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



ITEM: 3.12 (ID # 20373) MEETING DATE: Tuesday, November 29, 2022

FROM : FACILITIES MANAGEMENT:

SUBJECT: FACILITIES MANAGEMENT - REAL ESTATE (FM-RE) - Approval of Subordination, Non-Disturbance and Attornment Agreement with Avatar Hemet Commercial, LLC, and County of Riverside, 541 N. San Jacinto, Hemet, SIC/Leed Civic Plaza, LLC, CEQA Exempt pursuant to State CEQA Guidelines sections 15301 and 15061(b)(3), District 3. [\$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 Avatar Hemet Commercial, LLC 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:Policy



MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes:Jeffries, Spiegel, Washington, Hewitt, and PerezNays:NoneAbsent:NoneDate:November 29, 2022xc:FM-RE, Recorder

Kecia R. Harper Clerk of the Board

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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	Budget Adju	istment: No		
			For Fiscal Y	ear: 2022/23

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary:

On July 27, 2004, the County of Riverside (County), entered into a lease agreement for 58,820 square feet of office space located at 541 N. San Jacinto, Hemet, (Lease), for use by the Department of Public Social Services (DPSS). The current Lessor, SIC/Leed Civic Plaza, LLC, a Delaware limited liability company has requested a loan to be secured by a deed of trust, pursuant to a Security Agreement, Assignment of Leases and Rents and Fixture Filing. Avatar Hemet Commercial, LLC, A Delaware limited liability company (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 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 DPSS will continue to provide services to the community as intended.

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

Contract History and Price Reasonableness

The Lease was approved by the Board of Supervisors on July 27, 2004 and amended by a First Amendment on April 8, 2008, and a Second Amendment on December 20, 2011. County sent its Exercise of Option to Extend Notice on June 8, 2021. 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

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11/15/2022

RECORDED AT REQUEST OF AND WHEN RECORDED RETURN TO:

Coleman Talley LLP 3475 Lenox Road, Suite 400 Atlanta, Georgia 30326 Attn: Harrison Coleman

SUBORDINATION, NON-DISTURBANCE, AND ATTORNMENT AGREEMENT [541 N. San Jacinto, Hemet, CA]

This Subordination, Non-disturbance, and Attornment Agreement ("Agreement") is made as of November 2, 2022 between AVATAR HEMET COMMERCIAL LLC, a Delaware limited liability company ("Lender"), having its principal place of business at 1200 Westlake Avenue N, Suite 1006, Seattle, Washington 98109 and the County of Riverside, a political subdivision of the State of California ("County"), by its authorized representative, the Director of Facilities Management, having its address for notification at 3450 14th St., Suite 200, Riverside, CA 92501.

RECITALS:

A. Lender has made a loan to SIC/LEED CIVIC PLAZA, LLC, a Delaware limited liability company ("Lessor"), secured by a deed of trust, dated <u>Marker</u>, 2022, and recorded on ______, 2022, as Instrument No. ______, in the Official Records of Riverside County, California (together with all amendments, increases, renewals, modifications, consolidations, replacements, substitutions, and extensions, either current or future, referred to hereafter as the "Mortgage") encumbering Lessor's ownership interest in real property located in Hemet, County of Riverside, State of California. The legal description of the encumbered real property (the "Mortgage Premises") is set forth in Exhibit A, attached to this Agreement. The Mortgage, together with the promissory note or notes, the loan agreement(s), and other documents executed in the connection with it are hereafter collectively referred to as the "Loan Documents".

B. On or about November 29, 2022, County and Lessor entered into a lease for the Mortgage Premises (the "Lease"). The Lease creates a leasehold estate in favor of County for space (the "Premises") located on the Mortgage Premises.

C. In connection with execution of the Mortgage, Lessor also executed and delivered to Lender an Assignment of Leases, Rents and Profits dated ______, 2022, and recorded on ______, 2022, as Instrument No. ______, in the Official Records of the County

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Recorder of Riverside, California concerning all rents, issues and profits from the Mortgage Premises. This document, together with all amendments, renewals, modifications consolidations, replacements, substitutions and extensions, is hereafter referred to as the "Assignment of Rents."

To confirm their understanding concerning the legal effect of the Mortgage and the Lease, in consideration of the mutual covenants and agreements contained in this Agreement and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lender and County, intending to be legally bound, agree and covenant as follows:

1. **Representations and Warranties.** County warrants and represents that the Lease is in full force and effect and that, as of the date of this Agreement and to the best of County's knowledge, there is no default under the Lease by Lessor or County.

2. **County Subordination.**

2.1. Subject to the provisions of Section 3, the Loan Documents shall constitute a lien or charge on the Mortgage Premises that is prior and superior to the Lease, to the leasehold estate created by it, and to all rights and privileges of County under it; by the Agreement, the Lease, the leasehold estate created by it, together with all rights and privileges of County under it, is subordinated, at all times, to the lien or charge of the Loan Documents in favor of Lender.

2.2. By executing this Agreement, County subordinates the Lease and County's interest under it to the lien right and security title, and terms of the Loan Documents, and to all advances or payments made, or to be made, under any Loan Documents.

3. Non-disturbance.

3.1. Lender consents to the Lease.

3.2. Despite County's subordination under Section 2, County's peaceful and quiet possession of the Premises shall not be disturbed and County's rights and privileges under the Lease, including its right to early termination, its right to extend the term of the Lease, its right of first refusal to lease the property after expiration of the original term and the extensions thereof, shall not be diminished by the Lender's exercise of its rights or remedies under the Loan Documents, provided that County has not canceled or terminated the Lease, nor surrendered or abandoned the Premises.

3.3. If (a) Lender shall acquire title to, and possession of, the Premises on foreclosure in an action in which Lender shall have been required to name County as a party defendant, and (b) County is not in default under the Lease, nor surrendered, vacated or abandoned the Premises and remains in actual possession of the Premises at the time Lender shall so acquire title to and possession of, the Premises, Lender and County shall enter into a new lease on the same rems and conditions as were contained in the Lease, expect that:

(a) The obligations and liabilities of Lender under a new lease shall be subject to the terms and conditions of this Agreement (including the provisions of Sections 5-7);

(b) Lender shall have no obligations or liabilities to County under any such new lease beyond those of Lessor as were contained in the Lease; and

(c) The expiration date of any new lease shall coincide with the original expiration date of the Lease.

3.4 County shall not be named or joined in any foreclosure, trustee's sale, or other proceeding to enforce the Loan Documents unless such joinder shall be legally required to perfect the for closure, trustee's sale, or other proceeding.

4. Attornment.

4.1. If Lender shall succeed to Lessor's interest in the Mortgage Premises by foreclosure of the Mortgage, by deed in lieu of foreclosure, or in any other manner, County shall be bound to Lender under all the terms, covenants and conditions of the Lease for the balance of its term with the same force and effect as if Lender were the Lessor under the Lease. County shall be deemed to have full and complete attornment to, and to have established direct privity between County and:

- (a) Lender when in possession of the Mortgage Premises;
- (b) a receiver appointed in any action or proceeding the foreclose the Mortgage;
- (c) any party acquiring title to the Mortgage Premises; or
- (d) any successor to Lessor.

4.2. County's attornment is self-operating, and it shall continue to be effective without execution of any further instrument by any of the parties to this Agreement or the Lease. Lender agrees to give County written notice if Lender has succeeded to the interest of the Lessor under the Lease. The terms of the Lease are incorporated into this Agreement by reference.

4.3. If the interests of Lessor under the Lease are transferred by foreclosure of the Mortgage, deed in lieu of foreclosure, or otherwise, to a party other than Lender ("Transferee"), in consideration of, and as condition precedent to, County's agreement to attorn to any such Transferee, Transferee shall be deemed to have assumed all terms, covenants, and conditions of the Lease to be observed or performed by Lessor from the date on which the Transferee succeeds to Lessor's interests under the Lease.

5. Lender as Lessor. If Lender shall succeed to the interest of Lessor under the Lease, Lender shall be bound to County under all the terms, covenants and conditions of the Lease, and County shall, from the date of Lender's succession to the Lessor's interest under the Lease, have the same remedies against Lender for breach of the Lease that County would have has under the Lease against Lessor; provide, however, that despite anything to the contrary in this Agreement or the Lease, Lender, as successor to the Lessor's interest, shall be:

(a) liable for any act or omission of the Lessor; provided that the Lender may elect either to perform the pre-existing obligation or to permit the County to perform it and to recover the cost our of Rent;

(b) subject to any offsets or defenses expressly permitted under the Lease, including abatement right which County might have had against Lessor;

(c) bound by any rent or additional rent that County might have paid for more than one month in advance to Lessor; or

(d) bound by an amendment or modification of the Lease even though made without Lender's written consent and whether or not the amendment or modification materially adversely affect any right of Lessor under the Lease.

(e) subject to the County's right to assert continuing claims, such as material interference with the County's use and enjoyment of the premises, against the Lender.

6. **Right To Cure.** County agrees that before County exercises any of its right or remedies under the Lease, Lender shall have the right, but not the obligation, to cure the default within the same time given Lessor in the lease to cure the default, plus an additional thirty (30) days or ten (10) days in the case of defaults in the payment of money from the Lessor to County. County agrees that the cure period shall be extended by the time necessary for the Lender to commence foreclosure proceedings and to obtain possession of the Mortgage Premises, provided that:

(a) Lender shall notify County of Lender's intent to effect it remedy;

(b) Lender initiates immediate steps to foreclose on or to recover possession of the Mortgage Premises;

(c) Lender initiates immediate legal proceedings to appoint a receiver for the Mortgage Premises or to foreclose on or recover possession of the Mortgage Premises within the thirty (30) day period; and

(d) Lender prosecutes such proceedings and remedies with due diligence and continuity completion.

7. **Assignment of Rents.** If Lessor defaults in its performance of the terms of the Loan Documents, County agrees to recognize the Assignment of Rents made by Lessor to Lender and shall pay the Lender, as assignee, from the time Lender gives County notice that Lessor is in default under the terms of the Loan Documents, the rents under the Lease, but only those rents that are due or that become due under the assignment of rents and Lessor's default shall continue until the first of the following occurs:

(a) No Further rent is due and payable under the Lease;

(b) Lender gives County notice that the Lessor's default under the Loan Documents have been cured and instructs County that the rents shall thereafter be payable to the Lessor;

(c) The lien of the Mortgage has been foreclosed and the purchaser at the foreclosure sale (whether Lender or a Transferee) gives County notice of the foreclosure sale. On giving notice, the purchaser shall succeed to Lessor's interest under the Lease, after which time the rents and other benefits due Lessor under the Lease shall be payable to the purchaser as the owner of the Mortgage Premises.

8. **County's Reliance.** When complying with the provisions of Section 7, County shall be entitled to rely on the notices given by Lender under Section 7, and Lessor agrees to release, relieve, and protect County from and against any and all loss, claim, damage, or liability (including reasonable attorney's fees) arising out of County's compliance with such notice.

County shall be entitled to full credit under the lease for any rents paid to Lender in accordance with Section 7 to the same extent as if such rents were paid directly to Lessor. Any dispute between Lender (or Lender's Transferee) and Lessor as to the existence of a default by Lessor under the terms of the Mortgage, the extend or nature of such default, or Lender's right to foreclosure of the Mortgage, shall be dealt with and adjusted solely between Lender (or Transferee) and Lessor, and county shall not be made a party to any such dispute (unless required by law).

9. Lender's Status. Nothing in the Agreement shall be construed to be an agreement by Lender to perform any covenant of the Lessor under the Lease unless and until it obtains title to the Mortgage Premises by power of sale, judicial foreclosure, or deed in lieu of foreclosure, or obtains possession of the Mortgage Premises under the terms of the Loan Documents.

10. **Cancellation of Lease.** County agrees that it will not cancel. Terminate, or surrender the Lease, except at the normal expiration of the Lease term or as provided in the Lease.

11. **Special Covenants.** Despite anything in this Agreement or the Lease to the contrary, if Lender acquires title to the Mortgage Premises, County agrees that: Lender shall have the right at any time in connection with the sale or other transfer of the Mortgage Premises to assign the Lease or Lender's rights under it to any person or entity, and that Lender, its officers, directors, shareholders, agents, and employees shall be released from any further liability under the Lease arising after the date of such transfer, provided that the assignee of Lender's interest assumes Lender's obligations under the Lease, in writing, from the date of such transfer.

12. **Transferee's Liability (Non-Resource).** If a Transferee acquires title to the Mortgage Premises:

(a) County's resource against Transferee for default under the Lease shall be limited to the Mortgage Premises or any sale, insurance, or condemnation proceeds from the Mortgage Premises;

(b) County shall look exclusively to Transferee's interests described in (a) above for the payment and discharge of any obligations imposed on Transferee under this agreement or the Lease; and

(i) Transferee its officers, directors, shareholders, agents, and employees are released and relieved of any personal liability under the Lease;

(ii) County shall look solely to the interests of Transferee set forth in (a) above, and

(iii) County shall not collect or attempt to collect any judgment out of any other assets or form any general or limited partners or shareholders of Transferee.

13. **Transferee's Performance Obligations**. Subject to the limitations provided in Sections 11 and 12, if a Transferee acquires title to the Mortgage Premises, the Transferee shall perform and recognize all County improvement allowance provisions, all rent-free and rent rebate provisions, and all options and rights of offer, in addition to Lessor's other obligations under the Lease.

14. **Notice**. All notices required by this Agreement shall be given in writing and shall be deemed to have been duly given for all purposes when:

(a) deposited in the United States mail (by registered or certified mail, return receipt requested, postage prepaid); or

(b) deposited with a nationally recognized overnight delivery service such as Federal Express or Airborne.

Each notice must be directed to the party to receive it at its address stated below or at such other address as may be substituted by notice given as provided in this section.

The addresses are:

- Lender: Avatar Hemet Commercial LLC 1200 Westlake Avenue N Suite 1006 Seattle, WA 98109 Attention: Ryan Cronin-Prather
- County: Facilities Management 3450 14th St., Suite 200 Riverside, CA 92501 Attention: Deputy Director of Real Estate

Copy to:	
	Attention:

Copies of notices sent to the parties' attorneys or other parties are courtesy copies, and failure to provide such copies shall not affect the effectiveness of a notice given hereunder.

15. Miscellaneous Provisions.

15.1. This Agreement may not be modified orally; it may be modified only by an agreement in writing signed by the parties or their successors-in-interest. This Agreement shall inure to the benefit of and bind the parties and their successors and assignees.

15.2. The captions contained in this Agreement are for convenience only and in no way limit or alter the terms and conditions of the Agreement.

15.3. This Agreement has been executed under and shall be construed, governed, and enforced, in accordance with the laws of the State of California except to the extent that California law is preempted by the U.S. federal law. The invalidity or unenforceability of one or more provisions of this Agreement does not affect the validity or enforceability of any other provisions.

15.4. This Agreement has been executed in duplicate. Lender and County agree that one (1) copy of the Agreement will be recorded.

15.5. This Agreement shall be the entire and only agreement concerning subordination of the Lease and the leasehold estate created by it, together with all rights and privileges of County under it, to the lien or charge of the Loan Documents and shall supersede and cancel, to the extent that it would affect priority between the Lease and the Loan Documents, any previous subordination agreements, including provisions, if any, contained in the Lease that provide for the subordination of the Lease and the leasehold estate created by it to a deed of trust or mortgage. This Agreement supersedes any inconsistent provision of the Lease.

15.6. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which copies, taken together, shall constitute but one and the same instrument. Signature and acknowledgment pages may be detached from the copies and attached to a single copy of this Agreement to physically form one original document, which may be recorded without an attached copy of the Lease.

15.7 If any legal action or proceeding is commenced to interpret or enforce the terms of this Agreement or obligations arising out of it, or to recover damages for the breach of the Agreement, the party prevailing in such action or proceeding shall be entitled to recover from the non-prevailing party or parties all reasonable attorneys' fees, costs, and expenses it has incurred.

15.8. Word Usage. Unless the context clearly requires otherwise, (a) the plural and singular numbers will each be deemed to include the other; (b) the masculine, feminine, and neuter genders will each be deemed to include the others; (c) "shall," "will," "must," "agrees," and "covenants" are each mandatory; (d) "may" is permissive; (e) "or" is not exclusive; and (f) "includes" and "including" are not limiting.

Executed on the date first above written.

[COUNTERPART SIGNATURE PAGE TO SUBORDINATION NON-DISTURBANCE AND ATTORNMENT AGREEMENT]

COUNTY OF RIVERSIDE:

Bv:

Jeff Hewitt, Chair Board of Supervisors

APPROVED AS TO FORM:

Minh Tran, County Counsel

By: Ryan Yabko Deputy County Counsel

ATTEST: Kecia R. Harper Clerk of the Board

By: Depu

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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.

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COUNTY OF RIVERSIDE

On November 29, 2022, before me, Breanna Smith, Board Assistant, personally appeared Jeff Hewitt, Chair of the Board of Supervisors, 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; and that a copy of this paper, document or instrument has been delivered to the chairperson.

I certify under the 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

Kecia R. Harper Clerk of the Board of Supervisors

(SEAL)

CALIFORNIA ALL-PURPOSE 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 _____

COUNTY OF

On ______, 2022, before me, ______, 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.

_____[SEAL]

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[COUNTERPART SIGNATURE PAGE TO SUBORDINATION NON-DISTURBANCE AND ATTORNMENT AGREEMENT]

LENDER:

AVATAR HEMET COMMERCIAL LLC,

a Delaware limited liability company

By:

Name: T. R. Hazelrigg IV

Title: Manager

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 WASHINGTON

COUNTY OF KING

On <u>OCHOBER</u> 25th, 2022, before me, <u>Faith M Moehn</u>, personally appeared T. R. HAZELRIGG IV, 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 Washington that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[SEAL] 10 044860.000001 4856-7167-2891.1

[COUNTERPART SIGNATURE PAGE TO SUBORDINATION NON-DISTURBANCE AND ATTORNMENT AGREEMENT]

Accepted and Agreed To:

Lessor:

SIC/LEED CIVIC PLAZA, LLC a Delaware limited liability company By:

Name: Elizabeth Leanse Its: Manager

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

STATE OF <u>Underformed</u> COUNTY OF <u>Hos Argeles</u>

On <u><u><u>Utobul</u> 25</u>, 2022, before me, <u><u>Util</u> <u>Upper</u> <u><u>Util</u> <u>Upper</u> <u>Ustrade</u>, personally appeared ELIZABETH LEANSE, 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.</u></u></u>

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.



EXHIBIT A

Order No.: 112216639

For APN/Parcel ID(s): 445-090-011 and 445-090-013

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF HEMET, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

.

THAT PORTION OF LOTS 1, 3 AND 4 IN BLOCK 131 OF THE LANDS OF THE HEMET LAND COMPANY, IN THE CITY OF HEMET, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN <u>BOOK 1 PAGE 14 OF MAPS</u>, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF SAN JACINTO STREET WITH THE CENTERLINE OF OAKLAND AVENUE; THENCE WESTERLY ALONG THE CENTERLINE OF SAID OAKLAND AVENUE, 781.43 FEET; THENCE NORTHERLY AND PARALLEL WITH THE CENTERLINE OF SAID SAN JACINTO STREET TO THE NORTHERLY LINE OF LOT 3 IN SAID BLOCK 131; THENCE

EASTERLY ALONG THE NORTHERLY LINES OF LOTS 3 AND 4 IN SAID BLOCK 131, A DISTANCE OF 451.21 FEET, MORE OR LESS, TO THE SOUTHWESTERLY CORNER OF THE LAND CONVEYED TO HERMAN H. MUELLER, A SINGLE MAN, BY DEED RECORDED JANUARY 7, 1949 IN <u>BOOK 1042 PAGE 455, OF OFFICIAL RECORDS</u>: THENCE NORTHERLY ALONG THE WESTERLY LINE OF SAID LAND CONVEYED TO HERMAN H. MUELLER, 6 FEET TO THE SOUTHWESTERLY CORNER OF THE LAND CONVEYED TO JAY C. WALLIS AND JEANNE F. WALLIS, HUSBAND AND WIFE AS JOINT TENANTS, BY DEED RECORDED SEPTEMBER 8, 1953 IN <u>BOOK 1505 PAGE 553, OF OFFICIAL RECORDS</u>; THENCE EASTERLY ALONG THE SOUTHERLY LINE OF SAID LAND CONVEYED TO JAY C. WALLIS, ET UX, AND THE EASTERLY PROLONGATION THEREOF 330.50 FEET, TO THE CENTERLINE OF SAID SAN JACINTO STREET; THENCE SOUTHERLY ALONG THE CENTERLINE OF SAID SAN JACINTO STREET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THOSE PORTIONS THEREOF, LYING WITHIN SAN JACINTO STREET AND OAKLAND AVENUE.

ALSO EXCEPT THEREFROM THOSE PORTIONS LYING WITHIN THE BOUNDARIES OF <u>PARCEL</u> <u>MAP 7056-1</u>, IN <u>BOOK 25 PAGES 45 AND 46 OF PARCEL MAPS</u>, OF SAID COUNTY.

ALSO EXCEPT THAT PORTION OF SAID LAND LYING SOUTHERLY OF A LINE PARALLEL WITH AND DISTANT 386.20 FEET NORTHERLY, MEASURED AT RIGHT ANGLES OF THE CENTERLINE OF SAID OAKLAND AVENUE, AS SAID CENTERLINE IS ESTABLISHED ON THE MAP OF SAID <u>PARCEL MAP 7056-1</u> AND EASTERLY OF A LINE PARALLEL WITH AND DISTANT 449.96 FEET WESTERLY, MEASURED AT RIGHT ANGLES, OF THE CENTERLINE OF SAID SAN JACINTO STREET AS SHOWN ON SAID <u>PARCEL MAP 7056-1</u>.

SAID LAND IS ALSO SHOWN AND DESCRIBED AS "PARCEL A" IN THAT CERTAIN DOCUMENT ENTITLED "CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT NO. LLA08-009" A CERTIFIED COPY OF WHICH IS RECORDED ON JUNE 19, 2008 AS <u>INSTRUMENT NO.</u> 2008-0335837, OF OFFICIAL RECORDS.

EXHIBIT A

(continued)

PARCEL 2:

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. .

THAT PORTION OF LOT 4 IN BLOCK 131 OF THE LANDS OF THE HEMET LAND COMPANY, IN THE CITY OF HEMET, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN <u>BOOK 1 PAGE 14 OF MAPS</u>, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF SAN JACINTO STREET WITH THE CENTERLINE OF OAKLAND AVENUE; THENCE WESTERLY ALONG THE CENTERLINE OF SAID OAKLAND AVENUE, 781,43 FEET: THENCE NORTHERLY AND PARALLEL WITH THE CENTERLINE OF SAID SAN JACINTO STREET TO THE NORTHERLY LINE OF LOT 3 IN SAID BLOCK 131; THENCE EASTERLY ALONG THE NORTHERLY LINES OF LOTS 3 AND 4 IN SAID BLOCK 131, A DISTANCE OF 451.21 FEET, MORE OR LESS, TO THE SOUTHWESTERLY CORNER OF THE LAND CONVEYED TO HERMAN H. MUELLER, A SINGLE MAN, BY DEED RECORDED JANUARY 7, 1949 IN BOOK 1042 PAGE 455 OF OFFICIAL RECORDS: THENCE NORTHERLY ALONG THE WESTERLY LINE OF SAID LAND CONVEYED TO HERMAN H. MUELLER. 6 FEET TO THE SOUTHWESTERLY CORNER OF THE LAND CONVEYED TO JAY C. WALUS AND JEANNE F. WALLIS, HUSBAND AND WIFE AS JOINT TENANTS, BY DEED RECORDED SEPTEMBER 8, 19S3 IN BOOK 1505 PAGE 553, OF OFFICIAL RECORDS; THENCE EASTERLY ALONG THE SOUTHERLY LINE OF SAID LAND CONVEYED TO JAY C. WALLIS, ET UX, AND THE EASTERLY PROLONGATION THEREOF 330.50 FEET, TO THE CENTERLINE OF SAID SAN JACINTO STREET: THENCE SOUTHERLY ALONG THE CENTERLINE OF SAID SAN JACINTO STREET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THOSE PORTIONS THEREOF, LYING WITHIN SAN JACINTO STREET AND OAKLAND AVENUE.

ALSO EXCEPT THEREFROM THOSE PORTIONS LYING WITHIN THE BOUNDARIES OF <u>PARCEL</u> <u>MAP 7056-1</u>, IN BOOK 25 PAGES 45 AND 46 OF PARCEL MAPS. OF SAID COUNTY.

ALSO EXCEPT THAT PORTION OF SAID LAND LYING NORTHERLY OF A LINE PARALLEL WITH AND DISTANT 386.20 FEET NORTHERLY MEASURED AT RIGHT ANGLES OF THE CENTERLINE OF SAID OAKLAND AVENUE, AS SAID CENTERLINE IS ESTABLISHED ON THE MAP OF SAID <u>PARCEL MAP 7056-1</u> AND WESTERLY OF A LINE, PARALLEL WITH AND DISTANT 449.96 FEET WESTERLY MEASURED AT RIGHT ANGLES OF THE CENTERLINE OF SAID SAN JACINTO STREET AS SHOWN ON SAID PARCEL MAP 7056-1.

SAID LAND IS ALSO SHOWN AND DESCRIBED AS "PARCEL B" IN THAT CERTAIN DOCUMENT ENTITLED "CERTIFICATE OF COMPLIANCE FOR LOT LINE ADJUSTMENT NO. LLA08-009" A CERTIFIED COPY OF WHICH IS RECORDED ON JUNE 19, 2008 AS <u>INSTRUMENT NO.</u> 2008-0335837, OF OFFICIAL RECORDS.

PARCEL 3:

PARCEL 1 OF <u>PARCEL MAP 7056-1</u>, IN THE CITY OF HEMET, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, FILED IN <u>BOOK 25 PAGES 45 AND 46 OF PARCEL MAPS</u>, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

County of Riverside Facilities Management 3450 14th St; Riverside, CA

FOR COUNTY CLERK, USE ONLY
FILED/POSTED
County of Riverside Peter Aldana Assessor-County Clerk-Recorder
E-202201204 12/01/2022 01:10 PM Fee: \$ 50.00 Page 1 of 2
Removed: By: Deputy

NOTICE OF EXEMPTION

October 17, 2022

Project Name: Approval of Subordination, Non-Disturbance and Attornment Agreement (SNDA) with Avatar Hemet Commercial for Department of Public Social Services (DPSS) at 541 North San Jacinto, Hemet

Project Number: FM042310002800

Project Location: 541 North San Jacinto Street, north of East Oakland Avenue, Hemet, California 92543, Assessor's Parcel Number (APN) 445-090-011

Description of Project: On July 27, 2004, the County of Riverside (County), entered into a lease agreement for 58,820 square feet of office space located at 541 North San Jacinto Street, Hemet, (Lease), for use by DPSS. The Lessor, also known as SIC/Leed Civic Plaza, LLC, a Delaware limited liability company has requested a loan to be secured by a deed of trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing. Avatar Hemet Commercial, LLC, A Delaware limited liability company (Lender) has requested execution of an 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 SNDA is defined as the proposed project under the California Environmental Quality Act (CEQA). The project would involve the continuation of the letting of office space and 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

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.

NOV 2.9 2022 3.12

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." *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:

211.10L

Date: 10-17-2022

Mike Sullivan, Senior Environmental Planner County of Riverside, Facilities Management

