

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



ITEM: 3.16  
(ID # 19985)

**MEETING DATE:**  
Tuesday, October 18, 2022

**FROM :** FACILITIES MANAGEMENT:

**SUBJECT:** FACILITIES MANAGEMENT - REAL ESTATE (FM-RE) - Approval of Subordination, Non-Disturbance and Attornment Agreement with Citibank, National Association, and County of Riverside, 77-588 El Duna Court, Palm Desert, Grinnell Properties, LLC, CEQA Exempt, District 4. [\$0] (Clerk of the Board to file Notice of Exemption).

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

1. Find that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301, Existing Facilities Exemption, and Section 15061 (b)(3), "Common Sense" Exemption;
2. Approve the attached Subordination, Non-Disturbance and Attornment Agreement with Citibank National Association and authorize the Chairman of the Board to execute the same on behalf of the County; and
3. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk within five (5) working days of approval by the Board.

**ACTION:**

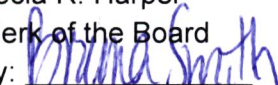
  
Rose Salgado, Director of Facilities Management 9/27/2022

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Jeffries, seconded by Supervisor Perez 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: October 18, 2022  
xc: FM, Recorder

Kecia R. Harper  
Clerk of the Board  
By:   
Deputy

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

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$0	\$0	\$0	\$0
<b>NET COUNTY COST</b>	\$0	\$0	\$0	\$0
<b>SOURCE OF FUNDS: N/A</b>			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	2022-2023

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

**BACKGROUND:**

**Summary**

On July 16, 2013, the County of Riverside (County), entered into a lease agreement for 10,000 square feet of office space located at 77-588 El Duna Court, Palm Desert, (Lease), for use by the Transportation Land Management Agency (TLMA). The Lessor, also known as Grinnell Properties, LLC has requested a loan to be secured by a deed of trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing. Citibank, National Association (Lender) has requested execution of the attached Subordination, Non-Disturbance and Attornment Agreement (SNDA) by the County.

By execution of this agreement, the County agrees to subordinate its leasehold estate to the liens in favor of the Lender which shall have no effect on prospective rights and obligations of the County, or the Lender as set forth in the Lease. In addition, in the event the Lender or its successor, becomes the lessor, the County will recognize (attorn) the Lender or its successor as Lessor and the County's rights and obligations shall remain the same (not disturbed) as set forth in the Lease for the remainder of the Lease term.

The attached SNDA with Citibank, National Association has been reviewed and approved by County Counsel as to legal form.

Pursuant to the California Environmental Quality Act (CEQA), the SNDA was reviewed and determined to be categorically exempt from CEQA under State CEQA Guidelines Section 15301 Class 1 – Existing Facilities Exemption and Section 15601 (b)(3), "Common Sense" Exemption.

**Impact on Residents and Businesses**

This SNDA Agreement has no impact on citizens and businesses, and TLMA will continue to provide services to the community as intended.

**Contract History and Price Reasonableness**

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

The Lease was approved by the Board of Supervisors on July 16, 2013 and amended by the Exercise of Option to Extend Notice on May 1, 2018. The SNDA supports the Lease and does not require modification of the financial terms of the Agreement.

**ATTACHMENTS:**

- Subordination, Non-Disturbance and Attornment Agreement
- Notice of Exemption
- Aerial Image

MH:sc/09142022/XXXX/30.XXX

  
\_\_\_\_\_  
Meghan Hahn, Senior Management Analyst 10/6/2022

  
\_\_\_\_\_  
Aaron Gettis, Deputy County Counsel 10/5/2022



**Peter Aldana**  
**Riverside County**  
**Assessor-County Clerk-Recorder**  
2724 Gateway Drive  
Riverside, CA 92507  
(951) 486-7000  
www.rivcoacr.org

**Receipt: 22-381132**

<b>Product</b>	<b>Name</b>	<b>Extended</b>
FISH	CLERK FISH AND GAME FILINGS	\$50.00
	# Pages	2
	Document #	E-202201038
	Filing Type	7
	State Fee Prev Charged	false
	No Charge Clerk Fee	false
	F&G Notice of Exemption Fee	\$50.00
<b>Total</b>		<b>\$50.00</b>
Tender (On Account)		\$50.00
Account#	ECDEV	
Account Name	ECDEV - ECONOMIC DEVELOPMENT-FACILITIES MGMT	
Balance	\$22,216.50	



State of California - Department of Fish and Wildlife  
**2022 ENVIRONMENTAL DOCUMENT FILING FEE**  
**CASH RECEIPT**  
 DFW 753.5a (REV. 01/01/22) Previously DFG 753.5a

RECEIPT NUMBER: <b>22-381132</b>
STATE CLEARINGHOUSE NUMBER <i>(if applicable)</i>

**SEE INSTRUCTIONS ON REVERSE. TYPE OR PRINT CLEARLY.**

LEAD AGENCY <b>RIVERSIDE COUNTY FACILITIES MANAGEMENT</b>	LEAD AGENCY EMAIL	DATE <b>10/24/2022</b>
COUNTY/STATE AGENCY OF FILING <b>RIVERSIDE</b>	DOCUMENT NUMBER <b>E-202201038</b>	

PROJECT TITLE  
**APPROVAL OF SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT WITH CITIBANK**

PROJECT APPLICANT NAME <b>RIVERSIDE COUNTY FACILITIES MANAGEMENT</b>	PROJECT APPLICANT EMAIL	PHONE NUMBER <b>(951) 955-8009</b>
PROJECT APPLICANT ADDRESS <b>3450 14TH STREET SECOND FLOOR,</b>	CITY <b>RIVERSIDE</b>	STATE <b>CA</b>
		ZIP CODE <b>92501</b>

PROJECT APPLICANT *(Check appropriate box)*

Local Public Agency    
  School District    
  Other Special District    
  State Agency    
  Private Entity

**CHECK APPLICABLE FEES:**


- Environmental Impact Report (EIR) \$3,539.25 \$ \_\_\_\_\_
- Mitigated/Negative Declaration (MND)(ND) \$2,548.00 \$ \_\_\_\_\_
- Certified Regulatory Program (CRP) document - payment due directly to CDFW \$1,203.25 \$ \_\_\_\_\_
- Exempt from fee
  - Notice of Exemption (attach)
  - CDFW No Effect Determination (attach)
  - Fee previously paid (attach previously issued cash receipt copy)
- Water Right Application or Petition Fee (State Water Resources Control Board only) \$850.00 \$ \_\_\_\_\_
- County documentary handling fee \$ \_\_\_\_\_ **\$50.00**
- Other \$ \_\_\_\_\_

**PAYMENT METHOD:**

- Cash   
  Credit   
  Check   
  Other
- TOTAL RECEIVED \$ \_\_\_\_\_ **\$50.00****

SIGNATURE <b>X <i>U. Sandval</i></b>	AGENCY OF FILING PRINTED NAME AND TITLE <b>Deputy</b>
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County of Riverside  
Facilities Management  
3450 14<sup>th</sup> St, Suite 200, Riverside, CA

FOR COUNTY CLERK USE ONLY		
FILED / POSTED		
County of Riverside Peter Aldana Assessor-County Clerk-Recorder		
E-202201038 10/24/2022 03:44 PM Fee: \$ 50.00 Page 1 of 2		
Removed:	By:	Deputy
		

## NOTICE OF EXEMPTION

September 8, 2022

**Project Name:** Approval of Subordination, Non-Disturbance and Attornment Agreement (SNDA) with Citibank National Association for TLMA at 77-588 El Duna Court, Palm Desert

**Project Number:** FM042550002000

**Project Location:** 77588 El Duna Court west of El Viento Road, Palm Desert, California 92211, Assessor's Parcel Number (APN) 626-420-051

**Description of Project:** On July 16, 2013, the County of Riverside (County), entered into a lease agreement for 10,000 square feet of office space located at 77-588 El Duna Court, Palm Desert, (Lease), for use by the Transportation Land Management Agency (TLMA). The Lessor, also known Grinnell Properties, LLC has requested a loan to be secured by a deed of trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing. Citibank, National Association (Lender) has requested execution of an SNDA by the County.

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**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.

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County of Riverside  
Facilities Management  
3450 14<sup>th</sup> St, Suite 200, Riverside, CA

FOR COUNTY CLERK USE ONLY

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

10/21/22      RS  
Date                      Initial

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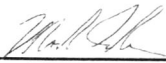
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**Reasons Why Project is Exempt:** The proposed project is categorically exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. The project will not cause an impact to an environmental resource of hazardous or critical concern nor would the project involve unusual circumstances that could potentially have a significant effect on the environment. The project would not result in impacts to scenic highways, hazardous waste sites, historic resources, or other sensitive natural environments, or have a cumulative effect to the environment. No significant environmental impacts are anticipated to occur with the SNDA.

- **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, would be limited to contractual assignments and responsibilities regarding the Lease. No expansion of the existing County facility will occur. The operation of the facility will continue to provide public services and no additional direct or indirect physical environmental impacts are anticipated. The project would not substantially increase or expand the use of the site; use is limited to the continued use of the site in a similar capacity; therefore, the project is exempt as the project meets the scope and intent of the Class 1 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 SNDA would be limited to contractual assignments and responsibilities regarding the Lease. No expansion of the existing County facility will occur. No impacts beyond the ongoing, existing use of the site 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:** 9-8-2022  
Mike Sullivan, Senior Environmental Planner  
County of Riverside, Facilities Management

**RIVERSIDE COUNTY CLERK & RECORDER**

**AUTHORIZATION  
TO BILL  
BY JOURNAL VOUCHER**

**Project Name: TLMA SNDA with Citibank National Association, Palm Desert**

**Accounting String: 524830-47220-7200400000 - FM042550002000**

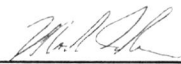
DATE: September 8, 2022

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: Maribel Hver, Senior Real Property Agent, Facilities Management

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -

County of Riverside  
Facilities Management  
3450 14<sup>th</sup> St, Suite 200, Riverside, CA 92501

Date: September 8, 2022  
To: Office of the County Clerk  
From: Mike Sullivan, Senior Environmental Planner, Facilities Management  
Subject: **County of Riverside Facilities Management Project # FM042550002000**  
Approval of SNDA with Citibank National Association for TLMA, Palm  
Desert

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,  
3450 14<sup>th</sup> Street, Suite 200, Riverside, CA 92501

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

Attachment

cc: file

**RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:**

K&L Gates LLP  
925 Fourth Avenue, Suite 2900  
Seattle WA 98104  
Attention: Shannon J. Skinner

(Space above this line for Recorder's use)

**SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT**

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT ("**Agreement**") is entered into as of October 18, 2022 (the "**Effective Date**") by and between Citibank, N.A. (together with its successors and assigns in such capacity, the "**Mortgagee**"), and County of Riverside (hereinafter, collectively the "**Tenant**"), with reference to the following facts:

- A. Grinnell Properties L.L.C., a Washington limited liability company, including and successor and/or assigns thereof whose address is 1302 Puyallup Street, Sumner, WA 98390 (the "**Landlord**") owns fee simple title or a leasehold interest in the real property described in Exhibit "A" attached hereto (the "**Property**").
- B. Citibank, N.A. is has made a loan to Landlord (the "**Loan**")
- C. To secure the Loan, Landlord has encumbered the Property by entering into a Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing, dated of substantially even date herewith (as it may be amended from time to time, the "**Mortgage**") for the benefit of Mortgagee to be recorded contemporaneously herewith in the Official Records of Riverside County, State of California.
- D. Pursuant to the Lease dated July 16, 2013, (the "**Lease**"), Tenant leases a portion of the Property (the "**Leased Premises**").
- E. Tenant and Mortgagee desire to agree upon the relative priorities of their interests in the Property and their rights and obligations if certain events occur.

NOW, THEREFORE, for good and sufficient consideration, Tenant and Mortgagee agree:

1. Definitions. The following terms shall have the following meanings for purposes of this Agreement.

a. Foreclosure Event. A "**Foreclosure Event**" means: (i) foreclosure or exercise of power of sale under the Mortgage; (ii) any other exercise by Mortgagee of rights and remedies (whether under the Mortgage or under applicable law, including bankruptcy law) as holder of the Loan and/or the Mortgage, as a result of which a Mortgagee becomes owner of the Property; or (iii) delivery by Landlord to Mortgagee (or its designee or nominee) of a deed or other conveyance of Landlord's interest in the Property in lieu of any of the foregoing.

b. Former Landlord. A "**Former Landlord**" means Landlord and any other party that was landlord under the Lease at any time before the occurrence of any attornment under this Agreement.

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c. Offset Right. An “**Offset Right**” means any right or alleged right of Tenant to any offset, defense (other than one arising from actual payment and performance, which payment and performance would bind a Successor Landlord pursuant to this Agreement), claim, counterclaim, reduction, deduction, or abatement against Tenant’s payment of Rent or performance of Tenant’s other obligations under the Lease, arising (whether under the Lease or under applicable law) from Landlord’s breach or default under the Lease.

d. Rent. The “**Rent**” means any fixed rent, base rent or additional rent under the Lease.

e. Successor Landlord. A “**Successor Landlord**” means any party that becomes owner of the Property as the result of a Foreclosure Event.

f. Termination Right. A “**Termination Right**” means any right of Tenant to cancel or terminate the Lease or to claim a partial or total eviction arising (whether under the Lease or under applicable law) from Landlord’s breach or default under the Lease.

g. Other Capitalized Terms. If any capitalized term is used in this Agreement and no separate definition is contained in this Agreement, then such term shall have the same respective definition as set forth in the Lease.

2. Subordination. The Lease, as the same may hereafter be modified, amended or extended, shall be, and shall at all times remain, subject and subordinate to the terms conditions and provisions of the Mortgage, the lien imposed by the Mortgage, all advances made under the Mortgage and all renewals, amendments, modifications and extensions of the Mortgage. Notwithstanding the foregoing, Mortgagee may elect, in its sole and absolute discretion, to subordinate the lien of the Mortgage to the Lease.

3. Nondisturbance, Recognition and Attornment.

a. No Exercise of Mortgage Remedies Against Tenant. So long as the Tenant is not in default under this Agreement or under the Lease beyond any applicable grace or cure periods (an “Event of Default”), Mortgagee (i) shall not terminate or disturb Tenant’s peaceful and quiet possession of the Leased Premises under the Lease, and Tenant’s rights and privileges under the Lease shall not be disturbed, including its right to early termination, except in accordance with the terms of the Lease and this Agreement and (ii) shall not name or join Tenant as a defendant in any exercise of Mortgagee’s rights and remedies arising upon a default under the Mortgage unless applicable law requires Tenant to be made a party thereto as a condition to proceeding against Landlord or prosecuting such rights and remedies. In the latter case, Mortgagee may join Tenant as a defendant in such action only for such purpose and not to terminate the Lease or otherwise adversely affect Tenant’s rights under the Lease or this Agreement in such action.

b. Recognition and Attornment. Upon Successor Landlord taking title to the Property (i) Successor Landlord shall be bound to Tenant under all the terms and conditions of the Lease (except as provided in this Agreement); (ii) Tenant shall recognize and attorn to Successor Landlord as Tenant’s direct landlord under the Lease as affected by this Agreement; and (iii) the Lease shall continue in full force and effect as a direct lease, in accordance with its terms (except as provided in this Agreement), between Successor Landlord and Tenant. Tenant hereby acknowledges notice that pursuant to the Mortgage and assignment of rents, leases and profits, Landlord has granted to the Mortgagee an absolute, present assignment of the Lease and Rents which provides that Tenant continue making payments of Rents and other amounts owed by Tenant under the Lease to the Landlord and to recognize the rights of Landlord under the Lease until notified otherwise in writing by the Mortgagee. After receipt of such notice from Mortgagee, the Tenant shall thereafter make all such payments directly to the Mortgagee or as the Mortgagee may otherwise direct, without any further inquiry on the part of the Tenant. Landlord consents to the foregoing and waives any right, claim or demand which Landlord may have against Tenant by reason of such payments to Mortgagee or as Mortgagee directs.

c. Further Documentation. The provisions of this Article 3 shall be effective and self-operative without any need for Successor Landlord or Tenant to execute any further documents. Tenant and Successor Landlord shall, however, confirm the provisions of this Article 3 in writing upon request by either of them within ten (10) days of such request.

4. Protection of Successor Landlord. Notwithstanding anything to the contrary in the Lease or the Mortgage, Successor Landlord shall not be liable for or bound by any of the following matters:

a. Claims Against Former Landlord. Any Offset Right or claim for damages that Tenant may have against any Former Landlord relating to any event or occurrence before the date of attornment, including any claim for damages of any kind whatsoever as the result of any breach by Former Landlord that occurred before the date of attornment. The foregoing shall not limit either (i) Tenant's right to exercise against Successor Landlord any Offset Right otherwise available to Tenant because of events occurring after the date of attornment or (ii) Successor Landlord's obligation to correct any conditions that existed as of the date of attornment and violate Successor Landlord's obligations as landlord under the Lease.

b. Prepayments. Any payment of Rent that Tenant may have made to Former Landlord more than thirty (30) days before the date such Rent was first due and payable under the Lease with respect to any period after the date of attornment other than, and only to the extent that, the Lease expressly required such a prepayment.

c. Payment; Security Deposit; Work. Any obligation: (i) to pay Tenant any sum(s) that any Former Landlord owed to Tenant unless such sums, if any, shall have been actually delivered to Mortgagee by way of an assumption of escrow accounts or otherwise; (ii) with respect to any security deposited with Former Landlord, unless such security was actually delivered to Mortgagee; (iii) to commence or complete any construction of improvements in the Leased Premises or any expansion or rehabilitation of existing improvements thereon or for the payment of any Tenant allowance; (iv) to reconstruct or repair improvements following a fire, casualty or condemnation; or (v) arising from representations, warranties or indemnities made by Former Landlord.

d. Modification, Amendment or Waiver. Any modification or amendment of the Lease, or any waiver of the terms of the Lease, made without Mortgagee's written consent.

e. Surrender, Etc. Any consensual or negotiated surrender, cancellation, or termination of the Lease, in whole or in part, agreed upon between Landlord and Tenant, unless effected unilaterally by Tenant pursuant to the express terms of the Lease.

5. Exculpation of Successor Landlord. Notwithstanding anything to the contrary in this Agreement or the Lease, Successor Landlord's obligations and liability under the Lease shall never extend beyond Successor Landlord's (or its successors' or assigns') interest, if any, in the Leased Premises from time to time, including insurance and condemnation proceeds, security deposits, escrows, Successor Landlord's interest in the Lease, and the proceeds from any sale, lease or other disposition of the Property (or any portion thereof) by Successor Landlord (collectively, the "**Successor Landlord's Interest**"). Tenant shall look exclusively to Successor Landlord's Interest (or that of its successors and assigns) for payment or discharge of any obligations of Successor Landlord under the Lease as affected by this Agreement. If Tenant obtains any money judgment against Successor Landlord with respect to the Lease or the relationship between Successor Landlord and Tenant, then Tenant shall look solely to Successor Landlord's Interest (or that of its successors and assigns) to collect such judgment. Tenant shall not collect or attempt to collect any such judgment out of any other assets of Successor Landlord.

6. Mortgagee's Right to Cure. Notwithstanding anything to the contrary in the Lease or this Agreement, before exercising any Offset Right or Termination Right:

a. Notice to Mortgagee. Tenant shall provide Mortgagee with notice of the breach or default by Landlord giving rise to same (the "**Default Notice**") and, thereafter, the opportunity to cure such breach or default as provided for below.

b. Mortgagee's Cure Period. After Mortgagee receives a Default Notice, Mortgagee shall have a period of sixty (30) days beyond the time available to Landlord under the Lease in which to cure the breach or default by Landlord. Mortgagee shall have no obligation to cure (and shall have no liability or obligation for not curing) any breach or default by Landlord, except to the extent that Mortgagee agrees otherwise in writing. In addition, as to any breach or default by Landlord the cure of which requires possession and control of the Property, provided that Mortgagee undertakes by written notice to Tenant to exercise reasonable efforts to cure or cause to be cured by a receiver such breach or default within the period permitted by this paragraph, Mortgagee's cure period shall continue for such additional time as Mortgagee may reasonably require to either: (i) obtain possession and control of the Property with due diligence and thereafter cure the breach or default with reasonable diligence and continuity; or (ii) obtain the appointment of a receiver and give such receiver a reasonable period of time in which to cure the default.

7. Subordination and Release of Purchase Options and Rights of First Refusal. Tenant represents and warrants that it has no right or option of any nature to purchase the Property, the Leased Premises or any part thereof, or any interest in Landlord, or any rights of first refusal to lease or purchase the Property, the Leased Premises or any part thereof. To the extent Tenant has or acquires any such options or rights, (a) such options or rights are acknowledged to be subject and subordinate to the Mortgage, (b) shall be terminated upon any foreclosure sale conducted under the Mortgage, or upon any conveyance of the Property in lieu of foreclosure, and (c) such options or rights are waived and released, and shall be of no force or effect, as to Mortgagee and any other Successor Landlord. For avoidance of doubt, nothing in this Section 7 shall affect, invalidate or release any of Tenant's options to extend the term of the Lease set forth in the Lease or any future amendment to the Lease.

8. Insurance Proceeds and Condemnation Awards. Notwithstanding anything to the contrary in the Lease, the following amounts shall be paid to Mortgagee and shall be applied by Mortgagee in accordance with the Mortgage and the other documents and agreements evidencing and securing the Loan: (a) all proceeds of any property insurance covering all or any portion of the Property (excluding, however, any property insurance covering Tenant's personal property or trade fixtures); and (b) all condemnation awards payable with respect to the taking by eminent domain of all or any portion of the Property (or any sale under threat of eminent domain). Nothing in the foregoing, however, shall be deemed to relieve Landlord of any obligation Landlord may have to Tenant under the Lease to the repair or restore damage to the Leased Premises caused by casualty or condemnation.

9. Miscellaneous.

a. Notices. Any notice or request given or demand made under this Agreement by one party to the other shall be in writing, and may be given or be served by hand delivered personal service, or by depositing the same with a reliable overnight courier service or by deposit in the United States mail, postpaid, registered or certified mail, and addressed to the party to be notified, with return receipt requested or by telefax transmission, with the original machine-generated transmit confirmation report as evidence of transmission. Notice deposited in the mail in the manner hereinabove described shall be effective from and after the expiration of three (3) days after it is so deposited; however, delivery by overnight courier service shall be deemed effective on the next succeeding business day after it is so deposited and notice by personal service or telefax transmission shall be deemed effective when delivered to its addressee or within two (2) hours after its transmission unless given after 3:00 p.m. on a business day, in which case it shall be deemed effective at 9:00 a.m. on the next business day. For purposes of notice, the addresses and telefax number of the parties shall, until changed as herein provided, be as follows:

i. If to the Mortgagee, at:

Citibank, N.A.  
c/o Citi Private Bank  
One Sansome Street, Floor 24  
San Francisco CA 94104  
Attention: Loan Administration

ii. If to the Tenant, at:

Facilities Management  
Real Estate Division 3450 14<sup>th</sup> Street, Suite 200  
Riverside, CA 92501  
Attention: Heidi Rigler  
Facsimile: hrigler@rivcoeda.org

b. Successors and Assigns. This Agreement shall bind and benefit the parties, their successors and assigns, any Successor Landlord, and its successors and assigns. If Mortgagee assigns the Mortgage, then upon delivery to Tenant of written notice thereof accompanied by the assignee's written assumption of all obligations under this Agreement, all liability of the assignor shall terminate.

c. Entire Agreement. This Agreement constitutes the entire agreement between Mortgagee and Tenant regarding the subordination of the Lease to the Mortgage and the rights and obligations of Tenant and Mortgagee as to the subject matter of this Agreement.

d. Interaction with Lease and with Mortgage. If this Agreement conflicts with the Lease, then this Agreement shall govern as between the parties and any Successor Landlord, including upon any attornment pursuant to this Agreement. This Agreement supersedes, and constitutes full compliance with, any provisions in the Lease that provide for subordination of the Lease to, or for delivery of nondisturbance agreements by the holder of, the Mortgage.

e. Mortgagee's Rights and Obligations. Except as expressly provided for in this Agreement, Mortgagee shall have no obligations to Tenant with respect to the Lease. If an attornment occurs pursuant to this Agreement, then all rights and obligations of Mortgagee under this Agreement shall terminate, without thereby affecting in any way the rights and obligations of Successor Landlord provided for in this Agreement.

f. Interpretation: Governing Law. The interpretation, validity and enforcement of this Agreement shall be governed by and construed under the internal laws of the State in which the Leased Premises are located, excluding such State's principles of conflict of laws.

g. Amendments. This Agreement may be amended, discharged or terminated, or any of its provisions waived, only by a written instrument executed by the party to be charged.

h. Due Authorization. Tenant represents to Mortgagee that it has full authority to enter into this Agreement, which has been duly authorized by all necessary actions. Mortgagee represents to Tenant that it has full authority to enter into this Agreement, which has been duly authorized by all necessary actions.

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

**[THIS SPACE INTENTIONALLY LEFT BLANK]**



IN WITNESS WHEREOF, the Mortgagee and Tenant have caused this Agreement to be executed as of the date first above written.

**MORTGAGEE:**

CITIBANK, N.A.

By: Nicola Baker  
Name: NICOLABAKER  
Title: DIRECTOR

**TENANT:**

COUNTY OF RIVERSIDE

By: Jeff Hewitt  
Jeff Hewitt, Chairman  
Board of Supervisors

ATTEST:  
Kecia R. Harper  
Clerk of the Board

By: Porcupina Smith  
Deputy

APPROVED AS TO FORM:  
County Counsel

By: Wesley W. Stanfield  
Deputy County Counsel

MH:sc/08312022/PD020/30.830

ACKNOWLEDGMENT

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

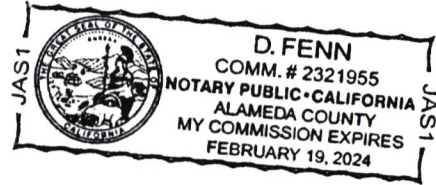
State of California )  
 )  
County of Alameda )

On Sept. 12, 2022 before me, D. Fenn, a Notary Public, personally appeared Nicola Baker, 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.

D. Fenn (Seal)  
Signature



ACKNOWLEDGMENT

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

State of California )  
 )  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, 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)

1911  
JAN 10 1911  
RECEIVED  
THE NATIONAL ARCHIVES  
COLLEGE PARK, MARYLAND  
1911

## LANDLORD'S CONSENT

Landlord consents and agrees to the foregoing Agreement, which was entered into at Landlord's request. The foregoing Agreement shall not alter, waive or diminish any of Landlord's obligations under the Mortgage or the Lease. The above Agreement discharges any obligations of Mortgagee under the Mortgage and related loan documents to enter into a nondisturbance agreement with Tenant. Landlord is not a party to the above Agreement.

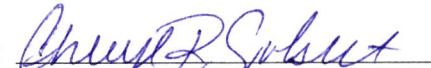
Dated: September 9, 2022

**LANDLORD:**

Grinnell Properties L.L.C.

By: Tarragon SW, its manager

By:



Name: Cheryl R. Sjöseth

Its: CFO

## **LIST OF EXHIBITS**

If any exhibit is not attached hereto at the time of execution of this Agreement, it may thereafter be attached by written agreement of the parties, evidenced by initialing said exhibit.

Exhibit "A" - Legal Description of the Land

**EXHIBIT "A"**

Legal Description

PARCEL 3 OF PARCEL MAP NO. 29715, AS SHOWN BY MAP ON FILE IN BOOK 208, PAGES 96 TO 99 OF PARCEL MAPS, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

# Transportation Land Management Agency (TLMA)

77-588 El Duna Court, Palm Desert, CA



### Legend

- County Centerlines
- Blueline Streams
- City Areas



**\*IMPORTANT\*** Maps and data are to be used for reference purposes only. Map features are approximate, and are not necessarily accurate to surveying or engineering standards. The County of Riverside makes no warranty or guarantee as to the content (the source is often third party), accuracy, timeliness, or completeness of any of the data provided, and assumes no legal responsibility for the information contained on this map. Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user.

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### Notes

Permit Center  
District 4

APN 626-420-051