

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



ITEM
3.14
(ID # 10094)

MEETING DATE:

Tuesday, June 25, 2019

FROM : ECONOMIC DEVELOPMENT AGENCY (EDA):

SUBJECT: ECONOMIC DEVELOPMENT AGENCY (EDA): Consent to Assignment of Lease and Bill of Sale between Joseph Fan, an individual and James Scott, an individual, at French Valley Airport, District 3 [\$0], CEQA Exempt (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 State CEQA Guidelines Section 15301 and Section 15061 (b)(3);
2. Approve and Consent to the attached Assignment of Lease between Joseph Fan, an individual, wherein Joseph Fan assigns to James Scott, its interests as Lessee under that certain Lease between the County of Riverside (as Lessor) and Joseph Fan (as Lessee), as more specifically set forth in the attached Assignment;
3. Approve and Consent to the attached Bill of Sale (Bill of Sale) between the Joseph Fan (as Seller) and James Scott, (as buyer) for the sale of an aircraft hangar situated on the Port-a-Port Space 26, located within French Valley Airport in Murrieta, California as more specifically set forth in the attached Bill of Sale;

Continued on page 2

ACTION:Policy

Robert Field, Assistant County Executive Officer/ECD

6/5/2019

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: June 25, 2019
xc: EDA, Recorder

Kecia Harper
Clerk of the Board
By:
Deputy

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

RECOMMENDED MOTION: That the Board of Supervisors:

4. Authorize the Chairman of the Board of Supervisors to execute the attached Consent to Assignment and Consent to Bill of Sale on behalf of the County;
5. Authorize the Assistant County Executive Officer/ECD, or designee, to execute any additional documents necessary for the Consent to the Assignment of Sublease and Consent to the sale of the hangar, subject to approval by County Counsel; and
6. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk within five (5) days of approval by the Board of Supervisors.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment:	No
			For Fiscal Year:	2018/19

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The County of Riverside Economic Development Agency ("EDA") received a request from James Scott to consent to the assignment of Joseph Fan's interest in that certain Lease (Port-a-Port T-Hangar for Aircraft Storage) dated December 18, 1990 between the County of Riverside, a political subdivision of the State of California ("County") as Lessor, and Joseph Fan, an individual, as Lessee, successor in interest to Harry G. Fetter (deceased), and as amended by that First Amendment to Lease dated September 14, 2004 ("Lease").

The Lease pertains to that certain ground space containing approximately 1,092 square feet of land identified as Port-a-Port Space 26 ("Leased Premises") located within the French Valley Airport in Murrieta, CA, as more particularly depicted on Exhibit B to the Lease (see attached). Joseph Fan, as assignor, and James Scott, as assignee, entered into the certain Lease Assignment dated April 15, 2019 ("Assignment") relating to the Lease. A copy of the Assignment is attached. James Scott, has also acquired from the Joseph Fan an aircraft hangar located on the Leased Premises, the sale of which is memorialized in that certain Bill of Sale dated April 15, 2019 ("Bill of Sale") attached. The Assignment and Bill of Sale require County approval under the Lease. James Scott will not change the existing use of the Leased Premises. The Assignment and Bill of Sale will not impact the terms of the Lease.

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

Pursuant to the California Environmental Quality Act (CEQA), the Assignment and Bill of Sale were reviewed and determined to be categorically exempt from CEQA under State CEQA Guidelines 15301, Class 1 – Existing Facilities and State CEQA Guidelines 15061(b) (3), General Rule or “Common Sense” exemption. The proposed project, the assignment of lease rights under an existing Lease and sale of the existing hangar, is the leasing of property involving existing facilities and no expansion of an existing use will occur. In addition, it can be seen with certainty that there is no possibility that the proposed project may have a significant effect on the environment since it is merely a continuation of existing use. Staff will file a notice of exemption with the Clerk of the Board upon approval of the consent to Assignment and consent to the Bill of Sale.

Staff recommends approval and consent to (i) the Assignment, and (ii) the proposed Bill of Sale. The attached Consent to Assignment and Consent to Bill of Sale have each been approved as to form by County Counsel.

Impact on Citizens and Businesses

The Sublease and Bill of Sale 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:

- Attachment A – Consent to Assignment of Lease
- Attachment B – Consent to Bill of Sale


Rahini Dasika, Principal Management Analyst 6/17/2019


Gregory P. Priamos, Director County Counsel 6/13/2019



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

10/26/19
Date

WS
Initial

NOTICE OF EXEMPTION

June 6, 2019

Project Name: County of Riverside, Consent to Assignment of Lease and Bill of Sale between Joseph Fan, an individual and James Scott, an individual, at French Valley Airport, Murrieta

Project Number: ED1910012

Project Location: 37600 Sky Canyon Drive, east of Winchester Road, Assessor's Parcel Number (APN) 963-030-010, Murrieta, Riverside County, California, 92563 (See attached exhibit)

Description of Project: The County of Riverside (County) entered into a Lease Agreement with Joseph Fan (Lessee) on December 18, 1990, for the lease of property at the French Valley Airport in Murrieta, California. The Lease Agreement, has been amended once previously. Pursuant to the Lease, any assignment of sublease or bill of sale requires County approval. The Economic Development Agency has received a request to consent to an Assignment of Sublease (Sublease) between James Scott (Assignee), and Joseph Fan (Assignor) and also to consent to a hangar sale on the assigned subleased premises. The Sublease pertains to that certain ground space containing approximately 1,092 square feet of land identified as Port-a-Port Space 26 within the French Valley Airport in Murrieta.

The Assignor and Assignee, entered into the certain Assignment dated April 15, 2019 (Assignment), relating to the Sublease. Assignee, has also acquired from the Assignor an aircraft hangar on the subleased premises, the sale of which is memorialized in that certain Bill of Sale dated April 15, 2019. Assignee, will not change the existing use of the subleased premises and the Assignment and Bill of Sale will not impact the terms of the Sublease. The consent of the Assignment of Sublease and Bill of Sale 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, Joseph Fan, an individual, and James Scott, an individual

Exempt Status: Section 15301, Existing Facilities Exemption and Section 15061(b) (3), General Rule or "Common Sense" Exemption, Codified under Title 14, Article 5 Sections 15061 and Section 15300 to 15301.

JUN 25 2019

3.14

P.O. Box 1180 • Riverside, California • 92502 • T: 951.955.8916 • F: 951.955.6686

www.eda-riverside.org

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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 and operation related provisions within the Lease Agreement which 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 the consent to the Assignment of a Sublease and Bill of Sale. The consent by the County is a contractual requirement of the original Lease Agreement and no physical changes would result from the assignment. The consent to Assignment of Sublease and Bill of Sale would result in the continued use of existing infrastructure. The approval of these agreements will have the same purpose and substantially similar capacity, would be within the existing hangar footprint, would be consistent with the existing land use, and would not result in an increase in capacity. 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 by the County of the Assignment and Bill of Sale for the Sublease is an administrative function, and would result in the continued operation of the airport on the leased premises. 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: _____

6/6/19

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 Assignment of Lease and Bill of Sale between Joseph Fan, an individual and James Scott, an individual, at French Valley Airport, Murrieta

Accounting String: 537080-22100-1910700000- ED1910012


DATE: June 6, 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, Economic Development Agency

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -



Date: June 6, 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 Assignment of Lease and Bill of Sale between Joseph Fan, an individual and James Scott, an individual, at French Valley Airport, Murrieta

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

After posting, please return the document to:

Mail Stop #1330

Attention: Mike Sullivan, Senior Environmental Planner,
Economic Development Agency,
3403 10th Street, Suite 400, Riverside, CA 92501

If you have any questions, please contact Mike Sullivan at 955-8009 or email at msullivan@rivco.org.

Attachment

cc: file

CONSENT TO ASSIGNMENT OF LEASE

(James Scott, dated April 15, 2019, Port-a-Port Space No. 26)

The County of Riverside hereby consents to the assignment of Joseph Fan's, an individual ("Assignor"), interest as Lessee in that certain Lease (defined below) to James Scott, an individual ("Assignee"), as set forth in the Lease Assignment, dated April 15, 2019, attached hereto as Attachment "A" and incorporated herein by this reference ("Assignment"). Pursuant to the Assignment, the Assignor transferred and assigned to Assignee all of Assignor's rights, title, interest and obligations ("Rights and Obligations") under that certain Lease (Port-a-Port T-Hangar for Aircraft Storage) assigned to Joseph Fan on January 6, 2016 between the County of Riverside, a political subdivision of the State of California ("County") dated December 18, 1990, as amended by that certain First Amendment to Lease French Valley Airport executed by the County (as lessor) and Harry G. Freter (as lessee) dated September 14, 2004 (collectively, the "Lease"). The Lease pertains to that certain real property located within French Valley Airport located in Murrieta, California and consists of approximately 1,092 square feet of land identified as Port-a-Port Space No. 26, as more particularly depicted in Exhibit A to the Lease. The Lease is attached hereto as Attachment "B".

In reliance upon the assumption by Assignee of all Rights and Obligations under the Lease as set forth in the attached Assignment, the County does hereby approve and consent to the assignment of the Rights and Obligations under the Lease by Assignor to Assignee and Assignee's assumption thereof. Approval and consent hereof by the County shall not be construed to relieve or release Assignor from its duty to comply with any obligations under the Lease.

[Remainder of Page Intentionally Blank]

[Signature on Following Page]

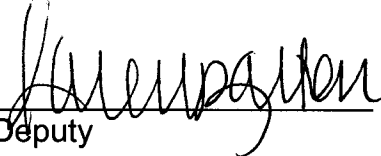
Date: JUN 25 2019

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

By: 
Kevin Jeffries, Chairman
Board of Supervisors

ATTEST:

Kecia Harper-~~them~~
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM
Gregory P. Priamos, County Counsel

By: 
Wesley Stanfield
Deputy County Counsel

LEASE ASSIGNMENT

This Lease Assignment is entered by and between Joseph Fan ("**Assignor**") on one hand; and the James Scott ("**Assignee**"). This Agreement is dated March 18, 2019 for reference purposes only and is effective when signed by all parties (the "**Effective Date**").

1. **Identification of Lease.** Assignor is the current lessee of a certain 1990 ground lease (amended in 1994) ("**Lease**") between Lessor County of Riverside ("**County**") and Harry Freter for Space 26 at the French Valley (F70) Airport.

2. **Consent.** At such time as the parties receive notification from the County that both this Assignment to Lease and the Bill of Sale for the Hangar are approved ("**Consent Date**"), Assignor hereby assigns to Assignee all of its rights and obligations under the Lease.

3. **Warranties by Seller.** Seller warrants that the Lease, including any Amendments and Assignments previously provided by Seller to Buyer true and correct to the best of Seller's knowledge;

4. **Warranties by Buyer.** Buyer warrants that: he has read and understands the Lease and all related documents in Exhibit 'B', and agrees to be bound by them as either Assignee (if approved by the County), or sub-Lessee (if not approved by the County);

5. **Notices.** Any notices to be given under this Agreement shall be by electronic mail, to the following email addresses:

Assignor: kts441@gmail.com

Assignee: James@scorpionbackhoe.com
With a copy to: SWilliams@SmallBusinessLaw.Org

6. **Execution in Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and all of which shall constitute one agreement, notwithstanding that all of the parties are not signatories to the original or the same counterpart.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

Assignor

By: _____

Joseph Fan

Date: _____

4-15-19

Assignee

By: _____

James Scott

Date: _____

4-15-19

LEASE
(Port-a-Port T-Hangar for Aircraft Storage)

The COUNTY OF RIVERSIDE, herein called County, leases to Harry Freter, herein called Lessee, the property described below upon the following terms and conditions:

1. Description. The premises leased hereby are located within French Valley Airport, Murrieta, California and consist of approximately 1092 square feet of land identified as Space No. 26, as more particularly shown on Exhibit "A", attached hereto and by this reference made a part of this lease.

2. Use. The premises are leased hereby for the purpose of installing and maintaining a Port-a-Port T-Hangar therein for aircraft storage and aircraft supporting equipment in connection therein.

3. Term.

(a) The term of this lease shall be for a period commencing December 1, 1990, and terminating December 31, 2010, subject to the provisions contained in Paragraphs 14 and 15 herein.

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

4. Basic Rent.

(a) Lessee shall pay to County the sum of \$ 74.00 per month as basic rent for the leased premises, payable, in advance, on the 1st day of the month.

(b) In the event Lessee fails, or refuses, to make his monthly rental payment in the amount and on the date as required in Paragraph 4(a) herein, Lessee shall pay to County an additional amount of \$ 10.00 as an administrative charge, which charge represents a minimal cost incurred by County by virtue of such failure or refusal.

5. Basic Rental Adjustment.

(a) The basic monthly rent shall be adjusted every year during the term of this lease in the following manner:

(1) Divide the Consumer Price Index for the month of January, 1991, into the Consumer Price Index

1 for the month of January immediately preceding the
2 anniversary in which the basic monthly rent is to be
adjusted.

3 (2) Multiply the quotient obtained in
4 Paragraph 5 (a)(1) above by the basic monthly rent.

5 (3) The result of such multiplication obtained
6 in Paragraph 5 (a)(2) above shall be the monthly rent for
the succeeding year.

7 The Consumer Price Index referred to herein is the
8 All Urban Consumers (U.S. City Average) published monthly by the
9 U.S. Bureau of Labor Statistics. The Consumer Price Index for the
10 month of January, 1991, is _____. If the Consumer Price
Index is discontinued or revised during the term of this lease,
such other government index or computation with which it is
replaced shall be used in order to obtain substantially the same
result as would be obtained if the index had not been discontinued.

11 In no event, however, shall the monthly rent be less
12 than the basic monthly rent set forth in Paragraph 4 herein.

13 6. Improvements.

14 (a) Lessee shall have the right to place or install
15 a Port-a-Port T-Hangar upon the leased premises. No other
16 alterations, improvements or installations of fixtures of any
17 kind whatsoever shall be undertaken by Lessee, unless Lessee has
18 first obtained written approval therefor from County's Managing
19 Director of its Economic Development Agency. Lessee understands
and agree that such improvements, alterations and installations of
fixtures may be subject to County Ordinance Nos. 348 and 457, as
well as other applicable County Ordinances, and that Lessee shall
fully comply with such ordinances prior to the commencement of any
construction in connection therewith.

20 (b) All alterations and improvements made, and
21 fixtures installed, by Lessee on or upon the leased premises in
22 accordance with the provisions of Paragraph 6(a) herein shall
23 remain the property of Lessee, provided however, that Lessee
24 removes, at his expense, such alterations, improvements and
25 fixtures at or prior to the expiration of this lease and restores
26 the leased premises to their original shape and condition as
27 nearly as practicable. In the event any such alterations,
28 improvements and fixtures are not so removed, County may, at its
election, either, (1) remove and store such alterations,
improvements and fixtures and restore the premises for the account
of Lessee, in such event Lessee shall, within 30 days after
billing and accounting therefore, reimburse County for the costs
so incurred or (2) take and hold such alterations, improvements
and fixtures as its sole property for no further consideration of
any kind, and Lessee shall execute any documents that may be
required or necessitated conveying Lessee's interest in such
alterations, improvements and fixtures to County.

1 7. Restrictions.

2 (a) Lessee shall not use the leased premises or
3 store any personal property therein or thereon, for the purpose of
4 conducting any activity upon or within the French Valley Airport
5 premises for which any form of remuneration is expected or
6 received unless such activity is permitted under a separate
7 agreement or lease between County and Lessee.

8 (b) Lessee shall not fuel or defuel an aircraft
9 inside or upon the leased premises or within 25 feet of any
10 hangar. Lessee shall not store any highly volatile materials
11 including, but not limited to, paint products and aviation fuels,
12 within or outside of the leased premises; provided, however, that
13 Lessee may store fuel in his aircraft's fuel tanks.

14 8. Ingress and Egress. Lessee shall be permitted
15 ingress and egress to and from the leased premises through
16 established gates and/or over such routes as are designated by
17 County's Managing Director of its Economic Development Agency.

18 9. Utilities. County shall provide, or cause to be
19 provided all water and electrical services as may be required in
20 the use of the leased premises; provided, however that Lessee
21 shall pay to County for all such electrical service, upon
22 accounting and billing therefor by County to Lessee. Lessee shall
23 provide and pay for all other utility services that it may require
24 or desire in his use of the leased premises.

25 10. Maintenance. Lessee shall maintain the leased
26 premises in a neat, safe, orderly and attractive manner during the
27 term of this lease. Lessee shall deposit all waste, rubbish and
28 debris in receptacles provided by County in the vicinity of the
Port-a-Port T-Hangars; provided, however, that crank case
drainages and other liquids shall be removed from the airport
premises.

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

7 12. Quiet Enjoyment. Lessee shall have, hold and
8 quietly enjoy the use of the leased premises so long as he
9 shall fully and faithfully perform the terms and conditions
10 that he is required to do under this lease.

11 13. Compliance with Government Regulations. Lessee
12 shall, at Lessee's sole cost and expense, comply with the
13 requirements of all local, state and federal statutes,
14 regulations, rules, ordinances and orders now in force or which
15 may be hereafter in force, pertaining to the leased premises. The
16 final judgment, decree or order of any Court of competent

1 jurisdiction, or the admission of Lessee in any action or
2 proceedings against Lessee, whether Lessee be a party thereto or
3 not, that Lessee has violated any such statutes, regulations,
rules, ordinances, or orders, in the use of the leased premises,
shall be conclusive of that fact as between County and Lessee.

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

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

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

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

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

14 (e) In the event Lessee fails, or refuses, to
15 meet his rental obligations, or any of them, hereunder or as
16 otherwise provided by law.

17 15. Termination by Lessee.

18 (a) Lessee shall have the right to terminate this
lease subject to thirty (30) days written notice thereof to County.

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

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

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

(a) Procure and maintain comprehensive general liability insurance coverage that shall protect Lessee from claims for damages for personal injury, including, but not limited to, accidental and wrongful death, as well as from claims for property damage, which may arise from Lessee's use of the leased premises or the performance of his obligations hereunder, whether such use or performance be by Lessee, by any subcontractor, or by anyone employed directly or indirectly by either of them. Such insurance shall name County as an additional insured with respect to this lease and the obligations of Lessee hereunder. Such insurance shall provide for limits of not less than \$500,000 per occurrence.

(b) Cause his insurance carriers to furnish County by direct mail with Certificate(s) of Insurance showing that such insurance is in full force and effect, and that County is named as an additional insured with respect to this lease and the obligations of Lessee hereunder. Further, said Certificate(s) shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to County prior to modification, cancellation or reduction in coverage of such insurance. In the event of any such modification, cancellation or reduction in coverage and on the effective date thereof, this lease shall terminate forthwith, unless County receives prior to such effective date another certificate from an insurance carrier of Lessee's choice that the insurance required herein is in full force and effect. Lessee shall not take possession or otherwise use the leased premises until County has been furnished certificate(s) of insurance as otherwise required in this Paragraph 18.

19. County's Reserved Rights - Insurance. County reserves the right to adjust the monetary limits of insurance coverage as required in Paragraph 18 herein every fifth year during the term of this lease; provided, however, that any adjustment herein shall not increase the monetary limits of insurance coverage for the preceding five (5) years in excess of twenty-five percent (25%) thereof.

1 20. Hold Harmless.

2 (a) Lessee represents that he has inspected the
3 leased premises, accepts the condition thereof and fully assumes
4 any and all risks incidental to the use thereof. County shall not
5 be liable to Lessee, his agents, employees, subcontractors or
6 independent contractors for any personal injury or property damage
7 suffered by them which may result from hidden, latent or other
8 dangerous conditions in, on, upon or within the leased premises;
9 provided, however, that such dangerous conditions are not caused
10 by the sole negligence of County, its officers, agents or
11 employees.

12 (b) Lessee shall indemnify and hold County, its
13 officers, agents, employees and independent contractors free and
14 harmless from any liability whatsoever, based or asserted upon any
15 act or omission of Lessee, his agents, employees,
16 subcontractors and independent contractors, for property damage,
17 bodily injury, or death (Lessee's employees included) or any other
18 element of damage of any kind or nature, relating to or in anywise
19 connected with or arising from his use and responsibilities in
20 connection therewith of the leased premises or the condition
21 thereof, and Lessee shall defend, at his expense, including
22 attorney fees, County, its officers, agents, employees and
23 independent contractors in any legal action based upon such
24 alleged acts or omissions.

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

28 21. Assignment.

29 (a) Except as provided in Paragraph 21(b) below,
30 Lessee cannot assign, sublet, mortgage, hypothecate or otherwise
31 transfer in any manner any of its rights, duties or obligations
32 hereunder to any person or entity without the written consent of
33 County being first obtained.

34 (b) Lessee may sublet the leased premises provided
35 that such subletting: (1) is in writing, copy of which shall be
36 forwarded to County upon execution thereof, (2) includes a
37 provision therein subjecting the sublease(s) to the terms and
38 conditions of this lease, and (3) shall be in a format previously
39 approved by County.

40 22. Toxic Materials. During the term of this lease and
41 any extensions thereof, Lessee shall not violate any federal,
42 state or local law, or ordinance or regulation, relating to
43 industrial hygiene or to the environmental condition on, under or
44 about the leased premises including, but not limited to, soil and
45 ground water conditions. Further, Lessee, its successors, assigns
46 and sublease, shall not use, generate, manufacture, produce, store
47 or dispose of on, under or about the leased premises or transport
48 to or from the leased premises any flammable explosives, asbestos,

1 radioactive materials, hazardous wastes, toxic substances or
2 related injurious materials, whether injurious by themselves or in
3 combination with other materials (collectively, "hazardous
4 materials"). For the purpose of this lease, hazardous materials
5 shall include, but not be limited to, substances defined as
6 "hazardous substances," "hazardous materials," or "toxic
7 substances" in the Comprehensive Environmental Response,
8 Compensation and Liability Act of 1980, as amended, 42 U.S.C.
9 Section 9601, et seq.; the Hazardous Materials Transportation Act,
10 49 U.S.C. Section 1801, et seq.; the Resource Conservation and
11 Recovery Act, 42 U.S.C. Section 6901, et seq.; and those
12 substances defined as "hazardous wastes" in Section 25117 of the
13 California Health and Safety Code or as "hazardous substances" in
14 Section 25316 of the California Health and Safety Code; and in the
15 regulations adopted in publications promulgated pursuant to said
16 laws.

17
18 23. Free from Liens. Lessee shall pay, when due, all
19 sums of money that may become due for any labor, services,
20 material, supplies, or equipment, alleged to have been furnished
21 or to be furnished to Lessee, in, upon, or about the leased
22 premises, and which may be secured by a mechanics', materialmen's
23 or other lien against the leased premises or County's interest
24 therein, and will cause each such lien to be fully discharged and
25 released at the time the performance of any obligation secured by
26 such lien matures or becomes due; provided, however, that if
27 Lessee desires to contest any such lien, he may do so, but
28 notwithstanding any such contest, if such lien shall be reduced to
final judgment, and such judgment or such process as may be issued
for the enforcement thereof is not promptly stayed, or if so
stayed, and said stay thereafter expires, then and in such event,
Lessee shall forthwith pay and discharge said judgment.

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

25. Binding on Successors. Lessee, his assigns and
successors in interest, shall be bound by all the terms and
conditions contained in this lease, and all of the parties thereto
shall be jointly and severally liable hereunder.

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

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

28. Venue. Any action at law or in equity brought by
either of the parties hereto for the purpose of enforcing a right
or rights provided for by this lease shall be tried in a Court of

1 competent jurisdiction in the County of Riverside, State of
2 California, and the parties hereby waive all provisions of law
3 providing for a change of venue in such proceedings to any other
County.

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

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

10	<u>COUNTY</u>	<u>Lessee</u>
11	County of Riverside	<u>Harris Frotor</u>
12	Economic Development Agency	<u>P.O. Box 4132</u>
13	Aviation Unit	<u>Fallbrook, CA 92028</u>
14	P.O. Box 1180 - 3499 Tenth Street	
15	Riverside, CA 92502	

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

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

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

28 33. County's Representative. County hereby appoints the
Managing Director of its Economic Development Agency as its
authorized representative to administer this lease.

34. Agent for Service of Process. It is expressly
understood and agreed that in the event Lessee is not (a) resident
of the State of California or he is an association or
partnership without a member or partner resident of the State of
California, or it is a foreign corporation, then in any such
event, Lessee shall file with County's Aviation Director,
upon his execution hereof, a designation of a natural person
residing in the State of California, giving his or her name,
residence and business addresses, as his agent for the purpose
of service of process in any court action arising out of or based

1 upon this lease, and the delivery to such agent of a copy of any
2 process in any such action shall constitute valid service upon
3 Lessee. It is further expressly understood and agreed that if for
4 any reason service of such process upon such agent is not
5 feasible, then in such event Lessee may be personally served with
6 such process out of this County and that such service shall
7 constitute valid service upon Lessee. It is further expressly
8 understood and agreed that Lessee is amenable to the process so
9 served, submits to the jurisdiction of the Court so obtained and
10 waives any and all objections and protests thereto.

11 35. Entire Lease. This lease is intended by the parties
12 hereto as a final expression of their understanding with respect
13 to the subject matter hereof and as a complete and exclusive
14 statement of the terms and conditions thereof and supersedes any
15 and all prior and contemporaneous leases, agreements and
16 understandings, oral or written, in connection therewith. This
17 lease may be changed or modified only upon the written consent of
18 the parties hereto.

11 Dated: DEC 18 1990

COUNTY OF RIVERSIDE

13 By [Signature]
14 Chairman, Board of Supervisors

15 ATTEST:

16 GERALD A. MALONEY
17 Clerk of the Board

18 BY [Signature]
19 Deputy

20 (SEAL)

21 Lessee: Harry Fretter

22 [Signature]
23 _____
24 _____
25 _____

27 PHL:wr/bln
28 146lease
rev.8/15/90

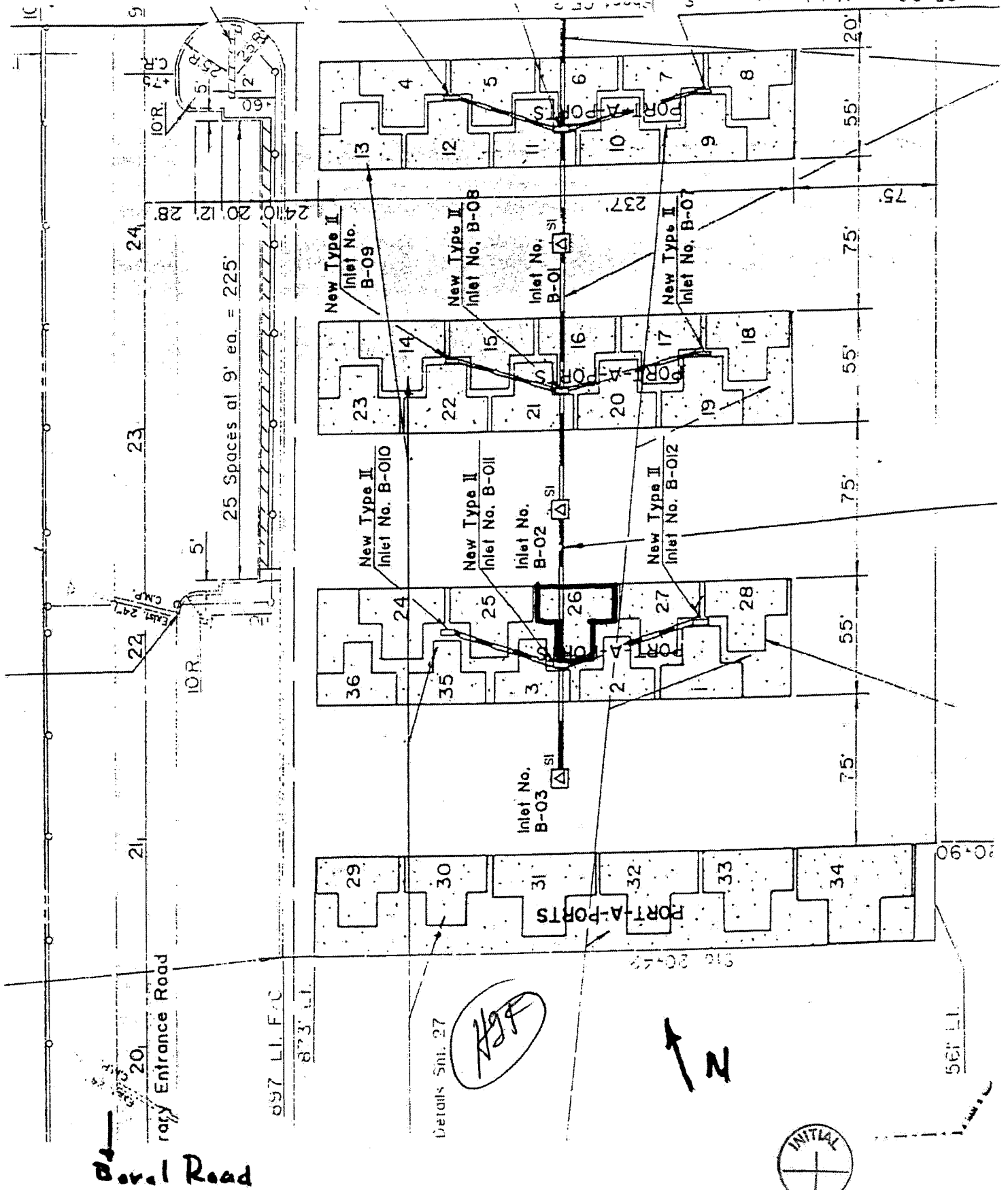


EXHIBIT A

RIVERSIDE
COUNTY



COPY

of letter sent with PAP
Lease Amendment

Economic &
Community
Development

◇

Housing

October 4, 2004

◇

Housing
Authority

Mr. Harry Freter
4747 Oak Crest Rd.
Fallbrook, CA 92025-9086

◇

Redevelopment
Agency

Dear Mr. Freter,

◇

County Service
Areas

On September 14, 2004, The Board of Supervisors approved the amendment to your lease for your Port-A-Port Hangars, #25, 26, 28, 29 and 30 at French Valley Airport. Your copies are enclosed.

◇

Workforce
Development

Should you have any questions regarding this lease, please contact either myself at the number listed below or Harry Oliver at (951) 343-5491.

Thank you,

◇

Edward-Dean
Museum
& Gardens

Vicki Powszok
Facilities Specialist
EDA-Aviation
French Valley Airport
(951) 600-7297

◇

Aviation

◇

County Fair &
National Date
Festival

FIRST AMENDMENT TO LEASE
FRENCH VALLEY AIRPORT

The COUNTY OF RIVERSIDE, herein called County, and Harry Freter, herein called Lessee, hereby agree to amend the Lease between the County of Riverside and Harry Freter approved by the Board of Supervisors of the County of Riverside on December 18, 1990 for 1,092 square feet of land, commonly known as Space #26, at French Valley Airport, County of Riverside, State of California, attached hereto as Exhibit A as follows:

1. Page 1, paragraph 2 add the following after the last sentence:

No other use will be permitted without first obtaining written permission from County. The aircraft to be stored in the Premises is described as follows:

Model: NO AIRCRAFT

Identification Number: _____

Should the aircraft stored in the hangar be replaced with another aircraft owned by Lessee or with a Sublessee's aircraft, Lessee agrees to notify County within ten (10) days and supply County with the Make, Model and Identification number of the replacement aircraft. In addition, Lessee shall provide, or shall cause Sublessee to provide, all required Certificates of Insurance, endorsements and any other documentation required herein with respect to the replacement aircraft being stored in the hangar.

2. Page 1, paragraph 3. Term, subparagraph (a) line 14, the termination date shall be changed to December 31, 2020.

3. Page 1, paragraph 3. Term, after subparagraph (b) add the following subparagraph (c):

(c) Lessee shall have the option to extend the term of this Lease for an additional period of ten (10) years on the same terms and conditions, except that the basic monthly rent on July 1, 2030 shall be adjusted in the same manner as

provided for in paragraph 6 below (except that the 25% limit on the increase in fair market value rent in the initial term of the Lease shall not apply to the option period) commencing at the end of the initial term, provided that Lessee, at the time of exercising the option, is in full compliance with the terms of this Lease. Lessee shall notify County in writing of its intention to exercise the option to extend the term of the Lease not more than six (6) months, or less than three (3) months, from the expiration date of the initial term. Should Lessee fail to remain in compliance with the terms and conditions of this Lease during the period after exercising the option and prior to the end of the initial term, the option to extend will become void.

4. Page 1 paragraph 4. Basic Rent, subparagraph (a), line 20, the amount of rent, shall be changed to read one hundred one and ⁸²/₁₀₀ dollars (\$101.82) per month, which is the current basic monthly rent being paid by Lessee.

5. Page 1, paragraph 4. Basic Rent, subparagraph (b) shall be deleted and the following subparagraph (b) substituted:

(b) The basic monthly rent is due and payable on or before the first day 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.

6. Page 1, paragraph 5. Basic Rental Adjustment shall be deleted in its entirety and in its place the following shall be inserted:

5. Basic Rental Adjustment

(a) Beginning July 1, 2004 and on every July 1st thereafter during the term of this Lease and any extension thereof, except for the year 2010 as provided for in 5 (b) below, the basic monthly rent specified in paragraph 4 shall be increased by the same percentage as the increase in the Consumer

1 Price Index, All Urban Consumers, Los Angeles-Riverside-Orange County
2 Area, All Items, for the twelve (12) month period ending three (3) months prior
3 to July 1, 2004. Nothing herein shall be deemed to provide for any reduction
4 in the amount of the basic monthly rent from the previous year.

5 (b) On July 1, 2010, the basic monthly rent shall be one-twelfth (1/12)
6 of eight percent (8%) of the appraised fair market value of the premises
7 leased, exclusive of improvements. A property appraisal for this purpose is to
8 be performed by an independent certified appraiser, procured by County,
9 knowledgeable in aviation appraising and in good standing with the American
10 Institute of Real Estate Appraisers. Once established, said rent shall be
11 adjusted annually in the manner set forth in Paragraph 5(a) above. Nothing
12 herein shall be deemed to provide for any reduction in, or for an increase
13 greater than 25%, of the basic monthly rent of the previous year.

14 7. Page 2, paragraph 6 Improvements. Add subparagraph (c) as follows:

15 (c) Relocating the Hangar: Lessee shall advise County in writing prior to
16 any relocation of the hangar. Lessee agrees that no relocation shall occur
17 unless the County agrees, in writing, to the method, scheduling and route of
18 hangar movement prior to move. Such Agreement by the County to Lessee
19 relocating the hangar will not be unreasonable withheld. If Lessee is to use an
20 outside relocation service, such service must meet the County's insurance
21 requirements and provide evidence of their insurance prior to coming onto the
22 airport premises.

23 8. Page 3, paragraph 8 Ingress and Egress. Add the following sentence:

24 Lessee shall comply with all Airport security policies and procedures when
25 entering or leaving the Airport premises.

26 9. Page 4, paragraph 15. Termination By Lessee, delete this paragraph in its
27 entirety.

28 ///

1 10. Page 5, paragraph 18. Insurance shall be deleted and replaced by the following:

2 18. Insurance. Lessee shall procure and maintain or cause to be
3 maintained, at its sole cost and expense, the following insurance coverages
4 during the term of this Lease. The procurement and maintenance of insurance
5 required below will not diminish or limit Lessee's obligation to indemnify or hold
6 the County harmless.

7 (a) Workers' Compensation: If Lessee has employees as defined
8 by the State of California, Lessee shall maintain Workers' Compensation
9 Insurance (Coverage A) as prescribed by the laws of the State of California.
10 Policy shall include Employers' Liability (Coverage B) including Occupational
11 Disease with limits not less than \$1,000,000 per person per accident. Policy
12 shall be endorsed to waive subrogation in favor of the County of Riverside.
13 Lessee shall require Sublessees to meet this insurance requirement and
14 provide County with evidence of coverage and required endorsements.
15 Sublessee shall provide an endorsement to waive subrogation in favor of the
16 Lessee and the County of Riverside.

17 If Lessee or Sublessees do not have employees, they will provide
18 County with a written statement to that effect.

19 (b) Airport General Liability: If Lessee does not have Premises
20 Liability included within their Aircraft Liability coverage, or, Lessee does not
21 have Premises Liability coverage under the Port A Port Owners Association's
22 insurance program, then Lessee shall maintain Airport General Liability
23 insurance coverage, including but not limited to, premises liability, and
24 contractual liability, covering claims or occurrences which may arise from or out
25 of Lessee's performance of its obligations hereunder. Policy shall name all
26 Agencies, Districts, Special Districts, and Departments of the County of
27 Riverside, its respective directors, officers, Board of Supervisors, employees,
28 elected or appointed officials, agents or representatives as Additional Insureds.

1 Policy's limit of liability shall not be less than \$1,000,000 per occurrence and in
2 the aggregate if applicable.

3 If Lessee subleases one or more hangars, Lessee shall either:

4 (1) Require each Sublessee to maintain Airport General Liability
5 or the Port A Port Owners Association's insurance program or maintain Aircraft
6 Liability Insurance covering premises liability insurance. Such coverage shall
7 name the Lessee and all Agencies, Districts, Special Districts, and
8 Departments of the County of Riverside, its respective directors, officers, Board
9 of Supervisors, employees, elected or appointed officials, agents or
10 representatives as Additional Insureds. Lessee shall provide County with
11 evidence of coverage and all required endorsements for each tenant; or,

12 (2) Acquire Airport General Liability Insurance that includes
13 coverage for Contingent Liability and provide County with evidence of coverage
14 and all required endorsements.

15 (c) Vehicle Liability: If Lessee's vehicles or mobile equipment enter the
16 operating area of the French Valley Airport, then Lessee shall maintain liability
17 insurance for all owned, non-owned or hired vehicles used in an amount not less
18 than \$1,000,000 per occurrence combined single limit. Policy shall name all
19 Agencies, Districts, Special Districts, and Departments of the County of
20 Riverside, its respective directors, officers, Board of Supervisors, employees,
21 elected or appointed officials, agents or representatives as Additional Insureds.

22 If Lessee subleases hangars, Lessee shall require its Sublessees to
23 provide Vehicle Liability Insurance, as specified above, and provide County with
24 evidence of coverage and all required endorsements. Sublessees shall name
25 Lessee and County as additional insureds in accordance to the requirements
26 contained herein.

27 (d) Aircraft Liability Insurance. Lessee shall provide Aircraft
28 Liability insurance for all owned and non-owned aircraft operated by the Lessee

1 in an amount not less than \$1,000,000.00 combined single limit per occurrence
2 for bodily injury, including death, and property damage and coverage shall
3 include, but is not limited to, premises liability. The policy will be endorsed to
4 include all Agencies, Districts, Special Districts, and Departments of the County
5 of Riverside, their respective directors, officers, Board of Supervisors,
6 employees, elected or appointed officials, agents or representative as
7 Additional Insureds. If Lessee maintains premises liability coverage under a
8 separate policy, which provides coverage for exposures arising from this Lease,
9 Lessee is not required to maintain premises liability within the Aircraft Liability
10 coverage.

11 Lessee shall require Sublessees to meet this insurance
12 requirement and provide County with evidence of coverage and required
13 endorsements.

14 (e) General Insurance Provisions – All lines:

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

21 (2) The Lessee's insurance carrier(s) must declare its
22 insurance deductibles or self-insured retentions. If such deductibles or self-
23 insured retentions exceed \$50,000 per occurrence such deductibles and/or
24 retentions shall have the prior written consent of the County Risk Manager
25 before the commencement of operations under this Agreement. Upon
26 notification of deductibles or self insured retention's unacceptable to the County,
27 and at the election of the County's Risk Manager, Lessee's carriers shall either;
28 1) reduce or eliminate such deductibles or self-insured retention's as respects

1 this Agreement with the County, or 2) procure a bond which guarantees
2 payment of losses and related investigations, claims administration, and defense
3 costs and expenses.

4 (3) Lessee shall cause its insurance carrier to furnish the
5 County of Riverside with either 1) a properly executed original Certificate of
6 Insurance and certified original copies of Endorsements effecting coverage as
7 required herein, and 2) if requested to do so in writing by the County Risk
8 Manager, provide original Certified copies of policies including all Endorsements
9 and all attachments thereto, showing such insurance is in full force and effect.
10 Further, said Certificate(s) and policies of insurance shall contain the covenant
11 of the insurance carrier(s) that thirty (30) days written notice shall be given to the
12 County of Riverside prior to any cancellation, expiration or reduction in coverage
13 of such insurance. In the event of a, cancellation, expiration, or reduction in
14 coverage, this Agreement shall terminate forthwith, unless the County of
15 Riverside receives, prior to such effective date, another properly executed
16 original Certificate of Insurance and original copies of endorsements or certified
17 original policies, including all endorsements and attachments thereto evidencing
18 coverage's set forth herein and the insurance required herein is in full force and
19 effect.

20 Lessee shall not commence operations under this Lease until the County
21 has been furnished original Certificate(s) of insurance and certified original
22 copies of endorsements and, if requested, certified original policies of Insurance
23 including all endorsements and any and all other attachments as required in this
24 Section. An individual authorized by the insurance carrier to do so on its behalf
25 shall sign the original endorsements for each policy and the Certificate of
26 Insurance.

27 (4) It is understood and agreed to by the parties hereto and the
28 insurance company(s), that the Certificate(s) of Insurance and policies shall so

1 covenant and shall be construed as primary insurance, and the County's
2 insurance and/or deductibles and/or self-insured retention's or self-insured
3 programs shall not be construed as contributory.

4 (5) County's Reserved Rights – Insurance: County reserves
5 the right to adjust the limits of insurance coverage as required in Paragraph 18
6 herein every fifth year during the term of this Lease provided, however that any
7 adjustment herein shall not increase the monetary limits of insurance for the
8 preceding five (5) years in excess of fifty percent (50%). The foregoing
9 notwithstanding any adjustments to the monetary limits in the year 2005 will not
10 exceed twenty five percent (25%). Lessee shall notify County and County shall
11 notify Lessee of any claim made by a third party or any incident or event that
12 may give rise to a claim arising from this Lease.

13 11. Page 6, paragraph 20. Hold Harmless, subparagraph (b), delete and replace with
14 following:

15 (b) Lessee shall indemnify and hold harmless all Agencies, Districts,
16 Special Districts and Departments of the County of Riverside, its respective
17 directors, officers, Board of Supervisors, elected and appointed officials,
18 employees, agents and representatives from any liability whatsoever based or
19 asserted upon any services, or activities of Lessee, its officers, employees,
20 subcontractors, agents or representatives, if any, arising out of or in any way
21 relating to this Agreement, including but not limited to property damage, bodily
22 injury, or death or any other element of any kind or nature whatsoever, or
23 resulting from any reason whatsoever arising out of or from the performance of
24 Lessee, its officers, agents, employees, subcontractors, sublessees, agents or
25 representatives from this Agreement.

26 Lessee shall defend at its sole cost and expense, all costs and
27 fees including but not limited to attorney fees, cost of investigation, defense and
28 settlements or awards of all Agencies, Districts, Special Districts and

1 Departments of the County of Riverside - its directors, officers, Board of
2 Supervisors, elected and appointed officials, employees agents and
3 representatives in any claim or action based upon such alleged acts or
4 omissions.

5 With respect to any action or claim, Lessee shall at its sole cost
6 and expense have the right to use counsel of its own choice and shall have the
7 right to adjust, settle, or compromise any such action or claim without the prior
8 consent of County provided, however, that any such adjustment, settlement or
9 compromise in no manner whatsoever limits or circumscribes Lessee's
10 indemnification to County as set forth herein. Lessee's obligation hereunder
11 shall be satisfied when Lessee has provided to County the appropriate form of
12 dismissal relieving County from any liability for the action or claim involved.

13 The specified insurance limits required in this Agreement shall in
14 no way limit or circumscribe Lessee's obligations to indemnify and hold
15 harmless the County herein from third party claims.

16 (c) Aircraft Hull - Hold Harmless; Lessee hereby accepts
17 responsibility for any physical loss or damage to owned or non-owned aircraft in
18 Lessee's care, custody, or control while aircraft is upon or about the Airport
19 premises; and, Lessee agrees to hold harmless the County for any loss or
20 damage, regardless of the cause for such loss or damage, to owned or non-
21 owned aircraft and to any associated aircraft property, including, but not limited
22 to, aircraft, its contents, equipment and spare parts.

23 (d) Sublessee Requirements. If Lessee subleases hangars, Lessee
24 shall pass down to each Sublessee the indemnification requirements contained
25 herein requiring the Sublessee to indemnify both the Lessee and the County as
26 required in paragraph 20 of the Lease as amended herein.

27 12. All other provisions of the Lease, not otherwise affected by this Amendment, shall
28 remain the same.

1 13. Construction of Amendment: The parties hereto negotiated this First Amendment
2 at arms length and with the advice of their respective attorneys, and no provisions
3 contained herein shall be construed against County solely because it prepared this
4 First Amendment in its executed form.

5
6 Date: _____

LESSEE

Harry Freter

7
8
9 By: _____

By: Harry Freter

10
11 Date: SEP 14 2004

LESSOR

COUNTY OF RIVERSIDE

12
13
14 By: Joy Wilson
Chairman, Board of Supervisors

15
16 ATTEST:

17 NANCY ROMERO, Clerk of the Board

FORM APPROVED

WILLIAM C. KATZENSTEIN, County Counsel

18
19 By: Erinne Dwyer
Deputy

By: Gordon V. Woo 8/17/04
Deputy

20
21 (SEAL)

22 EXHIBIT A: Lease

23 F:\Shared\EDCOM\AIRPORTS\FRVALLEY\Port A Ports\FIRST AMENDMENTS\PAP #26 Freter 1st AMD mar 2504.DOC

CERTIFICATION OF TRUST

THE UNDERSIGNED, attorney for GLEN V. FRETER, declares as follows:

1. That I am an attorney admitted to and in good standing with the State Bar of California;
2. That attached hereto as Exhibit "A" and incorporated herein by reference as though fully set forth are true and correct copies of the Introduction, Rights Reserved By Trustors, Rights and Liabilities of Trustor and Trustee, Powers of the Trustee, and Signature Pages of the HARRY G. FRETER TRUST, dated July 1, 1994, as amended to date (the "Trust");
3. That the Trust was established by HARRY G. FRETER as Trustor and as Trustee;
4. That HARRY G. FRETER died on April 7, 2015;
5. That thereafter, pursuant to the terms of the Trust, GLEN V. FRETER is currently acting as sole successor trustee of the Trust; and
6. That the pages omitted from this Certificate are of a personal nature dealing with the distribution of the Trustor's estate and in no way affect the powers of the Trustee.

EXECUTED at San Diego, California, on June 8, 2015.


Lisa A. Samuth, Esq.

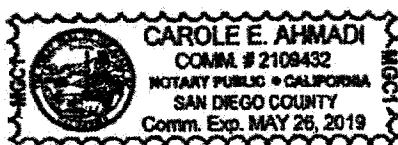
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) S.S.
COUNTY OF SAN DIEGO)

On June 8, 2015 before me, Carole E. Ahmadi, a Notary Public, personally appeared LISA A. SAMUTH, 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.



Carole E. Ahmadi
Notary Public

FOURTH AMENDMENT TO THE
HARRY G. FRETER TRUST

That certain Declaration of Trust executed at San Diego, California, on July 1, 1994, and amended on April 17, 1996, February 7, 1997, and July 10, 2006, known as the HARRY G. FRETER TRUST, wherein HARRY G. FRETER is the Trustor, with HARRY G. FRETER serving as the sole Trustee, is hereby amended by the Trustor, pursuant to the right to amend reserved therein to the Trustor in Article II, paragraph 2.02, entitled "Right to Alter and Amend", to read in its entirety as follows:

The property previously, now and hereafter received by the Trustee, shall constitute the trust estate and shall be held, managed and distributed as hereinafter provided.

This trust shall be known as the HARRY G. FRETER TRUST.

ARTICLE I

DISTRIBUTION OF INCOME AND PRINCIPAL

1.01 During Lifetime of Trustor

1.011 Income: During the lifetime of the Trustor, the Trustee shall pay to or apply for the benefit of the Trustor the entire net income of the trust estate.

1.012 Principal: During the lifetime of the Trustor, if the Trustee considers the net income insufficient, the Trustee shall distribute to the Trustor so much of the trust estate, including the whole thereof, as the Trustee shall, in the Trustee's discretion, determine necessary for the Trustor's proper health, support, maintenance, comfort and welfare, in accordance with the Trustor's accustomed manner of living, without taking into consideration funds and assets available to the Trustor free of this trust.

1.02 Upon Death of Trustor

1.021 Payment of Debts, Funeral Expenses and Taxes: Upon the death of the Trustor, and subject to any other provision herein or in the Trustor's Will to the contrary, the Trustee may, in the Trustee's discretion, pay out of the balance of the trust estate, without apportionment, reimbursement or contribution from any beneficiary thereof, any of the following items to the extent such items are not paid or responsibility for their payment assumed by some other person, entity or estate:

A. All estate, inheritance, and other death taxes payable by reason of the Trustor's death, including penalties and interest thereon;

B. The Trustor's last illness and funeral expenses;

C. Attorneys' fees and other expenses of probate or trust administration incurred as a result of the Trustor's death; and

proportions as they were, at the time of such termination, entitled to receive such income. If at the time of such termination the rights to income are not fixed by the terms of this trust, distribution under this clause shall be made by right of representation to the persons who are entitled or authorized, in the Trustee's discretion, to receive trust payments.

ARTICLE II

RIGHTS RESERVED BY TRUSTOR

2.01 Right to Revoke

2.011 During Lifetime of Trustor: During the lifetime of the Trustor, this trust may be revoked in whole or in part by a written instrument executed by the Trustor and delivered to the Trustee.

Upon revocation, the Trustee shall promptly deliver to the Trustor all or the designated portion of the trust estate, which property shall continue to be the sole and separate property of the Trustor. If this instrument is revoked with respect to all or a major portion of the trust estate, the Trustee shall be entitled to retain sufficient assets to secure payment of liabilities lawfully incurred by the Trustee in the administration of this trust, including Trustee's fees that have been earned, unless the Trustor shall indemnify the Trustee against loss or expense.

2.012 Upon Death of Trustor: Upon the death of the Trustor, no right to revoke this trust shall exist.

2.02 Right to Alter and Amend

2.021 During Lifetime of Trustor: During the lifetime of the Trustor, this trust may be altered or amended in whole or in part by a written instrument executed by the Trustor and delivered to the Trustee. No amendment or alteration shall substantially increase the duties or liabilities of the Trustee or change the Trustee's compensation without the Trustee's consent, nor shall the Trustee be obligated to act under such an amendment unless the Trustee accepts the same in writing.

2.022 Upon Death of Trustor: Upon the death of the Trustor, no right to alter or amend this trust shall exist.

2.03 Rights Personal to Trustor

The rights of the Trustor to revoke, alter and amend this trust are personal to the Trustor and shall not be exercisable on the Trustor's behalf by any conservator or other person, except if that revocation, amendment or alteration is authorized, after notice to the Trustee, by the Court that appointed the conservator. Anything herein to the contrary notwithstanding, this trust may be revoked, altered or amended by an agent of the Trustor, provided such agent is expressly granted such right to revoke, alter or amend living trusts under the provisions of the Uniform Durable Power of Attorney Act.

2.04 Effective Date

Any revocation, alteration or amendment shall take effect when and if the required writing is received by the Trustee. Any such revocation, alteration or amendment shall not affect any lawful act of the Trustee prior to receipt by the Trustee of the required writing. Notwithstanding the foregoing, the Trustee shall not be obligated to act under any amendment unless the Trustee accepts the same in writing.

2.05 Retained Use of Residential Properties

The Trustor may possess and use, without rental or accounting to the Trustee, the residential real property comprising the trust estate, consisting of the residence of the Trustor and any resort properties, whether or not on a full or part time basis. The Trustor may, in writing, at any time, surrender the aforesaid rights to the Trustee, and by similar notice, from time to time, resume such rights, provided that such residential real property shall then be available for such use.

While the Trustor shall have the use of such residential real property, the Trustor shall generally manage, care for and protect same and be subject to all responsibilities of owner and occupant thereof, but the Trustee shall pay out of the trust estate any and all taxes, assessments, liens and insurance on such residential real property and the expenses of repairs and replacements to the buildings thereon.

The Trustee shall have no other responsibility to the residential real property while the Trustor shall use and be in possession thereof, but the Trustee may carry insurance for the Trustee's own protection at the expense of this trust.

The Trustor agrees to protect and indemnify the Trustee against all losses, liabilities and expenses which may result directly or indirectly from the Trustor's use, possession or management of such residential real property and the Trustee shall have, in addition to any other rights conferred by law, a lien upon the income and principal of the trust estate for payment thereof, with the right to take possession of such residential real property and reimburse itself from the income and principal of the trust estate.

ARTICLE III

RIGHTS AND LIABILITIES OF TRUSTOR AND TRUSTEE

3.01 Determination of Successor Trustee

3.011 Successor Trustee: Upon the death, resignation or inability of the Trustor to serve as Trustee, GLEN V. FRETER shall serve as successor Trustee. Upon the death, resignation or inability of GLEN V. FRETER to serve as Trustee, WELLS FARGO BANK N.A. shall serve as successor Trustee.

Upon the death, resignation or inability of any Trustee to serve as Trustee and to the extent that a successor is not appointed pursuant to the terms of this trust instrument, the Trustee may appoint its successor Trustee. Should a Trustee fail to so appoint its successor, a successor Trustee shall be appointed by a Court of competent jurisdiction upon petition of either the resigning Trustee or any party in interest of this trust.

3.012 During Lifetime of Trustor: During the lifetime of the Trustor, the Trustor may change the Trustee to any individual, including the Trustor, or any institutional Trustee authorized to do a trust business in the United States.

3.013 Upon Death of Trustor: Upon the death of the Trustor, and during the time until the respective beneficiary of a trust established hereunder attains eighteen (18) years of age, the person who is acting as guardian of the person of such beneficiary may change any institutional Trustee of the beneficiary's trust to any institutional Trustee authorized to do a trust business in the United States with a capital and surplus combined of not less than twenty-five million and 00/100 dollars (\$25,000,000.00). At such time as the beneficiary of a trust established hereunder attains eighteen (18) years of age, then such beneficiary may change any institutional Trustee of his or her respective trust to any institutional Trustee authorized to do a trust business in the United States with a capital and surplus combined of not less than twenty-five million and 00/100 dollars (\$25,000,000.00).

3.02 Resignation of Trustee

Any Trustee may resign at any time upon giving written notice to the Trustor, or upon the death of the Trustor, to all adult beneficiaries and to the guardian, conservator or other fiduciary of the person or estate of any minor or incompetent beneficiary, thirty (30) days before such resignation becomes effective. The resigning Trustee shall transfer and deliver to the successor Trustee the entire trust estate and shall thereupon be discharged as Trustee of this trust and shall have no further powers, discretions, rights, obligations or duties with regard to the trust estate.

3.03 Trustees Fees; Successor Liability; No Bond

No compensation shall be paid for the services of the Trustor while acting as Trustee. All other Trustees shall be entitled to fair, reasonable, and customary compensation from the trust estate for services rendered as Trustee. All successor Trustees shall be relieved of any and all liability for any acts or omissions of the predecessor Trustees in respect to administration of this trust. The Trustor directs that no individual while serving as Trustee shall be required to provide any bond or other security to insure the faithful performance of their duty as Trustee.

3.04 Veto Power

Before the Trustee may sell or otherwise dispose of assets or invest funds, the Trustee shall state by notice in writing delivered to the Trustor, or mailed to the Trustor's address last on file with the Trustee the action proposed. If the Trustor shall file with the Trustee written disapproval, the Trustee shall not take such action. If the Trustee shall not receive written disapproval within ten (10) days after such delivery or mailing, the Trustee shall be free to act regarding the proposed matter in such manner as the Trustee shall deem advisable. The Trustor, from time to time by written notice to the Trustee, may surrender the above mentioned right which shall remain effective until, by similar notice, it is resumed. Anything hereinabove to the contrary notwithstanding, the Trustor, while serving as Trustee, shall not be required to provide notice of any proposed action to himself, as Trustor.

3.05 Exoneration of Trustee

Whenever the Trustee is authorized or directed to exercise any power, judgment or discretion (whether or not the word "sole" shall precede the word "discretion"), or to take or

fail to take any action with respect to the trust estate ("Exercise of Discretion"), the Trustee shall be held harmless for the Trustee's Exercise of Discretion if the Trustee shall act in good faith, and the provisions of sections 16080 and 16081 of the California Probate Code shall not be applicable to the Exercise of Discretion. In the Trustee's Exercise of Discretion, the Trustee may disregard the rights of any beneficiary or group of beneficiaries, and may act in any manner the Trustee shall deem appropriate. The Trustor intends that any Exercise of Discretion shall not be subject to review by any court, provided that the Trustee shall act in good faith. Any determination made by the Trustee pursuant to the Trustee's Exercise of Discretion shall be binding upon all persons interested in any trust created hereunder. Reliance by the Trustee on an opinion of counsel conclusively shall be presumed to be acting in good faith, but the Exercise of Discretion without an opinion of counsel shall not be construed against the Trustee in determining whether the Trustee has acted in good faith. The Trustee shall be indemnified from the assets of the trust estate against any liability incurred by the Trustee as a result of the Exercise of Discretion. This paragraph shall not apply to the Exercise of Discretion by any Trustee who also is a beneficiary under this instrument or who is married to any beneficiary under this instrument.

ARTICLE IV

GENERATION-SKIPPING TAX

4.01 Allocation of Generation-Skipping Tax Exemption

Under the Internal Revenue Code of 1986, as amended (the "Code"), every individual during their lifetime, or their executor under their Will upon their death, has the power to allocate any portion of such individual's GST exemption under Section 2631(a) of the Code not used during their lifetime ("Unused GST Exemption") to any property as to which such individual is deemed to be the transferor, including any property transferred by such individual during life as to which an allocation was not made prior to such individual's death. The Trustor directs that in the event there is no executor appointed in his estate, the Trustee shall be deemed the "executor," as that term is defined in the Code, and the Trustee shall have the power to allocate the Trustor's Unused GST exemption.

4.02 Definitions of Exempt and Non-Exempt

The term "Exempt" refers to property or a trust that has an inclusion ratio of zero (0), or is exempt from the generation-skipping tax under the effective date legislation included in Section 1433(b)(2) of the Tax Reform Act of 1986. The term "Non-Exempt" refers to property or a trust which has an inclusion ratio greater than zero (0).

4.03 Division into Exempt and Non-Exempt Trusts

Anything herein to the contrary notwithstanding, if some or all of the Trustor's Unused GST Exemption is to be allocated to any trust created hereunder, following the death of the Trustor, unless the trust in question will have an inclusion ratio of zero (0), that trust shall be divided into two (2) separate trusts, so that one shall be Exempt and the other shall be Non-Exempt, with the Exempt trust receiving the minimum dollar amount necessary to give the Exempt trust an inclusion ratio of zero. Such separate trusts shall be held, administered and distributed in the same manner as the trust from which they were divided. The funding of the pecuniary amount of the Exempt trust may be satisfied in cash or in kind, in undivided interests, or partly in each. The pecuniary amount shall bear interest from the date specified under

General Power of Appointment Over Non-Exempt Trusts

Notwithstanding any provision above to the contrary, if a generation-skipping transfer tax would be payable upon the death of a beneficiary with respect to any Non-Exempt trusts but for the provisions of this paragraph 4.08, then upon the beneficiary's death, he or she may appoint all or any part of such Non-Exempt trusts, on any terms and conditions, either outright or in trust, and in any proportion, in favor of one or more of the beneficiary's creditors or the creditors of the beneficiary's estate, by a will or codicil specifically referring to and exercising this testamentary general power of appointment.

ARTICLE V

POWERS OF THE TRUSTEE

To carry out the purposes of this trust and subject to any additions or limitations stated elsewhere in this instrument, the Trustee is vested with the following powers with respect to the trust estate and any part of it, in addition to those powers now or hereafter conferred by law. The enumeration of certain powers of the Trustee shall not limit the Trustee's general powers, and the Trustee, subject to discharge of its fiduciary obligations, is vested with and shall have all the rights, powers and privileges which an absolute owner of the same property would have.

5.01 Power to Retain Property

To continue to hold any property, although not of a type or quality nor constituting a diversification considered proper for trust investment, including shares of the Trustee's own stock.

5.02 Power to Operate Business

To continue or participate in any business or other enterprise at the risk of the trust estate and to effect incorporation, dissolution or other changes in the form of organization of the business or enterprise.

5.03 Power of Sale, Exchange and Repair

To manage, control, grant options on, sell (for cash or on deferred payments), convey, exchange, partition, divide, subdivide, improve and repair trust property; and to create restrictions, easements and other servitudes, with or without consideration.

5.04 Power to Lease

To lease trust property for terms within or beyond the term of any trust created hereunder and for any purpose, including exploration for and removal of gas, oil and other minerals; and to enter into community oil leases, pooling and unitization agreements.

5.05 Power to Borrow

To borrow money for the benefit of the Trustor or for any trust purpose on such terms and conditions as the Trustee may deem proper; to obligate the trust estate for repayment; to pledge and encumber the trust estate or any of its property by mortgage; to guarantee the debts, (and to pledge and encumber the trust estate to secure such guarantees) of the Trustor; to

execute a deed or deeds of trust; to pledge or otherwise use such procedures to consummate the transaction as the Trustee may deem advisable.

5.06 Power to Insure

To carry, at the expense of the trust, insurance of such kinds and in such amounts as the Trustee deems advisable to protect the trust estate and the Trustee against any hazard.

5.07 Power to Commence and Defend Litigation

To commence or defend such litigation with respect to this trust or any property of the trust estate as the Trustee may deem advisable, at the expense of the trust.

5.08 Power to Compromise Claims

To compromise, arbitrate or otherwise adjust any claim or litigation against or in favor of this trust.

5.09 Power to Invest

To invest and reinvest the principal and income, if the Trustee may accumulate it, in every kind of property, real, personal or mixed, and every kind of investment, specifically including, but not by way of limitation, corporate obligations of every kind, the buying, selling and trading in securities of any nature, to buy, write and trade in options, and commodities of every nature and contracts for the future delivery of commodities of every nature on margin or otherwise and, in connection therewith, to borrow money and to pledge any and all stocks, bonds, securities, commodities, and contracts for the future delivery thereof, to make short sales, to maintain and operate security margin accounts with one or more brokers, investing in stocks, preferred or common, shares of investment trusts, investment companies and mutual funds, and mortgage participations, which men of prudence, discretion and intelligence acquire for their own account, and any common trust fund administered by the Trustee.

5.10 Power to Manage Securities

With respect to securities held in this trust, to have all the rights, powers and privileges of an owner, including, but not by way of limitation, the power to vote, give proxies and pay assessments; to participate in voting trusts, pooling agreements, foreclosures, reorganizations, consolidations, mergers, liquidations, sales and leases, and, incident to such participation, to deposit securities with and transfer title to any protective or other committee on such terms as the Trustee may deem advisable; and to exercise or sell stock subscription or conversion rights; provided, however, that any corporate Trustee may vote its own shares in the election of directors only in the manner determined and directed by the Trustor, during the Trustor's lifetime, or after the Trustor's death, by the beneficiary or a majority of the beneficiaries of this trust.

5.11 Power to Hold Property in Nominee

To hold securities or other property in its own name or in the name of its nominee, with or without disclosure of fiduciary relationship, the Trustee being responsible for the acts of any such nominee affecting such property.

5.12 Power to Advance Funds

To advance funds to this trust for any trust purpose, such advances with interest at current rates to be a first lien on and to be repaid out of principal or income; to reimburse itself from principal or income for any loss or expense incurred by reason of its ownership or holding of any property in this trust.

5.13 Power to Budget

To budget the estimated annual income and expenses of the trust in such manner as to equalize, as far as practicable, periodic income payments to the beneficiaries.

5.14 Power to Determine Principal and Income

Except as otherwise specifically provided in this trust instrument, the determination of all matters with respect to what is principal and income of the trust estate and the apportionment and allocation of receipts and expenses between these accounts shall be governed by the provisions of the Uniform Principal and Income Act of California from time to time existing. Any such matter not provided for either in this trust instrument or in the Uniform Principal and Income Act of California shall be determined by the Trustee, in the Trustee's discretion.

5.15 Power of Division and Distribution

In any case in which the Trustee is required, pursuant to the provisions of this trust, to divide any trust property into parts or shares for the purpose of distribution, or otherwise, the Trustee is authorized, in the Trustee's discretion, to make the division and distribution in undivided interests or in kind, or partly in money and partly in kind, at valuations determined by the Trustee. In making any division or partial or final distribution of the trust estate, the Trustee shall be under no obligation to make a pro-rata division, or to distribute the same assets to beneficiaries similarly situated, but rather, the Trustee may, in the Trustee's discretion, make a non pro-rata division between trusts or shares and non pro-rata distributions to such beneficiaries, as long as the respective assets allocated to separate trusts or shares, or distributed to such beneficiaries have equivalent or proportionate fair market value.

5.16 Power to Enter Transactions with Estate of Trustor

If the Trustee deems it necessary or advisable for the protection of the estate of the Trustor, or in the best interest of such estates or this trust and the beneficiaries thereof, the Trustee, in the Trustee's discretion, may with trust funds purchase any securities or other property at a fair value from the legal representatives of such estates and retain such property as part of the trust estate, and make secured or unsecured loans of trust funds, at the then current rate of interest to such legal representatives, without any liability for loss resulting to the trust estate by reason of any such purchase or loan.

5.17 Power to Enter Transactions Between Trusts

To loan or advance money, at the current rate of interest, from any trust hereunder to any other trust hereunder, to sell and purchase assets between any trusts hereunder, to make loans or borrow from, to purchase property or assets of any kind from, or sell to, or in any other manner deal with the personal representative of the Trustor, or between any trusts created hereunder, provided that any such transaction be for fair and adequate consideration.

5.18 Power to Lend

To lend money to any person or entity, including any trust created by this instrument. Monies may be lent to any trust beneficiary, interested party or third party in need provided that any such loan shall be adequately secured and shall bear a reasonable rate of interest.

5.19 Power to Withhold Payment if Conflicting Claims Arise

To withhold from distribution, in the Trustee's discretion, at the time for distribution of any property in this trust without the payment of interest, all or any part of the property, as long as the Trustee shall determine, in the Trustee's discretion, that such property may be subject to conflicting claims, to tax deficiencies, or to liabilities, contingent or otherwise, properly incurred in the administration of the trust estate.

5.20 Power to Employ Investment Counsel

To retain professional investment counsel regarding trust investments in property held by this trust. If such counsel is retained, the Trustee may abide by the decision of the counsel but shall not be held liable or otherwise surcharged for losses directly attributable to investments made on the advice of independent counsel. During the period independent counsel is retained by the Trustee, the Trustee shall not be required to conduct reviews of trust investments, and he shall not be required to take action in respect to trust investments unless he receives written instruction from the investment counsel.

5.21 Power to Employ Agents

To employ any custodian, attorney, accountant, corporate fiduciary, or any other agent or agents to assist the Trustee in the administration of this trust and to rely on the advice given by these agents. Reasonable compensation for all services performed by these agents shall be paid from the trust estate out of either income or principal as the Trustee, in the Trustee's discretion, shall determine, and shall not decrease the compensation to which the Trustee is entitled.

5.22 Power to Release Powers

The Trustee shall have the power to release or to restrict the scope of any power that the Trustee may hold in connection with this trust, whether said power is expressly granted in this instrument or implied by law. The Trustee shall exercise this power in a written instrument specifying the powers to be released or restricted and the nature of any such restriction. Any released power shall pass to and may be exercised by any successor.

5.23 Power to Invest in Life Insurance

The Trustee shall have the power to apply for, own, receive as a part of this trust, hold and/or pay premiums upon life insurance in any form and upon the life of any person or persons, as the Trustee may deem advisable. The Trustee is authorized to exercise all rights under such policies and no company issuing the same shall be required to determine the extent of the authority of the Trustee.

5.24 Power to Determine Taxes

The Trustee shall have the power, in the Trustee's discretion, to take any action and to make any elections to minimize the tax liabilities of this trust and its beneficiaries, and to allocate the benefits among the various beneficiaries, and to make adjustments in the rights of any beneficiaries, or between the income and principal accounts, to compensate for the consequence of any tax election or any investment or administrative decision that the Trustee believes has had the effect of directly or indirectly preferring one beneficiary or group of beneficiaries over others.

5.25 Power to Make Distributions to Guardians

To make payments to any beneficiary who is a minor or is under any other disability by making such payment for the beneficiary's account to the beneficiary's conservator, guardian of the person, custodian under the California Uniform Transfers to Minors Act, parent, or any other suitable adult with whom the beneficiary shall reside, or may be applied for the beneficiary's benefit. Sums may be paid directly to minor beneficiaries who, in the Trustee's judgment, have attained sufficient age and discretion to render it probable that such sums will be properly expended. No bond or other security shall be required of any such payee.

No distribution under this instrument to or for the benefit of a minor beneficiary shall discharge the legal obligation of the beneficiary's parents to support him or her in accordance with the laws of the state of the parents' domicile from time to time, unless a court of competent jurisdiction determines that this distribution is necessary for the minor's support, health or education.

5.26 Power to Appoint a Third Party to Act on Behalf of Trustee

Any Trustee hereof is empowered to grant to a third party or parties the Trustee's power of attorney to act to bind this trust on the Trustee's behalf as Trustee of this instrument.

5.27 Power to Create Qualified S Trusts

The Trustee may hold in one or more separate trusts the stock of any corporation which has elected to be taxed as an S corporation for purposes of federal income taxation if the Trustee deems such action necessary or desirable in order to preserve such election; and with respect to any such separate trust, (a) to distribute all of the net income therefrom to the then current income beneficiary thereof, or if there is no current income beneficiary, to the individuals then eligible to receive payments from the trust estate, or, if such individual is a minor, to the guardian or custodian of such minor, (b) to distribute any or all of such stock outright to the then current income beneficiary of such trust, or if there is no current income beneficiary, to the individuals then eligible to receive payments from the trust estate, or, if such individual is a minor, to the guardian or custodian of such minor, and (c) to file such elections and take such further action as may be necessary to qualify any such separate trust as a "qualified subchapter S trust" as defined in Section 1361(d)(3) of the Code. The Trustee shall have no liability whatsoever to any beneficiary hereunder as a result of either creating or not creating separate trusts under this paragraph.

5.28 Powers Relating to Distribution of Trust Property

Upon any division or partial or final distribution of the trust estate, the Trustee may, in the Trustee's discretion, make the division or distribution in cash or in kind or partly in

each, and for this purpose to sell such property on such terms and conditions as the Trustee may deem necessary to make such division or distribution.

Whenever the Trustee is directed to make a distribution of any of the trust estate or a division of the trust estate into separate trusts or shares on the death of a Trustor, the Trustee may, in the Trustee's discretion, defer such distribution or division until six (6) months after the Trustor's death. When the Trustee defers distribution or division of the trust estate, the deferred division or distribution shall be made as if it had taken place at the time prescribed in this document in the absence of this paragraph, and all rights given to the beneficiaries of the trust estate under other provisions of this document shall be deemed to have accrued and vested as of such prescribed time.

ARTICLE VI

LIFE INSURANCE

6.01 Trustee's Duties

With respect to life insurance policies not owned by the Trustee, the Trustee shall be under no duty to pay premiums, assessments or any other charge upon any of such policies, to keep itself informed with respect to the payment thereof or to take any other action to keep such policies in force. If any life insurance policy is delivered to the Trustee, the Trustee shall hold such policy subject to the written order of the Trustor without obligation during the lifetime of the insured other than the safekeeping of such policies.

6.02 Rights Reserved by Trustor

Until the death of the insured, the Trustor, in accordance with the Trustor's rights apart from this instrument, shall have all the rights of ownership in the life insurance policies made payable to the Trustee, including, but not limited to, the right to sell, assign or hypothecate any life insurance policy; to change the beneficiary under and to exercise any option or privilege granted by any life insurance policy; to borrow any sum in accordance with the provisions of any life insurance policy, and to receive all payments, dividends, surrender values, benefits or privileges of any kind which may accrue on account of any life insurance policy during the lifetime of the insured, without the consent or approval of the Trustee.

6.03 Policies Owned by Trustee

With respect to any life insurance policy owned by the Trustee, the Trustee may pay premiums, assessments or any other charge upon such life insurance policy in order to keep it in force, and shall have all the rights of ownership in such policy.

6.04 Collection of Proceeds

Upon receipt by the Trustee of actual notice of the death of an insured, the Trustee shall collect all sums payable to the Trustee as beneficiary of any life insurance policy. The Trustee shall be under no duty to seek reimbursement from any source for any deduction from or charge against the proceeds of any life insurance policy on account of any indebtedness secured by such policy. The Trustee shall have the power to execute and deliver receipts and other instruments, to compromise, arbitrate or otherwise adjust any claims arising out of any life insurance policy, and to take such action as may, in the Trustee's discretion, be necessary and

7.12 Distribution by Representation

Whenever this instrument directs that distribution be made to then-living issue by right of representation, distribution shall be made in as many equal shares as there are living members of the nearest generation of issue then living and deceased members of that generation who leave issue then living; and each living member of the nearest generation of issue then living shall receive one (1) share, and the share of each deceased member of that generation who leaves issue then living shall be divided in the same manner among his or her then-living issue.

7.13 Severability

If any provision of this instrument is unenforceable, the remaining provisions shall nevertheless be carried into effect.

7.14 Presumption of Competency

All rights granted to any person by any provision of this trust may be exercised by such person at any time during his or her lifetime and competency, and unless otherwise specifically provided herein to the contrary, it shall be conclusively presumed that each such person is competent unless he or she shall have been declared incompetent by a court having jurisdiction to determine such incompetency.

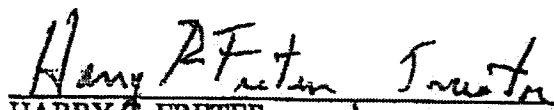
7.15 Number and Gender; Headings

As used in this instrument, the masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others whenever the context so indicates. The headings in this instrument are inserted for convenience of reference and are not to be considered in construction hereof.

7.16 Governing Law

This trust has been accepted by the Trustee in the State of California and, unless otherwise provided in this instrument, its validity, construction and all rights under it shall be governed by the laws of that State. This paragraph shall apply regardless of any change of residence of the Trustee or any beneficiary, or the appointment or substitution of a Trustee residing or doing business in another State. The appropriate Superior Court of the State of California shall have jurisdiction for all the purposes set forth in Section 17200 of the California Probate Code.

EXECUTED IN DUPLICATE at San Diego, California, on February 21, 2014.


HARRY G. FRETER,
Trustor

I certify that I have read the foregoing Fourth Amendment to the Harry G. Freter Trust. I accept the Fourth Amendment to the Harry G. Freter Trust in all particulars and agree to be bound thereby.

Harry G. Freter, Trustee
HARRY G. FRETER,
Trustee

APPROVED:

Lisa A. Samuth
WEITZEN, PHILLIPS & WEINBERG LLP
Attorney for Trustor

12730 High Bluff Drive
Suite 200
San Diego, CA 92130
(858) 793-0300

STATE OF CALIFORNIA }
COUNTY OF SAN DIEGO } S.S.

On February 21, 2014, before me, Carole E. Ahmadi, a Notary Public, personally appeared HARRY G. FRETER, 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.

(SEAL)

Carole E. Ahmadi
Notary Public



STATE OF CALIFORNIA

CERTIFICATION OF VITAL RECORD

COUNTY OF RIVERSIDE

RIVERSIDE, CALIFORNIA

3052015071264

CERTIFICATE OF DEATH

3201533004209

STATE FILE NUMBER		LOCAL REGISTRATION NUMBER	
1. NAME OF DECEDENT - FIRST (Given)		2. LAST (Family)	
HARRY		FRETER	
3. MIDDLE		4. DATE OF BIRTH mm/dd/yyyy	
GLENN		07/26/1929	
5. AGE Yrs		6. SEX	
85		M	
7. BIRTH STATE/FOREIGN COUNTRY		8. SOCIAL SECURITY NUMBER	
IL		564-32-8851	
9. EVER IN U.S. ARMED FORCES?		10. MARITAL STATUS (at time of death)	
<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> UNK		DIVORCED	
11. EDUCATION - Highest Level (Degree)		12. DATE OF DEATH mm/dd/yyyy	
BACHELOR		04/07/2015	
13. WAS DECEDENT HISPANIC/LATINO/SPANISH? (If yes, see worksheet on back)		14. HOURS (24 hour)	
<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		2350	
15. DECEDENT'S RACE - Up to 3 races may be listed (see worksheet on back)		16. YEARS IN OCCUPATION	
WHITE		3	
17. USUAL OCCUPATION - Type of work for most of life. DO NOT USE RETIRED		18. KIND OF BUSINESS OR INDUSTRY (e.g., grocery store, food construction, employment agency, etc.)	
MECHANIC		AUTOMOTIVE	
19. DECEDENT'S RESIDENCE (Street and number, or location)		20. YEARS IN COUNTY	
4747 OAK CREST SPC #18		60	
21. CITY		22. STATE/FOREIGN COUNTRY	
FALLBROOK		CA	
23. COUNTY/PROVINCE		24. ZIP CODE	
SAN DIEGO		92028	
25. INFORMANT'S NAME, RELATIONSHIP		26. INFORMANT'S MAILING ADDRESS (Street and number, or care of, and state, city or town, state and zip)	
GLENN FRETER, SON		P.O. BOX 9585, RANCHO SANTA FE, CA 92067	
27. NAME OF SURVIVING SPOUSE/PROP - FIRST		28. MIDDLE	
-		-	
29. NAME OF FATHER/PARENT - FIRST		30. LAST (BIRTH NAME)	
HARRY		NORDGREN	
31. NAME OF MOTHER/PARENT - FIRST		32. LAST (BIRTH NAME)	
ALICE		FRETER	
33. DISPOSITION DATE mm/dd/yyyy		34. PLACE OF FINAL DISPOSITION	
04/10/2015		AT SEA OFF THE COAST OF SAN DIEGO COUNTY	
35. TYPE OF DISPOSITION		36. SIGNATURE OF EMBALMER	
CR/SEA		NOT EMBALMED	
37. NAME OF FUNERAL ESTABLISHMENT		38. SIGNATURE OF LOCAL REGISTRAR	
TRIDENT SOCIETY		CAMERON KAISER, MD	
39. LICENSE NUMBER		40. DATE mm/dd/yyyy	
FD1921		04/09/2015	
41. PLACE OF DEATH		42. IF HOSPITAL, SPECIFY ONE	
TEMECULA VALLEY HOSPITAL		<input checked="" type="checkbox"/> HOSPITAL <input type="checkbox"/> SNOW <input type="checkbox"/> OCA <input type="checkbox"/> HOSPICE <input type="checkbox"/> ALIEN <input type="checkbox"/> HOME <input type="checkbox"/> OTHER	
43. COUNTY		44. FACILITY ADDRESS OR LOCATION WHERE FOUND (Street and number, or location)	
RIVERSIDE		31700 TEMECULA PARKWAY	
45. CAUSE OF DEATH		46. CITY	
IMMEDIATE CAUSE (Final disease or condition resulting in death)		TEMECULA	
IN ACUTE STROKE		47. TIME INTERVAL BETWEEN DEATH AND DEATH	
SEPSIS		48. DEATH REPORTED TO OFFICER?	
PNEUMONIA		<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	
49. CAUSE OF DEATH (Underlying cause of death)		49. DAYS	
ACUTE RENAL FAILURE, ACUTE TUBULAR NECROSIS		50. DAYS	
112. OTHER SIGNIFICANT CONDITIONS CONTRIBUTING TO DEATH BUT NOT RESULTING IN THE UNDERLYING CAUSE GIVEN IN 107		51. DAYS	
ACUTE RENAL FAILURE, ACUTE TUBULAR NECROSIS		52. DAYS	
113. WAS OPERATION PERFORMED FOR ANY CONDITION IN ITEM 107 OR 112? (If yes, list type of operation and date)		53. DAYS	
NO		54. DAYS	
114. I CERTIFY THAT TO THE BEST OF MY KNOWLEDGE (DO NOT OCCURRED AT THE HOUR, DATE, AND PLACE STATED FROM THE CAUSE STATED)		115. SIGNATURE AND TITLE OF CERTIFIER	
Decedent Attended Since		MELAKU TAYE BIRHANIE M.D.	
Decedent Last Seen Alive		116. TYPE ATTENDING PHYSICIAN'S NAME, MAILING ADDRESS, ZIP CODE	
04/07/2015		MELAKU TAYE BIRHANIE M.D.	
04/07/2015		4002 VISTA WAY, OCEANSIDE, CA 92056	
117. I CERTIFY THAT IN MY OPINION (CAUSE OCCURRED AT THE HOUR, DATE, AND PLACE STATED FROM THE CAUSE STATED)		118. LICENSE NUMBER	
MANNER OF DEATH <input type="checkbox"/> Natural <input type="checkbox"/> Accident <input type="checkbox"/> Homicide <input type="checkbox"/> Suicide <input type="checkbox"/> Pending Investigation <input type="checkbox"/> Could not be determined		A122966	
119. PLACE OF INJURY (e.g., home, construction site, wooded area, etc.)		119. DATE mm/dd/yyyy	
120. DESCRIBE HOW INJURY OCCURRED (Events which resulted in injury)		04/09/2015	
121. LOCATION OF INJURY (Street and number, or location, and city, and zip)		122. INJURY DATE mm/dd/yyyy	
122. SIGNATURE OF CORONER / DEPUTY CORONER		123. HOUR (24 hour)	
123. DATE mm/dd/yyyy		124. TYPE NAME, TITLE OF CORONER / DEPUTY CORONER	
124. TYPE NAME, TITLE OF CORONER / DEPUTY CORONER		125. INJURY AT WORK?	
125. INJURY AT WORK?		<input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> UNK	
126. STATE REGISTRAR		127. INJURY DATE mm/dd/yyyy	
A B C D E		128. INJURY DATE mm/dd/yyyy	
FAX AUTH.#		129. INJURY DATE mm/dd/yyyy	
CENSUS TRACT		130. INJURY DATE mm/dd/yyyy	

CERTIFIED COPY OF VITAL RECORDS

STATE OF CALIFORNIA } SS
COUNTY OF RIVERSIDE

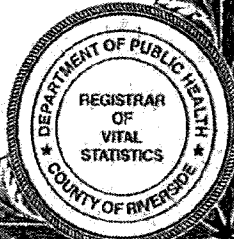
This is a true and exact reproduction of the document officially registered and placed on file in the office of the County of Riverside, Department of Health.

DATE ISSUED May 12, 2015 1/2

Dr. Cameron Kaiser, M.D., Health Officer
RIVERSIDE COUNTY, CALIFORNIA

This copy not valid unless prepared on engraved border displaying seal and signature of Registrar.

ANY ALTERATION OR ERASURE VOIDS THIS CERTIFICATE



CONSENT TO
BILL OF SALE

The County of Riverside, (County) hereby consents to the Bill of Sale (Bill of Sale) dated April 3, 2019 between **Joseph Fan**, an individual (Seller), and **James Scott**, an individual (Buyer), relating to the Port-a-Port aircraft hangar, located on Space 26 of the French Valley Airport, Murrieta, California. The Bill of Sale 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 Blank]

[Signatures on Following Page]

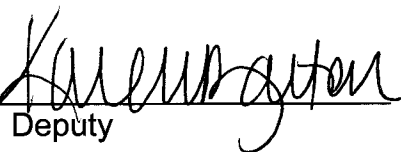
IN WITNESS WHEREOF, the County has caused its duly authorized representative to execute this Consent to Bill of Sale as of the date set forth below.

Date: JUN 25 2019

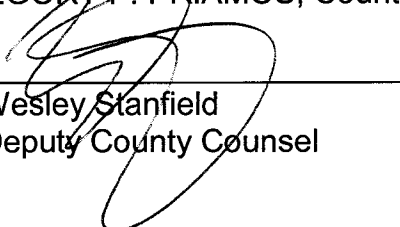
COUNTY OF RIVERSIDE, a political
Subdivision of the State of California

By: 
Kevin Jeffries, Chairman
Board of Supervisors

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

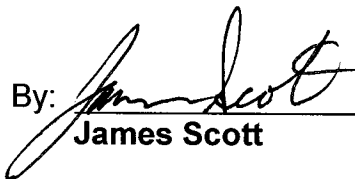
By: 
Deputy

APPROVED AS TO FORM
GREGORY P. PRIAMOS, County Counsel

By: 
Wesley Stanfield
Deputy County Counsel

[[James Scott], Acknowledgement on Following Page]

James Scott, hereby acknowledges, agrees and consents to all of the terms set forth in this Consent to Bill of Sale.

By:  _____
James Scott

Dated: 4-15-19

EXHIBIT A

BILL OF SALE

(behind this page)

BILL OF SALE

This Bill of Sale is entered by and between Joseph Fan ("**Seller**") on one hand; and the James Scott ("**Buyer**"). This Agreement is dated April 3, 2019 for reference purposes only and is effective when signed by all parties (the "**Effective Date**").

1. **Hangar Identified.** Seller is the owner of a structure known as Port-a-Port aircraft hangar, located on Space 26 of the French Valley (F70) Airport ("**Hangar**").

2. **Purchase and Price.** At such time as the parties receive notification from the County that both this Bill of Sale and the Assignment to Lease ("Consent Date") Buyer shall purchase from Seller, and Buyer shall purchase from Seller, the Hangar. The Base Purchase Price of the Hangar is Twenty-Five Thousand Dollars (\$25,000.00). Buyer shall pay Seller the Net Purchase Price within three (3) business days of the Consent Date.

3. **Warranties by Seller.** Seller warrants that:

- a. Seller holds legal title to the Hangar free and clear of any known liens, claims, charges, or encumbrances (except the Lease);
- b. Except for the above warranties, the Hangar is sold "as is, where is" with no other warranties expressed or implied.

4. **Warranties by Buyer.** Buyer warrants that:

- a. He has a good faith belief that he can comply with all terms and conditions of this Agreement;
- b. Other than Seller's statement in subsection (e) above, he is renting and/or purchasing the Hangar "as is, where is" with no other warranties expressed or implied.

5. **Notices.** Any notices to be given under this Agreement shall be by electronic mail, to the following email addresses:

Seller: kts441@gmail.com

Buyer: James@scorpionbackhoe.com

With a copy to: SWilliams@SmallBusinessLaw.Org

6. **Execution in Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and all of which shall constitute one agreement, notwithstanding that all of the parties are not signatories to the original or the same counterpart.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

Seller

By: _____
Joseph Fan

Date: 4-15-19

Buyer

By: _____
James Scott

Date: 4-15-19