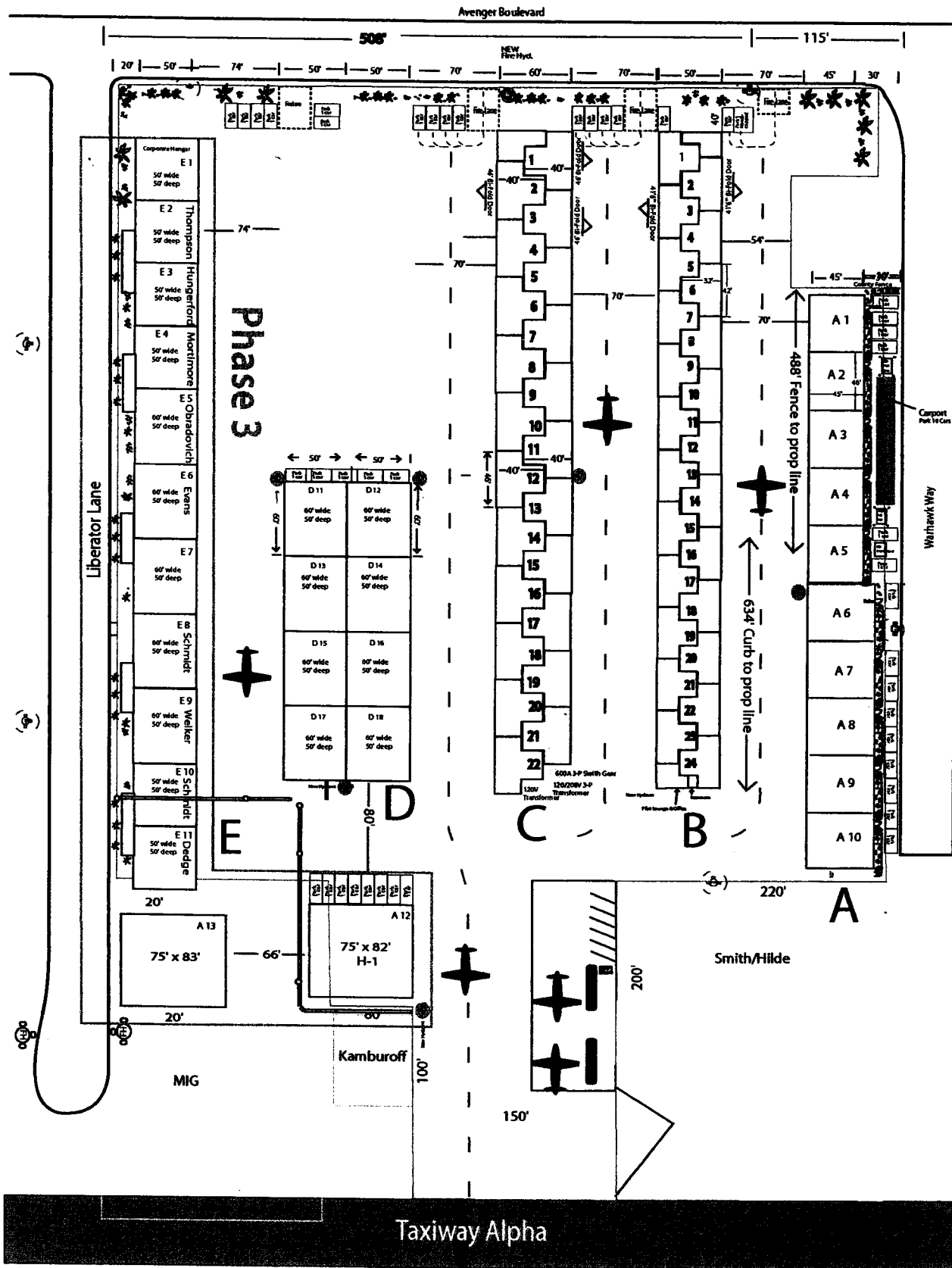
**BUYER:**

Daniel W. Arnold  
Daniel W. Arnold, Trustee  
The Daniel W. Arnold Family Trust

**LESSEE:**

John Obradovich  
John Obradovich

Betty Obradovich  
Betty Obradovich



<b>Phase 1</b>		<b>Phase 3</b>	
24 Tee Hangars 42x32' (1050')	= 25,200	5 Corp. Box Hangars - 60x50	= 15,000
2 Tee Ends	= 1,050	5 Corp. Offices - 10x20	= 1,000
5 Mini Box Hangars - 46x45	= 10,350	6 Corp. Box Hangars - 50x50	= 15,000
(2070')		6 Corp. Offices - 10x25	= 1,500
	<b>36,600 Sq Ft.</b>	2 Large Box Hangar - 78x75	= 11,700
			<b>44,200 Sq Ft.</b>
<b>Phase 2</b>			
22 Tee Hangars - 46'x40' (1380)	= 30,360		
5 Business Box Hangars - 46x55	= 12,650		
8 Large Box Hangars - 60x50	= 24,000		
	<b>67,010 Sq Ft.</b>		

**Thermal Regional Airport**  
 County of Riverside, Thermal, California

---

**Master Development 9 Acres**

---

**All Inside AV Storage and Self Serve Fuel**

---

John & Betty Obradovich  
 All Inside AV Storage, Inc.  
 84-401 Cabazon Center Drive  
 Buena, CA 92701

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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State of California )  
County of Riverside )

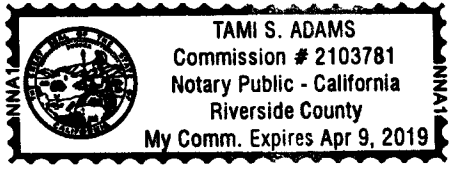
On 3/21/18 before me, Tami S. Adams, Notary Public,  
Date Here Insert Name and Title of the Officer

personally appeared William Watson and  
Name(s) of Signer(s)  
Gwynneth Watson

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 Tami S. Adams  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_  
Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_  
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 Partner —  Limited  General  
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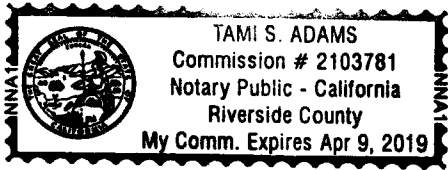
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State of California )  
County of Riverside )  
On 3/21/18 before me, Tami S. Adams Notary Public,  
Date Here Insert Name and Title of the Officer  
personally appeared Daniel W. Arnold  
Name(s) of Signer(s)

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 Tami S. Adams  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_

Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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 California )  
County of Riverside )

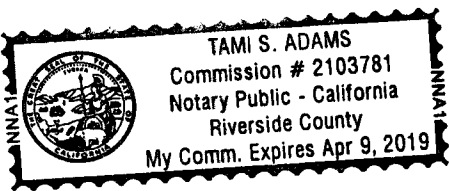
On 2/27/18 before me, Tami S. Adams, Notary Public,  
Date Here Insert Name and Title of the Officer

personally appeared John Obradovich and  
Name(s) of Signer(s)  
Betty Obradovich

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 Tami S. Adams  
Signature of Notary Public



Place Notary Seal Above

**OPTIONAL**

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 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

Attachment C

**(Daniel W. Arnold Family Trusts)**

Consent to Sublease and Sub-Lease with Sale of Aviation Hangar



## CONSENT TO SUBLEASE

(Jacqueline Cochran Regional Airport)

The County of Riverside, a political subdivision of the State of California ("County"), hereby consents to that certain Sub-Lease with Sale of Aviation Hangar dated April 1, 2018, by and between John Obradovich and Betty Obradovich, husband and wife, (as sublessor) and Daniel W. Arnold, Trustee of the Daniel W. Arnold Family Trust (as sublessee), a copy of which is attached hereto as Exhibit "A" ("Sublease"). The Sublease pertains to real property located within Jacqueline Cochran Regional Airport in Thermal, California, as more particularly depicted and described on Exhibit "B" to the Sublease.

The Sublease is subject to that certain Lease Desert Resorts Regional Airport dated on or about June 3, 2003 by and between the County (as lessor) and John Obradovich and Betty Obradovich (as lessee), as amended by that certain First Amendment to Lease Jacqueline Cochran Regional Airport dated on or about September 14, 2004, that certain Second Amendment to Lease Jacqueline Cochran Regional Airport dated September 12, 2006, and that certain Third Amendment to Lease Jacqueline Cochran Regional Airport dated March 17, 2009 (collectively, "Lease") relating to the lease of approximately 9.45 acres of vacant land, located at the Jacqueline Cochran Regional Airport (formerly known as the Desert Resorts Regional Airport), as more fully described in Exhibit "A" to the Lease.

Consent hereof by the County to the Sublease shall not relieve or release John Obradovich and Betty Obradovich from their duty to comply with any and all obligations, covenants and conditions required under the Lease.

[Remainder of Page Intentionally Blank]

[Signatures on Following Page]

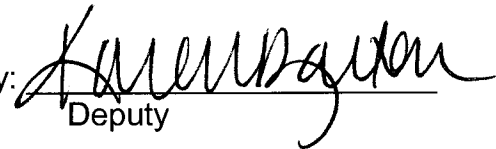
IN WITNESS WHEREOF, the County has caused its duly authorized representative to execute this Consent to Sublease as of the date set forth below.

Date: APR 30 2019

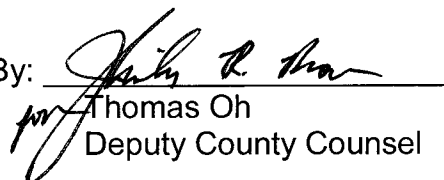
COUNTY OF RIVERSIDE, a political  
subdivision of the State of California

By: \_\_\_\_\_  
Kevin Jeffries, Chairman  
Board of Supervisors

ATTEST:  
KECIA ~~HEN~~ HARPER  
Clerk of the Board

By:   
Deputy

APPROVED AS TO FORM  
Gregory P. Priamos  
County Counsel

By:   
Thomas Oh  
Deputy County Counsel

**EXHIBIT "A"**

**SUB-LEASE**

(Attached on following page)

## SUB-LEASE WITH SALE OF AVIATION HANGAR

John Obradovich and Betty Obradovich, herein called Sub-Lessor, sub-leases to Daniel W. Arnold, Trustee of The Daniel W. Arnold Family Trust, herein called Sub-Lessee, the property described below, upon the following items and conditions.

### RECITALS

Sub-Lessor leases from the County of Riverside, approximately nine (9) acres located at the Jacqueline Cochran Regional Airport, (formerly Desert Regional Resorts Airport), Thermal, in the County of Riverside, State of California.

This and other sub-leases entered into by the Sub-Lessor are intended to conform with, be compatible with, and be subject to the terms and conditions of the Master Lease dated April 24, 2003, executed June 3, 2003, and amended September 14, 2004, and September 12, 2006, and March 17, 2009, between the County of Riverside as Lessor, and John and Betty Obradovich, Husband and Wife, as Lessee which lease and amendments thereto shall be called the "Master Lease" and the County of Riverside shall be called the "County."

By separate document entitled, "Bill of Sale," a copy of which is attached hereto as **Exhibit "A,"** Sub-Lessor intends to convey, assign or transfer to Sub-Lessee its (Sub-Lessor's) interest in certain facilities and improvements it owns within the premises sub-leased hereunder.

### DESCRIPTION

The premises sub-leased hereby are located within Desert Resorts Regional Airport generally, and within the area leased from County by Sub-Lessor consisting of nine (9) acres and as more particularly shown on **Exhibit "B,"** attached thereto and by this reference, made a part of this sub-lease. The portion of the nine acres being sub-leased is that portion of land occupied in **Building A Hangar # 10** as depicted in **Exhibit "B."** In addition to the forgoing during the term of this lease Sublessor grants to Sublessee the right to ingress and ingress over that portion of the leasehold premises of Sublessor held under the Master Lease and a license to use the taxiway areas as designated by Sublessor.

### USE

The premises are sub-leased hereby for the purposes of aircraft storage.

### TERM

The term of this sub-lease, subject to any provisions in the Master Lease that may be applicable and take precedence, shall be for a period equal to the portion of thirty (30) years remaining under the Master Lease and terminating on June 30, 2033. Sub-Lessor has an option to extend the term for an additional ten (10) years, as provided in the Master Lease. If the Sub-Lessor extends the lease with the County for the additional ten years, this Sub-Lease shall extend as well for the additional ten years. Nothing in this Sublease shall be interpreted to obligate or require the Sublessor to so extend the term of the Master Lease and Sublessor or its successors and assigns may or may not so extend the term of the Master Lease in its sole and absolute discretion

### RENT

Sub-Lessee shall pay to Sub-Lessor the sum of \$ 125.00 per month, payable in advance, on the first day of each month.

The monthly rent shall be subject to adjustment as of the dates and in the amounts as described in Section 5, paragraphs (d) and (e) of the Master Lease. In no event shall any adjustment be a negative adjustment.

The monthly rent is due and payable on or before the first of the appropriate month during the term of this lease agreement and shall be considered delinquent, if not paid by the 15th of the month. If the monthly rent becomes delinquent, lessee will be charged a late fee equivalent to ten percent (10%) of the delinquent rental amount, exclusive of late fees, for each month that rent is delinquent.

#### **ADDITIONAL OBLIGATIONS OF SUB-LESSEE**

Sub-Lessee shall, during the terms of this sub-lease;

Observe and comply with all rules, regulations and laws which govern and are in effect adopted by Sublessor or the County of Riverside. Maintain premises and equipment in a clean, orderly, neat and safe condition.

Pay for all utilities, including trash disposal and a pro rata share of Sublessor's cost of maintaining and insuring the Project, as determined by Sublessor.

#### **SUB-LESSOR'S RESERVED RIGHTS**

Sub-Lessor and County, or either duly authorized agents, shall have the right to enter the sub-leased premises for inspections, repairs or for any other reasonable cause.

#### **IMPROVEMENTS, REPAIRS & SIGNS**

Sub-Lessee shall not make any improvements, repairs or modifications, paint the exterior of the hangar or install any signs without prior written approval of Sub-Lessor.

#### **INSURANCE**

Sub-Lessee shall, during the term of this sub-lease, procure and maintain the following described insurance coverage and limits as indicated.

a. Procure and maintain comprehensive Airport Commercial General Liability Insurance coverage that shall protect Lessee from claims for damages for personal injury, including 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 be by Lessee, by a subcontractor, or by anyone employed directly or indirectly by either of them. Such insurance shall name Sublessor and all Agencies, Districts, Special Districts, and Departments of the County of Riverside, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds with respect to this sublease and obligations of Sublessee hereunder. Such insurance shall provide for limits of not less than \$1,000,000, per occurrence.

b. Furnish Sublessor and the County of Riverside with Certificates of Insurance showing that such insurance is in full force and effect, and that additional insureds are named as required in (a) above. Further, said certificates shall contain the covenant of the insurance carrier that 30 days written notice will be given to the County of Riverside and Sublessor prior to cancellation or reduction in coverage of such insurance.

c. The foregoing notwithstanding, this sublease is subject to Section 20 of the Master Lease

and Sub-Lessee shall procure and maintain additional coverages specified therein as may be required by County from time to time.

#### **TERMINATION BY SUB-LESSOR**

Sub-Lessor shall have the right to terminate this Sub-Lease.

In the event a petition is filed for voluntary or involuntary bankruptcy, for the adjudication of Sub-Lessee as a debtor.

In the event that Sub-Lessee makes a general assignment, or sub-lessee's interest hereunder is assigned involuntarily or by operation of law for the benefit of creditors.

In the event of any act which operates to deprive Sub-Lessee of the ability to perform its duties under this Sub-Lease.

In the event of the abandonment of, or the discontinuance of the use of, the sub-leased premises by Sub-Lessee.

In the event Sub-Lessee fails to perform, keep or observe any of its duties or obligations hereunder, provided, however, that Sub-Lessee shall have 30 days in which to correct its breach or default after written notice hereof has been served on it by Sub-Lessor.

In the event that the lease premises are rendered unfit for Sub-Lessee's use and cannot be restored within a reasonable time.

#### **TERMINATION BY SUB-LESSEE**

Sub-Lessee shall have the right to terminate this Sub-Lease;

In the event a petition is filed for voluntary or involuntary bankruptcy, for the adjudication of Sub-Lessor as a debtor.

In the event that Sub-Lessor makes a general assignment for the benefit of creditors.

In the event of any act which operates to deprive Sub-Lessee of the ability to perform its duties under this lease.

In the event of the abandonment of, or the discontinuance of, the use of the leased premises by Sub-Lessor.

In the event Sub-Lessor fails to perform, keep or observe any of its duties or obligations hereunder, provided, however, that Sub-Lessor shall have 30 days in which to correct its breach or default after written notice hereof has been served on it by Sub-Lessee.

In the event that the leased premises are rendered unfit for Sub-Lessor's use and cannot be restored within a reasonable time.

## **HOLD HARMLESS**

Sub-Lessee shall indemnify and hold Sub-Lessor and County, their officers, agents, employees and independent contractors free and harmless from any liability whatsoever, based or asserted on any act or omission of Sub-Lessee, its officers, agents, employees, subcontractors and independent contractors for property damage, bodily injury, or death (Sub-Lessee's employees included) or any other element of damage or any kind or nature in any way connected with or arising from its use and responsibilities in connection therewith of the leased premises, or the condition thereof, and Sub-Lessee shall defend at its expense, including attorney fees, Sub-Lessor, County, its officers, agents, employees and independent contractors in any legal action based on any alleged acts or omissions.

## **ASSIGNMENT**

Lessee cannot assign, sublet, mortgage, hypothecate or otherwise transfer in any manner any of its rights, duties and obligations hereunder to any person or entity without the written consent of Sub-Lessor and County being first obtained.

## **BINDING ON SUCCESSORS**

Sub-Lessee, his heirs, assigns and successor in interest shall be bound by all the terms and conditions contained in this sub-lease, and all of the parties thereto shall be jointly and severally liable hereunder.

## **EMPLOYEES AND AGENTS OF SUB-LESSEE**

It is understood that all persons hired or engaged by Sub-Lessee shall be considered to be employees or agents of Sub-Lessee and not of Sub-Lessor or County.

## **COMPLIANCE WITH LAW**

Sub-Lessee shall observe all statutes, rules, regulations, ordinances, and orders relating to the use of the sub-leased premises enacted or promulgated by County, the State of California, the United States of America and the agencies thereof.

## **WAIVER OF PERFORMANCE**

No waiver by Sub-Lessor at any time of any of the terms and conditions of his sub-lease shall be deemed or construed as a waiver at any time thereafter of the same or any other terms and conditions contained herein or of the strict and timely performance of such terms and conditions.

## **SEVERABILITY**

The invalidity of any provision in this sub-lease as determined by a court of competent jurisdiction shall in no way effect the validity of any other provisions hereof.

## **NOTICES**

Any notices required or desired to be served by either party upon the other shall be addressed to the respective parties as set forth below:

**SUB-LESSOR:**

John & Betty Obradovich  
84-401 Cabazon Center Dr.  
Indio, CA 92201

**SUB-LESSEE:**

Daniel W. Arnold, Trustee  
The Daniel W. Arnold Family Trust  
PO BOX 248  
Genoa, NV 89411

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

**VENUE**

Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights for by this sub-lease shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other County.

**TAXES**

Sub-Lessee shall pay for all fees and taxes levied or required by any authorized public entity. Sub-Lessee recognizes and understands that this Sub-Lease will create a possessory interest subject to property taxation and that Sub-Lessee will be subject to the payment of property taxes levied on such interest.

**TOXIC MATERIALS**

During the term of this sub-lease and any extension thereof, Sub-Lessee shall not violate any federal, state or local law, or ordinance or regulation, relating to industrial hygiene or to the environmental condition on, under or about the sub-leased premises including, but not limited to, soil and ground water conditions. Further, Sub-Lessee, its successors and assigns shall not use, generate, manufacture, produce, store or dispose of, on, under or about the sub-leased premises or transport to or from the sub-leased premises, any flammable explosives, asbestos, radioactive materials, hazardous wastes, toxic substances or related injurious materials, whether injurious by themselves or in combination with other materials (collectively, "hazardous materials"). For the purpose of this sub-lease, hazardous materials shall include, but not be limited to, substances defined as "hazardous substances," "hazardous materials" or "toxic substances," in the Comprehensive Environmental Response, Cleanup and Liability Act of 1980, as amended, 42 U.S.C. § 9601, et seq.; the Hazardous Materials Transportation Act, 49, U.S.C. § 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq.; and those substances defined as "hazardous wastes" in Section 25117 of the California Health and Safety Code or as "hazardous wastes" in Section 25316 of the California Health and Safety Code; and in the regulations adopted in publications promulgated pursuant to said laws.

**FREE FROM LIENS**

Sub-Lessee shall pay, when due, all sums of money that may become due for any labor, services, material, supplies, or equipment, alleged to have been furnished or to be furnished to Sub-Lessee, in, upon or about the sub-leased premises, and which may be secured by a mechanic's, materialmen's, or other lien against the sub-leased premises or County's interest therein, and will cause such lien to be fully discharged and released at the time the performance of any obligation secured by such lien nature or becomes due, provided, however, that if Sub-Lessee desires to contest any such lien provided that it either pays the lien or obtains a bond to allow release of said lien, and then it may do so, but notwithstanding any such contest, if such lien shall be reduced to final 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, Sub-Lessee shall forthwith pay and discharge said judgment.



## **DISPUTES/DAMAGES**

In the event it is necessary to enforce or interpret any provision herein contained, or to recover any rent due or to recover possession of the Premises for any default or breach of the Agreement, the matter shall be submitted to binding arbitration conducted by the American Arbitration Association ("AAA") who shall be selected by mutual agreement of the parties. The Arbitrator shall comply with, and the decision of the Arbitrator shall be rendered in accordance with, the law of the State of California. The Arbitrator shall have the power to grant all legal and equitable remedies and award compensatory damages provided by California Law, but shall not have the power to award punitive damages. The parties agree to be bound by the decision of the Arbitrator, which shall be final, shall not be appealable, and which shall allow for no trial de novo on the same issues. The Arbitrator's decision shall be rendered within 30 days following submission of the matter at issue, but the failure to comply with this provision shall in no way invalidate any decision or award as may be rendered more than 30 days after submission.

Judgment upon the decision rendered by the Arbitrator may be entered in any court having proper jurisdiction or applications may be made to such court for judicial acceptance of the award and an Order of Enforcement.

You are agreeing to have any dispute arising out of the matters included in the "Arbitration of Disputes" provision decided by neutral arbitration as provided by California Law, and you are giving up any rights you might possess to have the dispute litigated in a court or jury trial. You are giving up your judicial rights to discovery and appeal, unless those rights are specifically included in the "Arbitration of Disputes" provision. If you refuse to submit to Arbitration after agreeing to this provision, you may be compelled to arbitrate under the authority of the California Code of Civil Procedure. Your agreement to this arbitration provision is voluntary.

## **MASTER LEASE/SURVIVAL OF SUB-LEASE**

a. Sub-Lessee acknowledges and agrees that it shall be bound, and shall otherwise be subject to all of the terms and conditions contained in the Master Lease.


b. In the event the Master Lease is terminated, Sub-Lessee agrees to keep, observe and perform all of the terms and conditions of the Master Lease on the part of the Sub-Lessor to be kept, observed and performed, and Sub-Lessee's right to possession shall remain in effect as provided in Paragraph 29 of the Master Lease to all intents and purposes as though Sub-Lessee was the original Lessee thereunder; provided, however, that such assumption and agreement shall pertain only to the sub-leased premises and not to the entire leased premises under the Master Lease, and Sub-Lessee, among other things, shall make rental payments to County in an amount equal to such payments which Sub-Lessee is required to pay Sub-Lessor under this sub-lease.

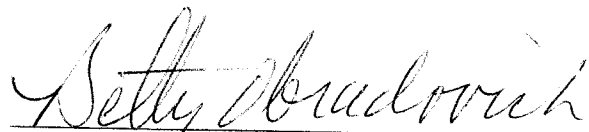
**CONSENT BY COUNTY**

The parties hereto understand and agree that this Sub-Lease shall not be enforceable by either unless and until consent has been obtained from County in writing.

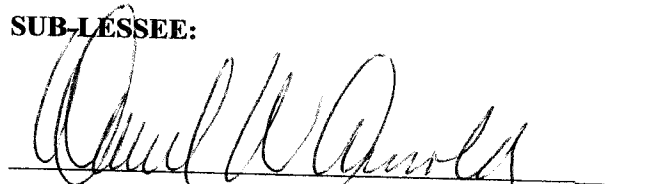
IN WITNESS WHEREOF, this Sublease is executed on April 1, 2018.

**SUB-LESSOR:**

  
\_\_\_\_\_  
John Obradovich

  
\_\_\_\_\_  
Betty Obradovich

**SUB-LESSEE:**

  
\_\_\_\_\_  
Daniel W. Arnold, Trustee  
The Daniel W. Arnold Family Trust

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**



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State of California )  
County of Riverside )

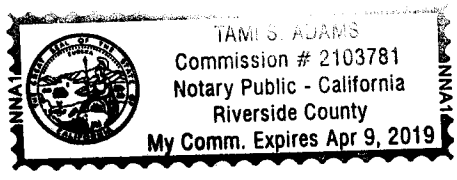
On 3/21/18 before me, Tami S. Adams, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared Daniel W. Arnold  
Name(s) of Signer(s)

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 Tami S. Adams  
Signature of Notary Public

Place Notary Seal Above

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 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_

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State of California )

County of Riverside )

On 2/27/18 before me, Tami S. Adams, Notary Public,  
Date Here Insert Name and Title of the Officer

personally appeared John Obradovich and  
Name(s) of Signer(s)

Betty Obradovich

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.

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Signature Tami S. Adams  
Signature of Notary Public

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- Individual  Attorney in Fact
- Trustee  Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Individual  Attorney in Fact
- Trustee  Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

## BILL OF SALE COUPLED WITH SUB-LEASE

William and Gwynneth Watson, trustees of the Watson Family Trust dated 1/21/89 hereinafter called the "Seller," hereby sells to Daniel W. Arnold, trustee of the Daniel W. Arnold Family Trust hereinafter called the "Buyer," and said Buyer hereby purchases from Seller the property described below, upon the following terms and conditions:

1. **RECITALS.** The Seller owns concrete floor structure and steel building labeled as Bldg A10 at Jacqueline Cochran Regional Airport, (formerly Desert Regional Resorts Airport) Thermal, California, Riverside County, as described on the attached Exhibit "1" also described as Bldg A, Hangar # 10, the sale of which is the subject of this Agreement and which is intended to convey title thereto for the sum of \$ 150,000.

2. **THIS BILL OF SALE IS SUBJECT TO MASTER LEASE AND COUPLED WITH SUB-LEASE.** This Bill of Sale is subject to that certain Master Lease executed by the County of Riverside and John and Betty Obradovich, dated April 24, 2003, executed June 3, 2003, and amended September 14, 2004, and September 12, 2006, and March 17, 2009, and which instruments affect directly the uses and purposes to which the aforesaid subject personal property may be put. Furthermore, Seller hereby incorporates in this instrument by reference the terms and conditions of that certain "Sub-Lease" executed by the parties hereto on April 1, 2018. This Bill of Sale shall be enforceable only on the condition that the parties have entered into the aforesaid Sub-Lease.

3. **WARRANTY OF TITLE.** Seller does hereby, for the benefit of Buyer, covenant and agree to warrant and defend title to the aforesaid personal property hereby conveyed, against the just and lawful claims and demands of all persons whomsoever, and Seller further covenants that the aforesaid real property is not subject to liens of any type, including but not limited to liens for unpaid taxes, nor is said personal property subject to a security agreement or financing statement.

4. **REVERSION OF PROPERTY TO SELLER.** The aforesaid Sub-Lease, with which this Bill of Sale is coupled provides for a sub-lease period of approximately 30 years with a 10-year option, during which time the Buyer hereto, subject to certain conditions precedent, may sell, rent, assign, convey, hypothecate, or encumber the personal property subject to is instrument, provided further, that upon the expiration of said Sub-Lease or 30 years with a 10-year option lease period, whichever shall first occur, the personal property subject to this Bill of Sale shall revert to the Seller hereunder, or to Seller's assignee, or to the County of Riverside, which reversion shall be governed by the terms and conditions of the aforesaid Master Lease and all of the aforesaid amendments thereto and the terms and conditions of the aforementioned Sub-Lease between Sub-Lessor and Sub-Lessee. Provided further that in accordance with the aforesaid Sub-Lease, Buyer hereunder shall not sell, rent, assign, hypothecate or encumber the personal property subject to this instrument except upon the express written consent of the county of Riverside and Seller or his assignee hereunder, which consent shall not be unreasonably withheld.

5. **TAX CLAUSE.** During the aforementioned period of possession of Buyer of the personal property, Buyer shall be solely responsible for the payment of the personal property and/or possessory interest taxes and all other taxes levied upon the specific structure by the County of Riverside and/or all other lawfully constituted taxing authorities, and said responsibility shall include real property taxes which may be assessed to Seller, to Seller's successor, or to Buyer in connection with the subject property.

6. **BUYER'S RIGHT TO TRANSFER PROPERTY AND SURVIVAL OF SUB-LEASE.**

a. **RIGHT TO TRANSFER.** Seller hereby consents to and agrees that Buyer may convey, assign, or transfer Buyer's interest in or to the subject personal property to one or more individuals; provided however, that such conveyance, assignment, or transfer includes the aforementioned sub-lease and shall be subject to the prior written approval of the Seller, County of Riverside, and Sub-Lessor. Provided further, that Seller shall have the right of first refusal to purchase, lease, rent, or receive Buyer's interest in the subject property and the subleasehold estate of Buyer on the same terms as offered by Buyer to any other individual or entity. Seller's failure to exercise right of first refusal within

sixty (60) days of written notice thereby by Buyer to Seller shall be deemed to be waiver of such right by Seller. Upon such waiver or rejection by Seller, and subject to the provisions contained in this Paragraph 6 (a) Buyer may proceed to convey, assign or transfer all of part of his/her interest in the subject property on the same terms and conditions offered to Seller; provided, however, that Buyer shall not, except with Seller's permission, convey, lease, rent or sell any portion of the premises to any commercial operations for the purpose of doing any business at Jacqueline Cochran Regional Airport (Thermal) other than if said sale is to the aforesaid Seller.

b. **SURVIVAL OF SUB-LEASE.** Subject to the provision of the aforesaid Master Lease, Buyer's rights, including the right of possession and all other rights not in conflict with the terms and conditions of the aforesaid Lease and amendments thereto, and all of the Buyer's obligations and duties under the aforementioned Sub-Lease and the Master Lease and amendments thereto, shall remain in effect, notwithstanding a termination of the aforesaid Master Lease, or an assignment or a transfer of the Seller's rights, duties and obligations hereunder, prior to the expiration of the aforementioned Sub-Lease, provided that the Buyer (as Sub-Lessee under the aforementioned Sub-Lease) has fully and faithfully performed the terms and conditions that it is required to perform under the aforementioned Sub-Lease and Master Lease and amendments thereto, and it otherwise is not in default hereunder.

7. **NOTICES.** Any notices required or desired to be served by either party upon the other shall be addressed to the respective party as set forth below:

**SELLER:**

William And Gwynneth Watson, Trustees  
The Watson Family Trust dated 1/21/89  
42-419 Adams Street #24  
Bermuda Dunes, CA 92201

**BUYER:**

Daniel W. Arnold, Trustee  
The Daniel W. Arnold Family Trust  
PO BOX 248  
Genoa, NV 89411

or such other addresses as from time to time shall be assigned by the respective parties.

8. **TERMS.** The terms of this Bill of Sale shall be governed by and construed in accordance with the laws of the State of California and the parties hereto stipulate to the jurisdiction of the Riverside County Courts.

9. **DISPUTES/DAMAGES.** In the event it is necessary to enforce or interpret any provision herein contained, the matter shall be submitted to binding arbitration conducted by the American Arbitration Association ("AAA") who shall be selected by mutual agreement of the parties. The Arbitrator shall comply with, and the decision of the Arbitrator shall be rendered in accordance with the laws of the State of California. The Arbitrator shall have the power to grant all legal and equitable remedies and award compensatory damages provided by California Law, but shall not have the power to award punitive damages. The parties agree to be bound by the decision of the Arbitrator, which shall be final, shall not be appealable, and which shall allow for no trial de novo on the same issues. The Arbitrator's decision shall be rendered within 30 days following submission of the matter at issue, but the failure to comply with this provision shall in no way invalidate any decision or award as may be rendered more than 30 days after submission.

Judgment upon the decision rendered by the arbitrator may be entered in any court having proper jurisdiction or applications may be made to such court for judicial acceptance of the award and an Order of Enforcement. The parties hereby agree to have any dispute arising out of the matters included in the "Arbitration of Disputes" provision decided by neutral arbitration as provided by California Law and are giving up any rights to have the dispute litigated in a court or jury trial, as well as judicial rights to discovery and appeal, unless those rights are specifically included in the "Arbitration of Disputes" provision. Your agreement to this arbitration provision is voluntary.

IN WITNESS WHEREOF, this Bill of Sale is executed on April 1, 2018.

**SELLER:**

William Watson

William Watson, Trustee

The Watson Family Trust dated 1/21/89

Gwynneth Watson

Gwynneth Watson, Trustee

The Watson Family Trust dated 1/21/89

**BUYER:**

Daniel W. Arnold

Daniel W. Arnold, Trustee

The Daniel W. Arnold Family Trust

**LESSEE:**

John Obradovich

John Obradovich

Betty Obradovich

Betty Obradovich

The COUNTY of Riverside hereby consents to the foregoing Bill of Sale.

**LESSOR:**

COUNTY OF RIVERSIDE, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA

By: \_\_\_\_\_ By: \_\_\_\_\_  
Chairman, Board of Supervisors

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

**ATTEST:**

Kecia Harper-Ihem,,  
Clerk of the Board

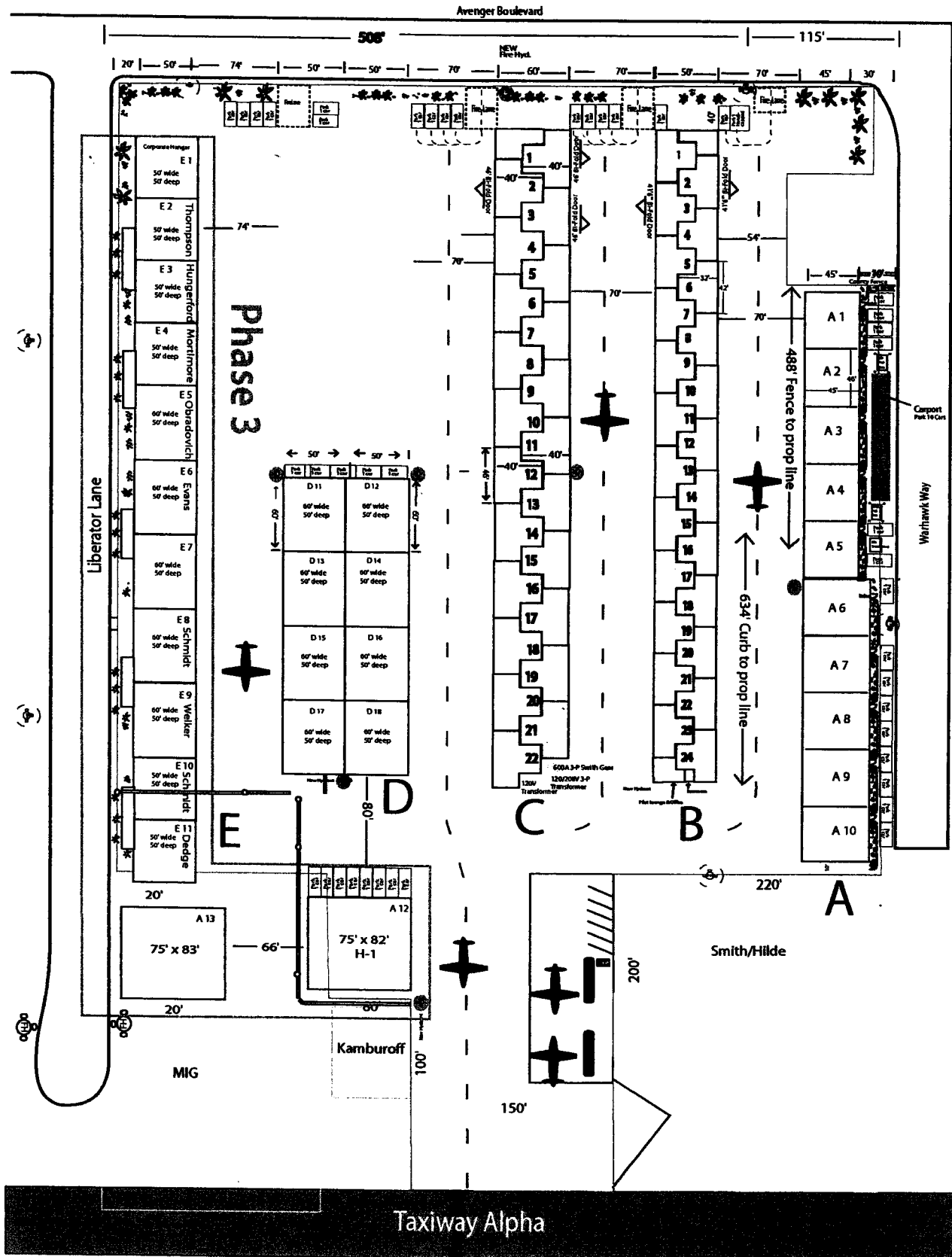
**FORM APPROVED:**

~~Pamela J. Walls,~~ Gregory P. Priamos  
County Counsel

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

*Consent already  
contained in the other  
document.*





Phase 1	
24 Tee Hangars 42'x32' (1050')	= 25,200
2 Tee Ends	= 1,050
5 Mini Box Hangars - 46'x45' (2070')	= 10,350
	<b>36,600 Sq Ft.</b>
Phase 2	
22 Tee Hangars - 46'x40' (1380)	= 30,360
5 Business Box Hangars - 46'x55'	= 12,650
8 Large Box Hangars - 60'x50'	= 24,000
	<b>67,010 Sq Ft.</b>

Phase 3	
5 Corp. Box Hangars - 60'x50'	= 15,000
5 Corp. Offices - 10'x20'	= 1,000
6 Corp. Box Hangars - 50'x50'	= 15,000
6 Corp. Offices - 10'x25'	= 1,500
2 Large Box Hangar - 76'x75'	= 11,700
	<b>44,200 Sq Ft.</b>

<b>Thermal Regional Airport</b>	
County of Riverside, Thermal, California	
<b>Master Development 9 Acres</b>	
<b>All Inside AV Storage and Self Serve Fuel</b>	
John & Betty Obradovich	
All Inside AV Storage, Inc.	
84-401 Cabazon Center Drive	
Thermal, CA 92781	

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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 California )  
County of Riverside )

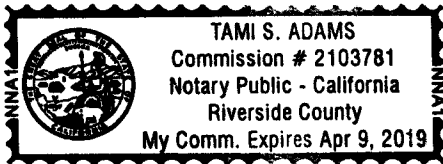
On 3/21/18 before me, Tami S. Adams, Notary Public,  
Date Here Insert Name and Title of the Officer

personally appeared William Watson and  
Name(s) of Signer(s)  
Gwynneth Watson

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 Tami S. Adams  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Individual  Attorney in Fact
- Trustee  Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Individual  Attorney in Fact
- Trustee  Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

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State of California )  
County of Riverside )

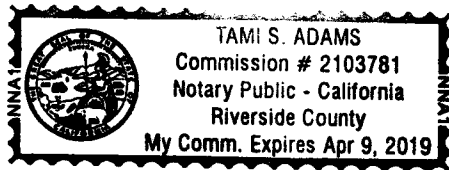
On 3/21/18 before me, Tami S. Adams Notary Public,  
Date Here Insert Name and Title of the Officer

personally appeared Daniel W. Arnold  
Name(s) of Signer(s)

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 Tami S. Adams  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

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Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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State of California )

County of Riverside )

On 2/27/18 before me, Tami S Adams, Notary Public,  
Date Here Insert Name and Title of the Officer

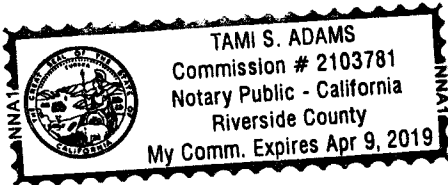
personally appeared John Szabadach and  
Name(s) of Signer(s)

Betty Obredovich

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 Tami S. Adams  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

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**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Attachment D

**(Susan Basheer)**

Lease Cancellation Agreement

1 LEASE CANCELLATION AGREEMENT  
2 JACQUELINE COCHRAN REGIONAL AIRPORT  
3

4 WHEREAS, John Obradovich and Betty Obradovich, hereinafter Sublessor, and 1016 Tango, LLC aka  
5 Star Aviation, LLC, as entered into that certain Sublease dated 10/20/2006, attached  
6 hereto as Exhibit A, and by this reference incorporated herein, relating to land located at Jacqueline  
7 Cochran Regional Airport (formerly Desert Resorts Regional Airport), Riverside County, California; and

8 WHEREAS, Sublessor improved the land with a 1,050 square foot aircraft  
9 storage hangar; and

10 WHEREAS, Sublessor sold the improvements to Sublessee; and

11 WHEREAS, Sublessee has subsequently sold the improvements to a third party

12 WHEREAS, Sublessor and Sublessee find it in their mutual best interests to cancel the Lease;

13 NOW, THEREFORE, the parties hereto for good and valuable consideration do mutually agree to  
14 cancel the Lease effective the date of execution of this agreement by all parties.

15 Date: 6/1/2018

16 SUBLESSEE

17 By: Randy Clark  
18 Randy Clark, Member  
19 1016 Tango LLC, aka Star Aviation, LLC

20 Date: 6/1/2018

21 SUBLESSOR

22 By: John Obradovich  
23 John Obradovich

24 By: Betty Obradovich  
25 Betty Obradovich  
26  
27  
28

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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 California )

County of San Diego )

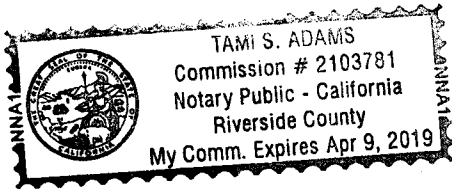
On 1/4/18 before me, Tami S. Adams, Notary Public  
Date Here Insert Name and Title of the Officer

personally appeared John Doe, City of San Diego  
Name(s) of Signer(s)

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 Tami S. Adams  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

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Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_ Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  Partner —  Limited  General  
 Individual  Attorney in Fact  Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_ Signer Is Representing: \_\_\_\_\_

STATE OF WASHINGTON )

COUNTY OF Shohomish )

On 12-12-18 before me,

Julie A. States

(Notary Public) personally appeared

Randy Clark

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 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 Washington that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Julie A. States (Seal)

Name Printed Julie A. States

My Commission expires 9-30-2021





## SUB-LEASE WITH SALE OF AVIATION HANGAR

John Obradovich and Betty Obradovich, herein called Sub-Lessor, sub-leases to 1016 Tango L. L.C. herein called Sub-Lessee, the property described below, upon the following items and conditions.

### RECITALS

Sub-Lessor leases from the County of Riverside, approximately nine (9) acres located at the Jacqueline Cochran Regional Airport, Thermal, in the County of Riverside, State of California.

This and other sub-leases entered into by the Sub-Lessor are intended to conform with, be compatible with, and be subject to the terms and conditions of the Master Lease dated May 3, 2003, executed June 3, 2003, and amended September 14, 2004, between the County of Riverside as Lessor, and John and Betty Obradovich, Husband and Wife, as Lessee which lease and amendments thereto shall be called the "Master Lease" and the County of Riverside shall be called the "County."

By separate document entitled, "Bill of Sale," a copy of which is attached hereto as Exhibit "A," Sub-Lessor intends to convey, assign or transfer to Sub-Lessee its (Sub-Lessor's) interest in certain facilities and improvements it owns within the premises sub-leased hereunder.

### DESCRIPTION

The premises sub-leased hereby are located within Desert Resorts Regional Airport generally, and within the area leased from County by Sub-Lessor consisting of nine (9) acres and as more particularly shown on Exhibit "B," attached thereto and by this reference, made a part of this sub-lease. The portion of the nine acres being sub-leased is that portion of land occupied in Building B Hangar # 23 as depicted in Exhibit "B." In addition to the forgoing during the term of this lease Sublessor grants to Sublessee the right to ingress and ingress over that portion of the leasehold premises of Sublessor held under the Master Lease and a license to use the taxiway areas as designated by Sublessor.

### USE

The premises are sub-leased hereby for the purposes of aircraft storage.

### TERM

The term of this sub-lease, subject to any provisions in the Master Lease that may be applicable and take precedence, shall be for a period equal to the portion of thirty (30) years remaining under the Master Lease and terminating on June 30, 2033. Sub-Lessor has an option to extend the term for an additional ten (10) years, as provided in the Master Lease. If the Sub-Lessor extends the lease with the County for the additional ten years, this Sub-Lease shall extend as well for the additional ten years. Nothing in this Sublease shall be interpreted to obligate or require the Sublessor to so extend the term of the Master Lease and Sublessor or its successors and assigns may or may not so extend the term of the Master Lease in its sole and absolute discretion

### RENT

Sub-Lessee shall pay to Sub-Lessor the sum of \$ 31 per month, payable in advance, on the first day of each month.

The monthly rent shall be subject to adjustment as of the dates and in the amounts as described in Section 5, paragraphs (d) and (e) of the Master Lease. In no event shall any adjustment be a negative adjustment.

The monthly rent is due and payable on or before the first of the appropriate month during the term of this lease agreement and shall be considered delinquent, if not paid by the 15th of the month. If the monthly rent becomes delinquent, lessee will be charged a late fee equivalent to ten percent (10%) of the delinquent rental amount, exclusive of late fees, for each month that rent is delinquent.

#### **ADDITIONAL OBLIGATIONS OF SUB-LESSEE**

Sub-Lessee shall, during the terms of this sub-lease;

Observe and comply with all rules, regulations and laws which govern and are in effect adopted by Sublessor or the County of Riverside. Maintain premises and equipment in a clean, orderly, neat and safe condition.

Pay for all utilities, including trash disposal and a pro rata share of Sublessor's cost of maintaining and insuring the Project, as determined by Sublessor.

#### **SUB-LESSOR'S RESERVED RIGHTS**

Sub-Lessor and County, or either duly authorized agents, shall have the right to enter the sub-leased premises for inspections, repairs or for any other reasonable cause.

#### **IMPROVEMENTS, REPAIRS & SIGNS**

Sub-Lessee shall not make any improvements, repairs or modifications, paint the exterior of the hangar or install any signs without prior written approval of Sub-Lessor.

#### **INSURANCE**

Sub-Lessee shall, during the term of this sub-lease, procure and maintain the following described insurance coverage and limits as indicated.

a. Procure and maintain comprehensive General Liability Insurance coverage that shall protect Lessee from claims for damages for personal injury, including 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 be by Lessee, by a subcontractor, or by anyone employed directly or indirectly by either of them. Such insurance shall name Sublessor and all Agencies, Districts, Special Districts, and Departments of the County of Riverside, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds with respect to this sublease and obligations of Sublessee hereunder. Such insurance shall provide for limits of not less than \$1,000,000, per occurrence.

b. Furnish Sublessor and the County of Riverside with Certificates of Insurance showing that such insurance is in full force and effect, and that additional insureds are named as required in (a) above. Further, said certificates shall contain the covenant of the insurance carrier that 30 days written notice will be given to the County of Riverside and Sublessor prior to cancellation or reduction in coverage of such insurance.

### **TERMINATION BY SUB-LESSOR**

Sub-Lessor shall have the right to terminate this Sub-Lease.

In the event a petition is filed for voluntary or involuntary bankruptcy, for the adjudication of Sub-Lessee as a debtor.

In the event that Sub-Lessee makes a general assignment, or sub-lessee's interest hereunder is assigned involuntarily or by operation of law for the benefit of creditors.

In the event of any act which operates to deprive Sub-Lessee of the ability to perform its duties under this Sub-Lease.

In the event of the abandonment of, or the discontinuance of the use of, the sub-leased premises by Sub-Lessee.

In the event Sub-Lessee fails to perform, keep or observe any of its duties or obligations hereunder, provided, however, that Sub-Lessee shall have 30 days in which to correct its breach or default after written notice hereof has been served on it by Sub-Lessor.

In the event that the lease premises are rendered unfit for Sub-Lessee's use and cannot be restored within a reasonable time.

### **TERMINATION BY SUB-LESSEE**

Sub-Lessee shall have the right to terminate this Sub-Lease;

In the event a petition is filed for voluntary or involuntary bankruptcy, for the adjudication of Sub-Lessor as a debtor.

In the event that Sub-Lessor makes a general assignment for the benefit of creditors.

In the event of any act which operates to deprive Sub-Lessee of the ability to perform its duties under this lease.

In the event of the abandonment of, or the discontinuance of, the use of the leased premises by Sub-Lessor.

In the event Sub-Lessor fails to perform, keep or observe any of its duties or obligations hereunder, provided, however, that Sub-Lessor shall have 30 days in which to correct its breach or default after written notice hereof has been served on it by Sub-Lessee.

In the event that the leased premises are rendered unfit for Sub-Lessor's use and cannot be restored within a reasonable time.

### **HOLD HARMLESS**

Sub-Lessee shall indemnify and hold Sub-Lessor and County, their officers, agents, employees and

independent contractors free and harmless from any liability whatsoever, based or asserted on any act or omission of Sub-Lessee, its officers, agents, employees, subcontractors and independent contractors for property damage, bodily injury, or death (Sub-Lessee's employees included) or any other element of damage or any kind or nature in any way connected with or arising from its use and responsibilities in connection therewith of the leased premises, or the condition thereof, and Sub-Lessee shall defend at its expense, including attorney fees, Sub-Lessor, County, its officers, agents, employees and independent contractors in any legal action based on any alleged acts or omissions.

#### **ASSIGNMENT**

Lessee cannot assign, sublet, mortgage, hypothecate or otherwise transfer in any manner any of its rights, duties and obligations hereunder to any person or entity without the written consent of Sub-Lessor and County being first obtained.

#### **BINDING ON SUCCESSORS**

Sub-Lessee, his heirs, assigns and successor in interest shall be bound by all the terms and conditions contained in this sub-lease, and all of the parties thereto shall be jointly and severely liable hereunder.

#### **EMPLOYEES AND AGENTS OF SUB-LESSEE**

It is understood that all persons hired or engaged by Sub-Lessee shall be considered to be employees or agents of Sub-Lessee and not of Sub-Lessor or County.

#### **COMPLIANCE WITH LAW**

Sub-Lessee shall observe all statutes, rules, regulations, ordinances, and orders relating to the use of the sub-leased premises enacted or promulgated by County, the State of California, the United States of America and the agencies thereof.

#### **WAIVER OF PERFORMANCE**

No waiver by Sub-Lessor at any time of any of the terms and conditions of his sub-lease shall be deemed or construed as a waiver at any time thereafter of the same or any other terms and conditions contained herein or of the strict and timely performance of such terms and conditions.

#### **SEVERABILITY**

The invalidity of any provision in this sub-lease as determined by a court of competent jurisdiction shall in no way effect the validity of any other provisions hereof.

#### **NOTICES**

Any notices required or desired to be served by either party upon the other shall be addressed to the respective parties as set forth below:

**SUB-LESSOR:**

John and Betty Obradovich  
84-401 Cabazon Center Drive  
Indio, CA 92201

**SUB-LESSEE:**

1016 Tango L. L. C.  
16531 13<sup>th</sup> Ave W Suite A107  
Lynnwood, WA 98037

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

**VENUE**

Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights for by this sub-lease shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other County.

**TAXES**

Sub-Lessee shall pay for all fees and taxes levied or required by any authorized public entity. Sub-Lessee recognizes and understands that this Sub-Lease will create a possessory interest subject to property taxation and that Sub-Lessee will be subject to the payment of property taxes levied on such interest.

**TOXIC MATERIALS**

During the term of this sub-lease and any extension thereof, Sub-Lessee shall not violate any federal, state or local law, or ordinance or regulation, relating to industrial hygiene or to the environmental condition on, under or about the sub-leased premises including, but not limited to, soil and ground water conditions. Further, Sub-Lessee, its successors and assigns shall not use, generate, manufacture, produce, store or dispose of, on, under or about the sub-leased premises or transport to or from the sub-leased premises, any flammable explosives, asbestos, radioactive materials, hazardous wastes, toxic substances or related injurious materials, whether injurious by themselves or in combination with other materials (collectively, "hazardous materials"). For the purpose of this sub-lease, hazardous materials shall include, but not be limited to, substances defined as "hazardous substances," "hazardous materials" or "toxic substances," in the Comprehensive Environmental Response, Cleanup and Liability Act of 1980, as amended, 42 U.S.C. § 9601, et seq.; the Hazardous Materials Transportation Act, 49, U.S.C. § 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq.; and those substances defined as "hazardous wastes" in Section 25117 of the California Health and Safety Code or as "hazardous wastes" in Section 25316 of the California Health and Safety Code; and in the regulations adopted in publications promulgated pursuant to said laws.

**FREE FROM LIENS**

Sub-Lessee shall pay, when due, all sums of money that may become due for any labor, services, material, supplies, or equipment, alleged to have been furnished or to be furnished to Sub-Lessee, in, upon or about the sub-leased premises, and which may be secured by a mechanic's, materialmen's, or other lien against the sub-leased premises or County's interest therein, and will cause such lien to be fully discharged and released at the time the performance of any obligation secured by such lien nature or becomes due, provided, however, that if Sub-Lessee desires to contest any such lien provided that it either pays the lien or obtains a bond to allow release of said lien, and then it may do so, but notwithstanding any such contest, if such lien shall be reduced to final 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, Sub-Lessee shall forthwith pay and discharge said judgment.

### **DISPUTES/DAMAGES**

In the event it is necessary to enforce or interpret any provision herein contained, or to recover any rent due or to recover possession of the Premises for any default or breach of the Agreement, the matter shall be submitted to binding arbitration conducted by the American Arbitration Association ("AAA") who shall be selected by mutual agreement of the parties. The Arbitrator shall comply with, and the decision of the Arbitrator shall be rendered in accordance with, the law of the State of California. The Arbitrator shall have the power to grant all legal and equitable remedies and award compensatory damages provided by California Law, but shall not have the power to award punitive damages. The parties agree to be bound by the decision of the Arbitrator, which shall be final, shall not be appealable, and which shall allow for no trial de novo on the same issues. The Arbitrator's decision shall be rendered within 30 days following submission of the matter at issue, but the failure to comply with this provision shall in no way invalidate any decision or award as may be rendered more than 30 days after submission.

Judgment upon the decision rendered by the Arbitrator may be entered in any court having proper jurisdiction or applications may be made to such court for judicial acceptance of the award and an Order of Enforcement.

You are agreeing to have any dispute arising out of the matters included in the "Arbitration of Disputes" provision decided by neutral arbitration as provided by California Law, and you are giving up any rights you might possess to have the dispute litigated in a court or jury trial. You are giving up your judicial rights to discovery and appeal, unless those rights are specifically included in the "Arbitration of Disputes" provision. If you refuse to submit to Arbitration after agreeing to this provision, you may be compelled to arbitrate under the authority of the California Code of Civil Procedure. Your agreement to this arbitration provision is voluntary.

### **MASTER LEASE/SURVIVAL OF SUB-LEASE**

a. Sub-Lessee acknowledges and agrees that it shall be bound, and shall otherwise be subject to all of the terms and conditions contained in the Master Lease except as otherwise permitted by the provisions of Paragraph 29 of the Master Lease.

b. In the event the Master Lease is terminated, Sub-Lessee agrees to keep, observe and perform all of the terms and conditions of the Master Lease on the part of the Sub-Lessor to be kept, observed and performed, and Sub-Lessee's right to possession shall remain in effect as provided in Paragraph 29 of the Master Lease to all intents and purposes as though Sub-Lessee was the original Lessee thereunder; provided, however, that such assumption and agreement shall pertain only to the sub-leased premises and not to the entire leased premises under the Master Lease, and Sub-Lessee, among other things, shall make rental payments to County in an amount equal to such payments which Sub-Lessee is required to pay Sub-Lessor under this sub-lease.

### **CONSENT BY COUNTY**

The parties hereto understand and agree that this Sub-Lease shall not be enforceable by either unless and until consent has been obtained from County in writing.

IN WITNESS WHEREOF, this Sublease is executed on 10-20, 2006.

**SUB-LESSOR:**

*[Signature]*  
John Obradovich

*Betty Obradovich*  
Betty Obradovich

**SUB-LESSEE:**

*Randy Clark*  
Signature

RANDY CLARK member  
Printed Name and Title

The COUNTY of Riverside hereby consents to the foregoing Sub-Lease.

**LESSOR:**

COUNTY OF RIVERSIDE

By: \_\_\_\_\_  
Chairman, Board of Supervisors

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

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

**ATTEST:**

Nancy Romero,  
Clerk of the Board

**FORM APPROVED:**

Joe S. Rank,  
County Counsel

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

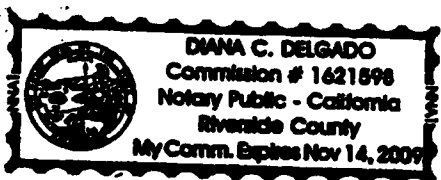
By: \_\_\_\_\_  
Deputy

STATE OF CALIFORNIA )  
 ) SS.  
COUNTY OF RIVERSIDE )

On October 20, 2006, before me, Diana C. Delgado, Notary Public  
personally appeared John Obradovich & Betty Obradovich

personally known to me (~~or 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.

WITNESS my hand and official seal.



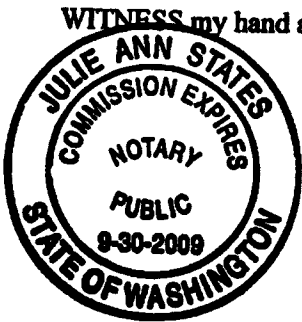
Diana C. Delgado  
Notary Public



STATE OF ~~CALIFORNIA~~ WA )  
 ) SS.  
COUNTY OF ~~RIVERSIDE~~ )  
 Snohomish )

On 10/4, 2006, before me,  
Randy Clark personally appeared

personally known to me (or 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.



Julie Ann States  
Notary Public

~~WASHINGTON~~  
STATE OF ~~CALIFORNIA~~ California )  
 ) SS.  
~~Snohomish~~  
COUNTY OF ~~RIVERSIDE~~ )  
 Riverside )

On 0c, 2006, before me,  
\_\_\_\_\_ personally appeared

personally known to me (or 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.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public

STATE OF CALIFORNIA WA )  
 ) SS.  
COUNTY OF RIVERSIDE )  
SNOWMISH

On 10/4, 2006, before me,  
Randy Clark personally appeared

personally known to me (or 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.

WITNESS my hand and official seal.



Julie Ann States  
Notary Public

~~WASHINGTON~~  
STATE OF CALIFORNIA California )  
 ) SS.  
~~SNOWMISH~~  
COUNTY OF RIVERSIDE )  
Riverside

On 0c, 2006, before me,  
\_\_\_\_\_ personally appeared

personally known to me (or 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.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public

Attachment E

**(Susan Basheer)**

Consent to Bill of Sale Coupled with Sub-Lease

CONSENT TO  
BILL OF SALE COUPLED WITH SUBLEASE

The County of Riverside, a political subdivision of the State of California, ("County") hereby consents to the Bill of Sale Coupled with Sub-Lease ("Bill of Sale"), dated June 1, 2018 between Star Aviation, LLC (as "Seller") and Susan Basheer (as "Buyer"), relating to the sale of the aircraft storage hangar known as Building "B", Hangar "23", located at the Jacqueline Cochran Regional Airport, Thermal, California. The Bill of Sale Coupled with Sublease, including exhibits, is attached hereto as Exhibit "A" and incorporated herein by this reference.

By consenting to the Bill of Sale, the County neither undertakes nor assumes nor will have any responsibility or duty to Buyer or to any third party to review, inspect, supervise, pass judgment upon or inform Buyer or any third party, of any matter in connection with the subject aircraft storage hangar, whether regarding the quality, adequacy or suitability of the subject aircraft storage hangar for Buyer's proposed use, or otherwise. Buyer and all third parties shall rely upon its or their own judgment regarding such matters. The County makes no representations, express or implied, with respect to the legality, fitness, or desirability of the subject aircraft storage hangar for Buyer's intended use.


[Remainder of Page Intentionally Left Blank]

[Signatures on Following Page]

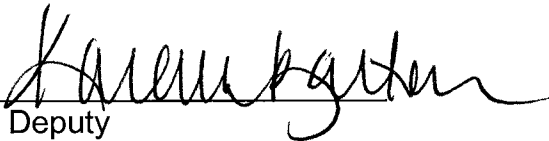
IN WITNESS WHEREOF, the County has caused its duly authorized representative to execute this Consent to Bill of Sale Coupled with Sub-Lease as of the date set forth below.

Date: APR 30 2019

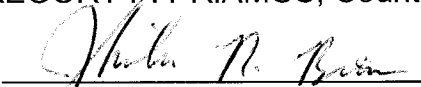
COUNTY OF RIVERSIDE, a political  
Subdivision of the State of California

By:   
Kevin Jeffries, Chairman  
Board of Supervisors

**ATTEST:**  
Kecia Harper ~~Harper~~  
Clerk of the Board

By:   
Deputy

APPROVED AS TO FORM  
GREGORY P. PRIAMOS, County Counsel

By:   
Thomas Oh  
Deputy County Counsel

[Susan Basheer, Acknowledgement on Following Page]

IN WITNESS WHEREOF, the County has caused its duly authorized representative to execute this Consent to Bill of Sale as of the date set forth below.

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

COUNTY OF RIVERSIDE, a political  
subdivision of the State of California

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

Robert Field,  
Assistant County Executive Officer/EDA

APPROVED AS TO FORM  
GREGORY P. PRIAMOS, County Counsel

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

Jhaila R. Brown,  
Deputy County Counsel

Susan Besheer, sole owner, hereby acknowledges, agrees and consents to all of the terms set forth in this Consent to Bill of Sale Coupled with Sublease.

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

  
Susan Besheer

Dated: June 1, 2018

**EXHIBIT A**

**BILL OF SALE**

**(behind this page)**

**BILL OF SALE COUPLED WITH SUB-LEASE**

Star Aviation LLC, hereinafter called the "Seller," hereby sells to Susan Besheer, sole owner, hereinafter called the "Buyer," and said Buyer hereby purchases from Seller the property described below, upon the following terms and conditions:

1. **RECITALS.** The Seller owns concrete floor, structure and steel building labeled as Bldg B, Hangar # 23 at Jacqueline Cochran Regional Airport, (formerly Desert Regional Resorts Airport) Thermal, California, Riverside County, as described on the attached **Exhibit "1"** also described as **Hangar # B23**, the sale of which is the subject of this Agreement and which is intended to convey title thereto for the sum of \$ 52,500.

2. **THIS BILL OF SALE IS SUBJECT TO MASTER LEASE AND COUPLED WITH SUB-LEASE.** This Bill of Sale is subject to that certain Master Lease executed by the County of Riverside and John and Betty Obradovich, dated April 24, 2003, executed June 3, 2003, and amended September 14, 2004, and September 12, 2006, and March 17, 2009, and which instruments affect directly the uses and purposes to which the aforesaid subject personal property may be put. Furthermore, Seller hereby incorporates in this instrument by reference the terms and conditions of that certain "Sub-Lease" executed by the parties hereto on June 1, 2018. This Bill of Sale shall be enforceable only on the condition that the parties have entered into the aforesaid Sub-Lease.

3. **WARRANTY OF TITLE.** Seller does hereby, for the benefit of Buyer, covenant and agree to warrant and defend title to the aforesaid personal property hereby conveyed, against the just and lawful claims and demands of all persons whomsoever, and Seller further covenants that the aforesaid real property is not subject to liens of any type, including but not limited to liens for unpaid taxes, nor is said personal property subject to a security agreement or financing statement.

4. **REVERSION OF PROPERTY TO SELLER.** The aforesaid Sub-Lease, with which this Bill of Sale is coupled provides for a sub-lease period of approximately 30 years with a 10-year option, during which time the Buyer hereto, subject to certain conditions precedent, may sell, rent, assign, convey, hypothecate, or encumber the personal property subject to is instrument, provided further, that upon the expiration of said Sub-Lease or 30 years with a 10-year option lease period, whichever shall first occur, the personal property subject to this Bill of Sale shall revert to the Seller hereunder, or to Seller's assignee, or to the County of Riverside, which reversion shall be governed by the terms and conditions of the aforesaid Master Lease and all of the aforesaid amendments thereto and the terms and conditions of the aforementioned Sub-Lease between Sub-Lessor and Sub-Lessee. Provided further that in accordance with the aforesaid Sub-Lease, Buyer hereunder shall not sell, rent, assign, hypothecate or encumber the personal property subject to this instrument except upon the express written consent of the county of Riverside and Seller or his assignee hereunder, which consent shall not be unreasonably withheld.

5. **TAX CLAUSE.** During the aforementioned period of possession of Buyer of the personal property, Buyer shall be solely responsible for the payment of the personal property and/or possessory interest taxes and all other taxes levied upon the specific structure by the County of Riverside and/or all other lawfully constituted taxing authorities, and said responsibility shall include real property taxes which may be assessed to Seller, to Seller's successor, or to Buyer in connection with the subject property.

6. **BUYER'S RIGHT TO TRANSFER PROPERTY AND SURVIVAL OF SUB-LEASE.**

a. **RIGHT TO TRANSFER.** Seller hereby consents to and agrees that Buyer may convey, assign, or transfer Buyer's interest in or to the subject personal property to one or more individuals; provided however, that such conveyance, assignment, or transfer includes the aforementioned sub-lease and shall be subject to the prior written approval of the Seller, County of Riverside, and Sub-Lessor. Provided further, that Seller shall have the right of first refusal to purchase, lease, rent, or receive Buyer's interest in the subject property and the subleasehold estate of Buyer on the same terms as offered by Buyer to any other individual or entity. Seller's failure to exercise right of first refusal within



sixty (60) days of written notice thereby by Buyer to Seller shall be deemed to be waiver of such right by Seller. Upon such waiver or rejection by Seller, and subject to the provisions contained in this Paragraph 6 (a) Buyer may proceed to convey, assign or transfer all of part of his/her interest in the subject property on the same terms and conditions offered to Seller; provided, however, that Buyer shall not, except with Seller's permission, convey, lease, rent or sell any portion of the premises to any commercial operations for the purpose of doing any business at Jacqueline Cochran Regional Airport (Thermal) other than if said sale is to the aforesaid Seller.

b. **SURVIVAL OF SUB-LEASE.** Subject to the provision of the aforesaid Master Lease, Buyer's rights, including the right of possession and all other rights not in conflict with the terms and conditions of the aforesaid Lease and amendments thereto, and all of the Buyer's obligations and duties under the aforementioned Sub-Lease and the Master Lease and amendments thereto, shall remain in effect, notwithstanding a termination of the aforesaid Master Lease, or an assignment or a transfer of the Seller's rights, duties and obligations hereunder, prior to the expiration of the aforementioned Sub-Lease, provided that the Buyer (as Sub-Lessee under the aforementioned Sub-Lease) has fully and faithfully performed the terms and conditions that it is required to perform under the aforementioned Sub-Lease and Master Lease and amendments thereto, and it otherwise is not in default hereunder.

7. **NOTICES.** Any notices required or desired to be served by either party upon the other shall be addressed to the respective party as set forth below:

**SELLER:**  
Star Aviation, LLC  
16531 13<sup>th</sup> Ave W  
Suite A 107  
Lynnwood, WA 98037

**BUYER:**  
Susan Besheer  
1798 Firestone Plaza  
Palm Springs, CA 92264

or such other addresses as from time to time shall be assigned by the respective parties.

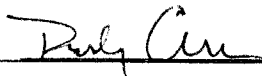
8. **TERMS.** The terms of this Bill of Sale shall be governed by and construed in accordance with the laws of the State of California and the parties hereto stipulate to the jurisdiction of the Riverside County Courts.

9. **DISPUTES/DAMAGES.** In the event it is necessary to enforce or interpret any provision herein contained, the matter shall be submitted to binding arbitration conducted by the American Arbitration Association ("AAA") who shall be selected by mutual agreement of the parties. The Arbitrator shall comply with, and the decision of the Arbitrator shall be rendered in accordance with the laws of the State of California. The Arbitrator shall have the power to grant all legal and equitable remedies and award compensatory damages provided by California Law, but shall not have the power to award punitive damages. The parties agree to be bound by the decision of the Arbitrator, which shall be final, shall not be appealable, and which shall allow for no trial de novo on the same issues. The Arbitrator's decision shall be rendered within 30 days following submission of the matter at issue, but the failure to comply with this provision shall in no way invalidate any decision or award as may be rendered more than 30 days after submission.

Judgment upon the decision rendered by the arbitrator may be entered in any court having proper jurisdiction or applications may be made to such court for judicial acceptance of the award and an Order of Enforcement. The parties hereby agree to have any dispute arising out of the matters included in the "Arbitration of Disputes" provision decided by neutral arbitration as provided by California Law and are giving up any rights to have the dispute litigated in a court or jury trial, as well as judicial rights to discovery and appeal, unless those rights are specifically included in the "Arbitration of Disputes" provision. Your agreement to this arbitration provision is voluntary.

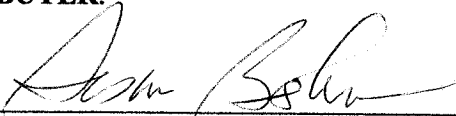
IN WITNESS WHEREOF, this Bill of Sale is executed on June 1, 2018,

**SELLER:**



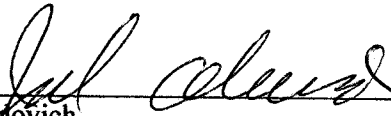
\_\_\_\_\_  
**Randy Clark, Member  
Star Aviation, LLC**

**BUYER:**

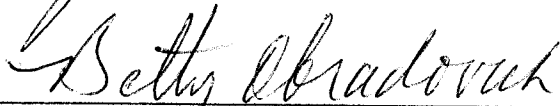


\_\_\_\_\_  
**Susan Besheer**

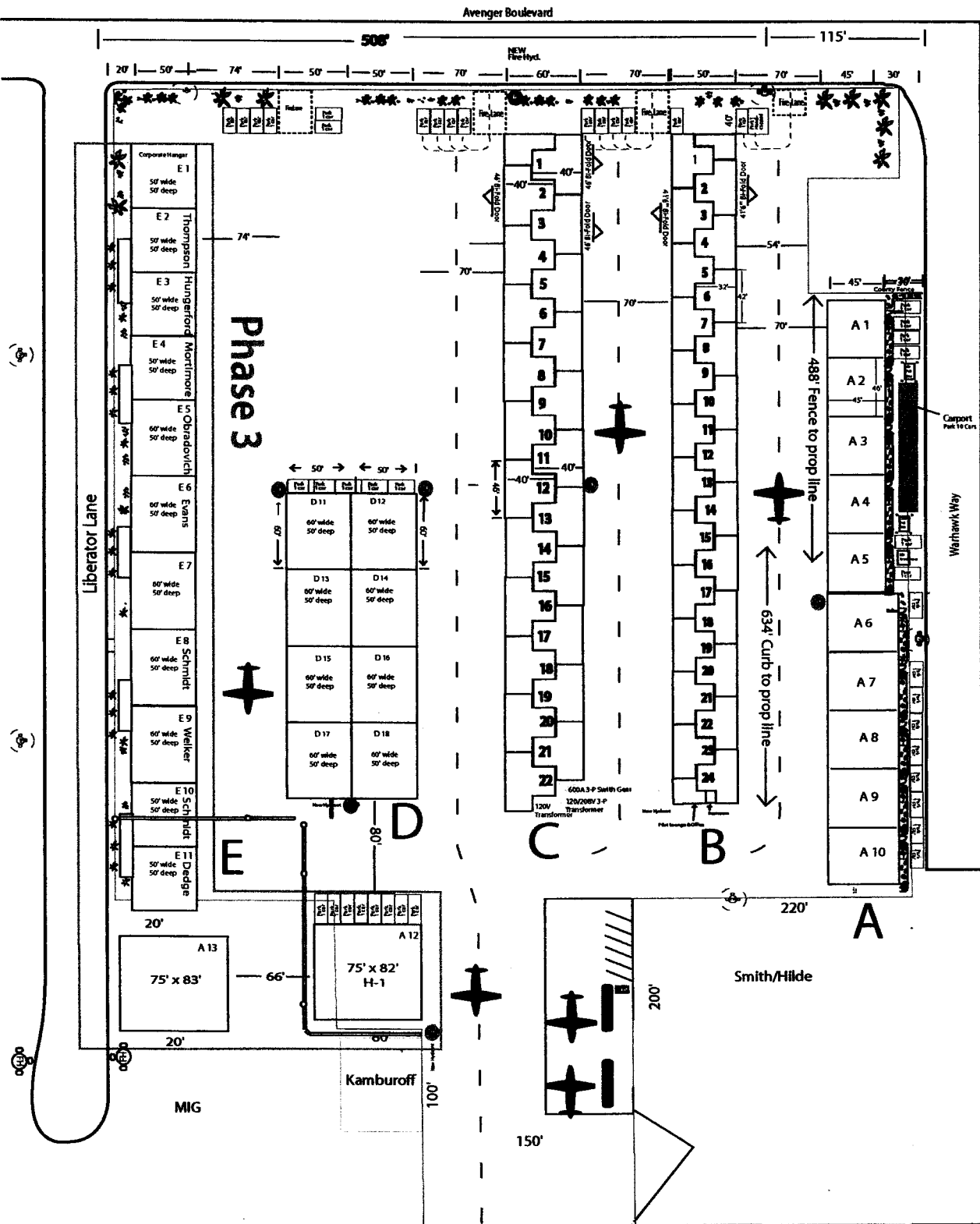
**LESSEE:**



\_\_\_\_\_  
**John Obradovich**



\_\_\_\_\_  
**Betty Obradovich**



**Taxiway Alpha**

Phase 1	Phase 2	Phase 3	Total
24 Tee Hangars 42x32' (1050')	22 Tee Hangars - 46x40' (1380)	5 Corp. Box Hangars - 60x50	49,200
2 Tee Ends	5 Business Box Hangars - 46x55	5 Corp. Offices - 10x20	1,000
5 Mini Box Hangars - 46x45 (2070')	8 Large Box Hangars - 60x50	6 Corp. Box Hangars - 50x50	15,000
		6 Corp. Offices - 10x25	1,500
		2 Large Box Hangar - 78x75	11,700
			44,200 Sq Ft.
			67,010 Sq Ft.

<b>Thermal Regional Airport</b> County of Riverside, Thermal, California	
<b>Master Development 9 Acres</b>	
<b>All Inside AV Storage and Self Serve Fuel</b>	
John & Betty Obradovich All Inside AV Storage, Inc 84-401 Cabazon Center Drive Thermal, CA 92701	

STATE OF WASHINGTON )

COUNTY OF Snohomish )

On 6-12-18 before me,

Julie A. States  
(Notary Public) personally appeared

Randy Clark

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 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 Washington that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Julie A. States (Seal)

Name Printed Julie A. States

My Commission expires 9-30-2021





**STATE OF WASHINGTON  
SECRETARY OF STATE**

Limited Liability Company  
See attached detailed instructions

Filing Fee \$30.00

Filing Fee with Expedited Service \$80.00

09/19/12 2260715-

001

\$80.00 K

id: 2389640

THE SEAL FOR OTHER USE ONLY

FILED  
SECRETARY OF STATE  
SAM REED  
SEPTEMBER 19, 2012  
STATE OF WASHINGTON

UBI Number: 602 603 026

**AMENDED CERTIFICATE OF FORMATION/REGISTRATION**  
Chapter 20.15 RCW

**SECTION 1**

NAME OF LIMITED LIABILITY COMPANY: (as currently recorded with the Office of the Secretary of State)  
1016Tango, LLC

**SECTION 2**

AMENDMENTS TO CERTIFICATE: (if necessary attach additional information)  
Name change: Star Aviation, LLC

**SECTION 3**

EFFECTIVE DATE OF AMENDMENTS TO CERTIFICATE: (please check one of the following)

Upon filing by the Secretary of State

Specific Date: \_\_\_\_\_ (Specified effective date must be within 90 days AFTER the Amended Certificate has been filed by the Office of the Secretary of State)

**SECTION 4**

MEMBER OR MANAGER SIGNATURE (see instructions page)

This document is hereby executed under penalties of perjury, and is, to the best of my knowledge, true and correct.

X Randy Clark                      Randy Clark member                      9/15/12                      206-963-3787  
Signature                                      Printed Name/Title                      Date                      Phone

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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 California )

County of RIVERSIDE )

On 6/4/18 before me, Tami S. Adams, Notary Public  
Date Here Insert Name and Title of the Officer

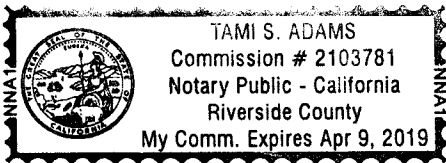
personally appeared John and Betty Choralovich,  
Name(s) of Signer(s)

Susan Beecher

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 Tami S. Adams  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_ Document Date: \_\_\_\_\_

Number of Pages: \_\_\_\_\_ Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_

Partner —  Limited  General

Individual  Attorney in Fact

Trustee  Guardian or Conservator

Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

The COUNTY of Riverside hereby consents to the foregoing Bill of Sale.

**LESSOR:**

COUNTY OF RIVERSIDE, A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA

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

Chairman, Board of Supervisors

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

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

**ATTEST:**

Kecia Harper-Ihem,,  
Clerk of the Board

**FORM APPROVED:**

Pamela J. Walls,  
County Counsel

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

Deputy

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

Deputy

Attachment F

**(Susan Basheer)**

Consent to Sublease and Sub-Lease with Sale of Aviation Hangar



## CONSENT TO SUBLEASE

(Jacqueline Cochran Regional Airport)

The County of Riverside, a political subdivision of the State of California ("County"), hereby consents to that certain Sub-Lease with Sale of Aviation Hangar dated June 1, 2018, by and between John Obradovich and Betty Obradovich, husband and wife, (as sublessor) and Susan Besheer (as sublessee), a copy of which is attached hereto as Exhibit "A" ("Sublease"). The Sublease pertains to real property located within Jacqueline Cochran Regional Airport in Thermal, California, as more particularly depicted and described on Exhibit "B" to the Sublease.

The Sublease is subject to that certain Lease Desert Resorts Regional Airport dated on or about June 3, 2003 by and between the County (as lessor) and John Obradovich and Betty Obradovich (as lessee), as amended by that certain First Amendment to Lease Jacqueline Cochran Regional Airport dated on or about September 14, 2004, that certain Second Amendment to Lease Jacqueline Cochran Regional Airport dated September 12, 2006, and that certain Third Amendment to Lease Jacqueline Cochran Regional Airport dated March 17, 2009 (collectively, "Lease") relating to the lease of approximately 9.45 acres of vacant land, located at the Jacqueline Cochran Regional Airport (formerly known as the Desert Resorts Regional Airport), as more fully described in Exhibit "A" to the Lease.

Consent hereof by the County to the Sublease shall not relieve or release John Obradovich and Betty Obradovich from their duty to comply with any and all obligations, covenants and conditions required under the Lease.

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[Signatures on Following Page]

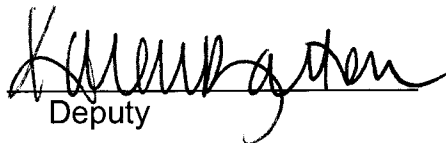
IN WITNESS WHEREOF, the County has caused its duly authorized representative to execute this Consent to Sublease as of the date set forth below.

Date: APR 30 2019


COUNTY OF RIVERSIDE, a political  
subdivision of the State of California

By:   
Kevin Jeffries, Chairman  
Board of Supervisors

ATTEST:  
KECIA ~~HEM~~-HARPER  
Clerk of the Board

By:   
Deputy

APPROVED AS TO FORM  
Gregory P. Priamos  
County Counsel

By:   
Thomas Oh  
Deputy County Counsel

**EXHIBIT "A"**

**SUB-LEASE**

(Attached on following page)

## SUB-LEASE WITH SALE OF AVIATION HANGAR

John Obradovich and Betty Obradovich, herein called Sub-Lessor, sub-leases to Susan Besheer, sole owner, herein called Sub-Lessee, the property described below, upon the following items and conditions.

### RECITALS

Sub-Lessor leases from the County of Riverside, approximately nine (9) acres located at the Jacqueline Cochran Regional Airport, (formerly Desert Regional Resorts Airport), Thermal, in the County of Riverside, State of California.

This and other sub-leases entered into by the Sub-Lessor are intended to conform with, be compatible with, and be subject to the terms and conditions of the Master Lease dated April 24, 2003, executed June 3, 2003, and amended September 14, 2004, and September 12, 2006, and March 17, 2009, between the County of Riverside as Lessor, and John and Betty Obradovich, Husband and Wife, as Lessee which lease and amendments thereto shall be called the "Master Lease" and the County of Riverside shall be called the "County."

By separate document entitled, "Bill of Sale," a copy of which is attached hereto as **Exhibit "A,"** Sub-Lessor intends to convey, assign or transfer to Sub-Lessee its (Sub-Lessor's) interest in certain facilities and improvements it owns within the premises sub-leased hereunder.

### DESCRIPTION

The premises sub-leased hereby are located within Desert Resorts Regional Airport generally, and within the area leased from County by Sub-Lessor consisting of nine (9) acres and as more particularly shown on **Exhibit "B,"** attached thereto and by this reference, made a part of this sub-lease. The portion of the nine acres being sub-leased is that portion of land occupied in **Building B Hangar # 23** as depicted in **Exhibit "B."** In addition to the forgoing during the term of this lease Sublessor grants to Sublessee the right to ingress and ingress over that portion of the leasehold premises of Sublessor held under the Master Lease and a license to use the taxiway areas as designated by Sublessor.

**USE**           The premises are sub-leased hereby for the purposes of aircraft storage.

### TERM

The term of this sub-lease, subject to any provisions in the Master Lease that may be applicable and take precedence, shall be for a period equal to the portion of thirty (30) years remaining under the Master Lease and terminating on June 30, 2033. Sub-Lessor has an option to extend the term for an additional ten (10) years, as provided in the Master Lease. If the Sub-Lessor extends the lease with the County for the additional ten years, this Sub-Lease shall extend as well for the additional ten years. Nothing in this Sublease shall be interpreted to obligate or require the Sublessor to so extend the term of the Master Lease and Sublessor or its successors and assigns may or may not so extend the term of the Master Lease in its sole and absolute discretion

### RENT

Sub-Lessee shall pay to Sub-Lessor the sum of \$ 68 per month, payable in advance, on the first day of each month.

The monthly rent shall be subject to adjustment as of the dates and in the amounts as described in Section 5, paragraphs (d) and (e) of the Master Lease. In no event shall any adjustment be a negative adjustment.

The monthly rent is due and payable on or before the first of the appropriate month during the term of this lease agreement and shall be considered delinquent, if not paid by the 15th of the month. If the monthly rent becomes delinquent, lessee will be charged a late fee equivalent to ten percent (10%) of the delinquent rental amount, exclusive of late fees, for each month that rent is delinquent.