

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



ITEM: 3.32
(ID # 14233)

MEETING DATE:

Tuesday, January 12, 2021

FROM: TLMA - AVIATION:

SUBJECT: TRANSPORTATION AND LAND MANAGEMENT AGENCY/AVIATION: Consent to Bill of Sale Coupled with Sublease between 506063 Alberta Ltd. and Lykal Holdings Ltd., and Consent to Cancellation of Sublease and Issuance of New Sublease with Sale of Aviation Hangar between John Obradovich and Betty Obradovich, (Sublessor) and Lykal Holdings Ltd., (Sublessee); Consent to Bill of Sale Coupled with Sublease between Roger Schmidt and The Metcalfe Family Trust Dated April 8, 2005, Brian R. Metcalfe and Jennifer G. Metcalfe, as Trustees and Consent to Cancellation of Sublease and Issuance of New Sublease with Sale of Aviation Hangar between John Obradovich and Betty Obradovich, (Sublessor) and The Metcalfe Family Trust Dated April 8, 2005, Brian R. Metcalfe and Jennifer G. Metcalfe, as Trustees, (Sublessee); Consent to Bill of Sale Coupled with Sublease between Patrick J. Fleming and The Patrick J. Fleming Family Trust, Patrick J. Fleming as Trustee and Consent to Cancellation of Sublease and Issuance of New Sublease with Sale of Aviation Hangar between John Obradovich and Betty Obradovich, (Sublessor) and Patrick J. Fleming as Trustee of the Patrick J. Fleming Family Trust UDT dated August 1, 2008, (Sublessee); Consent to Bill of Sale Coupled with Sublease between Robert Anderson and Michael J. Herzog, as Trustee of the Herzog Revocable Living Trust dated January 19, 2011 and; Consent to Cancellation of Sublease and Issuance of New Sublease with Sale of Aviation Hangar between John Obradovich and Betty Obradovich, (Sublessor) and Michael J. Herzog as Trustee of the Herzog Revocable Living Trust dated January 19, 2011 (Sublessee); Consent to Bill of Sale Coupled with Sublease between JC Aviation Investments, LLC and 7092020, LLC and Consent to Cancellation of Sublease and issuance of New Sublease with Sale of Aviation Hangar between John Obradovich and Betty Obradovich, (as Sublessor) and 7092020, LLC (Sublessee) - Jacqueline Cochran Regional Airport, District 4. [\$0] (CEQA Exempt)

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, Existing Facilities exemption, and Section 15601(b)(3), "Common Sense" exemption;

Continued on Page 2

ACTION: Policy

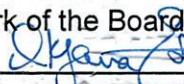

Charissa Leach, Interim TLMA Director

12/23/2020

MINUTES OF THE BOARD OF COMMISSIONERS

On motion of Supervisor Jeffries, 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: January 12, 2021
xc: Aviation, Recorder

Kecia R. 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:

2. Approve and consent to the attached Bill of Sale Coupled with Sub-Lease of Building D, Hangar No. 06 located within Jacqueline Cochran Regional Airport in Thermal, California, between 506063 Alberta Ltd. (as Seller) and Lykal Holdings Ltd. (as Buyer), and authorize the Chairman of the Board of Supervisors to sign the attached Consent to Bill of Sale Coupled with Sub-Lease for said transaction on behalf of the County;
3. Approve and consent to the attached Cancellation of Sub-Lease and Issuance of New Sub-Lease with Sale of Aviation Hangar for Building D, Hangar No. 06 located within the Jacqueline Cochran Regional Airport in Thermal, California, between John Obradovich and Betty Obradovich (as Sublessor) and Lykal Holdings Ltd. (as Sublessee), and authorize the Chairman of the Board of Supervisors to sign the attached Consent to Sub-Lease with Sale of Aviation Hangar for said transaction on behalf of the County;
4. Approve and consent to the attached Bill of Sale Coupled with Sub-Lease of Building E, Hangar No. 10 located within Jacqueline Cochran Regional Airport in Thermal, California, between Roger Schmidt (as Seller) and The Metcalfe Family Trust Dated April 8, 2005, Brian R. Metcalfe and Jennifer G. Metcalfe as Trustees (as Buyers), and authorize the Chairman of the Board of Supervisors to sign the attached Consent to Bill of Sale Coupled with Sub-Lease for said transaction on behalf of the County;
5. Approve and consent to the attached Cancellation of Sub-Lease and Issuance of New Sub-Lease with Sale of Aviation Hangar for Building E, Hangar No. 10 located within the Jacqueline Cochran Regional Airport in Thermal, California, between John Obradovich and Betty Obradovich (as Sublessor) and The Metcalfe Family Trust Dated April 8, 2005, Brian R. Metcalfe and Jennifer G. Metcalfe as Trustees (as Sublessees), and authorize the Chairman of the Board of Supervisors to sign the attached Consent to Sub-Lease with Sale of Aviation Hangar for said transaction on behalf of the County;
6. Approve and consent to the attached Bill of Sale Coupled with Sub-Lease of Building A, Hangar No. 02 located within Jacqueline Cochran Regional Airport in Thermal, California, between Patrick J. Fleming (as Seller) and The Patrick J. Fleming Family Trust UDT dated August 1, 2008, Patrick J. Fleming as Trustee (as Buyer), and authorize the Chairman of the Board of Supervisors to sign the attached Consent to Bill of Sale Coupled with Sub-Lease for said transaction on behalf of the County;

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STATE OF CALIFORNIA**

RECOMMENDED MOTION: That the Board of Supervisors:

7. Approve and consent to the attached Cancellation of Sub-Lease and Issuance of New Sub-Lease with Sale of Aviation Hangar for Building A, Hangar No. 02 located within the Jacqueline Cochran Regional Airport in Thermal, California, between John Obradovich and Betty Obradovich (as Sublessor) and The Patrick J. Fleming Family Trust UDT dated August 1, 2008, Patrick J. Fleming as Trustee (as Sublessee), and authorize the Chairman of the Board of Supervisors to sign the attached Consent to Sub-Lease with Sale of Aviation Hangar for said transaction on behalf of the County;
8. Approve and consent to the attached Bill of Sale Coupled with Sub-Lease of Building A, Hangar No. 05 located within Jacqueline Cochran Regional Airport in Thermal, California, between Robert Anderson (as Seller) and Michael J. Herzog, as Trustee of the Herzog Revocable Living Trust dated January 19, 2011 (as Buyer), and authorize the Chairman of the Board of Supervisors to sign the attached Consent to Bill of Sale Coupled with Sub-Lease for said transaction on behalf of the County;
9. Approve and consent to the attached Cancellation of Sub-Lease and Issuance of New Sub-Lease with Sale of Aviation Hangar for Building A, Hangar No. 05 located within the Jacqueline Cochran Regional Airport in Thermal, California, between John Obradovich and Betty Obradovich (as Sublessor) and Michael J. Herzog, as Trustee of the Herzog Revocable Living Trust dated January 19, 2011 (as Sublessee), and authorize the Chairman of the Board of Supervisors to sign the attached Consent to Sub-Lease with Sale of Aviation Hangar for said transaction on behalf of the County;
10. Approve and consent to the attached Bill of Sale Coupled with Sub-Lease of Building D, Hangar No. 02 located within Jacqueline Cochran Regional Airport in Thermal, California, between JC Aviation Investments, LLC, a Washington limited liability company (as Seller) and 7092020, LLC, a Washington limited liability company (as Buyer), and authorize the Chairman of the Board of Supervisors to sign the attached Consent to Bill of Sale Coupled with Sub-Lease for said transaction on behalf of the County;
11. Approve and consent to the attached Cancellation of Sub-Lease and Issuance of New Sub-Lease with Sale of Aviation Hangar for Building D, Hangar No. 02 located within the Jacqueline Cochran Regional Airport in Thermal, California, between John Obradovich and Betty Obradovich (as Sublessor) and 7092020, LLC, a Washington limited liability company (as Sublessee), and authorize the Chairman of the Board of Supervisors to sign the attached Consent to Sub-Lease with Sale of Aviation Hangar for said transaction on behalf of the County;

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**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
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RECOMMENDED MOTION: That the Board of Supervisors:

12. Authorize the Assistant County Executive Officer/TLMA, or designee, to execute any additional documents necessary to implement the attached Bills of Sale, Sub-Lease Cancellations and Sub-Leases With Sale of Aviation Hangar, subject to approval by County Counsel; and
13. 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:	20/21

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The County of Riverside ("County"), as lessor, and John Obradovich and Betty Obradovich (collectively, "Obradovich"), as lessee, entered into that certain Lease Desert Resorts Regional Airport dated June 3, 2003, as amended by that certain First Amendment to Lease Jacqueline Cochran Regional Airport dated on or about September 14, 2004, that certain Second Amendment to Lease Jacqueline Cochran Regional Airport dated September 12, 2006, and that certain Third Amendment to Lease Jacqueline Cochran Regional Airport dated March 17, 2009 (collectively, Lease). The Lease relates to approximately 9.45 acres of real property located at the Jacqueline Cochran Regional Airport (Leased Premises). Pursuant to Section 24 of the Lease, Obradovich cannot assign, sublease, or transfer any rights, duties, or obligations under the Lease without the written consent of the County.

The Transportation and Land Management Agency-Aviation ("TLMA") has received a request for consent to five (5) Bills of Sale Coupled with Sub-Lease ("Bills of Sale") in connection with the Leased Premises. The following hangar sale transactions will require written consent from the Riverside County Board of Supervisors ("Board").

Agreement	Date Signed	Seller	Buyer	Hangar Unit Number
Bill of Sale Coupled with	February 13, 2020	506063 Alberta Ltd.	Lykal Holdings Ltd.	Building D, Hangar No. 06 (Hangar

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STATE OF CALIFORNIA**

Sub-Lease				D06)
Bill of Sale Coupled with Sub-Lease	January 1, 2020	Roger Schmidt	The Metcalfe Family Trust, Brian R. Metcalfe and Jennifer G. Metcalfe as Trustees	Building E, Hangar No. 10 (Hangar E10)
Bill of Sale Coupled with Sub-Lease	December 1, 2019	Patrick J. Fleming	The Patrick J. Fleming Family Trust UDT dated August 1, 2008, Patrick J. Fleming as Trustee	Building A, Hangar No. 02 (Hangar A02)
Bill of Sale Coupled with Sub-Lease	September 18, 2020	Robert Anderson	Michael J. Herzog, as Trustee of the Herzog Revocable Living Trust dated January 19, 2011	Building A, Hangar No. 05 (Hangar A05)
Bill of Sale Coupled with Sub-Lease	August 15, 2020	JC Aviation Investments, LLC	7092020, LLC	Building D, Hangar No. 02 (Hangar D02)

Additionally, TLMA received requests for consent to five (5) Sub-Leases with Sale of Aviation Hangar (“Subleases”) associated with the Bills of Sale. The Sublease Cancellation Agreements with the previous sublessees and the following Sub-Leases will require written consent from the Board.

Agreement	Date Signed	Sublessor	Sublessee	Hangar Unit Number
Sub-Lease with Sale of Aviation Hangar	February 13, 2020	John Obradovich and Betty Obradovich	Lykal Holdings Ltd.	Building D, Hangar No. 06 (Hangar D06)
Sub-Lease with Sale of Aviation Hangar	January 1, 2020	John Obradovich and Betty Obradovich	The Metcalfe Family Trust, Brian R. Metcalfe and Jennifer G. Metcalfe as Trustees	Building E, Hangar No. 10 (Hangar E10)
Sub-Lease with Sale of Aviation Hangar	December 1, 2019	John Obradovich and Betty Obradovich	The Patrick J. Fleming Family Trust UDT dated August 1, 2008, Patrick J. Fleming	Building A, Hangar No. 02 (Hangar A02)

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			as Trustee	
Sub-Lease with Sale of Aviation Hangar	September 18, 2020	John Obradovich and Betty Obradovich	Michael J. Herzog, as Trustee of the Herzog Revocable Living Trust dated January 19, 2011	Building A, Hangar No. 05 (Hangar A05)
Sub-Lease with Sale of Aviation Hangar	August 15, 2020	John Obradovich and Betty Obradovich	7092020, LLC	Building D, Hangar No. 02 (Hangar D02)

Pursuant to the California Environmental Quality Act (“CEQA”), the consent to the Bills of Sale and Subleases was reviewed and determined to be categorically exempt from CEQA under CEQA Guidelines 15301, Class 1 – Existing Facilities exemption, and Section 15061(b)(3), “Common Sense” exemption. The proposed project, the consent to the Bills of Sale and Subleases, allows for the letting of property involving existing facilities and no expansion of an existing use will occur. TLMA staff recommends that the Board of Supervisors approves and consents to the Bills of Sales and Subleases (collectively “Agreements”) and authorize the Assistant County Executive Officer/TLMA to execute any additional documents necessary for the implementation of the Agreements, subject to approval by County Counsel. County Counsel has reviewed and approved the attached Consents to Bill of Sale and Consents to Sub-Leases as to legal form.

Impact on Residents and Businesses

The Consent to Assignment of Sublease and Consent to 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:

(506063 Alberta Ltd.- Lykal Holdings Ltd.)

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

- Attachment A – (Sub)Lease Cancellation Agreement
- Attachment B – Consent to Bill of Sale Coupled with Sublease
- Attachment C – Consent to cancellation of sublease and issuance of new Sub-Lease with Sale of Aviation Hangar

(Roger Schmidt - The Metcalfe Family Trust)

- Attachment D – (Sub)Lease Cancellation Agreement
- Attachment E – Consent to Bill of Sale Coupled with Sublease
- Attachment F – Consent to cancellation of sublease and issuance of new Sub-Lease with Sale of Aviation Hangar

(Patrick J. Fleming - The Patrick J. Fleming Trust)

- Attachment G – (Sub)Lease Cancellation Agreement
- Attachment H – Consent to Bill of Sale Coupled with Sublease
- Attachment I – Consent to cancellation of sublease and issuance of new Sub-Lease with Sale of Aviation Hangar

(Robert Anderson - The Herzog Revocable Living Trust)

- Attachment J – (Sub)Lease Cancellation Agreement
- Attachment K – Consent to Bill of Sale Coupled with Sublease
- Attachment L – Consent to cancellation of sublease and issuance of new Sub-Lease with Sale of Aviation Hangar

(JC Aviation Investments, LLC - 7092020, LLC)

- Attachment M – (Sub)Lease Cancellation Agreement
- Attachment N – Consent to Bill of Sale Coupled with Sublease
- Attachment O – Consent to cancellation of sublease and issuance of new Sub-Lease with Sale of Aviation Hangar

- Attachment P – Master Lease and Amendments


Jason Farin, Principal Management Analyst 1/6/2021


Gregory V. Priamos, Director County Counsel 12/29/2020

County of Riverside
Facilities Management
3133 Mission Inn Avenue, Riverside, CA 92507

FOR COUNTY CLERK USE ONLY

Original Negative Declaration/Notice of
Determination was routed to County
Clerks for posting on.
1/14/21
Date
AR
Initial

NOTICE OF EXEMPTION

October 5, 2020

Project Name: County of Riverside, Consent to Bill of Sale Coupled with Sub-Lease between 506063 Alberta Ltd., (as seller) and Lykal Holdings Ltd., (as buyer), Consent to Sub-Lease with Sale of Aviation Hangar between John Obradovich and Betty Obradovich, (as sublessor) and Lykal Holdings Ltd., (as sublessee) at the Jacqueline Cochran Regional Airport, Thermal

Project Number: ED1910012

Project Location: Hangar D06, 56850 Higgins Drive, south of Airport Boulevard, Assessor's Parcel Number (APN) 759-060-017, Thermal, Riverside County, California, 92274

Description of Project: The County of Riverside (County) received a request to consent to a Bill of Sale Coupled with Sub-Lease and request for consent to Sub-Lease with Sale of Aviation Hangar associated with the Bill of Sale in connection with the Lease relating for 9.45 acres of real property located at the Jaqueline Cochran Regional Airport.

The original lease between the County of Riverside, a political subdivision of the State of California (as Lessor) and John Obradovich and Betty Obradovich collectively, (Obradovich), as lessee, entered into that certain Lease Desert Resorts Regional Airport dated June 3, 2003, as amended by that certain First Amendment to Lease Jacqueline Cochran Regional Airport dated on or about September 14, 2004, that certain Second Amendment to Lease Jacqueline Cochran Regional Airport dated September 12, 2006, and that certain Third Amendment to Lease Jacqueline Cochran Regional Airport dated March 17, 2009, collectively, (Lease). The Lease relates to approximately 9.45 acres of real property located at the Jacqueline Cochran Regional Airport (Leased Premises). Pursuant to Section 24 of the Lease, Obradovich cannot assign, sublease, or transfer any rights, duties, or obligations under the Lease without the written consent of the County.

The request for consent to Bill of Sale Coupled with Sub-Lease is specifically related to Building D, Hangar No. 06 (Hangar D06) and is between Seller, 506063 Alberta Ltd. and Buyer, Lykal Holdings Ltd. which was signed on February 13, 2020. The request for consent to Sub-Lease with Sale of Aviation Hangar is between Sublessor, John Obradovich and Betty Obradovich and Sublessee, Lykal Holdings Ltd. for Hangar D06. The Sublease and sale of the hangar will not impact or modify the terms of the Lease including the existing use of Premises. The Assignment and Bill of Sale require County approval under the Lease. 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: Riverside County


Name of Person or Agency Carrying Out Project: Riverside County Facilities Management

Exempt Status: State CEQA Guidelines Section 15301, Class 1, Existing Facilities Exemption; Section 15061(b) (3), General Rule or “Common Sense” Exemption. Codified under California Code of Regulations Title 14, Article 5, Section 15061.

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 involve unusual circumstances that could potentially have a significant effect on 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 – Class 1 Existing Facilities Exemption:** This 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.

Therefore, the County of Riverside Facilities Management 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: 10/8/20
Mike Sullivan, Senior Environmental Planner
County of Riverside, Facilities Management

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

Project Name: Consent to Assignment of Sublease and Bill of Sale for Hangar D06 at Cochran Regional Airport

Accounting String: 537080-22100-1910700000- ED1910012

DATE: October 5, 2020

AGENCY: Riverside County Facilities Management

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, Facilities Management

Signature:  _____

PRESENTED BY: Liliana Valle, County Airport Manager

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -

County of Riverside
Facilities Management
3133 Mission Inn Avenue, Riverside, CA 92507

Date: October 5, 2020
To: Kiyomi Moore/Josefina Castillo, Office of the County Clerk
From: Mike Sullivan, Senior Environmental Planner, Facilities Management
Subject: **County of Riverside Facilities Management Project # ED1910012**
Consent to Assignment of Sublease and Bill of Sale for Hangar D06 at Cochran
Regional Airport

The Riverside County's Facilities Management'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 #2600

Attention: Mike Sullivan, Senior Environmental Planner,

Facilities Management,

3133 Mission Inn Avenue, Riverside, CA 92507

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

Attachment

cc: file

County of Riverside
Facilities Management
3133 Mission Inn Avenue, Riverside, CA 92507

FOR COUNTY CLERK USE ONLY

Original Negative Declaration/Notice of
Determination was dated to County
Clerk for posting on.

NOTICE OF EXEMPTION

1/14/21
Date

JPR
Initial

October 5, 2020

Project Name: County of Riverside, Consent to Bill of Sale Coupled with Sub-Lease between Roger Schmidt, (as seller) and The Metcalfe Family Trust, Brian Metcalfe Trustee, (as buyer), Consent to Sub-Lease with Sale of Aviation Hangar between John Obradovich and Betty Obradovich, (as sublessor) and The Metcalfe Family Trust, Brian Metcalfe Trustee, (as sublessee) at the Jacqueline Cochran Regional Airport, Thermal

Project Number: ED1910012

Project Location: Hangar E10, 56850 Higgins Drive, south of Airport Boulevard, Assessor's Parcel Number (APN) 759-060-017, Thermal, Riverside County, California, 92274

Description of Project: The County of Riverside (County) received a request to consent to a Bill of Sale Coupled with Sub-Lease and request for consent to Sub-Lease with Sale of Aviation Hangar associated with the Bill of Sale in connection with the Lease relating for 9.45 acres of real property located at the Jaqueline Cochran Regional Airport.

The original lease between the County of Riverside, a political subdivision of the State of California (as Lessor) and John Obradovich and Betty Obradovich collectively, (Obradovich), as lessee, entered into that certain Lease Desert Resorts Regional Airport dated June 3, 2003, as amended by that certain First Amendment to Lease Jacqueline Cochran Regional Airport dated on or about September 14, 2004, that certain Second Amendment to Lease Jacqueline Cochran Regional Airport dated September 12, 2006, and that certain Third Amendment to Lease Jacqueline Cochran Regional Airport dated March 17, 2009, collectively, (Lease). The Lease relates to approximately 9.45 acres of real property located at the Jacqueline Cochran Regional Airport (Leased Premises). Pursuant to Section 24 of the Lease, Obradovich cannot assign, sublease, or transfer any rights, duties, or obligations under the Lease without the written consent of the County.

The request for consent to Bill of Sale Coupled with Sub-Lease is specifically related to Building E, Hangar No. 10 (Hangar E10) and is between Seller, Roger Schmist and Buyer, The Metcalfe Family Trust, Brian Metcalfe Trustee which was signed on January 1, 2020. The request for consent to Sub-Lease with Sale of Aviation Hangar is between Sublessor, John Obradovich and Betty Obradovich and Sublessee, The Metcalfe Family Trust, Brian Metcalfe Trustee for Hangar E10. The Sublease and sale of the hangar will not impact or modify the terms of the Lease including the existing use of Premises. The Assignment and Bill of Sale require County approval under the Lease. 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: Riverside County

Name of Person or Agency Carrying Out Project: Riverside County Facilities Management

JAN 12 2021 3.32

Exempt Status: State CEQA Guidelines Section 15301, Class 1, Existing Facilities Exemption; Section 15061(b) (3), General Rule or “Common Sense” Exemption. Codified under California Code of Regulations Title 14, Article 5, Section 15061.

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 involve unusual circumstances that could potentially have a significant effect on 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 – Class 1 Existing Facilities Exemption:** This 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.

Therefore, the County of Riverside Facilities Management 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: 10/18/20
Mike Sullivan, Senior Environmental Planner
County of Riverside, Facilities Management

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

Project Name: Consent to Assignment of Sublease and Bill of Sale for Hangar E10 at Cochran Regional Airport

Accounting String: 537080-22100-1910700000- ED1910012

DATE: October 5, 2020

AGENCY: Riverside County Facilities Management

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, Facilities Management

Signature:  _____

PRESENTED BY: Liliana Valle, County Airport Manager

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -

County of Riverside
Facilities Management
3133 Mission Inn Avenue, Riverside, CA 92507

Date: October 5, 2020
To: Kiyomi Moore/Josefina Castillo, Office of the County Clerk
From: Mike Sullivan, Senior Environmental Planner, Facilities Management
Subject: **County of Riverside Facilities Management Project # ED1910012**
Consent to Assignment of Sublease and Bill of Sale for Hangar E10 at Cochran
Regional Airport

The Riverside County's Facilities Management'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 #2600

Attention: Mike Sullivan, Senior Environmental Planner,

Facilities Management,

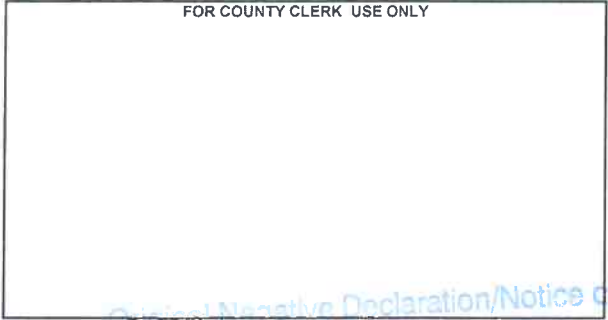
3133 Mission Inn Avenue, Riverside, CA 92507

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

Attachment

cc: file

County of Riverside
Facilities Management
3133 Mission Inn Avenue, Riverside, CA 92507



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

NOTICE OF EXEMPTION

1/14/21 Date
PR Initial

October 5, 2020

Project Name: County of Riverside, Consent to Bill of Sale Coupled with Sub-Lease between Patrick J. Fleming, (as seller) and The Patrick J. Fleming Trust, (as buyer), Consent to Sub-Lease with Sale of Aviation Hangar between John Obradovich and Betty Obradovich, (as sublessor) and Patrick J. Fleming Trustee of the Patrick J. Fleming Trust UDT dated August 1, 2008, (as sublessee) at the Jacqueline Cochran Regional Airport, Thermal

Project Number: ED1910012

Project Location: Hangar A02, 56850 Higgins Drive, south of Airport Boulevard, Assessor's Parcel Number (APN) 759-060-017, Thermal, Riverside County, California, 92274

Description of Project: The County of Riverside (County) received a request to consent to a Bill of Sale Coupled with Sub-Lease and request for consent to Sub-Lease with Sale of Aviation Hangar associated with the Bill of Sale in connection with the Lease relating for 9.45 acres of real property located at the Jaqueline Cochran Regional Airport.

The original lease between the County of Riverside, a political subdivision of the State of California (as Lessor) and John Obradovich and Betty Obradovich collectively, (Obradovich), as lessee, entered into that certain Lease Desert Resorts Regional Airport dated June 3, 2003, as amended by that certain First Amendment to Lease Jacqueline Cochran Regional Airport dated on or about September 14, 2004, that certain Second Amendment to Lease Jacqueline Cochran Regional Airport dated September 12, 2006, and that certain Third Amendment to Lease Jacqueline Cochran Regional Airport dated March 17, 2009, collectively, (Lease). The Lease relates to approximately 9.45 acres of real property located at the Jacqueline Cochran Regional Airport (Leased Premises). Pursuant to Section 24 of the Lease, Obradovich cannot assign, sublease, or transfer any rights, duties, or obligations under the Lease without the written consent of the County.

The request for consent to Bill of Sale Coupled with Sub-Lease is specifically related to Building A, Hangar No. 02 (Hangar A02) and is between Seller, Patrick J. Fleming and Buyer, The Patrick J. Fleming Trust UDT dated August 1, 2008 which was signed on December 1, 2019. The request for consent to Sub-Lease with Sale of Aviation Hangar is between Sublessor, John Obradovich and Betty Obradovich and Sublessee, The Patrick J. Fleming Trust UDT dated August 1, 2008 for Hangar A02. The Sublease and sale of the hangar will not impact or modify the terms of the Lease including the existing use of Premises. The Assignment and Bill of Sale require County approval under the Lease. 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: Riverside County

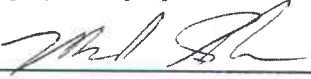
Name of Person or Agency Carrying Out Project: Riverside County Facilities Management

Exempt Status: State CEQA Guidelines Section 15301, Class 1, Existing Facilities Exemption; Section 15061(b) (3), General Rule or “Common Sense” Exemption. Codified under California Code of Regulations Title 14, Article 5, Section 15061.

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 involve unusual circumstances that could potentially have a significant effect on 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 – Class 1 Existing Facilities Exemption:** This 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.

Therefore, the County of Riverside Facilities Management 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: 10/8/20
Mike Sullivan, Senior Environmental Planner
County of Riverside, Facilities Management

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

**Project Name: Consent to Assignment of Sublease and Bill of Sale for Hangar A02 at
Cochran Regional Airport**

Accounting String: 537080-22100-1910700000- ED1910012

DATE: October 5, 2020

AGENCY: Riverside County Facilities Management

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, Facilities Management

Signature: 

PRESENTED BY: Liliana Valle, County Airport Manager

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -

County of Riverside
Facilities Management
3133 Mission Inn Avenue, Riverside, CA 92507

Date: October 5, 2020
To: Kiyomi Moore/Josefina Castillo, Office of the County Clerk
From: Mike Sullivan, Senior Environmental Planner, Facilities Management
Subject: **County of Riverside Facilities Management Project # ED1910012**
Consent to Assignment of Sublease and Bill of Sale for Hangar A02 at Cochran
Regional Airport

The Riverside County's Facilities Management'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 #2600

Attention: Mike Sullivan, Senior Environmental Planner,
Facilities Management,

3133 Mission Inn Avenue, Riverside, CA 92507

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

Attachment

cc: file

County of Riverside
Facilities Management
3133 Mission Inn Avenue, Riverside, CA 92507

FOR COUNTY CLERK USE ONLY

Original Negative Declaration/No Ice of
Determination was recorded in County
Clarks for posting on.

1-14-21
Date

JAR
Initial

NOTICE OF EXEMPTION

October 5, 2020

Project Name: County of Riverside, Consent to Bill of Sale Coupled with Sub-Lease between Robert Anderson, (as seller) and Michael J. Herzog, Trustee of the Herzog Revocable Living Trust, (as buyer), Consent to Sub-Lease with Sale of Aviation Hangar between John Obradovich and Betty Obradovich, (as sublessor) and Michael J. Herzog, Trustee of the Herzog Revocable Living Trust dated January 19, 2011, (as sublessee) at the Jacqueline Cochran Regional Airport, Thermal

Project Number: ED1910012

Project Location: Hangar A05, 56850 Higgins Drive, south of Airport Boulevard, Assessor's Parcel Number (APN) 759-060-017, Thermal, Riverside County, California, 92274

Description of Project: The County of Riverside (County) received a request to consent to a Bill of Sale Coupled with Sub-Lease and request for consent to Sub-Lease with Sale of Aviation Hangar associated with the Bill of Sale in connection with the Lease relating for 9.45 acres of real property located at the Jaqueline Cochran Regional Airport.

The original lease between the County of Riverside, a political subdivision of the State of California (as Lessor) and John Obradovich and Betty Obradovich collectively, (Obradovich), as lessee, entered into that certain Lease Desert Resorts Regional Airport dated June 3, 2003, as amended by that certain First Amendment to Lease Jacqueline Cochran Regional Airport dated on or about September 14, 2004, that certain Second Amendment to Lease Jacqueline Cochran Regional Airport dated September 12, 2006, and that certain Third Amendment to Lease Jacqueline Cochran Regional Airport dated March 17, 2009, collectively, (Lease). The Lease relates to approximately 9.45 acres of real property located at the Jacqueline Cochran Regional Airport (Leased Premises). Pursuant to Section 24 of the Lease, Obradovich cannot assign, sublease, or transfer any rights, duties, or obligations under the Lease without the written consent of the County.

The request for consent to Bill of Sale Coupled with Sub-Lease is specifically related to Building A, Hangar No. 05 (Hangar A05) and is between Seller, Robert Anderson and Buyer, Michael J. Herzog, Trustee of the Herzog Revocable Living Trust dated January 19, 2011 which was signed on September 18, 2020. The request for consent to Sub-Lease with Sale of Aviation Hangar is between Sublessor, John Obradovich and Betty Obradovich and Sublessee, Michael J. Herzog, Trustee of the Herzog Revocable Living Trust dated January 19, 2011 for Hangar A02. The Sublease and sale of the hangar will not impact or modify the terms of the Lease including the existing use of Premises. The Assignment and Bill of Sale require County approval under the Lease. 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: Riverside County

Name of Person or Agency Carrying Out Project: Riverside County Facilities Management

JAN 12 2021 3:32

Exempt Status: State CEQA Guidelines Section 15301, Class 1, Existing Facilities Exemption; Section 15061(b) (3), General Rule or “Common Sense” Exemption. Codified under California Code of Regulations Title 14, Article 5, Section 15061.

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 involve unusual circumstances that could potentially have a significant effect on 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 – Class 1 Existing Facilities Exemption:** This 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.

Therefore, the County of Riverside Facilities Management 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: 10/8/20
Mike Sullivan, Senior Environmental Planner
County of Riverside, Facilities Management

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

**Project Name: Consent to Assignment of Sublease and Bill of Sale for Hangar A05 at
Cochran Regional Airport**

Accounting String: 537080-22100-1910700000- ED1910012

DATE: October 5, 2020

AGENCY: Riverside County Facilities Management

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, Facilities Management

Signature: 

PRESENTED BY: Liliana Valle, County Airport Manager

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -

County of Riverside
Facilities Management
3133 Mission Inn Avenue, Riverside, CA 92507

Date: October 5, 2020
To: Kiyomi Moore/Josefina Castillo, Office of the County Clerk
From: Mike Sullivan, Senior Environmental Planner, Facilities Management
Subject: **County of Riverside Facilities Management Project # ED1910012**
Consent to Assignment of Sublease and Bill of Sale for Hangar A05 at Cochran
Regional Airport

The Riverside County's Facilities Management'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 #2600

Attention: Mike Sullivan, Senior Environmental Planner,

Facilities Management,

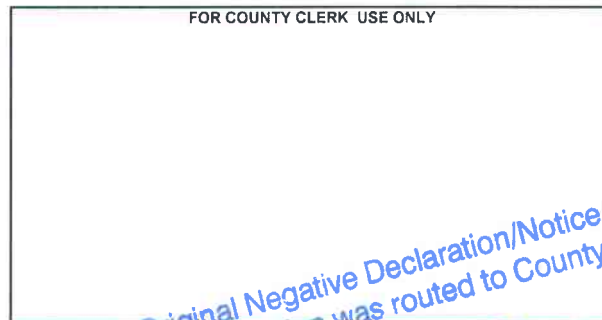
3133 Mission Inn Avenue, Riverside, CA 92507

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

Attachment

cc: file

County of Riverside
Facilities Management
3133 Mission Inn Avenue, Riverside, CA 92507



NOTICE OF EXEMPTION

December 22, 2020

Project Name: County of Riverside, Consent to Bill of Sale Coupled with Sub-Lease between JC Aviation Investments, LLC, (as seller) and 7092020, LLC., (as buyer), Consent to Sub-Lease with Sale of Aviation Hangar between John Obradovich and Betty Obradovich, (as sublessor) and 7092020, LCC, (as sublessee) at the Jacqueline Cochran Regional Airport, Thermal

Project Number: ED1910012

Project Location: Hangar D02, 56850 Higgins Drive, south of Airport Boulevard, Assessor's Parcel Number (APN) 759-060-017, Thermal, Riverside County, California, 92274

Description of Project: The County of Riverside (County) received a request to consent to a Bill of Sale Coupled with Sub-Lease and request for consent to Sub-Lease with Sale of Aviation Hangar associated with the Bill of Sale in connection with the Lease relating for 9.45 acres of real property located at the Jaqueline Cochran Regional Airport.

The original lease between the County of Riverside, a political subdivision of the State of California (as Lessor) and John Obradovich and Betty Obradovich collectively, (Obradovich), as lessee, entered into that certain Lease Desert Resorts Regional Airport dated June 3, 2003, as amended by that certain First Amendment to Lease Jacqueline Cochran Regional Airport dated on or about September 14, 2004, that certain Second Amendment to Lease Jacqueline Cochran Regional Airport dated September 12, 2006, and that certain Third Amendment to Lease Jacqueline Cochran Regional Airport dated March 17, 2009, collectively, (Lease). The Lease relates to approximately 9.45 acres of real property located at the Jacqueline Cochran Regional Airport (Leased Premises). Pursuant to Section 24 of the Lease, Obradovich cannot assign, sublease, or transfer any rights, duties, or obligations under the Lease without the written consent of the County.

The request for consent to Bill of Sale Coupled with Sub-Lease is specifically related to Building D, Hangar No. 02 (Hangar D02) and is between Seller, JC Aviation Investments, LLC and Buyer, 7092020, LLC. which was signed on August 15, 2020. The request for consent to Sub-Lease with Sale of Aviation Hangar is between Sublessor, John Obradovich and Betty Obradovich and Sublessee, 7092020, LLC for Hangar D02. The Sublease and sale of the hangar will not impact or modify the terms of the Lease including the existing use of Premises. The Assignment and Bill of Sale require County approval under the Lease. 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: Riverside County

Name of Person or Agency Carrying Out Project: Riverside County Facilities Management


JAN 12 2021 3.32

Exempt Status: State CEQA Guidelines Section 15301, Class 1, Existing Facilities Exemption; Section 15061(b) (3), General Rule or “Common Sense” Exemption. Codified under California Code of Regulations Title 14, Article 5, Section 15061.

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 involve unusual circumstances that could potentially have a significant effect on 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 – Class 1 Existing Facilities Exemption:** This 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.
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Therefore, the County of Riverside Facilities Management 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:** 12-22-20
Mike Sullivan, Senior Environmental Planner
County of Riverside, Facilities Management

County of Riverside
Facilities Management
3133 Mission Inn Avenue, Riverside, CA 92507

Date: December 22, 2020
To: Kiyomi Moore/Josefina Castillo, Office of the County Clerk
From: Mike Sullivan, Senior Environmental Planner, Facilities Management
Subject: **County of Riverside Facilities Management Project # ED1910012**
Consent to Assignment of Sublease and Bill of Sale for Hangar D02 at Cochran
Regional Airport

The Riverside County's Facilities Management'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 #2600

Attention: Mike Sullivan, Senior Environmental Planner,

Facilities Management,

3133 Mission Inn Avenue, Riverside, CA 92507

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

Attachment

cc: file

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

Project Name: Consent to Assignment of Sublease and Bill of Sale for Hangar D02 at Cochran Regional Airport

Accounting String: 537080-22100-1910700000- ED1910012

DATE: December 22, 2020

AGENCY: Riverside County Facilities Management

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, Facilities Management

Signature: _____

PRESENTED BY: Liliana Valle, County Airport Manager

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -

Attachment A
(506063 Alberta Ltd)
Lease Cancellation Agreement

1 LEASE CANCELLATION AGREEMENT
2 JACQUELINE COCHRAN REGIONAL AIRPORT
3

4 WHEREAS, John Obradovich and Betty Obradovich, hereinafter Sublessor, and
5 506063 Alberta Ltd., herein after Sublessee, as entered into that certain Sublease dated
6 January 9, 2010, attached hereto as Exhibit A, and by this reference incorporated herein,
7 relating to land located at Jacqueline Cochran Regional Airport (formerly Desert Resorts
8 Regional Airport), Riverside County, California; and

9 WHEREAS, Sublessor improved the land with a 4,200 square foot aircraft storage
10 hangar; and

11 WHEREAS, Sublessor sold the improvements to Sublessee; and

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

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

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

17
18 Date: February 13, 2020

SUBLESSEE – 506063 Alberta Ltd.

19
20 
21 A Notary Public in and for the Province of Alberta

By: 

22 Rhonda Elder

Lyle Kallis

23
24 Date: 2/13/2020

SUBLESSOR

25
26 By: 

John Obradovich

27
28 By: 

Betty Obradovich

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California
County of Riverside }

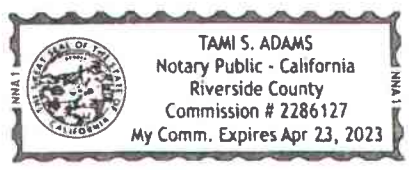
On 6/8/2020 before me, Tami S. Adams, Notary Public
Date Here Insert Name and Title of the Officer

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

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

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

WITNESS my hand and official seal.



Place Notary Seal and/or Stamp Above

Signature Tami S. Adams
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Lease Cancellation

Document Date: 2/13/2020 Number of Pages: _____

Signer(s) Other Than Named Above: Lyle Kallis

Capacity(ies) Claimed by Signer(s)

Signer's Name: John Obradovich

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

Signer is Representing: Self

Signer's Name: Betty Obradovich

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

Signer is Representing: Self

SUB-LEASE WITH SALE OF AVIATION HANGAR

John Obradovich and Betty Obradovich, herein called Sub-Lessor, sub-leases to 506063 Alberta Ltd, a Canada corporation, herein called Sub-Lessee, the property described below, upon the following items and conditions.

RECITALS

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

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

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

DESCRIPTION

The premises sub-leased hereby are located within Desert Resorts Regional Airport generally, and within the area leased from County by Sub-Lessor consisting of nine (9) acres and as more particularly shown on Exhibit "B," attached thereto and by this reference, made a part of this sub-lease. The portion of the nine acres being sub-leased is that portion of land occupied in Building D, Hangar # 06 as depicted in Exhibit "B." In addition to the forgoing during the term of this lease Sublessor grants to Sublessee the right to ingress and ingress over that portion of the leasehold premises of Sublessor held under the Master Lease and a license to use the taxiway areas as designated by Sublessor.

USE

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

TERM

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

RENT

Sub-Lessee shall pay to Sub-Lessor the sum of \$75.14 per month, payable in advance, on the first day of each month.

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

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

ADDITIONAL OBLIGATIONS OF SUB-LESSEE

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

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

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

SUB-LESSOR'S RESERVED RIGHTS

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

IMPROVEMENTS, REPAIRS & SIGNS

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

INSURANCE

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

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

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

c. The foregoing notwithstanding, this sublease is subject to Section 20 of the Master Lease and Sub-Lessee shall procure and maintain additional coverages specified therein as may be required by County from time to time.

TERMINATION BY SUB-LESSOR

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

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

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

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

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

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

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

TERMINATION BY SUB-LESSEE

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

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

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

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

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

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

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

HOLD HARMLESS

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

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

ASSIGNMENT

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

BINDING ON SUCCESSORS

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

EMPLOYEES AND AGENTS OF SUB-LESSEE

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

COMPLIANCE WITH LAW

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

WAIVER OF PERFORMANCE

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

SEVERABILITY

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

NOTICES

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

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

SUB-LESSEE:
506063 Alberta Ltd.,
a Canada corporation
Attn: President
5402 - 39139 Highway 2A
Red Deed County
Alberta, Canada T4S 2B3

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

VENUE

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

TAXES

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

TOXIC MATERIALS

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

FREE FROM LIENS

Sub-Lessee shall pay, when due, all sums of money that may become due for any labor, services, material, supplies, or equipment, alleged to have been furnished or to be furnished to Sub-Lessee, in, upon or about the sub-leased premises, and which may be secured by a mechanic's, materialmen's, or other lien against the sub-leased premises or County's interest therein, and will cause such lien to be fully discharged and released at the time the performance of any obligation secured by such lien matures or becomes due, provided, however, that if Sub-Lessee desires to contest any such lien provided that it either pays the lien or obtains a bond to allow release of said lien, and then it may do so, but notwithstanding any such contest, if such lien shall be reduced to final judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed, and said stay thereafter expires, then and in such event, Sub-Lessee shall forthwith pay and discharge said judgment.

DISPUTES/DAMAGES

In the event it is necessary to enforce or interpret any provision herein contained, or to recover any rent due or to recover possession of the Premises for any default or breach of the Agreement, the matter shall be submitted to binding arbitration conducted by the American Arbitration Association ("AAA") who shall be

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

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

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

MASTER LEASE/SURVIVAL OF SUB-LEASE

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

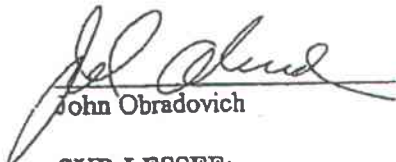
b. In the event the Master Lease is terminated, Sub-Lessee agrees to keep, observe and perform all of the terms and conditions of the Master Lease on the part of the Sub-Lessor to be kept, observed and performed, and Sub-Lessee's right to possession shall remain in effect as provided in Paragraph 29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

CONSENT BY COUNTY

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

IN WITNESS WHEREOF, this Sublease is executed on 9-1, 2009.

SUB-LESSOR:


John Obradovich


Betty Obradovich

SUB-LESSEE:

506063 Alberta Ltd., a Canada corporation

By: 

Its: _____

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

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

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

MASTER LEASE/SURVIVAL OF SUB-LEASE

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

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

CONSENT BY COUNTY

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

IN WITNESS WHEREOF, this Sublease is executed on 7-15, 2009.

SUB-LESSOR:

John Obradovich

Betty Obradovich

SUB-LESSEE:

506063 Alberta Ltd., a Canada corporation

By: 

Its: _____

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

LESSOR:

COUNTY OF RIVERSIDE

By: Marion Ashley
Chairman, Board of Supervisors
MARION ASHLEY

By: _____

Date: JAN 12 2010

ATTEST:

Kecia Harper-Ihem
Clerk of the Board

By: [Signature]
Deputy

FORM APPROVED:

Pamela J. Walls
County Counsel

By: Synthia M. Gunzel
Deputy
SYNTHIA M. GUNZEL

BILL OF SALE COUPLED WITH SUB-LEASE

Yost Development Co., LLC, hereinafter called the "Seller," hereby sells to 506063 Alberta Ltd., a Canada corporation, hereinafter called the "Buyer," and said Buyer hereby purchases from Seller the property described below, upon the following terms and conditions:

1. **RECITALS.** The Seller owns a concrete floor structure and steel building at Jacqueline Cochran Regional Airport, Thermal, California, Riverside County, more particularly described as Bldg D, Hangar # 06, the sale of which is the subject of this Agreement and which is intended to convey title thereto for the sum of \$179,000.

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

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

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

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

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

a. **RIGHT TO TRANSFER.** Sub-Lessor hereby consents to and agrees that Buyer may convey, assign, or transfer Buyer's interest in or to the subject personal property to one or more individuals; provided however, that such conveyance, assignment, or transfer includes the Sub-Lease and shall be subject to the prior written approval of the County of Riverside and of the Sub-Lessor, which approval shall not be unreasonably withheld. In addition, Sub-Lessor shall have the right of first refusal to purchase, lease, rent, or receive Buyer's interest in the subject personal

Exhibit "A"

property and the subleasehold estate of Buyer on the same terms as offered by Buyer to any other individual or entity (the "Offered Terms"). Buyer shall give Sub-Lessor written notice of the Offered Terms. Sub-Lessor's failure to exercise its right of first refusal by giving written notice to Buyer of its exercise of such right within five (5) days of receipt of written notice of the Offered Terms from Buyer shall be deemed to be a waiver of such right of first refusal by Sub-Lessor. Upon such deemed waiver or an express rejection by Sub-Lessor, Buyer may proceed to convey, assign or transfer all of part of his/her/its interest in the subject personal property on the Offered Terms; provided, however, that Buyer shall not, except with Sub-Lessor's permission, convey, lease, rent or sell any portion of the premises to any commercial operations for the purpose of doing any business at Jacqueline Cochran Regional Airport (Thermal) other than if said sale is to the Sub-Lessor.

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

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

SELLER:

Yost Development Co., LLC



BUYER:

506063 Alberta Ltd.,
a Canada corporation
Attn. President
5402 - 39139 Highway 2A
Red Deer County
Alberta, Canada T4S 2B3

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

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

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

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

jury trial, as well as judicial rights to discovery and appeal, unless those rights are specifically included in the "Arbitration of Disputes" provision. Your agreement to this arbitration provision is voluntary.

IN WITNESS WHEREOF, this Bill of Sale is executed on 8-21-, 2009.

SELLER:

Yost Development Co., LLC

By: *Duane Yost*
Duane Yost, Manager

BUYER:

506063 Alberta Ltd.,
a Canada corporation

By: _____

Its: _____

SUB-LESSOR:

John Obradovich

Betty Obradovich

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

MASTER LESSOR:

COUNTY OF RIVERSIDE

By: *Marion Ashley* By: _____

Chairman, Board of Supervisors

MARION ASHLEY

Date: JAN 12 2010

ATTEST:

Kecia Harper-Ihem

Clerk of the Board

By: *Opie Eklos*
Deputy

FORM APPROVED:

Pamela J. Walls

County Counsel

By: *Synthia M. Gunzel*
Deputy **SYNTHIA M. GUNZEL**

jury trial, as well as judicial rights to discovery and appeal, unless those rights are specifically included in the "Arbitration of Disputes" provision. Your agreement to this arbitration provision is voluntary.

IN WITNESS WHEREOF, this Bill of Sale is executed on July 15, 2009.

SELLER:

Yost Development Co., LLC

By: _____
Duane Yost, Manager

BUYER:

506063 Alberta Ltd.,
a Canada corporation

By: [Signature]
Its: President

SUB-LESSOR:

[Signature]
John Obradovich
[Signature]
Betty Obradovich

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

MASTER LESSOR:
COUNTY OF RIVERSIDE

By: [Signature] By: _____
Chairman, Board of Supervisors

Date: JAN 12 2010 **MARION ASHLEY**

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: [Signature]
Deputy

FORM APPROVED:
Pamela J. Walls
County Counsel

By: [Signature]
Deputy **SYNTHIA M. GUNZEL**

jury trial, as well as judicial rights to discovery and appeal, unless those rights are specifically included in the "Arbitration of Disputes" provision. Your agreement to this arbitration provision is voluntary.

IN WITNESS WHEREOF, this Bill of Sale is executed on _____, 2009.

SELLER:
Yost Development Co., LLC
By: _____
Duane Yost, Manager

BUYER:
506063 Alberta Ltd.,
a Canada corporation

By: *Pylykalis*
Its: President

SUB-LESSOR:

John Obradovich

Betty Obradovich

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

MASTER LESSOR:
COUNTY OF RIVERSIDE

By: *Marion Ashley* By: _____
Chairman, Board of Supervisors
MARION ASHLEY
Date: JAN 12 2010

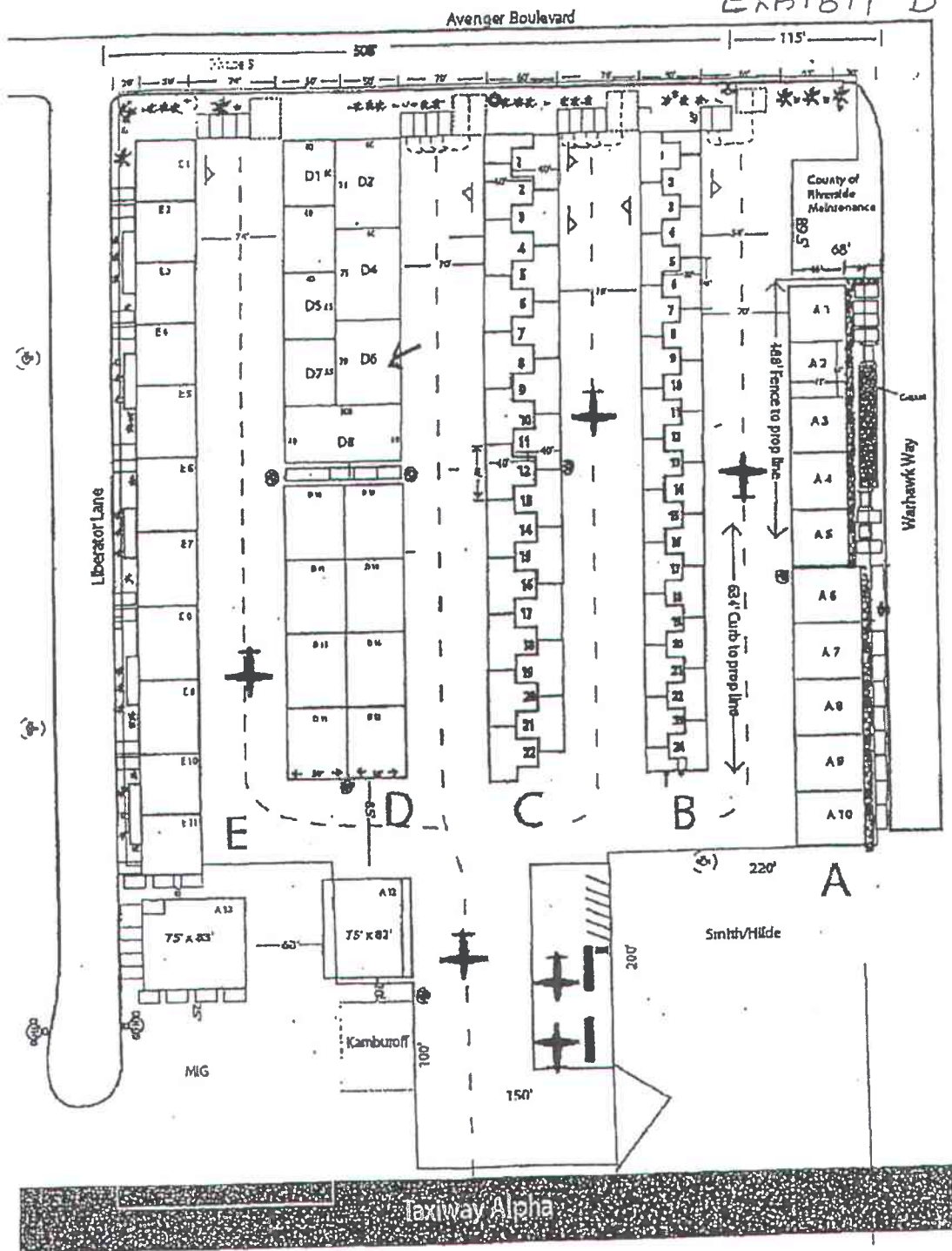
ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: *Opie Eckles*
Deputy

FORM APPROVED:
Pamela J. Walls
County Counsel

By: *Synthia M. Gunzel*
Deputy **SYNTHIA M. GUNZEL**

EXHIBIT B



Thermal Regional Airport	
<small>County of Riverside, Thermal, California</small>	
Master Development 9 Acres	
All Inside AV Storage and Self Serve Fuel	
<small>John & Betty Upton/1401 All Hilde AV Storage, Inc. 84-401 Colburn Court Drive Indio, CA 92201 (760) 775-7901, (760) 775-6000</small>	<small>12-16-04 Drawn by JD DW-11 of 1</small>

Exhibit "B"

LEGAL DESCRIPTION

ORDER NO.: 215846
ESCROW NO.:

The land referred to herein is situated in the State of California County of Riverside, and described as follows:

THAT PORTION OF THE FOLLOWING DESCRIBED LAND WHICH IS INCLUDED WITHIN THE LEASED PREMISES AS SET OUT IN THE SUB-LEASE WITH SALE OF AVIATION HANGAR EXECUTED BY JOHN OBRADOVICH AND BETTY OBRADOVICH, AS SUBLESSOR, AND YOST DEVELOPMENT CO., LLC, AS SUBLESSEE, RECORDED JULY 27, 2007 AS INSTRUMENT NO. 2007-486587, OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CA, AND BEING DESCRIBED AS HANGAR 6 IN BUILDING D LOCATED ON THE FOLLOWING PROPERTY DESCRIBED AS FOLLOWS:

THAT PORTION OF THE FOLLOWING DESCRIBED LAND WHICH IS INCLUDED WITHIN THE LEASED PREMISES AS SET OUT IN THE SUB-LEASE WITH SALE OF AVIATION HANGAR EXECUTED BY JOHN OBRADOVICH AND BETTY OBRADOVICH AS SUB-LESSOR AND JEFF AND USA CAMPBELL, HUSBAND AND WIFE, AS JOINT TENANTS AS SUB-LESSEE, RECORDED SEPTEMBER 27, 2005 AS INSTRUMENT NO. 2005-795075 OFFICIAL RECORDS.

THAT PORTION OF THE EAST HALF OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 8 EAST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTERLINE INTERSECTION OF VIC HIGGINS DRIVE AND AVENUE 56 (AIRPORT BOULEVARD), SAID POINT BEING THE NORTHEAST CORNER OF SAID SECTION 20;

THENCE SOUTH $00^{\circ} 00' 12''$ EAST, A DISTANCE OF 1,967.78 FEET TO THE CENTERLINE INTERSECTION OF VIC HIGGINS DRIVE AND AVENGER BOULEVARD;

THENCE NORTH $89^{\circ} 58' 40''$ WEST ALONG THE CENTERLINE OF AVENGER BOULEVARD, DISTANCE OF 462.70 FEET TO THE CENTERLINE INTERSECTION OF AVENGER BOULEVARD AND WARHAWK WAY, THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION;

THENCE CONTINUING NORTH 89° 59' 40" WEST ALONG THE CENTERLINE OF AVENGER BOULEVARD, A DISTANCE OF 668.58 FEET TO THE CENTERLINE INTERSECTION OF AVENGER BOULEVARD AND LIBERATOR LANE;

THENCE SOUTH ALONG THE CENTERLINE OF LIBERATOR LANE, A DISTANCE OF 658.00 FEET;

THENCE EAST, A DISTANCE OF 178.00 FEET;

THENCE SOUTH, A DISTANCE OF 85.00 FEET;

THENCE EAST, A DISTANCE OF 80.00 FEET;

THENCE SOUTH, A DISTANCE OF 185.00 FEET;

THENCE EAST, A DISTANCE OF 150.00 FEET;

THENCE NORTH, A DISTANCE OF 285.00 FEET;

THENCE EAST, A DISTANCE OF 260.58 FEET TO THE CENTERLINE OF WARHAWK WAY;

THENCE NORTH 00° 00' 20" WEST, A DISTANCE OF 643.00 FEET TO THE CENTERLINE INTERSECTION OF AVENGER BOULEVARD AND WARHAWK WAY, THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THE NORTHERLY 30.00 FEET.

ALSO EXCEPTING THEREFROM THE WESTERLY 30.00 FEET

ALSO EXCEPTING THEREFROM THE EXISTING COUNTY MAINTENANCE AREA LOCATED AT THE NORTHEASTERLY CORNER OF THE SUBJECT PROPERTY.

ACKNOWLEDGMENT

State of California

County of Riverside

On 9-1-09

before me,

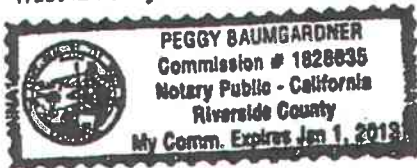
Peggy Baumgardner

a Notary Public, personally

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

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

WITNESS my hand and official seal.



Signature Peggy Baumgardner

ACKNOWLEDGMENT

State of California

County of Riverside

On 9-1-09

before me,

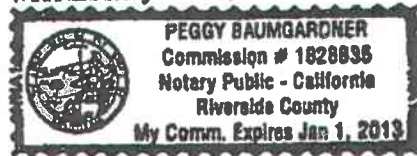
Peggy Baumgardner

a Notary Public, personally

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

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

WITNESS my hand and official seal.



Signature Peggy Baumgardner

ACKNOWLEDGMENT

State of California

County of Riverside

On July 15

2009, before me,

Carol A. Charters

a Notary Public, personally

appeared Lyle Kallis President of 506063 Alberta Ltd., a Canada corporation, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.



Signature Carol A. Charters



ACKNOWLEDGMENT

State of ~~California~~ IDAHO

County of ~~Riverside~~ BONNEVILLE

On 8-21, 2009, before me, Judy Bennett, a Notary Public, personally appeared Duane Yost, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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

WITNESS my hand and official seal.



Signature Judy Bennett

ACKNOWLEDGMENT

State of California

County of Riverside

On _____, 2009, before me, _____, a Notary Public, personally appeared _____ of 506063 Alberta Ltd., a Canada corporation, who

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

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

WITNESS my hand and official seal.

Signature _____

ACKNOWLEDGMENT

State of California

County of Riverside

On _____ before me, _____, a Notary Public, personally appeared John Obradovich, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

ACKNOWLEDGMENT

State of California

County of Riverside

On _____ before me, _____, a Notary Public, personally appeared Betty Obradovich, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

ACKNOWLEDGMENT

State of ~~California~~ Kansas

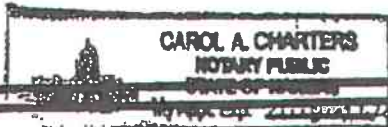
County of Riverside

On July 15, 2009, before me, Carol A. Charters, a Notary Public, personally appeared Lyle Kallis, President of 506063 Alberta Ltd., a Canada corporation, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature Carol A. Charters



PENALTY OF PERJURY FOR NOTARY SEAL
GOVERNMENT CODE 27361.7

I certify under the penalty of perjury that the Notary Seal on the document to which this statement is attached reads as follows:

NAME OF NOTARY Carol A. Charters

DATE COMMISSION EXPIRES Aug. 1, 2009

PLACE OF EXECUTION state of Kansas

DATE: 2-22-10

(Signature)


NORM BURDICK, V.P.

STEWART TITLE OF CALIFORNIA, INC., Inland Empire Division, a Ca. corp.
(Firm name-if any)

Attachment B

Consent to Bill of Sale Coupled with Sublease

CONSENT TO BILL OF SALE

The County of Riverside, a political subdivision of the State of California, ("County") hereby consents to the Bill of Sale Coupled with Sub-Lease ("Bill of Sale"), dated February 13, 2020, between 506063 Alberta Ltd., a Canadian Corporation, ("Seller") and Lykal Holdings Ltd., a Canada Corporation ("Buyer"), relating to Hangar D-06, located at Jacqueline Cochran Regional Airport, Thermal, California ("Hangar"). The Bill of Sale is attached hereto as Exhibit "A".

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 Hangar, whether regarding the quality, adequacy or suitability of the 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 Hangar for Buyer's intended use.

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: January 12, 2021

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

By: Karen S. Spiegel
KAREN SPIEGEL, Chair
Board of Supervisors

ATTEST:
Kecia R. Harper
Clerk of the Board

APPROVED AS TO FORM:
Gregory P. Priamos
County Counsel

By: Gregory P. Priamos
Deputy

By: Synthia M. Gunzel
Synthia M. Gunzel
Chief Deputy County Counsel

[Lykal Holdings Ltd. Acknowledgement on Following Page]

Lykal Holdings Ltd. hereby acknowledges, agrees and consents to all of the terms set forth in this Consent to Bill of Sale.

By: Lyle Kallis
Lyle Kallis
Lykal Holdings Ltd.

Dated: Feb. 13, 2020

EXHIBIT "A"

Bill of Sale

(behind this page)

BILL OF SALE COUPLED WITH SUB-LEASE

506063 Alberta Ltd. a Canadian Corporation, hereinafter called the "Seller," hereby sells to Lykal Holdings Ltd. hereinafter called the "Buyer," and said Buyer hereby purchases from Seller the property described below, upon the following terms and conditions:

1. **RECITALS.** The Seller owns concrete floor structure and steel building labeled as Bldg D, Hangar #06 at Jacqueline Cochran Regional Airport, (formerly Desert Regional Resorts Airport) Thermal, California, Riverside County, as described on the attached **Exhibit "1"** also described as **Hangar # D6**, the sale of which is the subject of this Agreement and which is intended to convey title thereto for the sum of \$0.00 (Corporate Name Change Only).

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

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

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

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

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

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

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

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

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

SELLER:

506063 Alberta Ltd.,
A Canada Corporation
Attention: President
5402 Blindman Drive
Red Deer County, Alberta, Canada
T4S 2M4

BUYER:

Lykal Holdings Ltd.,
A Canada Corporation
Attention: President
5402 Blindman Drive
Red Deer County, Alberta, Canada
T4S 2M4

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

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

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

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

IN WITNESS WHEREOF, this Bill of Sale is executed on 13 FEBRUARY, 2020.

SELLER:


506063 Alberta Ltd.

Lyle Kallis President

Printed Name & Title

Per: 

Lyle Kallis


A Notary Public in and for the Province of Alberta
Rhonda Elder – Barrister & Solicitor

BUYER:


Lykal Holdings Ltd.

Lyle Kallis, President

Printed Name & Title

Per: 

Lyle Kallis


A Notary Public in and for the Province of Alberta
Rhonda Elder – Barrister & Solicitor

LESSEE:


John Obradovich


Betty Obradovich

Attachment C
Consent to Sublease with Sale of Aviation Hangar

CONSENT TO CANCELLATION OF SUBLEASE AND
ISSUANCE OF NEW SUBLEASE
(Jacqueline Cochran Regional Airport)

The County of Riverside, a political subdivision of the State of California, ("County") hereby consents to the cancellation of that certain Sub-Lease With Sale of Aviation Hangar dated September 1, 2009 Consented to by the County on January 12, 2010 between John Obradovich and Betty Obradovich, husband and wife, (as Sublessor) and 506063 Alberta Ltd, a Canada corporation, recorded in the Officials Records of the County of Riverside on February 23, 2010, Instrument No. 2010-0081811 and to issuance of that certain new Sub-Lease with Sale of Aviation Hangar dated February 13, 2020, by and between John Obradovich and Betty Obradovich, husband and wife, (as Sublessor) and Lykal Holdings Ltd., a Canada corporation (as Sublessee), a copy of which is attached hereto as Attachment "A" (collectively referred to as the "Sublease Documents"). The Sublease pertains real property located at Jacqueline Cochran Regional Airport in Thermal, California, as more particularly depicted in Exhibit "B" to the Sublease, also known as Hangar # D06.

The Sublease is subject to that certain Lease Desert Resorts Regional Airport dated June 3, 2003 by and between the County (as Lessor) and John Obradovich and Betty Obradovich (as lessee), as amended by that certain First Amendment to Lease Jacqueline Cochran Regional Airport dated September 14, 2004, that certain Second Amendment to Lease Jacqueline Cochran Regional Airport dated September 12, 2006, and that certain Third Amendment to Lease Jacqueline Cochran Regional Airport dated March 17, 2009 (collectively, "Lease") relating to the lease of approximately 9 acres of vacant land, located at the Jacqueline Cochran Regional Airport (formerly known as Desert Resorts Regional Airport), as more fully described in Exhibit "B" to the lease.

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

[Remainder of Page Intentionally Blank]

[Signatures on Following Page]

IN WITNESS WHEREOF, the County has caused its duly authorized representative to execute this Consent to Cancellation of existing Sub-Lease and Issuance of new Sub-Lease with Sale of Aviation Hangar as of the date set forth below.

Date: January 12, 2021

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

By: Karen S. Spiegel
KAREN SPIEGEL, Chair
Board of Supervisors

ATTEST:
Kecia R. Harper
Clerk of the Board

By: Priscilla Raso
Deputy

APPROVED AS TO FORM
Gregory P. Priamos, County Counsel

By: Synthia M. Gunzel
Synthia M. Gunzel
Chief Deputy County Counsel

SUB-LEASE WITH SALE OF AVIATION HANGAR

John Obradovich and Betty Obradovich, herein called Sub-Lessor, sub-leases to Lykal Holdings Ltd., herein called Sub-Lessee, the property described below, upon the following items and conditions.

RECITALS

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

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

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

DESCRIPTION

The premises sub-leased hereby are located within Desert Resorts Regional Airport generally, and within the area leased from County by Sub-Lessor consisting of nine (9) acres and as more particularly shown on **Exhibit "B,"** attached thereto and by this reference, made a part of this sub-lease. The portion of the nine acres being sub-leased is that portion of land occupied in **Building D Hangar # 06** as depicted in **Exhibit "B."** In addition to the forgoing during the term of this lease Sublessor grants to Sublessee the right to ingress and ingress over that portion of the leasehold premises of Sublessor held under the Master Lease and a license to use the taxiway areas as designated by Sublessor.

USE

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

TERM

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

RENT

Sub-Lessee shall pay to Sub-Lessor the sum of \$169.00 per month, payable in advance, on the first day of each month.

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

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

ADDITIONAL OBLIGATIONS OF SUB-LESSEE

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

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

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

SUB-LESSOR'S RESERVED RIGHTS

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

IMPROVEMENTS, REPAIRS & SIGNS

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

INSURANCE

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

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

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

c. The foregoing notwithstanding, this sublease is subject to Section 20 of the Master Lease and Sub-Lessee shall procure and maintain additional coverages specified therein as may be required by County from time to time.

TERMINATION BY SUB-LESSOR

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

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

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

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

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

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

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

TERMINATION BY SUB-LESSEE

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

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

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

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

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

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

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

HOLD HARMLESS

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

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

ASSIGNMENT

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

BINDING ON SUCCESSORS

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

EMPLOYEES AND AGENTS OF SUB-LESSEE

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

COMPLIANCE WITH LAW

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

WAIVER OF PERFORMANCE

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

SEVERABILITY

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

NOTICES

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

SUB-LESSOR:

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

SUB-LESSEE:

Lykal Holdings Ltd.,
A Canada Corporation
Attention: President
5402 Blindman Drive
Red Deer County, Alberta, Canada T4S 2M4

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

VENUE

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

TAXES

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

TOXIC MATERIALS

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

FREE FROM LIENS

Sub-Lessee shall pay, when due, all sums of money that may become due for any labor, services, material, supplies, or equipment, alleged to have been furnished or to be furnished to Sub-Lessee, in, upon or about the sub-leased premises, and which may be secured by a mechanic's, materialmen's, or other lien against the sub-leased premises or County's interest therein, and will cause such lien to be fully discharged and released at the time the performance of any obligation secured by such lien matures or becomes due, provided, however, that if Sub-Lessee desires to contest any such lien provided that it either pays the lien or obtains a bond to allow release of said lien, and then it may do so, but notwithstanding any such contest, if such lien shall be reduced to final judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed, and said stay thereafter expires, then and in such event, Sub-Lessee shall forthwith pay and discharge said judgment.

DISPUTES/DAMAGES

In the event it is necessary to enforce or interpret any provision herein contained, or to recover any rent due or to recover possession of the Premises for any default or breach of the Agreement, the matter shall be submitted to binding arbitration conducted by the American Arbitration Association ("AAA") who shall be

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

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

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

MASTER LEASE/SURVIVAL OF SUB-LEASE

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

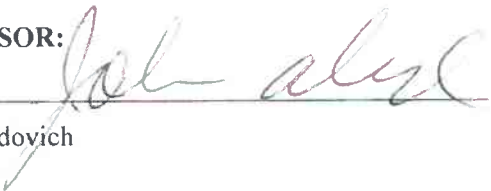
b. In the event the Master Lease is terminated, Sub-Lessee agrees to keep, observe and perform all of the terms and conditions of the Master Lease on the part of the Sub-Lessor to be kept, observed and performed, and Sub-Lessee's right to possession shall remain in effect pursuant to the Master Lease,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

CONSENT BY COUNTY


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

IN WITNESS WHEREOF, this Sublease is executed on February 13, 2020.

SUB-LESSOR:



John Obradovich




Betty Obradovich

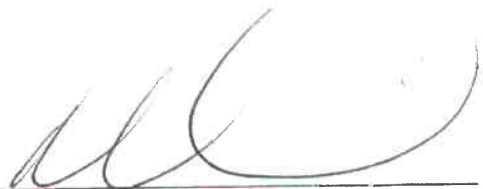
SUB-LESSEE:

Lykal Holdings Ltd., a Canada Corporation

Per:



Lyle Kallis



A Notary Public in and for the Province of
Alberta
Rhonda Elder – Barrister & Solicitor

Attachment D
(Roger Schmidt)
Lease Cancellation Agreement

1 LEASE CANCELLATION AGREEMENT
2 JACQUELINE COCHRAN REGIONAL AIRPORT
3

4 WHEREAS, John Obradovich and Betty Obradovich, hereinafter Sublessor, and
5 Roger Schmidt, herein after Sublessee, as entered into that certain Sublease dated
6 2/21/2006, attached hereto as Exhibit A, and by this reference incorporated herein,
7 relating to land located at Jacqueline Cochran Regional Airport (formerly Desert Resorts
8 Regional Airport), Riverside County, California; and

9 WHEREAS, Sublessor improved the land with a 2,500 square foot aircraft
10 storage hangar; and

11 WHEREAS, Sublessor sold the improvements to Sublessee; and

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

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

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

18 Date: 1/1/2020

SUBLESSEE

19 By: 
20 Roger Schmidt

21
22
23 Date: 1/1/2020

SUBLESSOR

24 By: 
25 John Obradovich

26 By: 
27 Betty Obradovich
28

E10

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California }
County of Riverside

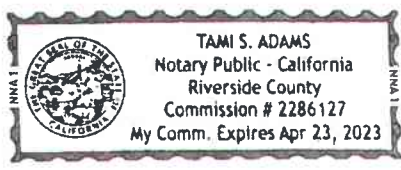
On 1/30/2020 before me, Tami S. Adams, Notary Public
Date Here Insert Name and Title of the Officer

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

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

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

WITNESS my hand and official seal.



Place Notary Seal and/or Stamp Above

Signature Tami S. Adams
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Lease Cancellation

Document Date: 1/1/2020 Number of Pages: _____

Signer(s) Other Than Named Above: Roger Schmidt

Capacity(ies) Claimed by Signer(s)

Signer's Name: John Obradovich
 Corporate Officer - Title(s): _____
 Partner - Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer is Representing: SELF

Signer's Name: Betty Obradovich
 Corporate Officer - Title(s): _____
 Partner - Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer is Representing: SELF

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

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

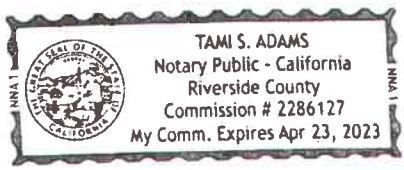
State of California

County of Riverside

On 12/17/2019 before me, Tami S. Adams, Notary Public

personally appeared Roger Schmidt Name(s) of Signer(s)

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



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

WITNESS my hand and official seal.

Signature Tami S Adams

Place Notary Seal and/or Stamp Above

Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Lease Cancellation

Document Date: 1/1/2020 Number of Pages:

Signer(s) Other Than Named Above: John Obradovich, Betty Obradovich

Capacity(ies) Claimed by Signer(s)

Signer's Name: Roger Schmidt
Corporate Officer - Title(s):
Partner - Limited General
Individual Attorney in Fact
Trustee Guardian or Conservator
Other:
Signer is Representing: SELF

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

SUB-LEASE WITH SALE OF AVIATION HANGAR

John Obradovich and Betty Obradovich, herein called Sub-Lessor, sub-leases to Roger Schmidt herein called Sub-Lessee, the property described below, upon the following items and conditions.

RECITALS

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

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

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

DESCRIPTION

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

USE

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

TERM

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

RENT

Sub-Lessee shall pay to Sub-Lessor the sum of \$ 66 per month, payable in advance, on the first day of each month.

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

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

ADDITIONAL OBLIGATIONS OF SUB-LESSEE

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

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

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

SUB-LESSOR'S RESERVED RIGHTS

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

IMPROVEMENTS, REPAIRS & SIGNS

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

INSURANCE

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

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

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

TERMINATION BY SUB-LESSOR

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

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

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

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

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

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

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

TERMINATION BY SUB-LESSEE

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

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

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

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

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

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

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

HOLD HARMLESS

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

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

ASSIGNMENT

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

BINDING ON SUCCESSORS

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

EMPLOYEES AND AGENTS OF SUB-LESSEE

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

COMPLIANCE WITH LAW

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

WAIVER OF PERFORMANCE

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

SEVERABILITY

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

NOTICES

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

SUB-LESSOR:

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

SUB-LESSEE:

Roger Schmidt
PO Box 7030
Big Bear Lake, CA 92315

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

VENUE

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

TAXES

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

TOXIC MATERIALS

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

FREE FROM LIENS

Sub-Lessee shall pay, when due, all sums of money that may become due for any labor, services, material, supplies, or equipment, alleged to have been furnished or to be furnished to Sub-Lessee, in, upon or about the sub-leased premises, and which may be secured by a mechanic's, materialmen's, or other lien against the sub-leased premises or County's interest therein, and will cause such lien to be fully discharged and released at the time the performance of any obligation secured by such lien natures or becomes due, provided, however, that if Sub-Lessee desires to contest any such lien provided that it either pays the lien or obtains a bond to allow release of said lien, and then it may do so, but notwithstanding any such contest, if such lien shall be reduced to final judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so

stayed, and said stay thereafter expires, then and in such event, Sub-Lessee shall forthwith pay and discharge said judgment.

DISPUTES/DAMAGES

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

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

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

MASTER LEASE/SURVIVAL OF SUB-LEASE

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

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

CONSENT BY COUNTY

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

IN WITNESS WHEREOF, this Sublease is executed on February 21, 200⁶.

SUB-LESSOR:
[Signature]
John Obradovich

[Signature]
Betty Obradovich

SUB-LESSEE:
[Signature]
Roger Schmidt

(Bayer) [Signature]
Roger Schmidt

The COUNTY of Riverside hereby consents to the foregoing ^{Sublease} ~~Bill of Sale~~.

LESSOR:
COUNTY OF RIVERSIDE

By: _____
Chairman, Board of Supervisors

By: _____

Date: _____

ATTEST:
Nancy Romero,
Clerk of the Board

FORM APPROVED:
Joe S. Rank,
County Counsel

By: _____
Deputy

By: _____
Deputy

STATE OF CALIFORNIA

)
) SS.

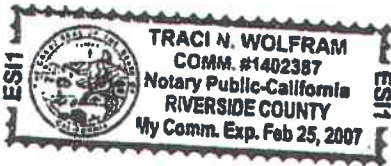
COUNTY OF RIVERSIDE

On January 4, ²⁰⁰⁶ 2005, before me,

Traci N. Wolfram, Notary Public personally appeared
Roger Schmidt

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

WITNESS my hand and official seal.



Traci N. Wolfram
Notary Public

STATE OF CALIFORNIA

)
) SS.
)

COUNTY OF RIVERSIDE

On Feb 21, 2006, 2005, before me,

Diana C. Delgado, Notary Public personally appeared
John Obradovich & Betty Obradovich

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

WITNESS my hand and official seal.



Diana Delgado
Notary Public

BILL OF SALE COUPLED WITH SUB-LEASE

All Inside AV Storage, Inc. hereinafter called the "Seller," hereby sells to Roger Schmidt an individual, hereinafter called the "Buyer," and said Buyer hereby purchases from Seller the property described below, upon the following terms and conditions:

1. **RECITALS.** The Seller owns concrete floor structures and steel buildings labeled as Bldg. A, Bldg. B, Bldg. C, Bldg. D, and Bldg. E at Jacqueline Cochran Regional Airport, Thermal, California, Riverside County, as described on the attached Exhibit "1" also described as Bldg. E, Hangar # 10, the sale of which is the subject of this Agreement and which is intended to convey title thereto for the sum of \$ 140,000.
2. **THIS BILL OF SALE IS SUBJECT TO MASTER LEASE AND COUPLED WITH SUB-LEASE.** This Bill of Sale is subject to that certain Master Lease executed by the County of Riverside and John and Betty Obradovich, dated May 3, 2003, executed June 3, 2002, and amended September 14, 2004, and which instruments affect directly the uses and purposes to which the aforesaid subject personal property may be put. Furthermore, Seller hereby incorporates in this instrument by reference the terms and conditions of that certain "Sub-Lease" executed by the parties hereto on _____ This Bill of Sale shall be enforceable only on the condition that the parties have entered into the aforesaid Sub-Lease.
3. **WARRANTY OF TITLE.** Seller does hereby, for the benefit of Buyer, covenant and agree to warrant and defend title to the aforesaid personal property hereby conveyed, against the just and lawful claims and demands of all persons whomsoever, and Seller further covenants that the aforesaid real property is not subject to liens of any type, including but not limited to liens for unpaid taxes, nor is said personal property subject to a security agreement or financing statement.
4. **REVERSION OF PROPERTY TO SELLER.** The aforesaid Sub-Lease, with which this Bill of Sale is coupled provides for a sub-lease period of approximately 30 years with a 10-year option, during which time the Buyer hereto, subject to certain conditions precedent, may sell, rent, assign, convey, hypothecate, or encumber the personal property subject to is instrument, provided further, that upon the expiration of said Sub-Lease or 30 years with a 10-year option lease period, whichever shall first occur, the personal property subject to this Bill of Sale shall revert to the Seller hereunder, or to Seller's assignee, or to the County of Riverside, which reversion shall be governed by the terms and conditions of the aforesaid Master Lease and all of the aforesaid amendments thereto and the terms and conditions of the aforementioned Sub-Lease between Sub-Lessor and Sub-Lessee. Provided further that in accordance with the aforesaid Sub-Lease, Buyer hereunder shall not sell, rent, assign, hypothecate or encumber the personal property subject to this instrument except upon the express written consent of the county of Riverside and Seller or his assignee hereunder, which consent shall not be unreasonably withheld.
5. **TAX CLAUSE.** During the aforementioned period of possession of Buyer of the personal property, Buyer shall be solely responsible for the payment of the personal property and/or possessory interest taxes and all other taxes levied upon the specific structure by the County of Riverside and/or all other lawfully constituted taxing authorities, and said responsibility shall include real property taxes which may be assessed to Seller, to Seller's successor, or to Buyer in connection with the subject property.
6. **BUYER'S RIGHT TO TRANSFER PROPERTY AND SURVIVAL OF SUB-LEASE.**
 - a. **RIGHT TO TRANSFER.** Seller hereby consents to and agrees that Buyer may convey, assign, or transfer Buyer's interest in or to the subject personal property to one or more individuals; provided however, that such conveyance, assignment, or transfer includes the aforementioned sub-lease and shall be subject to the prior written

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

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

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

SELLER:

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

BUYER:

Roger Schmidt
PO Box 7030
Big Bear Lake, CA 92315

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

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

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

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

IN WITNESS WHEREOF, this Bill of Sale is executed on February 21, 2006.

SELLER:

All Inside AV Storage, Inc.

[Signature]

John Obradovich, President

BUYER:

Roger Schmidt

[Signature]

Roger Schmidt Buyer
Printed Name and Title

LESSEE:

John Obradovich

[Signature]

Betty Obradovich

[Signature]

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

LESSOR:

COUNTY OF RIVERSIDE

By: _____
Chairman, Board of Supervisors

By: _____

Date: _____

ATTEST:

Nancy Romero,
Clerk of the Board

FORM APPROVED:

Joe S. Rank,
County Counsel

By: _____
Deputy

By: _____
Deputy

STATE OF CALIFORNIA)
) SS.
COUNTY OF RIVERSIDE)

On January 4 ²⁰⁰⁶ ~~2005~~, before me, Traci N. Wolfram, Notary Public
personally appeared Roger Schmitt

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

WITNESS my hand and official seal.



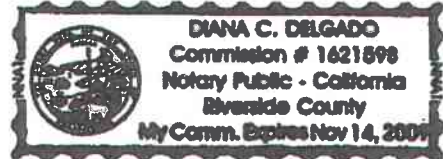
Traci N. Wolfram
Notary Public

STATE OF CALIFORNIA)
) SS.
COUNTY OF RIVERSIDE)

On Feb 21, 2006, 2005, before me, Diana C Delgado, Notary Public
personally appeared John Obradovich & Betty Obradovich

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

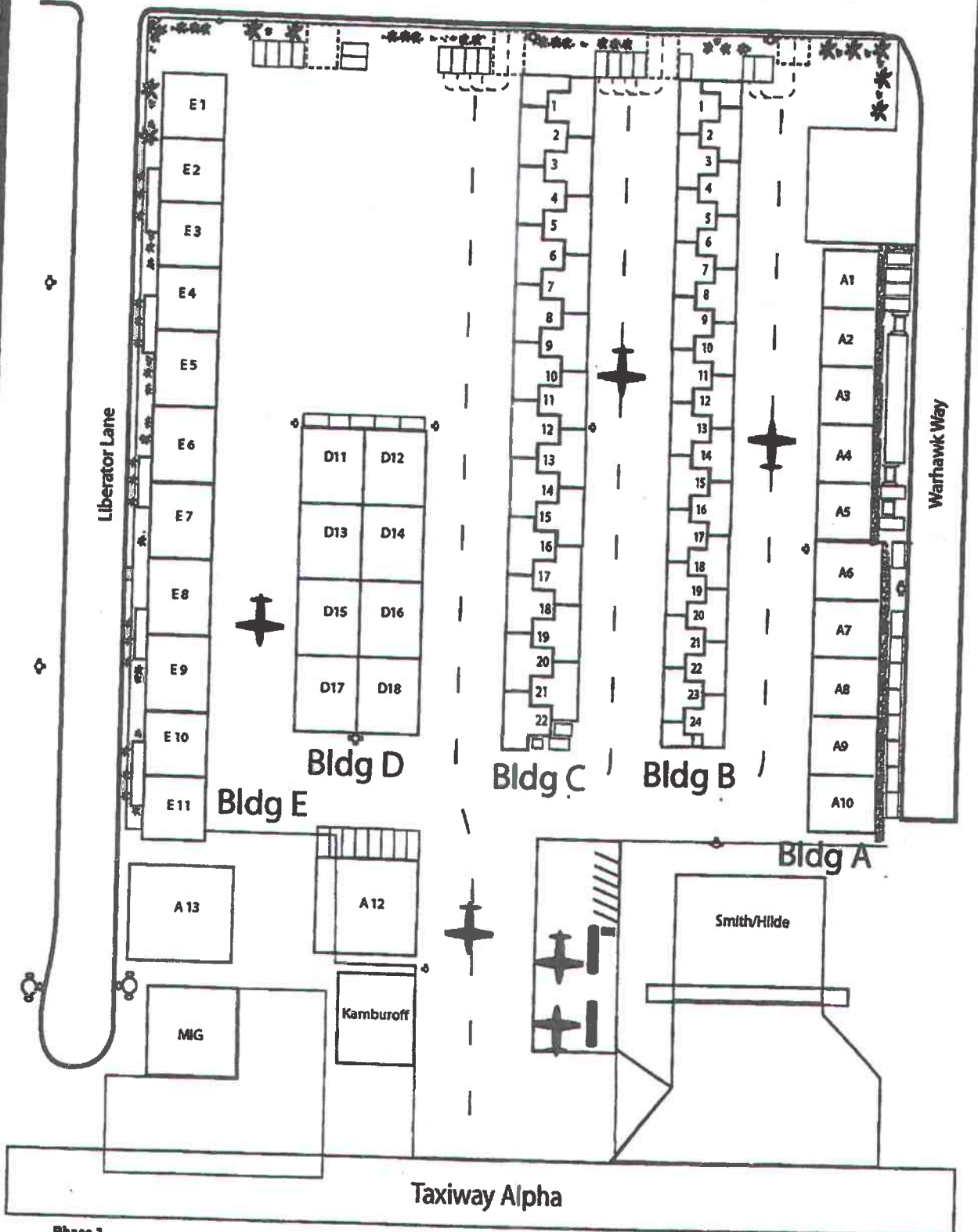
WITNESS my hand and official seal.



Diana C Delgado
Notary Public

Avenger Boulevard

EXHIBIT /



Phase 1

24 Tee Hangars - 42x32' (1050)	=	25,200
2 Tee Ends	=	1,950
5 Mini Box Hangars - 46x45 (2070)	=	10,350
		36,600 Sq Ft.

Phase 2

22 Tee Hangars - 46x40' (1380)	=	30,360
5 Business Box Hangars - 46x55	=	12,450
8 Large Box Hangars - 60x50	=	24,000
		67,010 Sq Ft.

Phase 3

5 Corp. Box Hangars - 60x50	=	15,000
5 Corp. Offices - 10x20	=	1,000
6 Corp. Box Hangars - 50x50	=	15,000
6 Corp. Offices - 10x25	=	1,500
2 Large Box Hangar - 70x75	=	11,700
		44,200 Sq Ft.

Jacqueline Cochran Regional Airport
 County of Riverside Thermal, California

Master Development 9 Acres
All Inside AV Storage and Self Serve Fuel

John & Betty Obradorich
 All Inside AV Storage, Inc
 84-401 Cabazon Center Drive
 Indio, CA 92201
 (760) 399-5961, (760) 775-6800

10-29-04 Drawn by JO Sheet 3 of 1

DESCRIPTION 1-A

THAT PORTION OF THE FOLLOWING DESCRIBED LAND, WHICH IS INCLUDED WITHIN THE LEASED PRELISES AS SET OUT IN THE LEASE OR MEMORANDUM

THAT PORTION OF THE EAST HALF OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 8 EAST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTERLINE INTERSECTION OF VIC HIGGINS DRIVE AND AVENUE 56 (AIRPORT BOULEVARD), SAID POINT BEING THE NORTHEAST CORNER OF SAID SECTION 20;

THENCE SOUTH $00^{\circ} 00' 12''$ EAST, A DISTANCE OF 1,967.78 FEET TO THE CENTERLINE INTERSECTION OF VIC HIGGINS DRIVE AND AVENGER BOULEVARD;

THENCE NORTH $89^{\circ} 58' 40''$ WEST ALONG THE CENTERLINE OF AVENGER BOULEVARD, A DISTANCE OF 462.70 FEET TO THE CENTERLINE INTERSECTION OF AVENGER BOULEVARD AND WARHAWK WAY, THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION;

THENCE CONTINUING NORTH $89^{\circ} 59' 40''$ WEST ALONG THE CENTERLINE OF AVENGER BOULEVARD, A DISTANCE OF 668.58 FEET TO THE CENTERLINE INTERSECTION OF AVENGER BOULEVARD AND LIBERATOR LANE;

THENCE SOUTH ALONG THE CENTERLINE OF LIBERATOR LANE, A DISTANCE OF 658.00 FEET;

THENCE EAST, A DISTANCE OF 178.00 FEET;
THENCE SOUTH, A DISTANCE OF 85.00 FEET;
THENCE EAST, A DISTANCE OF 80.00 FEET;
THENCE SOUTH, A DISTANCE OF 185.00 FEET;
THENCE EAST, A DISTANCE OF 150.00 FEET;
THENCE NORTH, A DISTANCE OF 285.00 FEET;

THENCE EAST, A DISTANCE OF 260.58 FEET TO THE CENTERLINE OF WARHAWK WAY;

THENCE NORTH $00^{\circ} 00' 20''$ WEST, A DISTANCE OF 643.00 FEET TO THE CENTERLINE INTERSECTION OF AVENGER BOULEVARD AND WARHAWK WAY, THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THE NORTHERLY 30.00 FEET.

ALSO EXCEPTING THEREFROM THE WESTERLY 30.00 FEET.

ALSO EXCEPTING THEREFROM THE EXISTING COUNTY MAINTENANCE AREA LOCATED AT THE NORTHEASTERLY CORNER OF THE SUBJECT PROPERTY.

Attachment E
Consent to Bill of Sale Coupled with Sublease

CONSENT TO BILL OF SALE

The County of Riverside, a political subdivision of the State of California, ("County") hereby consents to the Bill of Sale Coupled with Sub-Lease ("Bill of Sale"), dated January 1, 2020, between Roger Schmidt, ("Seller") and The Metcalfe Family Trust dated April 8, 2005; Brian R. Metcalfe and Jennifer G. Metcalfe, as Trustees ("Buyer"), relating to Hangar E10, located at Jacqueline Cochran Regional Airport, Thermal, California ("Hangar"). The Bill of Sale is attached hereto as Exhibit "A".

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 Hangar, whether regarding the quality, adequacy or suitability of the 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 Hangar for Buyer's intended use.

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: January 12, 2021

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

By: Karen S. Spiegel
KAREN SPIEGEL, Chair
Board of Supervisors

ATTEST:
Kecia R. Harper
Clerk of the Board

APPROVED AS TO FORM:
Gregory P. Priamos
County Counsel

By: [Signature]
Deputy

By: Synthia M. Gunzel
Synthia M. Gunzel
Chief Deputy County Counsel

[Brian Metcalfe Trustee Acknowledgement on Following Page]

The Metcalf Family Trust; Brian Metcalfe Trustee hereby acknowledges, agrees and consents to all of the terms set forth in this Consent to Bill of Sale.

By: Brian Metcalfe
Brian Metcalfe, Trustee
The Metcalfe Family Trust

Dated: 1/1/2020

EXHIBIT "A"

Bill of Sale

(behind this page)

BILL OF SALE COUPLED WITH SUB-LEASE

Roger Schmidt, hereinafter called the "Seller," hereby sells to The Metcalfe Family Trust, Brian Metcalfe Trustee hereinafter called the "Buyer," and said Buyer hereby purchases from Seller the property described below, upon the following terms and conditions:

1. **RECITALS.** The Seller owns concrete floor structure and steel building labeled as Bldg E, Hangar # 10 at Jacqueline Cochran Regional Airport, (formerly Desert Regional Resorts Airport) Thermal, California, Riverside County, as described on the attached **Exhibit "1"** also described as **Hangar # E10**, the sale of which is the subject of this Agreement and which is intended to convey title thereto for the sum of \$ 135,000.

2. **THIS BILL OF SALE IS SUBJECT TO MASTER LEASE AND COUPLED WITH SUB-LEASE.** This Bill of Sale is subject to that certain Master Lease executed by the County of Riverside and John and Betty Obradovich, dated April 24, 2003, executed June 3, 2003, and amended September 14, 2004, and September 12, 2006, and March 17, 2009, and which instruments affect directly the uses and purposes to which the aforesaid subject personal property may be put. Furthermore, Seller hereby incorporates in this instrument by reference the terms and conditions of that certain "Sub-Lease" executed by the parties hereto on January 1, 2020. This Bill of Sale shall be enforceable only on the condition that the parties have entered into the aforesaid Sub-Lease.

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

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

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

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

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

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

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

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

SELLER:

Roger Schmidt
PO BOX 7030
Big Bear Lake, CA 92315

BUYER:

The Metcalfe Family Trust; Brian Metcalfe, Trustee
58480 Aracena
La Quinta, CA 92253

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

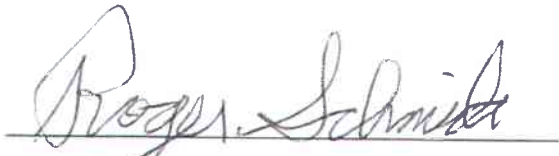
8. **TERMS.** The terms of this Bill of Sale shall be governed by and construed in accordance with the laws of the State of California and the parties hereto stipulate to the jurisdiction of the Riverside County Courts.

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

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

IN WITNESS WHEREOF, this Bill of Sale is executed on January 1, 2020

SELLER:



Roger Schmidt

BUYER:



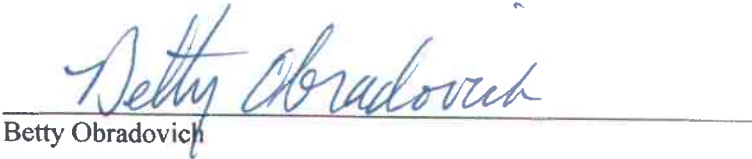
Brian Metcalfe, Trustee

The Metcalfe Family Trust

LESSEE:



John Obradovich



Betty Obradovich

Attachment F
Consent to Sublease with Sale of Aviation Hangar

CONSENT TO CANCELLATION OF SUBLEASE AND
ISSUANCE OF NEW SUBLEASE
(Jacqueline Cochran Regional Airport)

The County of Riverside, a political subdivision of the State of California, ("County") hereby consents to the cancellation of that certain Sub-Lease With Sale of Aviation Hangar dated February 21, 2006 between John Obradovich and Betty Obradovich, husband and wife, (as Sublessor) and Roger Schmidt, an individual, and to issuance of that certain new Sub-Lease with Sale of Aviation Hangar dated January 1, 2020, by and between John Obradovich and Betty Obradovich, husband and wife, (as Sublessor) Brian R. Metcalfe and Jennifer G. Metcalfe, as Trustee of The Metcalfe Family Trust Dated April 8, 2005, (as Sublessee), a copy of which is attached hereto as Attachment "A" (collectively referred to as the "Sublease Documents"). The Sublease pertains real property located at Jacqueline Cochran Regional Airport in Thermal, California, as more particularly depicted in Exhibit "B" to the Sublease, also known as Hangar # E10.

The Sublease is subject to that certain Lease Desert Resorts Regional Airport dated June 3, 2003 by and between the County (as Lessor) and John Obradovich and Betty Obradovich (as lessee), as amended by that certain First Amendment to Lease Jacqueline Cochran Regional Airport dated September 14, 2004, that certain Second Amendment to Lease Jacqueline Cochran Regional Airport dated September 12, 2006, and that certain Third Amendment to Lease Jacqueline Cochran Regional Airport dated March 17, 2009 (collectively, "Lease") relating to the lease of approximately 9 acres of vacant land, located at the Jacqueline Cochran Regional Airport (formerly known as Desert Resorts Regional Airport), as more fully described in Exhibit "B" to the lease.

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

[Remainder of Page Intentionally Blank]

[Signatures on Following Page]

IN WITNESS WHEREOF, the County has caused its duly authorized representative to execute this Consent to Cancellation of existing Sub-Lease and Issuance of new Sublease with Sale of Aviation Hangar as of the date set forth below.

Date: January 12, 2021

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

By: Karen S. Spiegel
KAREN SPIEGEL, Chair
Board of Supervisors

ATTEST:
Kecia R. Harper
Clerk of the Board

By: [Signature]
Deputy

APPROVED AS TO FORM
Gregory P. Priamos, County Counsel

By: Synthia M. Gunzel
Synthia M. Gunzel
Chief Deputy County Counsel

EXHIBIT "A"

SUBLEASE
(behind this page)

SUB-LEASE WITH SALE OF AVIATION HANGAR

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

RECITALS

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

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

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

DESCRIPTION

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

USE

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

TERM

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

RENT

Sub-Lessee shall pay to Sub-Lessor the sum of \$ 153 per month, payable in advance, on the first day of each month.

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

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

ADDITIONAL OBLIGATIONS OF SUB-LESSEE

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

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

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

SUB-LESSOR'S RESERVED RIGHTS

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

IMPROVEMENTS, REPAIRS & SIGNS

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

INSURANCE

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

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

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

c. The foregoing notwithstanding, this sublease is subject to Section 20 of the Master Lease and Sub-Lessee shall procure and maintain additional coverages specified therein as may be required by County from time to time.

TERMINATION BY SUB-LESSOR

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

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

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

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

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

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

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

TERMINATION BY SUB-LESSEE

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

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

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

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

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

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

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

HOLD HARMLESS

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

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

ASSIGNMENT

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

BINDING ON SUCCESSORS

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

EMPLOYEES AND AGENTS OF SUB-LESSEE

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

COMPLIANCE WITH LAW

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

WAIVER OF PERFORMANCE

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

SEVERABILITY

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

NOTICES

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

SUB-LESSOR:

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

SUB-LESSEE:

The Metcalfe Family Trust, Brian Metcalfe Trustee
58480 Aracena
La Quinta, CA 92253

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

VENUE

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

TAXES

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

TOXIC MATERIALS

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

FREE FROM LIENS

Sub-Lessee shall pay, when due, all sums of money that may become due for any labor, services, material, supplies, or equipment, alleged to have been furnished or to be furnished to Sub-Lessee, in, upon or about the sub-leased premises, and which may be secured by a mechanic's, materialmen's, or other lien against the sub-leased premises or County's interest therein, and will cause such lien to be fully discharged and released at the time the performance of any obligation secured by such lien nature or becomes due, provided, however, that if Sub-Lessee desires to contest any such lien provided that it either pays the lien or obtains a bond to allow release of said lien, and then it may do so, but notwithstanding any such contest, if such lien shall be reduced to final judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed, and said stay thereafter expires, then and in such event, Sub-Lessee shall forthwith pay and discharge said judgment.

DISPUTES/DAMAGES

In the event it is necessary to enforce or interpret any provision herein contained, or to recover any rent due or to recover possession of the Premises for any default or breach of the Agreement, the matter shall be submitted to binding arbitration conducted by the American Arbitration Association ("AAA") who shall be selected by mutual agreement of the parties. The Arbitrator shall comply with, and the decision of the Arbitrator

shall be rendered in accordance with, the law of the State of California. The Arbitrator shall have the power to grant all legal and equitable remedies and award compensatory damages provided by California Law, but shall not have the power to award punitive damages. The parties agree to be bound by the decision of the Arbitrator, which shall be final, shall not be appealable, and which shall allow for no trial de novo on the same issues. The Arbitrator's decision shall be rendered within 30 days following submission of the matter at issue, but the failure to comply with this provision shall in no way invalidate any decision or award as may be rendered more than 30 days after submission.

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

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

MASTER LEASE/SURVIVAL OF SUB-LEASE

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

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

CONSENT BY COUNTY

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

IN WITNESS WHEREOF, this Sublease is executed on January 1, 2020.

SUB-LESSOR:

John Obradovich Betty Obradovich
John Obradovich Betty Obradovich

SUB-LESSEE:

Brian Metcalfe, Trustee
Brian Metcalfe, Trustee

Attachment G
(Patrick J. Fleming)
Lease Cancellation Agreement

1 LEASE CANCELLATION AGREEMENT
2 JACQUELINE COCHRAN REGIONAL AIRPORT
3

4 WHEREAS, John Obradovich and Betty Obradovich, hereinafter Sublessor, and
5 Patrick J. Fleming, herein after Sublessee, as entered into that certain Sublease dated
6 3/12/2008, attached hereto as Exhibit A, and by this reference
7 incorporated herein, relating to land located at Jacqueline Cochran Regional Airport (formerly
8 Desert Resorts Regional Airport), Riverside County, California; and

9 WHEREAS, Sublessor improved the land with a 2,070 square foot
10 aircraft storage hangar; and

11 WHEREAS, Sublessor sold the improvements to Sublessee; and

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

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

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

18 Date: 12/1/2019

SUBLESSEE

19 By: 
20 Patrick J. Fleming

21
22
23 Date: 12/1/2019

SUBLESSOR

24 By: 
25 John Obradovich

26 By: 
27 Betty Obradovich
28

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

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

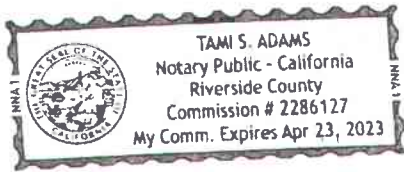
State of California

County of Riverside }

On 1/30/2020 before me, Tami S. Adams, Notary Public
Date Here Insert Name and Title of the Officer

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

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



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

WITNESS my hand and official seal.

Signature Tami S. Adams
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Lease Cancellation A02

Document Date: 12/1/2019 Number of Pages: _____

Signer(s) Other Than Named Above: Patrick J. Fleming

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer – Title(s): _____
 Partner – Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer is Representing: _____

Signer's Name: _____
 Corporate Officer – Title(s): _____
 Partner – Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer is Representing: _____

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

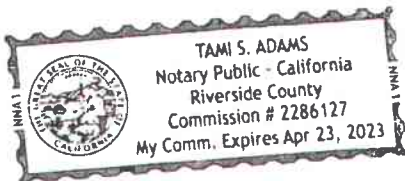
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }
County of Riverside }
On 1/22/2020 before me, Tami S. Adams, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Patrick J. Fleming
Name(s) of Signer(s)

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

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

WITNESS my hand and official seal.



Signature Tami S. Adams
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Lease Cancellation A02
Document Date: 12/1/2019 Number of Pages:
Signer(s) Other Than Named Above: John Obradovich, Betty Obradovich

Capacity(ies) Claimed by Signer(s)

Signer's Name: Patrick J. Fleming
Signer's Name:
Corporate Officer - Title(s):
Partner - Limited General
Individual Attorney in Fact
Trustee Guardian or Conservator
Other:
Signer is Representing:
Signer is Representing:

SUB-LEASE WITH SALE OF AVIATION HANGAR

John Obradovich and Betty Obradovich, herein called Sub-Lessor, sub-leases to Patrick J. Fleming, herein called Sub-Lessee, the property described below, upon the following items and conditions.

RECITALS

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

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

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

DESCRIPTION

The premises sub-leased hereby are located within Desert Resorts Regional Airport generally, and within the area leased from County by Sub-Lessor consisting of nine (9) acres and as more particularly shown on **Exhibit "B,"** attached thereto and by this reference, made a part of this sub-lease. The portion of the nine acres being sub-leased is that portion of land occupied in **Building A Hangar # 2** as depicted in **Exhibit "B."** In addition to the forgoing during the term of this lease Sublessor grants to Sublessee the right to ingress and ingress over that portion of the leasehold premises of Sublessor held under the Master Lease and a license to use the taxiway areas as designated by Sublessor.

USE

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

TERM

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

RENT

Sub-Lessee shall pay to Sub-Lessor the sum of \$ 49.50 per month, payable in advance, on the first day of each month.

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

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

ADDITIONAL OBLIGATIONS OF SUB-LESSEE

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

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

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

SUB-LESSOR'S RESERVED RIGHTS

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

IMPROVEMENTS, REPAIRS & SIGNS

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

INSURANCE

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

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

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

TERMINATION BY SUB-LESSOR

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

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

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

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

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

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

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

TERMINATION BY SUB-LESSEE

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

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

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

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

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

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

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

HOLD HARMLESS

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

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

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

BINDING ON SUCCESSORS

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

EMPLOYEES AND AGENTS OF SUB-LESSEE

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

COMPLIANCE WITH LAW

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

WAIVER OF PERFORMANCE

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

SEVERABILITY

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

NOTICES

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

SUB-LESSOR:

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

SUB-LESSEE:

Patrick Fleming
18 Taylor Ave
Palm Desert, CA 92260

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

VENUE

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

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

TOXIC MATERIALS

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

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Sub-Lessee shall pay, when due, all sums of money that may become due for any labor, services, material, supplies, or equipment, alleged to have been furnished or to be furnished to Sub-Lessee, in, upon or about the sub-leased premises, and which may be secured by a mechanic's, materialmen's, or other lien against the sub-leased premises or County's interest therein, and will cause such lien to be fully discharged and released at the time the performance of any obligation secured by such lien matures or becomes due, provided, however, that if Sub-Lessee desires to contest any such lien provided that it either pays the lien or obtains a bond to allow release of said lien, and then it may do so, but notwithstanding any such contest, if such lien shall be reduced to final judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so

stayed, and said stay thereafter expires, then and in such event, Sub-Lessee shall forthwith pay and discharge said judgment.

DISPUTES/DAMAGES

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

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

MASTER LEASE/SURVIVAL OF SUB-LEASE

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

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

CONSENT BY COUNTY

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

IN WITNESS WHEREOF, this Sublease is executed on 3/12/08, 2007.

SUB-LESSOR:
John Obradovich *Betty Obradovich*
John Obradovich Betty Obradovich

SUB-LESSEE:
Patrick J. Fleming Patrick J. Fleming
Signature Printed Name and Title

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

LESSOR:
COUNTY OF RIVERSIDE

By: _____ By: _____
Chairman, Board of Supervisors

Date: _____

ATTEST:
Nancy Romero,
Clerk of the Board

FORM APPROVED:
Joe S. Rank,
County Counsel

By: _____ By: _____
Deputy Deputy

GENERAL CALIFORNIA ACKNOWLEDGEMENT

STATE OF CALIFORNIA

COUNTY OF Riverside

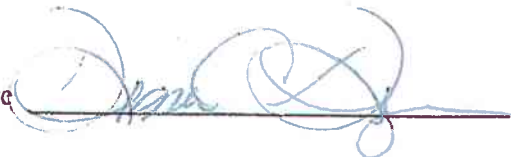
On 3/12/08 before me, Diana C. Delgado, Notary Public, (here insert name and title of the officer)

personally appeared John Obradovich & Betty Obradovich

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

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

WITNESS my hand and official seal.

Signature 



(Seal)

STATE OF CALIFORNIA)
) SS.
COUNTY OF RIVERSIDE)

On _____, 2007, before me,

_____ personally appeared

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

WITNESS my hand and official seal.

Notary Public

STATE OF CALIFORNIA)
) SS.
COUNTY OF RIVERSIDE)

On Feb 15, ⁸⁷ 2007, before me,

Frankie J. Riggle Notary Public personally appeared
Patrick J. Fleming

~~personally known to me~~⁷ (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies); and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Frankie J. Riggle
Notary Public

BILL OF SALE COUPLED WITH SUB-LEASE

Aldina Swan Fleming, hereinafter called the "Seller," hereby sells to Patrick J. Fleming, an individual, hereinafter called the "Buyer," and said Buyer hereby purchases from Seller the property described below, upon the following terms and conditions:

1. **RECITALS.** The Seller owns concrete floor structures and steel buildings labeled as Bldg. A, Bldg. B, Bldg. C, Bldg. D, and Bldg. E at Jacqueline Cochran Regional Airport, Thermal, California, Riverside County, as described on the attached Exhibit "1" also described as Bldg. A, Hangar # 2, the sale of which is the subject of this Agreement and which is intended to convey title thereto for the sum of \$ 0.

2. **THIS BILL OF SALE IS SUBJECT TO MASTER LEASE AND COUPLED WITH SUB-LEASE.** This Bill of Sale is subject to that certain Master Lease executed by the County of Riverside and John and Betty Obradovich, dated April 24, 2003, executed June 3, 2003, and amended September 14, 2004, and September 12, 2006 and which instruments affect directly the uses and purposes to which the aforesaid subject personal property may be put. Furthermore, Seller hereby incorporates in this instrument by reference the terms and conditions of that certain "Sub-Lease" executed by the parties hereto on November 9, 2007. This Bill of Sale shall be enforceable only on the condition that the parties have entered into the aforesaid Sub-Lease.

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

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

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

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

a. **RIGHT TO TRANSFER.** Seller hereby consents to and agrees that Buyer may convey, assign, or transfer Buyer's interest in or to the subject personal property to one or more individuals; provided however, that such conveyance, assignment, or transfer includes the aforementioned sub-lease and shall be subject to the prior written

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

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

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

SELLER:

Aldina Swan Fleming
18 Taylor Ave
Palm Desert, CA 92260

BUYER:

Patrick J. Fleming
18 Taylor Ave
Palm Desert, CA 92260

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

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

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

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

IN WITNESS WHEREOF, this Bill of Sale is executed on February 6th, 2007⁸

SELLER:

Aldina Fleming
Aldina Swan Fleming

Aldina Fleming
Printed Name and Title

BUYER:

Patrick J. Fleming
Patrick J. Fleming

PATRICK J. FLEMING
Printed Name and Title

LESSEE:

John Obradovich
John Obradovich

Betty Obradovich
Betty Obradovich

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

LESSOR:

COUNTY OF RIVERSIDE

By: _____
Chairman, Board of Supervisors

By: _____

Date: _____

ATTEST:

Nancy Romero,
Clerk of the Board

FORM APPROVED:

Joe S. Rank,
County Counsel

By: _____
Deputy

By: _____
Deputy

GENERAL CALIFORNIA ACKNOWLEDGEMENT

STATE OF CALIFORNIA

COUNTY OF Riverside


On 3/12/08 before me, Diana C. Delgado, Notary Public
(here insert name and title of the officer)

personally appeared John Obradovich & Betty Obradovich

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

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

WITNESS my hand and official seal.

Signature 



STATE OF CALIFORNIA)
) SS.
COUNTY OF RIVERSIDE)

On February 6th, 200⁸, before me, Jaron Curvey
Aldina Fleming
personally appeared Aldina Fleming

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

WITNESS my hand and official seal.

Jaron D. Curvey
Notary Public

My commission
Expires: June 21, 2011



STATE OF CALIFORNIA)
) SS.
COUNTY OF RIVERSIDE)

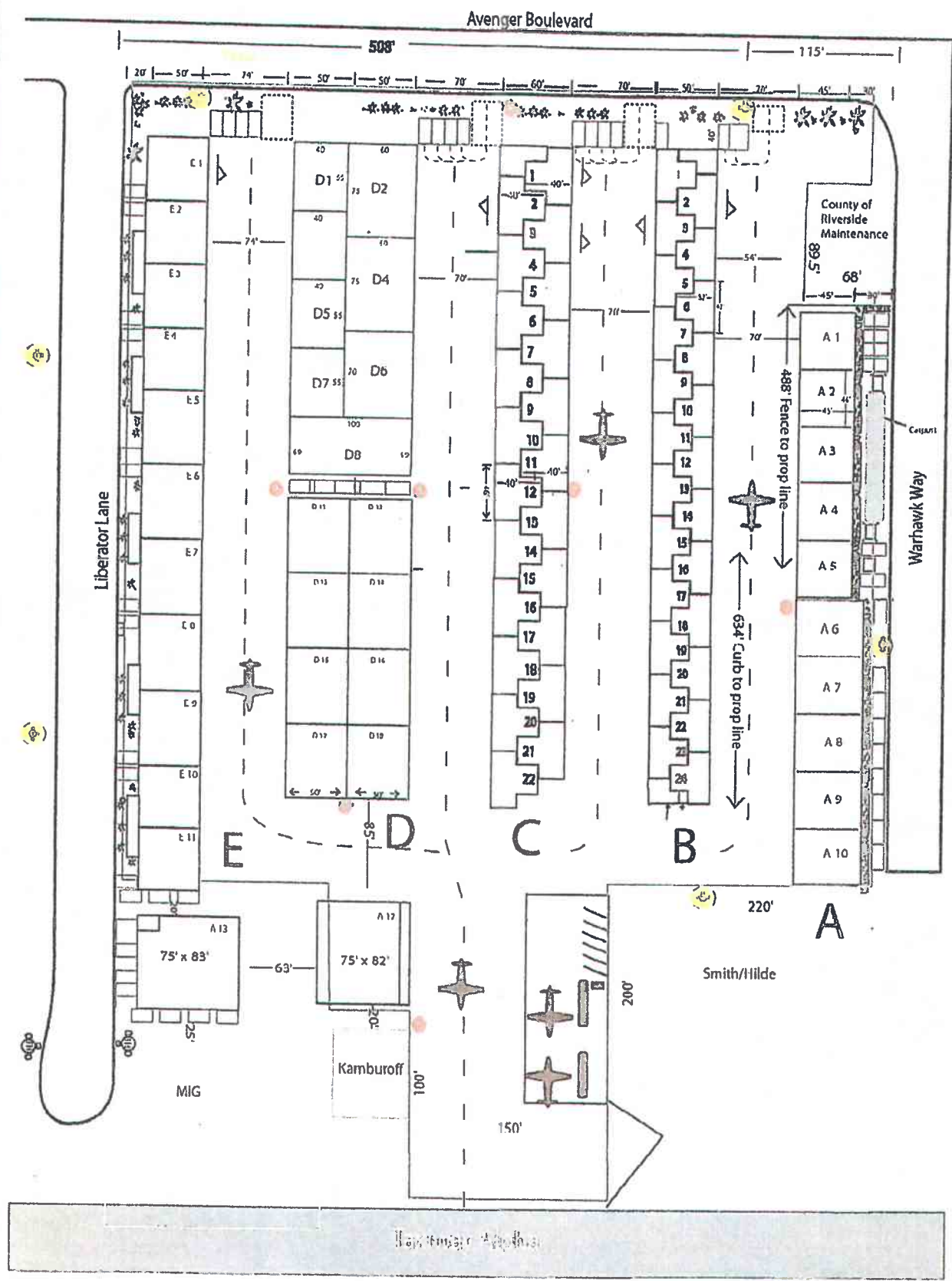
On Feb 19, 200⁸, before me, Frankie J. Riggle, Notary Public
personally appeared Patrick J. Fleming

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

WITNESS my hand and official seal.



Frankie J. Riggle
Notary Public



Thermal Regional Airport
 County of Riverside, Thermal, California
Master Development 9 Acres
All Inside AV Storage and Self Serve Fuel

John & Betty Ubradzich
 All Inside AV Storage, Inc.
 84-401 Colwyn Center Drive
 Indio, CA 92201
 (760) 399-5866, (760) 725-6800

12-18-05 Drawn by JO Sheet 1 of 1

DESCRIPTION 1-A

THAT PORTION OF THE FOLLOWING DESCRIBED LAND, WHICH IS INCLUDED WITHIN THE LEASED PREMISES AS SET OUT IN THE LEASE OR MEMORANDUM

THAT PORTION OF THE EAST HALF OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 8 EAST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTERLINE INTERSECTION OF VIC HIGGINS DRIVE AND AVENUE 56 (AIRPORT BOULEVARD), SAID POINT BEING THE NORTHEAST CORNER OF SAID SECTION 20;

THENCE SOUTH $00^{\circ} 00' 12''$ EAST, A DISTANCE OF 1,967.78 FEET TO THE CENTERLINE INTERSECTION OF VIC HIGGINS DRIVE AND AVENGER BOULEVARD;

THENCE NORTH $89^{\circ} 58' 40''$ WEST ALONG THE CENTERLINE OF AVENGER BOULEVARD, A DISTANCE OF 462.70 FEET TO THE CENTERLINE INTERSECTION OF AVENGER BOULEVARD AND WARHAWK WAY, THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION;

THENCE CONTINUING NORTH $89^{\circ} 59' 40''$ WEST ALONG THE CENTERLINE OF AVENGER BOULEVARD, A DISTANCE OF 668.58 FEET TO THE CENTERLINE INTERSECTION OF AVENGER BOULEVARD AND LIBERATOR LANE;

THENCE SOUTH ALONG THE CENTERLINE OF LIBERATOR LANE, A DISTANCE OF 658.00 FEET;

THENCE EAST, A DISTANCE OF 178.00 FEET;

THENCE SOUTH, A DISTANCE OF 85.00 FEET;

THENCE EAST, A DISTANCE OF 80.00 FEET;

THENCE SOUTH, A DISTANCE OF 185.00 FEET;

THENCE EAST, A DISTANCE OF 150.00 FEET;

THENCE NORTH, A DISTANCE OF 285.00 FEET;

THENCE EAST, A DISTANCE OF 260.58 FEET TO THE CENTERLINE OF WARHAWK WAY;

THENCE NORTH $00^{\circ} 00' 20''$ WEST, A DISTANCE OF 643.00 FEET TO THE CENTERLINE INTERSECTION OF AVENGER BOULEVARD AND WARHAWK WAY, THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THE NORTHERLY 30.00 FEET.

ALSO EXCEPTING THEREFROM THE WESTERLY 30.00 FEET.

ALSO EXCEPTING THEREFROM THE EXISTING COUNTY MAINTENANCE AREA LOCATED AT THE NORTHEASTERLY CORNER OF THE SUBJECT PROPERTY.

Attachment H
Consent to Bill of Sale Coupled with Sublease

CONSENT TO BILL OF SALE

The County of Riverside, a political subdivision of the State of California, ("County") hereby consents to the Bill of Sale Coupled with Sub-Lease ("Bill of Sale"), dated December 1st, 2019, between Patrick J. Fleming, ("Seller") and The Patrick J. Fleming Family Trust UDT dated August 1, 2008; Patrick J. Fleming as Trustee ("Buyer"), relating to Hangar A02, located at Jacqueline Cochran Regional Airport, Thermal, California ("Hangar"). The Bill of Sale is attached hereto as Exhibit "A".

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 Hangar, whether regarding the quality, adequacy or suitability of the 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 Hangar for Buyer's intended use.

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: January 12, 2021

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

By: Karen S. Spiegel
KAREN SPIEGEL, Chair
Board of Supervisors

ATTEST:
Kecia R. Harper
Clerk of the Board

APPROVED AS TO FORM:
Gregory P. Priamos
County Counsel

By: Priscilla Passo
Deputy

By: Synthia M. Gunzel
Synthia M. Gunzel
Chief Deputy County Counsel

[Patrick J. Fleming Trustee Acknowledgement on Following Page]

The Patrick J. Fleming Family Trust UDT dated August 1, 2008; Patrick J. Fleming Trustee hereby acknowledges, agrees and consents to all of the terms set forth in this Consent to Bill of Sale

By: Patrick J. Fleming
Patrick J. Fleming Trustee
The Patrick J, Fleming Family Trust UDT dated August 1, 2008

Dated: 10/5/20

EXHIBIT "A"

Bill of Sale

(behind this page)

BILL OF SALE COUPLED WITH SUB-LEASE

Patrick J. Fleming, hereinafter called the "Seller," hereby sells to The Patrick J. Fleming Family Trust UDT dated August 1, 2008; Patrick J. Fleming Trustee hereinafter called the "Buyer," and said Buyer hereby purchases from Seller the property described below, upon the following terms and conditions:

1. **RECITALS.** The Seller owns concrete floor structure and steel building labeled as Bldg A, Hangar # 2 at Jacqueline Cochran Regional Airport, (formerly Desert Regional Resorts Airport) Thermal, California, Riverside County, as described on the attached **Exhibit "1"** also described as **Hangar # A2**, the sale of which is the subject of this Agreement and which is intended to convey title thereto for the sum of \$ 0

2. **THIS BILL OF SALE IS SUBJECT TO MASTER LEASE AND COUPLED WITH SUB-LEASE.** This Bill of Sale is subject to that certain Master Lease executed by the County of Riverside and John and Betty Obradovich, dated April 24, 2003, executed June 3, 2003, and amended September 14, 2004, and September 12, 2006, and March 17, 2009, and which instruments affect directly the uses and purposes to which the aforesaid subject personal property may be put. Furthermore, Seller hereby incorporates in this instrument by reference the terms and conditions of that certain "Sub-Lease" executed by the parties hereto on 12/1/2019. This Bill of Sale shall be enforceable only on the condition that the parties have entered into the aforesaid Sub-Lease.

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

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

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

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

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

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

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

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

SELLER:

Patrick J. Fleming
18 Taylor Ave
Palm Desert, CA 92260

BUYER:

The Patrick J. Fleming Family Trust UDT dated August 1,2008
Patrick J. Fleming, Trustee
18 Taylor Ave
Palm Desert, CA 92260

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

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

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

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

IN WITNESS WHEREOF, this Bill of Sale is executed on 12/1/2019.

SELLER:

Patrick J. Fleming
Patrick J. Fleming

BUYER:

Patrick J. Fleming
Patrick J. Fleming, Trustee
The Patrick J. Fleming Family Trust UDT dated August 1, 2008

LESSEE:

John Obradovich
John Obradovich

Betty Obradovich
Betty Obradovich

Attachment I
Consent to Sublease with Sale of Aviation Hangar

CONSENT TO CANCELLATION OF SUBLEASE AND
ISSUANCE OF NEW SUBLEASE
(Jacqueline Cochran Regional Airport)

The County of Riverside, a political subdivision of the State of California, ("County") hereby consents to the cancellation of that certain Sub-Lease With Sale of Aviation Hangar dated March 12, 2008 between John Obradovich and Betty Obradovich, husband and wife, (as Sublessor) and Patrick J. Fleming, an individual, and the issuance of that certain new Sub-Lease with Sale of Aviation Hangar dated December 1st, 2019, by and between John Obradovich and Betty Obradovich, husband and wife, (as Sublessor) Patrick J. Fleming, as Trustee of the Patrick J. Fleming Family Trust UDT dated August 1, 2008, (as Sublessee), a copy of which is attached hereto as Attachment "A" (collectively referred to as the "Sublease Documents"). The Sublease pertains real property located at Jacqueline Cochran Regional Airport in Thermal, California, as more particularly depicted in Exhibit "B" to the Sublease, also known as Hangar # A02.

The Sublease is subject to that certain Lease Desert Resorts Regional Airport dated June 3, 2003 by and between the County (as Lessor) and John Obradovich and Betty Obradovich (as lessee), as amended by that certain First Amendment to Lease Jacqueline Cochran Regional Airport dated September 14, 2004, that certain Second Amendment to Lease Jacqueline Cochran Regional Airport dated September 12, 2006, and that certain Third Amendment to Lease Jacqueline Cochran Regional Airport dated March 17, 2009 (collectively, "Lease") relating to the lease of approximately 9 acres of vacant land, located at the Jacqueline Cochran Regional Airport (formerly known as Desert Resorts Regional Airport), as more fully described in Exhibit "B" to the lease.

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

[Remainder of Page Intentionally Blank]

[Signatures on Following Page]

IN WITNESS WHEREOF, the County has caused its duly authorized representative to execute this Consent to Cancellation of existing Sub-Lease and Issuance of new Sublease with Sale of Aviation Hangar as of the date set forth below.

Date: January 12, 2021

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

By: Karen S. Spiegel
KAREN SPIEGEL, Chair
Board of Supervisors

ATTEST:
Kecia R. Harper
Clerk of the Board

By: Priscilla Kasso
Deputy

APPROVED AS TO FORM
Gregory P. Priamos, County Counsel

By: Synthia M. Gunzel
Synthia M. Gunzel
Chief Deputy County Counsel

A02

EXHIBIT "A"

SUBLEASE
(behind this page)

SUB-LEASE WITH SALE OF AVIATION HANGAR

John Obradovich and Betty Obradovich, herein called Sub-Lessor, sub-leases to Patrick J. Fleming, Trustee of The Patrick J. Fleming Trust UDT dated August 1, 2008 herein called Sub-Lessee, the property described below, upon the following items and conditions.

RECITALS

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

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

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

DESCRIPTION

The premises sub-leased hereby are located within Desert Resorts Regional Airport generally, and within the area leased from County by Sub-Lessor consisting of nine (9) acres and as more particularly shown on **Exhibit "B,"** attached thereto and by this reference, made a part of this sub-lease. The portion of the nine acres being sub-leased is that portion of land occupied in **Building A Hangar # 2** as depicted in **Exhibit "B."** In addition to the forgoing during the term of this lease Sublessor grants to Sublessee the right to ingress and ingress over that portion of the leasehold premises of Sublessor held under the Master Lease and a license to use the taxiway areas as designated by Sublessor.

USE

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

TERM

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

RENT

Sub-Lessee shall pay to Sub-Lessor the sum of \$ 114 per month, payable in advance, on the first day of each month.

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

The monthly rent is due and payable on or before the first of the appropriate month during the term of this lease agreement and shall be considered delinquent, if not paid by the 15th of the month. If the monthly rent

becomes delinquent, lessee will be charged a late fee equivalent to ten percent (10%) of the delinquent rental amount, exclusive of late fees, for each month that rent is delinquent.

ADDITIONAL OBLIGATIONS OF SUB-LESSEE

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

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

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

SUB-LESSOR'S RESERVED RIGHTS

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

IMPROVEMENTS, REPAIRS & SIGNS

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

INSURANCE

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

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

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

c. The foregoing notwithstanding, this sublease is subject to Section 20 of the Master Lease and Sub-Lessee shall procure and maintain additional coverages specified therein as may be required by County from time to time.

TERMINATION BY SUB-LESSOR

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

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

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

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

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

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

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

TERMINATION BY SUB-LESSEE

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

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

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

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

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

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

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

HOLD HARMLESS

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

ASSIGNMENT

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

BINDING ON SUCCESSORS

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

EMPLOYEES AND AGENTS OF SUB-LESSEE

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

COMPLIANCE WITH LAW

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

WAIVER OF PERFORMANCE

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

SEVERABILITY

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

NOTICES

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

SUB-LESSOR:

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

SUB-LESSEE:

Patrick J. Fleming Trustee
The Patrick J. Fleming Trust UDT dated August 1, 2008
18 Taylor Ave
Palm Desert, CA 92260-0602

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

VENUE

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

TAXES

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

TOXIC MATERIALS

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

FREE FROM LIENS

Sub-Lessee shall pay, when due, all sums of money that may become due for any labor, services, material, supplies, or equipment, alleged to have been furnished or to be furnished to Sub-Lessee, in, upon or about the sub-leased premises, and which may be secured by a mechanic's, materialmen's, or other lien against the sub-leased premises or County's interest therein, and will cause such lien to be fully discharged and released at the time the performance of any obligation secured by such lien matures or becomes due, provided, however, that if Sub-Lessee desires to contest any such lien provided that it either pays the lien or obtains a bond to allow release of said lien, and then it may do so, but notwithstanding any such contest, if such lien shall be reduced to final judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed, and said stay thereafter expires, then and in such event, Sub-Lessee shall forthwith pay and discharge said judgment.

DISPUTES/DAMAGES

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

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

You are agreeing to have any dispute arising out of the matters included in the "Arbitration of Disputes" provision decided by neutral arbitration as provided by California Law, and you are giving up any rights you might possess to have the dispute litigated in a court or jury trial. You are giving up your judicial rights to

discovery and appeal, unless those rights are specifically included in the "Arbitration of Disputes" provision. If you refuse to submit to Arbitration after agreeing to this provision, you may be compelled to arbitrate under the authority of the California Code of Civil Procedure. Your agreement to this arbitration provision is voluntary.

MASTER LEASE/SURVIVAL OF SUB-LEASE

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

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

CONSENT BY COUNTY

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

IN WITNESS WHEREOF, this Sublease is executed on 12/1/2019

SUB-LESSOR:



John Obradovich



Betty Obradovich

SUB-LESSEE:



Patrick J. Fleming, Trustee

The Patrick J. Fleming Trust UDT dated August 1, 2008

Attachment J
(Robert Anderson)
Lease Cancellation Agreement

1 LEASE CANCELLATION AGREEMENT
2 JACQUELINE COCHRAN REGIONAL AIRPORT
3

4 WHEREAS, John Obradovich and Betty Obradovich, hereinafter Sublessor, and
5 Robert Anderson, herein after Sublessee, as entered into that certain Sublease dated January
6 3, 2006, attached hereto as Exhibit A, and by this reference incorporated herein, relating to land
7 located at Jacqueline Cochran Regional Airport (formerly Desert Resorts Regional Airport),
8 Riverside County, California; and

9 WHERAS, Sublessor improved the land with a 2,025 square foot aircraft storage hangar,
10 and

11 WHEREAS, Sublessor sold the improvements to Sublessee; and

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

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

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

17
18 Date: 9/14/2020

SUBLESSEE

19
20 By: Robert Anderson
21 Robert Anderson

22 Date: _____

SUBLESSOR

23
24 By: _____
25 John Obradovich

26 By: _____
27 Betty Obradovich
28

1 LEASE CANCELLATION AGREEMENT
2 JACQUELINE COCHRAN REGIONAL AIRPORT
3

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5 Robert Anderson, herein after Sublessee, as entered into that certain Sublease dated January
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8 Riverside County, California; and

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10 and

11 WHEREAS, Sublessor sold the improvements to Sublessee; and

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

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

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

17
18 Date: _____

SUBLESSEE

19
20 By: _____
21 Robert Anderson

22 Date: _____

SUBLESSOR

23
24 By: 
25 John Obradovich

26 By: 
27 Betty Obradovich
28

1
2
3 A notary public or other officer completing this certificate verifies only the identity of the individual who
4 signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of
5 that document.
6

7
8
9
10 State of California)

11 County of RIVERSIDE)
12

13 On 9-14- 2020 before me, MARY E. STEELE, Notary Public,
14

15 personally appeared ROBERT ANDERSON .

16 who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is are
17 subscribed to the within instrument and acknowledged to me that he she /they executed the same in
18 his her /their authorized capacity~~(ies)~~, and that by his her /their signature~~(s)~~ on the instrument the
19 person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.
20

21 I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
22 paragraph is true and correct.
23

24 WITNESS my hand and official seal.

25 Mary E Steele
26
27
28



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

State of California)
County of Riverside)

On 9/18 2020 before me, Tami S. Adams, Notary Public,
personally appeared John and Betty Obradovich

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

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

WITNESS my hand and official seal.

Tami S. Adams



EXHIBIT "A"

Sub-Lease with Sale of Aviation Hangar Coupled with Sub-Lease recorded 10/06/2006 DOC # 2006-0741672

RECORDING REQUESTED
 ALL INSIDE AV STORAGE, INC.
 AND WHEN RECORDED MAIL TO:

Robert Anderson
 250 H Street #839
 Blaine, WA 98230

DOC # 2006-0741672
 10/06/2006 08:00A Fee:55.00
 Page 1 of 17 Doc T Tax Paid
 Recorded in Official Records
 County of Riverside
 Larry W. Ward
 Assessor, County Clerk & Recorder



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Sub-Lease with Sale of Aviation Hangar Coupled with Sub-Lease

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SUB-LEASE WITH SALE OF AVIATION HANGAR

John Obradovich and Betty Obradovich, herein called Sub-Lessor, sub-leases to Robert Anderson herein called Sub-Lessee, the property described below, upon the following items and conditions.

RECITALS

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

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

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

DESCRIPTION

The premises sub-leased hereby are located within Desert Resorts Regional Airport generally, and within the area leased from County by Sub-Lessor consisting of nine (9) acres and as more particularly shown on Exhibit "B," attached thereto and by this reference, made a part of this sub-lease. The portion of the nine acres being sub-leased is that portion of land occupied in Building A Hangar # 5 as depicted in Exhibit "B." In addition to the forgoing during the term of this lease Sublessor grants to Sublessee the right to ingress and ingress over that portion of the leasehold premises of Sublessor held under the Master Lease and a license to use the taxiway areas as designated by Sublessor.

USE

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

TERM

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

RENT

Sub-Lessee shall pay to Sub-Lessor the sum of \$ 49.50 per month, payable in advance, on the first day of each month.



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10/08/2006 08:00A
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The monthly rent shall be subject to adjustment as of the dates and in the amounts as described in Section 5, paragraphs (d) and (e) of the Master Lease. In no event shall any adjustment be a negative adjustment.

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

ADDITIONAL OBLIGATIONS OF SUB-LESSEE

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

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

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

SUB-LESSOR'S RESERVED RIGHTS

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

IMPROVEMENTS, REPAIRS & SIGNS

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

INSURANCE

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

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

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



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TERMINATION BY SUB-LESSOR

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

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

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

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

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

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

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

TERMINATION BY SUB-LESSEE

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

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

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

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

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

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

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

HOLD HARMLESS

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



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10/06/2006 08:00A
4 of 17

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

ASSIGNMENT

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

BINDING ON SUCCESSORS

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

EMPLOYEES AND AGENTS OF SUB-LESSEE

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

COMPLIANCE WITH LAW

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

WAIVER OF PERFORMANCE

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

SEVERABILITY

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

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



2006-0741672
10/06/2008 08:00A
5 of 17

SUB-LESSOR:

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

SUB-LESSEE:

Robert Anderson
250 H Street #839
Blaine, WA 98230

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

VENUE

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

TAXES

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

TOXIC MATERIALS

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

FREE FROM LIENS

Sub-Lessee shall pay, when due, all sums of money that may become due for any labor, services, material, supplies, or equipment, alleged to have been furnished or to be furnished to Sub-Lessee, in, upon or about the sub-leased premises, and which may be secured by a mechanic's, materialmen's, or other lien against the sub-leased premises or County's interest therein, and will cause such lien to be fully discharged and released at the time the performance of any obligation secured by such lien matures or becomes due, provided, however, that if Sub-Lessee desires to contest any such lien provided that it either pays the lien or obtains a bond to allow release of said lien, and then it may do so, but notwithstanding any such contest, if such lien shall be reduced to final judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so



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stayed, and said stay thereafter expires, then and in such event, Sub-Lessee shall forthwith pay and discharge said judgment.

DISPUTES/DAMAGES

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

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

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

MASTER LEASE/SURVIVAL OF SUB-LEASE

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

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

CONSENT BY COUNTY

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



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IN WITNESS WHEREOF, this Sublease is executed on January 3, 2008⁶

SUB-LESSOR:

[Signature]
John Obradovich

[Signature]
Betty Obradovich

SUB-LESSEE:

[Signature]
Robert Anderson

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

LESSOR:

COUNTY OF RIVERSIDE

By: [Signature]
Chairman, Board of Supervisors
Bob Buster



Date: 4-11-06

ATTEST:

Nancy Romero,
Clerk of the Board

By: [Signature]
Deputy

FORM APPROVED:

Joe S. Rank,
County Counsel

By: [Signature] 3/8/06
Deputy



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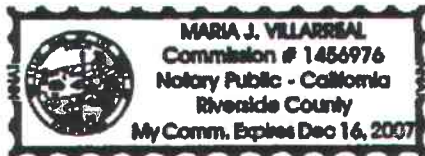
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
 County of Riverside } ss.

On April 11, 2006, before me, Maria J. Villarreal, Notary Public,
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")
 personally appeared Bob Ruster
Name(s) of Signer(s)

personally known to me
 proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Maria J. Villarreal
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

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

Signer is Representing: _____



STATE OF CALIFORNIA)
) SS.
COUNTY OF RIVERSIDE)

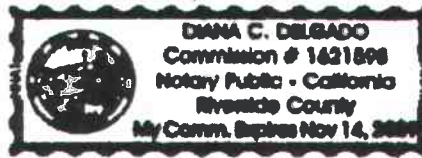
On January 3rd, 2006, 2005, before me,

Diana C. Delgado personally appeared
Betty Ann Obradovich, John R. Obradovich & Robert Anderson
John R. Obradovich

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

WITNESS my hand and official seal.


Notary Public



STATE OF CALIFORNIA)
) SS.
COUNTY OF RIVERSIDE)

On _____, 2005, before me,

_____ personally appeared

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

WITNESS my hand and official seal.

Notary Public



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BILL OF SALE COUPLED WITH SUB-LEASE

All Inside AV Storage, Inc. hereinafter called the "Seller," hereby sells to Robert Anderson, an individual, hereinafter called the "Buyer," and said Buyer hereby purchases from Seller the property described below, upon the following terms and conditions:

1. **RECITALS.** The Seller owns concrete floor structures and steel buildings labeled as Bldg. A, Bldg. B, Bldg. C, Bldg. D, and Bldg. E at Jacqueline Cochran Regional Airport, Thermal, California, Riverside County, as described on the attached Exhibit "1" also described as Bldg A, Hangar # 5, the sale of which is the subject of this Agreement and which is intended to convey title thereto for the sum of \$ 134,550.
2. **THIS BILL OF SALE IS SUBJECT TO MASTER LEASE AND COUPLED WITH SUB-LEASE.** This Bill of Sale is subject to that certain Master Lease executed by the County of Riverside and John and Betty Obradovich, dated May 3, 2003, executed June 3, 2002, and amended September 14, 2004, and which instruments affect directly the uses and purposes to which the aforesaid subject personal property may be put. Furthermore, Seller hereby incorporates in this instrument by reference the terms and conditions of that certain "Sub-Lease" executed by the parties hereto on January 3, 2006. This Bill of Sale shall be enforceable only on the condition that the parties have entered into the aforesaid Sub-Lease.
3. **WARRANTY OF TITLE.** Seller does hereby, for the benefit of Buyer, covenant and agree to warrant and defend title to the aforesaid personal property hereby conveyed, against the just and lawful claims and demands of all persons whomsoever, and Seller further covenants that the aforesaid real property is not subject to liens of any type, including but not limited to liens for unpaid taxes, nor is said personal property subject to a security agreement or financing statement.
4. **REVERSION OF PROPERTY TO SELLER.** The aforesaid Sub-Lease, with which this Bill of Sale is coupled provides for a sub-lease period of approximately 30 years with a 10-year option, during which time the Buyer hereto, subject to certain conditions precedent, may sell, rent, assign, convey, hypothecate, or encumber the personal property subject to is instrument, provided further, that upon the expiration of said Sub-Lease or 30 years with a 10-year option lease period, whichever shall first occur, the personal property subject to this Bill of Sale shall revert to the Seller hereunder, or to Seller's assignee, or to the County of Riverside, which reversion shall be governed by the terms and conditions of the aforesaid Master Lease and all of the aforesaid amendments thereto and the terms and conditions of the aforementioned Sub-Lease between Sub-Lessor and Sub-Lessee. Provided further that in accordance with the aforesaid Sub-Lease, Buyer hereunder shall not sell, rent, assign, hypothecate or encumber the personal property subject to this instrument except upon the express written consent of the county of Riverside and Seller or his assignee hereunder, which consent shall not be unreasonably withheld.
5. **TAX CLAUSE.** During the aforementioned period of possession of Buyer of the personal property, Buyer shall be solely responsible for the payment of the personal property and/or possessory interest taxes and all other taxes levied upon the specific structure by the County of Riverside and/or all other lawfully constituted taxing authorities, and said responsibility shall include real property taxes which may be assessed to Seller, to Seller's successor, or to Buyer in connection with the subject property.
6. **BUYER'S RIGHT TO TRANSFER PROPERTY AND SURVIVAL OF SUB-LEASE.**
 - a. **RIGHT TO TRANSFER.** Seller hereby consents to and agrees that Buyer may convey, assign, or transfer Buyer's interest in or to the subject personal property to one or more individuals; provided however, that such conveyance, assignment, or transfer includes the aforementioned sub-lease and shall be subject to the prior written



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

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

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

SELLER:

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

BUYER:

Robert Anderson
250 H Street #839
Blaine, WA 98230

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

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

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

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



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IN WITNESS WHEREOF, this Bill of Sale is executed on January 3, 2005⁶

SELLER:

All Inside AV Storage, Inc.

[Signature]
John Obradovich, President

BUYER:

[Signature]
Robert Anderson

Printed Name and Title

Signature

Printed Name and Title

LESSEE:

[Signature]
John Obradovich

[Signature]
Betty Obradovich

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

LESSOR:

COUNTY OF RIVERSIDE

By: [Signature]

Chairman, Board of Supervisors
Bob Buster



Date: 4-11-06

ATTEST:

Nancy Romero,
Clerk of the Board

By: [Signature]

Deputy

FORM APPROVED:

Joe S. Rank,
County Counsel

By: [Signature]

Deputy



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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
County of Riverside } ss.

On April 11, 2006, before me, Maria J. Villarreal, Notary Public,
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Bob Buster
Name(s) of Signer(s)

personally known to me
 proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Maria J. Villarreal
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

Individual

Corporate Officer — Title(s): _____

Partner — Limited General

Attorney in Fact

Trustee

Guardian or Conservator

Other: _____

Signer Is Representing: _____



STATE OF CALIFORNIA)
) SS.
COUNTY OF RIVERSIDE)

On ND January 3 ²⁰⁰⁶ 2005, before me, Diana C. Delgado ND
personally appeared Betty Ann Obradorich, John Robert Obradorich
& Robert Anderson ^{John} Obradorich

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

WITNESS my hand and official seal.

Diana Delgado
Notary Public



STATE OF CALIFORNIA)
) SS.
COUNTY OF RIVERSIDE)

On _____, 2005, before me, _____
personally appeared _____

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

WITNESS my hand and official seal.

Notary Public



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DESCRIPTION 1-A

THAT PORTION OF THE FOLLOWING DESCRIBED LAND, WHICH IS INCLUDED WITHIN THE LEASED PRELISES AS SET OUT IN THE LEASE OR MEMORANDUM

THAT PORTION OF THE EAST HALF OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 8 EAST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTERLINE INTERSECTION OF VIC HIGGINS DRIVE AND AVENUE 56 (AIRPORT BOULEVARD), SAID POINT BEING THE NORTHEAST CORNER OF SAID SECTION 20;

THENCE SOUTH $00^{\circ} 00' 12''$ EAST, A DISTANCE OF 1,967.78 FEET TO THE CENTERLINE INTERSECTION OF VIC HIGGINS DRIVE AND AVENGER BOULEVARD;

THENCE NORTH $89^{\circ} 58' 40''$ WEST ALONG THE CENTERLINE OF AVENGER BOULEVARD, A DISTANCE OF 462.70 FEET TO THE CENTERLINE INTERSECTION OF AVENGER BOULEVARD AND WARHAWK WAY, THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION;

THENCE CONTINUING NORTH $89^{\circ} 59' 40''$ WEST ALONG THE CENTERLINE OF AVENGER BOULEVARD, A DISTANCE OF 668.58 FEET TO THE CENTERLINE INTERSECTION OF AVENGER BOULEVARD AND LIBERATOR LANE;

THENCE SOUTH ALONG THE CENTERLINE OF LIBERATOR LANE, A DISTANCE OF 658.00 FEET;

THENCE EAST, A DISTANCE OF 178.00 FEET;
THENCE SOUTH, A DISTANCE OF 85.00 FEET;
THENCE EAST, A DISTANCE OF 80.00 FEET;
THENCE SOUTH, A DISTANCE OF 185.00 FEET;
THENCE EAST, A DISTANCE OF 150.00 FEET;
THENCE NORTH, A DISTANCE OF 285.00 FEET;

THENCE EAST, A DISTANCE OF 260.58 FEET TO THE CENTERLINE OF WARHAWK WAY;

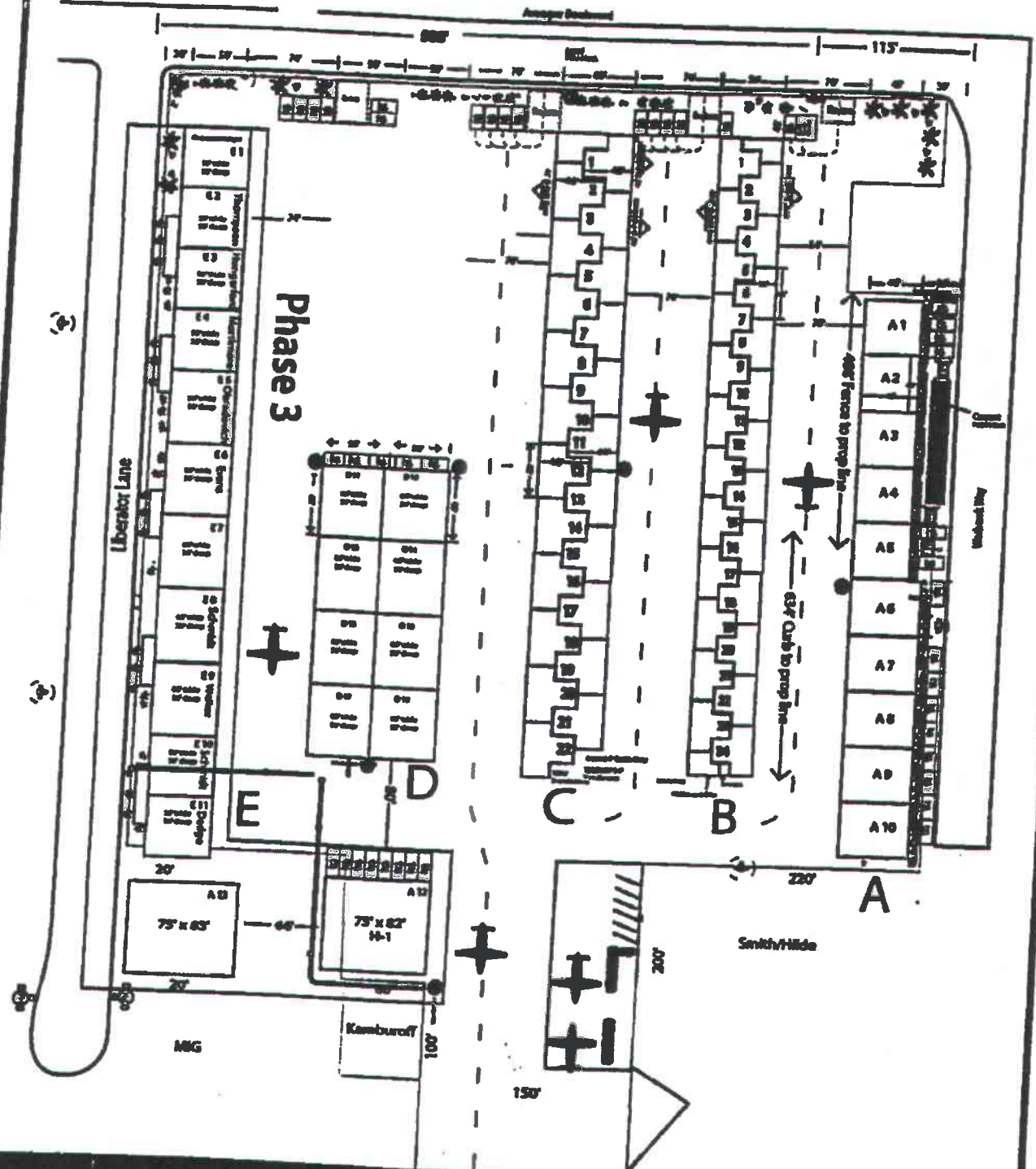
THENCE NORTH $00^{\circ} 00' 20''$ WEST, A DISTANCE OF 643.00 FEET TO THE CENTERLINE INTERSECTION OF AVENGER BOULEVARD AND WARHAWK WAY, THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THE NORTHERLY 30.00 FEET.
ALSO EXCEPTING THEREFROM THE WESTERLY 30.00 FEET.

ALSO EXCEPTING THEREFROM THE EXISTING COUNTY MAINTENANCE AREA LOCATED AT THE NORTHEASTERLY CORNER OF THE SUBJECT PROPERTY.



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Taxiway Alpha

Phase 1

34 Tie Hangars - 47'x127' (7000')	=	28,200
2 Tie Bldg	=	1,000
5 Small Box Hangars - 40x60 (2070')	=	14,500
		43,700 Sq Ft.

Phase 2

22 Tie Hangars - 47'x127' (1,200')	=	30,200
3 Subtotal Box Hangars - 40x60	=	12,000
6 Large Box Hangars - 60x120	=	24,000
		66,200 Sq Ft.

Phase 3

5 Corp. Box Hangars - 60x120	=	15,000
5 Corp. Offices - 10x20	=	1,000
6 Corp. Box Hangars - 50x100	=	12,000
6 Corp. Offices - 10x20	=	1,000
3 Large Box Hangars - 70x120	=	11,500
		40,500 Sq Ft.

Thermal Regional Airport
 County of Riverside, Thermal, California
Master Development: 9 Acres
All Inside AV Storage and Self-Serve Fuel
 John & Nancy Olmos/Av
 All Inside AV Storage, Inc.
 96-091 Colton Court Colton
 California 92311



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Attachment K
Consent to Bill of Sale Coupled with Sublease

CONSENT TO BILL OF SALE

The County of Riverside, a political subdivision of the State of California, ("County") hereby consents to the Bill of Sale Coupled with Sub-Lease ("Bill of Sale"), dated September 18, 2020, between Robert Anderson, ("Seller") and Michael J. Herzog, as Trustee of the Herzog Revocable Living Trust dated 1/19/2011, ("Buyer"), relating to Hangar A05, located at Jacqueline Cochran Regional Airport, Thermal, California ("Hangar"). The Bill of Sale is attached hereto as Exhibit "A".

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 Hangar, whether regarding the quality, adequacy or suitability of the 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 Hangar for Buyer's intended use.

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: January 12, 2021

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

By: Karen S. Spiegel
KAREN SPIEGEL, Chair
Board of Supervisors

ATTEST:
Kecia R. Harper
Clerk of the Board


APPROVED AS TO FORM:
Gregory P. Priamos
County Counsel

By: Michelle Rasso
Deputy

By: Synthia M. Gunzel
Synthia M. Gunzel
Chief Deputy County Counsel

[Michael J. Herzog Trustee Acknowledgement on Following Page]

Michael J. Herzog, Trustee of the Herzog Revocable Living Trust dated 1/19/2011, hereby acknowledges, agrees and consents to all of the terms set forth in this Consent to Bill of Sale.

By: 
Michael J. Herzog, Trustee
The Herzog Revocable Living Trust dated 1/19/2011

Dated: 10-1-2020

EXHIBIT "A"

Bill of Sale

(behind this page)

BILL OF SALE COUPLED WITH SUB-LEASE

Robert Anderson hereinafter called the "Seller," hereby sells to Michael J. Herzog, Trustee of the Herzog Revocable Living Trust dated 1/19/2011 hereinafter called the "Buyer," and said Buyer hereby purchases from Seller the property described below, upon the following terms and conditions:

1. **RECITALS.** The Seller owns concrete floor structure and steel building labeled as Bldg A, Hangar # 5 at Jacqueline Cochran Regional Airport, (formerly Desert Regional Resorts Airport) Thermal, California, Riverside County, as described on the attached **Exhibit "1"** also described as **Hangar # 5**, the sale of which is the subject of this Agreement and which is intended to convey title thereto for the sum of \$ 105,000.00.

2. **THIS BILL OF SALE IS SUBJECT TO MASTER LEASE AND COUPLED WITH SUB-LEASE.** This Bill of Sale is subject to that certain Master Lease executed by the County of Riverside and John and Betty Obradovich, dated April 24, 2003, executed June 3, 2003, and amended September 14, 2004, and September 12, 2006, and March 17, 2009, and which instruments affect directly the uses and purposes to which the aforesaid subject personal property may be put. Furthermore, Seller hereby incorporates in this instrument by reference the terms and conditions of that certain "Sub-Lease" executed by the parties hereto on September 19, 2009 This Bill of Sale shall be enforceable only on the condition that the parties have entered into the aforesaid Sub-Lease.

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

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

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

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

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

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

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

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

SELLER:

Robert Anderson
79405 Hwy 111, Ste.9-383
La Quinta, CA 92253

BUYER:

Michael J. Herzog, Trustee of the Herzog Revocable Living
Trust dated 1/19/2011
1450 N W Putnam Rd.
Bend OR 97703

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

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

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

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

IN WITNESS WHEREOF, this Bill of Sale is executed on 9/14, 2020

SELLER:

Robert Anderson

Robert Anderson

Robert Anderson

Signature

BUYER:

Michael J. Herzog, Trustee of the
Herzog Revocable Living Trust dated 1/19/2011

Signature

LESSEE:

John Obradovich

Betty Obradovich


IN WITNESS WHEREOF, this Bill of Sale is executed on September 18, 2020

SELLER:

Robert Anderson

Signature

BUYER:



Michael J. Herzog, Trustee of the
Herzog Revocable Living Trust dated 1/19/2011

Signature

LESSEE:

John Obradovich

Betty Obradovich

IN WITNESS WHEREOF, this Bill of Sale is executed on September 18, 2020.

SELLER:

Robert Anderson

Signature

BUYER:

Michael J. Herzog, Trustee of the
Herzog Revocable Living Trust dated 1/19/2011

Signature

LESSEE:

John Obradovich

John Obradovich

Betty Obradovich

Betty Obradovich

Attachment L
Consent to Sublease with Sale of Aviation Hangar

CONSENT TO CANCELLATION OF SUBLEASE AND ISSUANCE OF NEW SUBLEASE
(Jacqueline Cochran Regional Airport)

The County of Riverside, a political subdivision of the State of California, ("County") hereby consents to the cancellation of that certain Sub-Lease With Sale of Aviation Hangar dated January 3, 2006 between John Obradovich and Betty Obradovich, husband and wife, (as Sublessor) and the issuance of that certain new Sub-Lease with Sale of Aviation Hangar dated September 18th, 2020, by and between John Obradovich and Betty Obradovich, husband and wife, (as Sublessor) Michael J. Herzog, as Trustee of the Herzog Revocable Living Trust dated 1/19/2011, (as Sublessee), a copy of which is attached hereto as Attachment "A" (collectively referred to as "Sublease Documents"). The Sublease pertains real property located at Jacqueline Cochran Regional Airport in Thermal, California, as more particularly depicted in Exhibit "A" to the Sublease, also known as Hangar # A05.

The Sublease is subject to that certain Lease Desert Resorts Regional Airport dated June 3, 2003 by and between the County (as Lessor) and John Obradovich and Betty Obradovich (as lessee), as amended by that certain First Amendment to Lease Jacqueline Cochran Regional Airport dated September 14, 2004, that certain Second Amendment to Lease Jacqueline Cochran Regional Airport dated September 12, 2006, and that certain Third Amendment to Lease Jacqueline Cochran Regional Airport dated March 17, 2009 (collectively, "Lease") relating to the lease of approximately 9 acres of vacant land, located at the Jacqueline Cochran Regional Airport (formerly known as Desert Resorts Regional Airport), as more fully described in Exhibit "A" to the lease.

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

[Remainder of Page Intentionally Blank]

[Signatures on Following Page]

IN WITNESS WHEREOF, the County has caused its duly authorized representative to execute this Consent to Cancellation of existing Sublease and Issuance of new Sublease with Sale of Aviation Hangar as of the date set forth below.

Date: January 12, 2021

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

By: Karen S. Spiegel
KAREN SPIEGEL, Chair
Board of Supervisors

ATTEST:
Kecia R. Harper
Clerk of the Board

By: Priscilla Castro
Deputy

APPROVED AS TO FORM
Gregory P. Priamos, County Counsel

By: Synthia M. Gunzel
Synthia M. Gunzel
Chief Deputy County Counsel

SUB-LEASE WITH SALE OF AVIATION HANGAR

John Obradovich and Betty Obradovich, herein called Sub-Lessor, sub-leases to Michael J. Herzog, Trustee of the Herzog Revocable Living Trust dated 1/19/2011 herein called Sub-Lessee, the property described below, upon the following items and conditions.

RECITALS

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

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

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

DESCRIPTION

The premises sub-leased hereby are located within Desert Resorts Regional Airport generally, and within the area leased from County by Sub-Lessor consisting of nine (9) acres and as more particularly shown on **Exhibit "B,"** attached thereto and by this reference, made a part of this sub-lease. The portion of the nine acres being sub-leased is that portion of land occupied in **Building A Hangar # 5** as depicted in **Exhibit "B."** In addition to the forgoing during the term of this lease Sublessor grants to Sublessee the right to ingress and egress over that portion of the leasehold premises of Sublessor held under the Master Lease and a license to use the taxiway areas as designated by Sublessor.

USE

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

TERM

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

RENT

Sub-Lessee shall pay to Sub-Lessor the sum of \$ 114.00 per month, payable in advance, on the first day of each month.

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

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

ADDITIONAL OBLIGATIONS OF SUB-LESSEE

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

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

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

SUB-LESSOR'S RESERVED RIGHTS

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

IMPROVEMENTS, REPAIRS & SIGNS

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

INSURANCE

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

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

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

c. The foregoing notwithstanding, this sublease is subject to Section 20 of the Master Lease and Sub-Lessee shall procure and maintain additional coverages specified therein as may be required by County from time to time.

TERMINATION BY SUB-LESSOR

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

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

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

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

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

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

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

TERMINATION BY SUB-LESSEE

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

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

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

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

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

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

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

HOLD HARMLESS

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

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

ASSIGNMENT

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

BINDING ON SUCCESSORS

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

EMPLOYEES AND AGENTS OF SUB-LESSEE

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

COMPLIANCE WITH LAW

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

WAIVER OF PERFORMANCE

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

SEVERABILITY

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

NOTICES

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

SUB-LESSOR:

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

SUB-LESSEE:

Michael J. Herzog, Trustee of the Herzog
Revocable Living Trust dated 1/19/2011
1450 N W Putnam Rd.
Bend, OR 97703

A05

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

VENUE

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

TAXES

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

TOXIC MATERIALS

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

FREE FROM LIENS

Sub-Lessee shall pay, when due, all sums of money that may become due for any labor, services, material, supplies, or equipment, alleged to have been furnished or to be furnished to Sub-Lessee, in, upon or about the sub-leased premises, and which may be secured by a mechanic's, materialmen's, or other lien against the sub-leased premises or County's interest therein, and will cause such lien to be fully discharged and released at the time the performance of any obligation secured by such lien matures or becomes due, provided, however, that if Sub-Lessee desires to contest any such lien provided that it either pays the lien or obtains a bond to allow release of said lien, and then it may do so, but notwithstanding any such contest, if such lien shall be reduced to final judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed, and said stay thereafter expires, then and in such event, Sub-Lessee shall forthwith pay and discharge said judgment.

DISPUTES/DAMAGES

In the event it is necessary to enforce or interpret any provision herein contained, or to recover any rent due or to recover possession of the Premises for any default or breach of the Agreement, the matter shall be submitted to binding arbitration conducted by the American Arbitration Association ("AAA") who shall be selected by mutual agreement of the parties. The Arbitrator shall comply with, and the decision of the Arbitrator

shall be rendered in accordance with, the law of the State of California. The Arbitrator shall have the power to grant all legal and equitable remedies and award compensatory damages provided by California Law, but shall not have the power to award punitive damages. The parties agree to be bound by the decision of the Arbitrator, which shall be final, shall not be appealable, and which shall allow for no trial de novo on the same issues. The Arbitrator's decision shall be rendered within 30 days following submission of the matter at issue, but the failure to comply with this provision shall in no way invalidate any decision or award as may be rendered more than 30 days after submission.

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

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

MASTER LEASE/SURVIVAL OF SUB-LEASE

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

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

CONSENT BY COUNTY

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

IN WITNESS WHEREOF, this Sublease is executed on September 18, 2020

SUB-LESSOR:


John Obradovich



Betty Obradovich

SUB-LESSEE:

The Herzog Revocable Living Trust
dated 1/19/2011

By: _____
Michael J. Herzog, Trustee

CONSENT BY COUNTY

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

IN WITNESS WHEREOF, this Sublease is executed on September 18, 2020

SUB-LESSOR:

John Obradovich

Betty Obradovich

SUB-LESSEE:

The Herzog Revocable Living Trust
dated 1/19/2011

By: _____


Michael J. Herzog, Trustee

Attachment M
(JC Aviation Investments)
Lease Cancellation Agreement

1 LEASE CANCELLATION AGREEMENT

2 JACQUELINE COCHRAN REGIONAL AIRPORT

3
4 WHEREAS, John Obradovich and Betty Obradovich, hereinafter Sublessor, and
5 JC Aviation Investments, LLC, herein after Sublessee, as entered into that certain Sublease
6 dated 12/18/2006, attached hereto as Exhibit A, and by this reference incorporated herein,
7 relating to land located at Jacqueline Cochran Regional Airport (formerly Desert Resorts
8 Regional Airport), Riverside County, California; and

9 WHEREAS, Sublessor improved the land with a 4,500 square foot aircraft storage
10 hangar; and

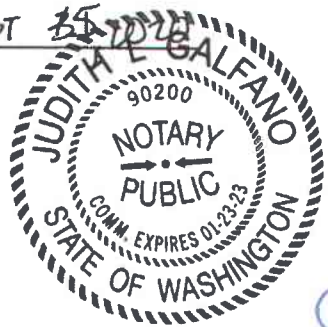
11 WHEREAS, Sublessor sold the improvements to Sublessee; and

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

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

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

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18 Date: August 25, 2020



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SUBLESSEE

By: [Signature]
JC Aviation Investments, LLC
Chase Englehart, Manager

[Signature]

Date: 8/15/2020

SUBLESSOR

By: [Signature]
John Obradovich

By: [Signature]
Betty Obradovich

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California

County of Riverside }

On 9/18/2020 before me, Tami S Adams, Notary Public
Date Here Insert Name and Title of the Officer

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

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

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

WITNESS my hand and official seal.



Place Notary Seal and/or Stamp Above

Signature Tami S Adams
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Lease Cancellation - DOA

Document Date: 8/15/2020 Number of Pages: _____

Signer(s) Other Than Named Above: Chase Englehart

Capacity(ies) Claimed by Signer(s)

Signer's Name: John Obradovich

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

Signer is Representing: SELF

Signer's Name: Betty Obradovich

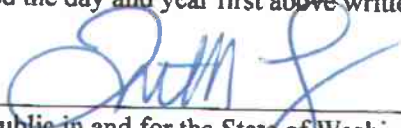
- Corporate Officer - Title(s): _____
- Partner - Limited General
- Individual Attorney in Fact
- Trustee Guardian or Conservator
- Other: _____

Signer is Representing: SELF

STATE OF WASHINGTON)
)
COUNTY OF KING) ss.

On this 31st day of August, 2020, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Chase Englehart by and behalf of JC Aviation Investments, LLC, a Washington limited liability company, known to be the Manager of JC Aviation Investments, LLC that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said limited liability company, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Notary Public in and for the State of Washington
Printed Name: JUDITH L. GALFANO

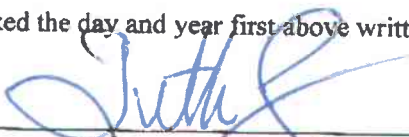
My appointment expires: 1/23/2023



STATE OF WASHINGTON)
)
COUNTY OF KING) ss.

On this 31st day of August, 2020, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Chase Englehart by and behalf of 7092020 LLC, a Washington limited liability company, known to be the Manager of 7092020 LLC that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Notary Public in and for the State of Washington
Printed Name: JUDITH L. GALFANO

My appointment expires: 1/23/2023



SUB-LEASE WITH SALE OF AVIATION HANGAR

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

RECITALS

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

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

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

DESCRIPTION

The premises sub-leased hereby are located within Desert Resorts Regional Airport generally, and within the area leased from County by Sub-Lessor consisting of nine (9) acres and as more particularly shown on Exhibit "B," attached thereto and by this reference, made a part of this sub-lease. The portion of the nine acres being sub-leased is that portion of land occupied in Building D Hangar # 2 as depicted in Exhibit "B." In addition to the forgoing during the term of this lease Sublessor grants to Sublessee the right to ingress and ingress over that portion of the leasehold premises of Sublessor held under the Master Lease and a license to use the taxiway areas as designated by Sublessor.

USE

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

TERM

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

RENT

Sub-Lessee shall pay to Sub-Lessor the sum of \$ 78 per month, payable in advance, on the first day of each month.

MAY 22 2007 5.15

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

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

ADDITIONAL OBLIGATIONS OF SUB-LESSEE

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

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

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

SUB-LESSOR'S RESERVED RIGHTS

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

IMPROVEMENTS, REPAIRS & SIGNS

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

INSURANCE

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

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

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

TERMINATION BY SUB-LESSOR

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

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

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

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

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

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

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

TERMINATION BY SUB-LESSEE

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

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

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

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

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

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

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

HOLD HARMLESS

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

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

ASSIGNMENT

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

BINDING ON SUCCESSORS

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

EMPLOYEES AND AGENTS OF SUB-LESSEE

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

COMPLIANCE WITH LAW

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

WAIVER OF PERFORMANCE

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

SEVERABILITY

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

NOTICES

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

SUB-LESSOR:

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

SUB-LESSEE:

J.C. Investments, LLC
7213 Perimeter Road South
Seattle, WA 98108

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

VENUE

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

TAXES

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

TOXIC MATERIALS

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

FREE FROM LIENS

Sub-Lessee shall pay, when due, all sums of money that may become due for any labor, services, material, supplies, or equipment, alleged to have been furnished or to be furnished to Sub-Lessee, in, upon or about the sub-leased premises, and which may be secured by a mechanic's, materialmen's, or other lien against the sub-leased premises or County's interest therein, and will cause such lien to be fully discharged and released at the time the performance of any obligation secured by such lien matures or becomes due, provided, however, that if Sub-Lessee desires to contest any such lien provided that it either pays the lien or obtains a bond to allow release of said lien, and then it may do so, but notwithstanding any such contest, if such lien shall be reduced to final judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so

stayed, and said stay thereafter expires, then and in such event, Sub-Lessee shall forthwith pay and discharge said judgment.

DISPUTES/DAMAGES

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

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

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

MASTER LEASE/SURVIVAL OF SUB-LEASE

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

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

CONSENT BY COUNTY

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

IN WITNESS WHEREOF, this Sublease is executed on 12-18, 2006.

SUB-LESSOR:

[Signature]
John Obradovich

[Signature]
Betty Obradovich

SUB-LESSEE:

[Signature]
Signature

S.B.J. CLARK - MEMBER
Printed Name and Title

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

LESSOR:

COUNTY OF RIVERSIDE

By: [Signature]
JOHN TAVAGLIONE
Chairman, Board of Supervisors

By: _____

Date: MAY 22 2007

ATTEST:

Nancy Romero,
Clerk of the Board

By: [Signature]
Deputy

FORM APPROVED:

Joe S. Rank,
County Counsel

By: [Signature] 5/2/07
Deputy

MAY 22 2007 3:15

STATE OF CALIFORNIA)
) SS.
COUNTY OF RIVERSIDE)

On December 18, 2006, before me,
Diana C. Delgado, Notary Public personally appeared
John Obradovich & Betty Obradovich

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

WITNESS my hand and official seal.



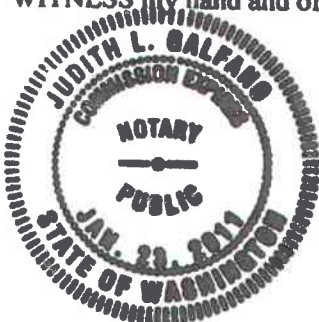
[Signature]
Notary Public

WASHINGTON
~~STATE OF CALIFORNIA~~)
) SS.
KING)
~~COUNTY OF RIVERSIDE~~)

On FEBRUARY 12, ²⁰⁰⁷~~2006~~, before me,
JUDITH L. GOLFANO, NOTARY PUBLIC personally appeared
S. D. J. CLARK

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

WITNESS my hand and official seal.



[Signature]
Notary Public

STATE OF CALIFORNIA

COUNTY OF RIVERSIDE

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On this 22nd day of May in the year 2007, before me, Sandi Schlemmer, Deputy Clerk of the Board of Supervisors, Riverside County, State of California, and for said County and State, personally appeared John Tavaglione personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who whose name subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity on behalf of which the person acted, executed this instrument.

WITNESS my hand and official seal.

Nancy Romero, Clerk of the Board of Supervisors

By



Deputy

(SEAL)

BILL OF SALE COUPLED WITH SUB-LEASE

All Inside AV Storage, Inc. hereinafter called the "Seller," hereby sells to J.C. Investments, LLC, a corporation, hereinafter called the "Buyer," and said Buyer hereby purchases from Seller the property described below, upon the following terms and conditions:

1. **RECITALS.** The Seller owns concrete floor structures and steel buildings labeled as Bldg. A, Bldg. B, Bldg. C, Bldg. D, and Bldg. E at Jacqueline Cochran Regional Airport, Thermal, California, Riverside County, as described on the attached Exhibit "1" also described as Bldg D, Hangar # 2, the sale of which is the subject of this Agreement and which is intended to convey title thereto for the sum of \$ 250,000.
2. **THIS BILL OF SALE IS SUBJECT TO MASTER LEASE AND COUPLED WITH SUB-LEASE.** This Bill of Sale is subject to that certain Master Lease executed by the County of Riverside and John and Betty Obradovich, dated April 24, 2003, executed June 3, 2003, and amended September 14, 2004, and September 12, 2006 and which instruments affect directly the uses and purposes to which the aforesaid subject personal property may be put. Furthermore, Seller hereby incorporates in this instrument by reference the terms and conditions of that certain "Sub-Lease" executed by the parties hereto on 12-18-06. This Bill of Sale shall be enforceable only on the condition that the parties have entered into the aforesaid Sub-Lease.
3. **WARRANTY OF TITLE.** Seller does hereby, for the benefit of Buyer, covenant and agree to warrant and defend title to the aforesaid personal property hereby conveyed, against the just and lawful claims and demands of all persons whomsoever, and Seller further covenants that the aforesaid real property is not subject to liens of any type, including but not limited to liens for unpaid taxes, nor is said personal property subject to a security agreement or financing statement.
4. **REVERSION OF PROPERTY TO SELLER.** The aforesaid Sub-Lease, with which this Bill of Sale is coupled provides for a sub-lease period of approximately 30 years with a 10-year option, during which time the Buyer hereto, subject to certain conditions precedent, may sell, rent, assign, convey, hypothecate, or encumber the personal property subject to is instrument, provided further, that upon the expiration of said Sub-Lease or 30 years with a 10-year option lease period, whichever shall first occur, the personal property subject to this Bill of Sale shall revert to the Seller hereunder, or to Seller's assignee, or to the County of Riverside, which reversion shall be governed by the terms and conditions of the aforesaid Master Lease and all of the aforesaid amendments thereto and the terms and conditions of the aforementioned Sub-Lease between Sub-Lessor and Sub-Lessee. Provided further that in accordance with the aforesaid Sub-Lease, Buyer hereunder shall not sell, rent, assign, hypothecate or encumber the personal property subject to this instrument except upon the express written consent of the county of Riverside and Seller or his assignee hereunder, which consent shall not be unreasonably withheld.
5. **TAX CLAUSE.** During the aforementioned period of possession of Buyer of the personal property, Buyer shall be solely responsible for the payment of the personal property and/or possessory interest taxes and all other taxes levied upon the specific structure by the County of Riverside and/or all other lawfully constituted taxing authorities, and said responsibility shall include real property taxes which may be assessed to Seller, to Seller's successor, or to Buyer in connection with the subject property.
6. **BUYER'S RIGHT TO TRANSFER PROPERTY AND SURVIVAL OF SUB-LEASE.**
 - a. **RIGHT TO TRANSFER.** Seller hereby consents to and agrees that Buyer may convey, assign, or transfer Buyer's interest in or to the subject personal property to one or more individuals; provided however, that such conveyance, assignment, or transfer includes the aforementioned sub-lease and shall be subject to the prior written

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

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

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

SELLER:

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

BUYER:

J. C. Investments, LLC
7213 Perimeter Road South
Seattle, WA 98108

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

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

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

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

IN WITNESS WHEREOF, this Bill of Sale is executed on 12-18-, 2006.

SELLER:

All Inside AV Storage, Inc.

[Signature]
John Obradovich, President

BUYER:

[Signature] S.B.J. Clark MEMBER
Signature Printed Name and Title

Signature Printed Name

LESSEE:

[Signature]
John Obradovich

[Signature]
Betty Obradovich

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

LESSOR:

COUNTY OF RIVERSIDE

By: [Signature] By: _____
JOHN TAVAGLIONE
Chairman, Board of Supervisors

Date: MAY 22 2007

ATTEST:

Nancy Romero,
Clerk of the Board

FORM APPROVED:

Joe S. Rank,
County Counsel

By: [Signature]
Deputy

By: Gordon V. Ubo 5/2/07
Deputy

STATE OF CALIFORNIA)
) SS.
COUNTY OF RIVERSIDE)

On December 18, 2006, before me, Diana C. Delgado, Notary Public
personally appeared John Obradovich & Betty Obradovich

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

WITNESS my hand and official seal.



Diana C. Delgado
Notary Public

WASHINGTON
STATE OF CALIFORNIA)
) SS.
KING)
COUNTY OF RIVERSIDE)

On FEBRUARY 12, ²⁰⁰⁷~~2006~~, before me, JUDITH L. GOLFANO, NOTARY PUBLIC
personally appeared S. B. J. CLARK

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

WITNESS my hand and official seal.



Judith L. Golfano
Notary Public

STATE OF CALIFORNIA

COUNTY OF RIVERSIDE

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On this 22nd day of May in the year 2007, before me, Sandi Schlemmer, Deputy Clerk of the Board of Supervisors, Riverside County, State of California, and for said County and State, personally appeared John Tavaglione personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who whose name subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity on behalf of which the person acted, executed this instrument.

WITNESS my hand and official seal.

Nancy Romero, Clerk of the Board of Supervisors

By: Sandi Schlemmer
Deputy

(SEAL)

DESCRIPTION 1-A

THAT PORTION OF THE FOLLOWING DESCRIBED LAND, WHICH IS INCLUDED WITHIN THE LEASED PREMISES AS SET OUT IN THE LEASE OR MEMORANDUM

THAT PORTION OF THE EAST HALF OF SECTION 20, TOWNSHIP 6 SOUTH, RANGE 8 EAST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTERLINE INTERSECTION OF VIC HIGGINS DRIVE AND AVENUE 56 (AIRPORT BOULEVARD), SAID POINT BEING THE NORTHEAST CORNER OF SAID SECTION 20;

THENCE SOUTH $00^{\circ} 00' 12''$ EAST, A DISTANCE OF 1,967.78 FEET TO THE CENTERLINE INTERSECTION OF VIC HIGGINS DRIVE AND AVENGER BOULEVARD;

THENCE NORTH $89^{\circ} 58' 40''$ WEST ALONG THE CENTERLINE OF AVENGER BOULEVARD, A DISTANCE OF 462.70 FEET TO THE CENTERLINE INTERSECTION OF AVENGER BOULEVARD AND WARHAWK WAY, THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION;

THENCE CONTINUING NORTH $89^{\circ} 59' 40''$ WEST ALONG THE CENTERLINE OF AVENGER BOULEVARD, A DISTANCE OF 668.58 FEET TO THE CENTERLINE INTERSECTION OF AVENGER BOULEVARD AND LIBERATOR LANE;

THENCE SOUTH ALONG THE CENTERLINE OF LIBERATOR LANE, A DISTANCE OF 658.00 FEET;

THENCE EAST, A DISTANCE OF 178.00 FEET;

THENCE SOUTH, A DISTANCE OF 85.00 FEET;

THENCE EAST, A DISTANCE OF 80.00 FEET;

THENCE SOUTH, A DISTANCE OF 185.00 FEET;

THENCE EAST, A DISTANCE OF 150.00 FEET;

THENCE NORTH, A DISTANCE OF 285.00 FEET;

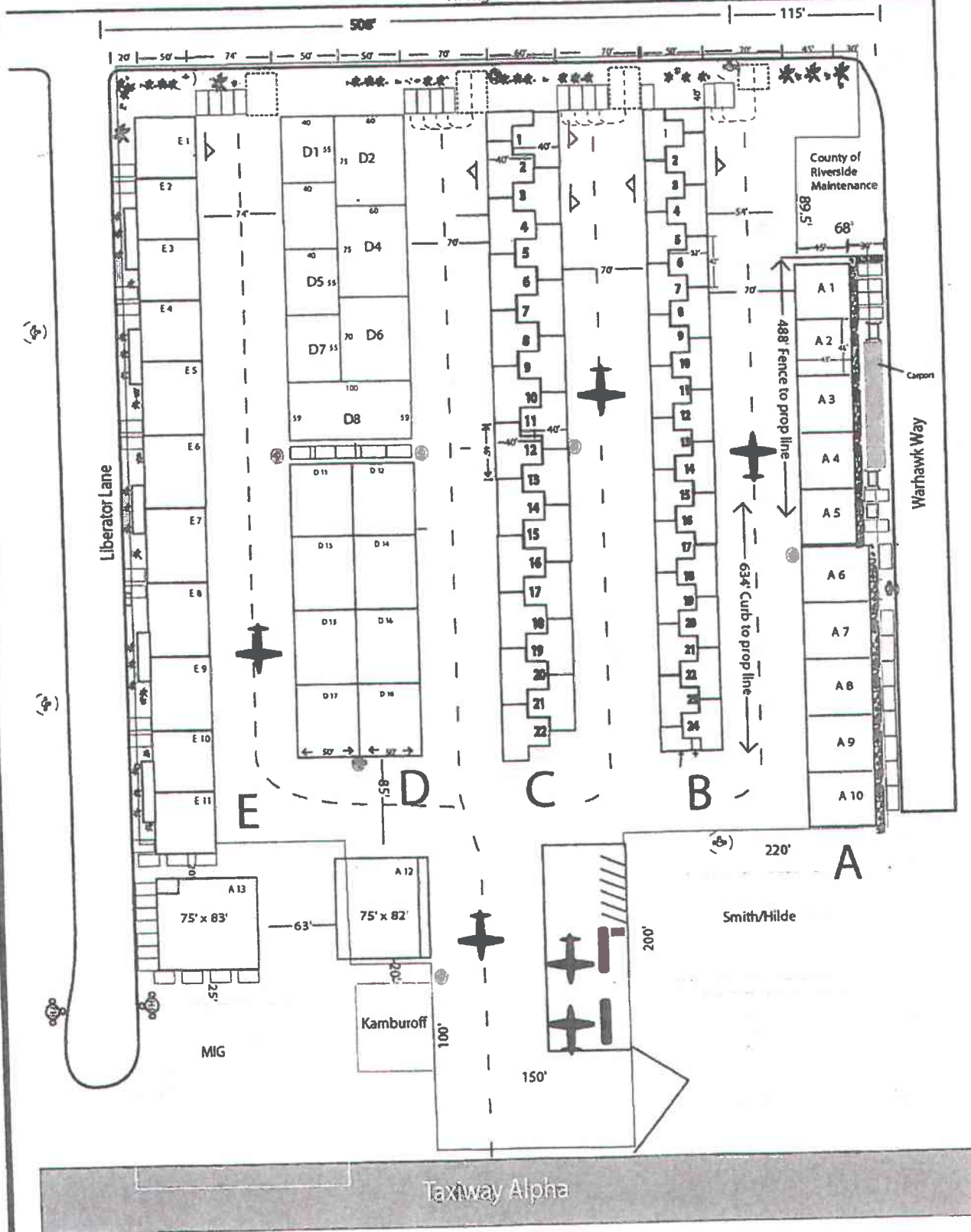
THENCE EAST, A DISTANCE OF 260.58 FEET TO THE CENTERLINE OF WARHAWK WAY;

THENCE NORTH $00^{\circ} 00' 20''$ WEST, A DISTANCE OF 643.00 FEET TO THE CENTERLINE INTERSECTION OF AVENGER BOULEVARD AND WARHAWK WAY, THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THE NORTHERLY 30.00 FEET.

ALSO EXCEPTING THEREFROM THE WESTERLY 30.00 FEET.

ALSO EXCEPTING THEREFROM THE EXISTING COUNTY MAINTENANCE AREA LOCATED AT THE NORTHEASTERLY CORNER OF THE SUBJECT PROPERTY.



Thermal Regional Airport	
<small>County of Riverside, Thermal, California</small>	
Master Development 9 Acres	
All Inside AV Storage and Self Serve Fuel	
John & Betty Obriadovich All Inside AV Storage, Inc. 84-401 Cabazon Center Drive Indio, CA 92201 (760) 399-5261, (760) 775-6800	12-18-06 Drawn by JO Sheet 1 of 1

Attachment N
Consent to Bill of Sale
Coupled with Sublease

CONSENT TO BILL OF SALE

The County of Riverside, a political subdivision of the State of California, ("County") hereby consents to the Bill of Sale Coupled with Sub-Lease ("Bill of Sale"), dated August 15, 2020 between JC Aviation Investments, LLC, a Washington limited liability company ("Seller") and 7092020, LLC, a Washington limited Liability Company ("Buyer"), relating to Hangar D-02, located at Jacqueline Cochran Regional Airport, Thermal, California ("Hangar"). The Bill of Sale is attached hereto as Exhibit "A".

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 Hangar, whether regarding the quality, adequacy or suitability of the 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 Hangar for Buyer's intended use.

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: January 12, 2021

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

By: Karen S. Spiegel
KAREN SPIEGEL, *chair*
Board of Supervisors

ATTEST:
Kecia R. Harper
Clerk of the Board

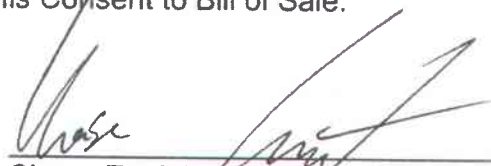
APPROVED AS TO FORM:
Gregory P. Priamos
County Counsel

By: Gregory P. Priamos
Deputy

By: Synthia M. Gunzel
Synthia M. Gunzel
Chief Deputy County Counsel

[7092020, LLC Acknowledgement on Following Page]

7092020, LLC hereby acknowledges, agrees and consents to all of the terms set forth in this Consent to Bill of Sale.

By: 
Chase Englehart, Manager
7092020, LLC

Dated: 12/14/20

EXHIBIT "A"

Bill of Sale

(behind this page)

BILL OF SALE COUPLED WITH SUB-LEASE

JC Aviation Investments, LLC, a Washington limited liability company hereinafter called the "Seller," hereby sells to 7092020, LLC, a Washington limited liability company hereinafter called the "Buyer," and said Buyer hereby purchases from Seller the property described below, upon the following terms and conditions:

1. **RECITALS.** The Seller owns concrete floor structure and steel building labeled as Bldg D, Hangar #2 at Jacqueline Cochran Regional Airport, (formerly Desert Regional Resorts Airport) Thermal, California, Riverside County, as described on the attached **Exhibit "1"** also described as **Hangar #2**, the sale of which is the subject of this Agreement and which is intended to convey title thereto for the sum of \$1.00.
2. **THIS BILL OF SALE IS SUBJECT TO MASTER LEASE AND COUPLED WITH SUB-LEASE.** This Bill of Sale is subject to that certain Master Lease executed by the County of Riverside and John and Betty Obradovich, dated April 24, 2003, executed June 3, 2003, and amended September 14, 2004, and September 12, 2006, and March 17, 2009, and which instruments affect directly the uses and purposes to which the aforesaid subject personal property may be put. Furthermore, Seller hereby incorporates in this instrument by reference the terms and conditions of that certain "Sub-Lease" executed by the parties hereto on August 15, 2020. This Bill of Sale shall be enforceable only on the condition that the parties have entered into the aforesaid Sub-Lease.
3. **WARRANTY OF TITLE.** Seller does hereby, for the benefit of Buyer, covenant and agree to warrant and defend title to the aforesaid personal property hereby conveyed, against the just and lawful claims and demands of all persons whomsoever, and Seller further covenants that the aforesaid real property is not subject to liens of any type, including but not limited to liens for unpaid taxes, nor is said personal property subject to a security agreement or financing statement.
4. **REVERSION OF PROPERTY TO SELLER.** The aforesaid Sub-Lease, with which this Bill of Sale is coupled provides for a sub-lease period of approximately 30 years with a 10-year option, during which time the Buyer hereto, subject to certain conditions precedent, may sell, rent, assign, convey, hypothecate, or encumber the personal property subject to is instrument, provided further, that upon the expiration of said Sub-Lease or 30 years with a 10-year option lease period, whichever shall first occur, the personal property subject to this Bill of Sale shall revert to the Seller hereunder, or to Seller's assignee, or to the County of Riverside, which reversion shall be governed by the terms and conditions of the aforesaid Master Lease and all of the aforesaid amendments thereto and the terms and conditions of the aforementioned Sub-Lease between Sub-Lessor and Sub-Lessee. Provided further that in accordance with the aforesaid Sub-Lease, Buyer hereunder shall not sell, rent, assign, hypothecate or encumber the personal property subject to this instrument except upon the express written consent of the county of Riverside and Seller or his assignee hereunder, which consent shall not be unreasonably withheld.
5. **TAX CLAUSE.** During the aforementioned period of possession of Buyer of the personal property, Buyer shall be solely responsible for the payment of the personal property and/or possessory interest taxes and all other taxes levied upon the specific structure by the County of Riverside and/or all other lawfully constituted taxing authorities, and said responsibility shall include real property taxes which may be assessed to Seller, to Seller's successor, or to Buyer in connection with the subject property.
6. **BUYER'S RIGHT TO TRANSFER PROPERTY AND SURVIVAL OF SUB-LEASE.**
 - a. **RIGHT TO TRANSFER.** Seller hereby consents to and agrees that Buyer may convey, assign, or transfer Buyer's interest in or to the subject personal property to one or more individuals; provided however, that such conveyance, assignment, or transfer includes the aforementioned sub-lease and shall be subject to the prior written approval of the Seller, County of Riverside, and Sub-Lessor. Provided further, that Seller shall have the right of first refusal to purchase, lease, rent, or receive Buyer's interest in the subject property and the subleasehold estate of Buyer on the same terms as offered by Buyer to any other individual or entity. Seller's failure to exercise right of first refusal within sixty (60)

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

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

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

SELLER:

JC Aviation Investments, LLC
7299 Perimeter Road S.
Seattle, WA 98108

BUYER:

7092020 LLC
7299 Perimeter Road S.
Seattle, WA 98108

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

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

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

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

Signature Page Follows

IN WITNESS WHEREOF, this Bill of Sale is executed on August 15, 2020.

SELLER:

JC Aviation Investments, LLC

Chase Englehart

Chase Englehart, Manager

Signature

BUYER:

7092020 LLC

Chase Englehart

Chase Englehart, Manager

Signature

LESSEE:

John Obradovich

John Obradovich

Betty Obradovich

Betty Obradovich

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

LESSOR:

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

By: _____
Chairman, Board of Supervisors

By: _____

Date: _____

ATTEST:

Kecia Harper-Ihem,
Clerk of the Board

FORM APPROVED:

Pamela J. Walls,
County Counsel

By: _____
Deputy

By: _____
Deputy

Attachment O
Consent to Sublease with the Sale of
Aviation Hangar

CONSENT TO CANCELLATION OF SUBLEASE AND
ISSUANCE OF NEW SUBLEASE
(Jacqueline Cochran Regional Airport)

The County of Riverside, a political subdivision of the State of California, ("County") hereby consents to the cancellation of that certain Sub-Lease With Sale of Aviation Hangar dated December 18, 2006 Consented to by the County on May 2, 2007 between John Obradovich and Betty Obradovich, husband and wife, (as Sublessor) and JC Investments, LLC, a Washington limited liability company, and to issuance of that certain new Sub-Lease with Sale of Aviation Hangar dated August 15, 2020, by and between John Obradovich and Betty Obradovich, husband and wife, (as Sublessor) and 7092020, LLC, a Washington limited liability company (as Sublessee), a copy of which is attached hereto as Attachment "A" (collectively referred to as the "Sublease Documents"). The Sublease pertains real property located at Jacqueline Cochran Regional Airport in Thermal, California, as more particularly depicted in Exhibit "B" to the Sublease, also known as Hangar # D02.

The Sublease is subject to that certain Lease Desert Resorts Regional Airport dated June 3, 2003 by and between the County (as Lessor) and John Obradovich and Betty Obradovich (as lessee), as amended by that certain First Amendment to Lease Jacqueline Cochran Regional Airport dated September 14, 2004, that certain Second Amendment to Lease Jacqueline Cochran Regional Airport dated September 12, 2006, and that certain Third Amendment to Lease Jacqueline Cochran Regional Airport dated March 17, 2009 (collectively, "Lease") relating to the lease of approximately 9 acres of vacant land, located at the Jacqueline Cochran Regional Airport (formerly known as Desert Resorts Regional Airport), as more fully described in Exhibit "B" to the lease.

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

[Remainder of Page Intentionally Blank]

[Signatures on Following Page]

IN WITNESS WHEREOF, the County has caused its duly authorized representative to execute this Consent to Cancellation of existing Sub-Lease and Issuance of new Sub-Lease with Sale of Aviation Hangar as of the date set forth below.

Date: January 12, 2021

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

By: Karen S. Spiegel
KAREN SPIEGEL, Chair
Board of Supervisors

ATTEST:

Kecia R. Harper
Clerk of the Board

By: Priscilla Raso
Deputy

APPROVED AS TO FORM
Gregory P. Priamos, County Counsel

By: Synthia M. Gunzel
Synthia M. Gunzel
Chief Deputy County Counsel

SUB-LEASE WITH SALE OF AVIATION HANGAR

John Obradovich and Betty Obradovich, herein called Sub-Lessor, sub-leases to 7092020, LLC, a Washington limited liability company herein called Sub-Lessee, the property described below, upon the following items and conditions.

RECITALS

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

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

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

DESCRIPTION

The premises sub-leased hereby are located within Desert Resorts Regional Airport generally, and within the area leased from County by Sub-Lessor consisting of nine (9) acres and as more particularly shown on **Exhibit "B,"** attached thereto and by this reference, made a part of this sub-lease. The portion of the nine acres being sub-leased is that portion of land occupied in **Building D Hangar # 2** as depicted in **Exhibit "B."** In addition to the forgoing during the term of this lease Sublessor grants to Sublessee the right to ingress and ingress over that portion of the leasehold premises of Sublessor held under the Master Lease and a license to use the taxiway areas as designated by Sublessor.

USE

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

TERM

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

RENT

Sub-Lessee shall pay to Sub-Lessor the sum of \$ 180⁰⁰ per month, payable in advance, on the first day of each month.

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

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

ADDITIONAL OBLIGATIONS OF SUB-LESSEE

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

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

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

SUB-LESSOR'S RESERVED RIGHTS

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

IMPROVEMENTS, REPAIRS & SIGNS

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

INSURANCE

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

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

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

c. The foregoing notwithstanding, this sublease is subject to Section 20 of the Master Lease and Sub-Lessee shall procure and maintain additional coverages specified therein as may be required by County from time to time.

TERMINATION BY SUB-LESSOR

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

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

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

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

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

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

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

TERMINATION BY SUB-LESSEE

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

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

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

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

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

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

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

HOLD HARMLESS

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

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

ASSIGNMENT

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

BINDING ON SUCCESSORS

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

EMPLOYEES AND AGENTS OF SUB-LESSEE

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

COMPLIANCE WITH LAW

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

WAIVER OF PERFORMANCE

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

SEVERABILITY

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

NOTICES

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

SUB-LESSOR:

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

SUB-LESSEE:

7092020 LLC
7299 Perimeter Road S.
Seattle, WA 98108
Attn: Chase Englehart

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

VENUE

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

TAXES

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

TOXIC MATERIALS

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

FREE FROM LIENS

Sub-Lessee shall pay, when due, all sums of money that may become due for any labor, services, material, supplies, or equipment, alleged to have been furnished or to be furnished to Sub-Lessee, in, upon or about the sub-leased premises, and which may be secured by a mechanic's, materialmen's, or other lien against the sub-leased premises or County's interest therein, and will cause such lien to be fully discharged and released at the time the performance of any obligation secured by such lien matures or becomes due, provided, however, that if Sub-Lessee desires to contest any such lien provided that it either pays the lien or obtains a bond to allow release of said lien, and then it may do so, but notwithstanding any such contest, if such lien shall be reduced to final judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed, and said stay thereafter expires, then and in such event, Sub-Lessee shall forthwith pay and discharge said judgment.

DISPUTES/DAMAGES

In the event it is necessary to enforce or interpret any provision herein contained, or to recover any rent due or to recover possession of the Premises for any default or breach of the Agreement, the matter shall be submitted to binding arbitration conducted by the American Arbitration Association ("AAA") who shall be selected by mutual agreement of the parties. The Arbitrator shall comply with, and the decision of the Arbitrator

shall be rendered in accordance with, the law of the State of California. The Arbitrator shall have the power to grant all legal and equitable remedies and award compensatory damages provided by California Law, but shall not have the power to award punitive damages. The parties agree to be bound by the decision of the Arbitrator, which shall be final, shall not be appealable, and which shall allow for no trial de novo on the same issues. The Arbitrator's decision shall be rendered within 30 days following submission of the matter at issue, but the failure to comply with this provision shall in no way invalidate any decision or award as may be rendered more than 30 days after submission.

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

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

MASTER LEASE/SURVIVAL OF SUB-LEASE

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

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

CONSENT BY COUNTY

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

IN WITNESS WHEREOF, this Sublease is executed on 8/15, 2020.

SUB-LESSOR:

John Obradovich Betty Obradovich
John Obradovich Betty Obradovich

SUB-LESSEE:

7092020 LLC
Chase Englehart
Chase Englehart, Manager