

**PROPERTY TRANSFER AGREEMENT
AND
ESCROW INSTRUCTIONS**

This Property Transfer Agreement and Escrow Instructions (the "Agreement") is entered into by and among the CITY OF CATHEDRAL CITY, a California municipal corporation (the "City"), the CITY OF CATHEDRAL CITY SOLELY IN ITS ROLE AS SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF CATHEDRAL CITY, a separate legal entity existing under the Health & Safety Code Section 34173 ("Successor Agency"), M & M PROPERTY COMPANY, LLC, a California limited liability company ("Developer"), and CONNEAUT PARTNERS, LLC, a California limited liability company ("Conneaut"). Collectively said parties may be referred to herein as the "Parties," or individually as a "Party." This Agreement bears the date of _____, 2015 for purposes only of document recordation and identification (herein known as the "Record Date").

RECITALS

WHEREAS, the Parties have cooperated in the creation of Parcel Map No. 36428 (the "Map"), which was recorded on July 1, 2013, in Parcel Map Book 235, at Pages 69 through 71, inclusive, in the Official Records of Riverside County, California (the "Official Records"), a copy of which recorded map is attached hereto as Exhibit "A", which created, realigned, resized, or otherwise affected previously existing land parcels, and provides said affected parcels with new legal descriptions; and

WHEREAS, Conneaut, prior to the recording of the Map, was owner of that certain property legally described on Exhibit "B" attached hereto (the "Original Conneaut Land"), and shown on the recorded Map as Parcels 9, 10, and 11, and Parcel A. Conneaut entered into a lease dated February 15, 2004 (the "Conneaut Lease") with CCC Properties, LLC, a California limited liability company ("Original Tenant"). By way of assignment from Original Tenant, the former Redevelopment Agency of the City of Cathedral City was assigned all of Original Tenant's right, title and interest, and it assumed all of Original Tenant's obligations thereafter arising, under the Conneaut Lease for the Original Conneaut Land pursuant to the Assignment and Assumption of Lease dated March 7, 2007. As a result of the dissolution of the former Redevelopment Agency of the City of Cathedral City by action of California State Legislature on February 1, 2012, and the appointment of City of Cathedral City as Successor Agency to the former Redevelopment Agency, Successor Agency is the current "Tenant" under the Conneaut Lease; and

WHEREAS, the former Redevelopment Agency of the City of Cathedral City entered into a Disposition and Development Agreement (the "DDA") with Developer, dated as of June 22, 2011, a Memorandum of which was recorded as Document No. 2012-0300735 in the Official Records on June 28, 2012, which called for the transfer to Developer of certain land located in the area covered by the Map for the purposes of developing an automobile dealership (the "Automobile Dealership") and an access road located on Parcel 1 and Parcel 11 (the "Access Road"), which road would benefit not only Developer's land but other parcels as well (all as more particularly provided and described in the DDA, which is incorporated herein by reference); and

WHEREAS, Successor Agency, in accordance with the terms of the DDA, has previously transferred certain land to Developer, by deed recorded on June 28, 2012, as Instrument No. 2012-0300738, in the Official Records, for use in constructing the Automobile Dealership and the Access Road, which land is depicted on the Map as: Parcel 1 (more or less the eastern and southern portions of the Access Road), Revised Parcel 2 (as defined in the Recital below), Revised Parcel 5 (as defined in the Recital below) and Parcel 8. Parcel 11, which is a portion of the Original Conneaut Land, is more or less the northwestern portion of the Access Road (and legally described as the "Former Conneaut Land" in Exhibit "C" attached hereto). Parcel "A" as shown on the Map, has been dedicated for highway purposes by the recordation of the Map; and

WHEREAS, subsequent to the recordation of the Map, Developer, Successor Agency and the City processed and recorded Lot Line Adjustment No. 2014-469 (the "Lot Line Adjustment"), attached hereto as Exhibit "D", which adjusted the boundaries between Parcel 2, which is the Automobile Dealership, and Parcel 5 of the Map. A portion of Parcel 5 was transferred by Successor Agency to Developer by deed recorded March 31, 2014, as Instrument No. 2014-0116836, in the Official Records, which enlarged Parcel 2, and gave it a new legal description, and decreased the size of Parcel 5, and gave it a new legal description. The enlarged Parcel 2 is described and shown in Exhibit "D" and is hereafter referred to as "Revised Parcel 2" and the remaining portion of Parcel 5 as shown and described in Exhibit "D" is hereafter referred to as "Revised Parcel 5"; and

WHEREAS, in exchange for Parcel 11 to be transferred to Developer by Conneaut for inclusion as part of the Access Road as required by the DDA, Developer is transferring to Conneaut the land shown on the Map as Parcel 8. As a result, at the Close of the Escrow (as defined in subsection 5.k below), Conneaut will own Parcel 8, Parcel 9 and Parcel 10 of the Map, herein referred to as the "Conneaut Property," and Developer will own Parcel 1, Parcel 11, Revised Parcel 2 and Revised Parcel 5; and

WHEREAS, Successor Agency consents to the transfer of Parcel 11 by Conneaut to Developer, which will result in Parcel 11 no longer being a part of the Original Conneaut Land that is the subject of the Conneaut Lease with Successor Agency as the current Tenant; and

WHEREAS, in consideration of the decrease in the size of the land covered by the Conneaut Lease by the transfer of Parcel 11 to Developer, and in recognition of the dedication of a portion of the land of the Conneaut Lease, as shown on the Map as Parcel "A", for highway purposes, Successor Agency and Conneaut acknowledge that Parcel 8 is to be transferred to Conneaut by Developer, and Parcel 8 may be leased to Successor Agency pursuant an amendment to the Conneaut Lease or a separate lease on terms and conditions mutually acceptable to Successor Agency and Conneaut, in each of their sole and absolute discretion, or it may be occupied by Conneaut or leased to any third party on terms and conditions acceptable to Conneaut, at Conneaut's option, which may be exercised in its sole and absolute discretion; and

WHEREAS, the Oversight Board of Successor Agency (the "Oversight Board") and the California Department of Finance ("DOF"), as required under Health & Safety Code Section 34177 and 34181, have approved of (i) the transactions described in the above Recitals, and (ii) this Agreement; and

WHEREAS, the Parties desire to set forth certain terms between them for the transfer of parcels or portions thereof as described on the Map, in the Lot Line Adjustment or herein for the purposes of improving their respective properties and providing public access to future businesses located thereon, and for such other purposes as are described in this Agreement.

NOW, THEREFORE, THE PARTIES AGREE TO BE BOUND BY THE PROMISES, COVENANTS AND OBLIGATIONS CONTAINED IN THIS AGREEMENT, EACH OF THEM ACKNOWLEDGING THE SUFFICIENCY OF THE CONSIDERATION GIVEN TO IT.

TERMS AND CONDITIONS

Section 1. Incorporation of Recitals; Successor Agency.

Each of the Recitals set forth above is incorporated in this Agreement, and the Parties each acknowledge and agree to the truth and accuracy thereof. Except where otherwise specifically mentioned, where this Agreement imposes an obligation on the City it shall mean the City acting as Successor Agency, and the execution of this Agreement, any other Escrow instructions or any other document required by this Agreement , by authorized representatives of the City shall not be interpreted to mean otherwise.

Section 2. Identification of Parties and Parcels; Recording of Agreement.

a. The ownership of the Parcels, as modified by the Lot Line Adjustment in Exhibit "D", prior to the transactions contemplated by this Agreement are listed below:

- (1) Successor Agency: Parcel 6 and Parcel 7;
- (2) Developer: Parcel 1, Revised Parcel 5, Revised Parcel 2 and Parcel 8;
- (3) Conneaut: Parcel 9, Parcel 10 and Parcel 11; and
- (4) Not a part of this Agreement: Parcel 3 and Parcel 4.

b. This Agreement shall be recorded in the Official Records. References herein to a Parcel number, if not expressly described as relating to a different parcel map, shall mean and refer to that Parcel number described on the Map.

Section 3. Conneaut Lease.

Successor Agency consents to the transfer of Parcel 11 by Conneaut to Developer, which will result in Parcel 11 no longer being a part of the Original Conneaut Land that is the subject of the Conneaut Lease with Successor Agency as the current Tenant. In consideration of the decrease in the size of the land covered by the Conneaut Lease by the transfer of Parcel 11 to Developer, and in recognition of the dedication of a portion of said land, Parcel "A", as shown on the Map, for highway purposes, Successor Agency and Conneaut acknowledge that Parcel 8 is to be transferred to Conneaut by Developer, and Parcel 8 may be leased to Successor Agency pursuant an amendment to the Conneaut Lease or a separate lease, on terms and conditions mutually acceptable to Successor Agency and Conneaut, in each of their sole and absolute discretion, or it may be occupied by Conneaut or leased to any third party on terms and conditions acceptable to Conneaut, at Conneaut's option, which may be exercised in its sole and absolute discretion.

Section 4. Obligations of the Parties.

a. Conneaut agrees, in consideration of the promises and covenants of the other Parties hereunder, to convey title to Parcel 11 to Developer, which will result in the entirety of the Access Road, as shown on the Map, to be the property of Developer, thus allowing Developer to meet its obligations under the DDA, so long as the Parties hereunder concurrently enter into and record that certain Non-Exclusive Easement Agreement with Maintenance Covenants (the "Non-Exclusive Easement Agreement"), attached hereto as Exhibit "E". California Land Title Association Standard Owners Title Insurance (the "Title Policy") shall be obtained from the Escrow Agent, as that term is defined below: (i) on Parcel 11 for the benefit of Developer, (ii) on Parcel 8 for the benefit of Conneaut, and (iii) and on the easements granted pursuant to the Non-Exclusive Easement Agreement for the benefit of all Parties. By signing this Agreement, all Parties acknowledge receipt of the following Preliminary Title Reports: (A) Preliminary Report for Parcel 11 and the easements under the Non-Exclusive

Easement Agreement, under First American Title Company Order No. NCS-723885-ONT1 (the "Parcel 11 PTR"), and (B) Preliminary Report for Parcel 8 and the easements under the Non-Exclusive Easement Agreement, under Order No. NCS-723886-ONT1 (the "Parcel 8 PTR"). Developer hereby approves of the Parcel 11 PTR, and Developer agrees that transfer to it of title to Parcel 11 subject to the exceptions to title described in the Parcel 11 PTR, and adding an exception for the Non-Exclusive Easement Agreement (collectively, the "Parcel 11 Permitted Exceptions"), is acceptable to Developer. Conneaut hereby approves of the Parcel 8 PTR, and Conneaut agrees that transfer to it of title to Parcel 8 subject to the exceptions to title described in the Parcel 8 PTR, and adding an exception for the Non-Exclusive Easement Agreement (collectively, the "Parcel 8 Permitted Exceptions"), is acceptable to Conneaut.

b. As of the Close of Escrow (as that term is defined in subsection 5.k hereof), Developer agrees, in consideration of the promises and covenants of the other Parties, to convey title to Parcel 8 to Conneaut; however, it shall be a condition in favor of Conneaut that Escrow Agent issue a Title Policy with only the Parcel 8 Permitted Exceptions and such other exceptions as have been approved in writing by Conneaut, and with liability limits equal to the value of Parcel 8 as reasonably determined by Conneaut and approved by Escrow Agent. As of the Close of Escrow, Conneaut agrees, in consideration of the promises and covenants of the other Parties, to convey title to Parcel 11 to Developer; however, it shall be a condition in favor of Developer that Escrow Agent issue a Title Policy with only the Parcel 11 Permitted Exceptions and such other exceptions to title as have been approved in writing by Developer, and with liability limits equal to the value of Parcel 11 as reasonably determined by Developer and approved by Escrow Agent.

c. Drawings and sketches attached to Exhibits to this Agreement are for illustrative purposes only, and to show the general location of the property in question, and are not intended to be precise descriptions of the size or location of the subject property. The Parties should refer to the Map, the Lot Line Adjustment and actual legal descriptions regarding each property for the accurate location and size of the referenced property.

Section 5. Escrow Provisions and Instructions.

a. The Parties agree to establish an Escrow (the "Escrow") for the purposes of implementing this Agreement, at First American Title (the "Escrow Agent"). The Escrow shall be opened by the City immediately after the Effective Date (as defined in subsection 14.t below).

b. The Parties shall provide and execute such additional Escrow instructions consistent with this Agreement as shall be necessary or required by the Escrow Agent. The Escrow Agent is hereby empowered to act under this Agreement, and, upon indicating its acceptance of this section in writing, delivered to the Parties within five (5) calendar days after the establishment of the Escrow, shall carry out its duties as the Escrow Agent hereunder.

c. Each Party shall deliver to the Escrow Agent all documents necessary for conveyance of title as applicable or implementation of any other provision of this Agreement or other obligations of said Party hereunder, including, as applicable, any funds owed by that Party

under this Agreement. The Parties will act in good faith to attempt to have all necessary documents, consents, approvals or other documents required by the Escrow Agent delivered to the Escrow Agent, and to perform all other acts required under the terms of this Agreement, including, as applicable, the deposit of any funds for which each Party is responsible, within ten (10) calendar days after the establishment of the Escrow.

d. The Parties shall be responsible for the payment of the following fees or costs in connection with the Escrow:

(1) Conneaut shall not be liable for any fees or costs associated with this Escrow (including, without limitation, the Escrow fees charged by Escrow Agent); however, Conneaut shall pay: (i) the premium for the Title Policy on Parcel 11 to be conveyed by it to Developer; and (ii) the transfer taxes and recording fees payable in connection with the recording of the deed transferring Parcel 11 by it to Developer.

(2) Developer shall be responsible for payment of: (i) one-half (1/2) of the Escrow fees charged by the Escrow Agent; (ii) the premium for the Title Policy on Parcel 8 to be conveyed by it to Conneaut; and (iii) the transfer taxes and recording fees payable in connection with the recording of the deed transferring Parcel 8 by it to Conneaut.

(3) The City shall be responsible for all other fees, costs, premiums and charges required in order to Close the Escrow.

e. The Escrow Agent shall prorate real property taxes as necessary or appropriate to each of the responsible Parties, with respect to each transferred property.

f. The City shall prepare all deeds and other documents required under this Agreement and shall circulate said documents for approval by all Parties. Once all such deeds and other documents have been approved by the Parties, each Party shall execute (in recordable form if appropriate) the applicable documents and return them to the Escrow Agent. Each deed or lease shall include the redevelopment covenants ("Redevelopment Covenants") in the standard form used by Successor Agency.

g. If any Party causes or permits one or more new exceptions to title to be set forth in the Title Policy for Parcel 8 that are not Parcel 8 Permitted Exceptions, then the Party causing such new exceptions to title shall cause them to be removed of record at its sole cost prior to the Close of Escrow. If any Party causes one or more new exceptions to title to be set forth in the Title Policy for Parcel 11 that are not Parcel 11 Permitted Exceptions, then the Party causing such new exceptions to title shall cause them to be removed of record at its sole cost prior to the Close of Escrow.

h. All funds received in the Escrow shall be deposited by the Escrow Agent in an insured account with any state or national bank doing business in the State of California, and

such funds may be combined with other escrow funds of the Escrow Agent. Such funds shall draw the highest reasonable rate of interest and such interest shall accrue to the Party to this Agreement who shall have made the deposit thereof with the Escrow Agent.

i. All communications from the Escrow Agent to the any of the Parties shall be directed to the respective Parties at the addresses set forth in the section of this Agreement dealing with notices, unless any Party requests in writing, served on the Escrow Agent and all other Parties, that communications and notices be forwarded to a different person or place.

j. Not less than three (3) business days prior to the Close of Escrow, the Escrow Agent shall provide each Party with a pro forma closing statement, showing any funds owed by or any credits to that Party, based upon allocations as are normal in the County of Riverside, unless otherwise provided by this Agreement. Ad valorem property taxes will be apportioned to the transferee and the transferor in each transaction, based upon the Closing Date. The Escrow Agent shall provide copies of each Party's closing statement to each of the other Parties at the same time.

k. Escrow Agent shall close the Escrow (the closing of Escrow is referred to herein as the "Close of Escrow" or the "Closing" and the date on which the Close of Escrow is to occur is referred to herein as the "Closing Date") when Escrow Agent is in possession of: all necessary documents required under this Agreement as well as such other documents required for the Closing and the Escrow Agent is prepared to issue final Title Policies for Parcel 8 and Parcel 11 as provided herein effective as of the Close of Escrow, and any and all funds as required in this Agreement or any supplemental Escrow instructions are on deposit with the Escrow Agent.

l. When the Escrow Agent is in a position for the Close of Escrow to occur, it shall do the following in the order listed:

- (1) Record the Grant Deed from Developer to Conneaut of Parcel 8 with the Recorder;
- (2) Record the Grant Deed from Conneaut to Developer of Parcel 11 with the Recorder;
- (3) Record the Non-Exclusive Easement Agreement with the Recorder as well as any and all other documents necessary to implement the provisions of this Agreement.
- (4) Issue the Title Policies for Parcel 8 and Parcel 11 called for under this Agreement to the Parties entitled thereto. Each Party insured under the Title Policies may request that it be issued an extended policy of title insurance and/or any endorsements it desires in lieu of the Standard Owners Title Policy, but the price increase for same shall be the sole cost of the transferee, notwithstanding any other provision of this Agreement to the contrary.

(5) Pay to the Party entitled thereto any funds held by the Escrow Agent which are then due to said Party, if applicable.

(6) Provide each Party with a final closing statement, and provide each other Party with a copy of said closing statement.

(7) Provide each Party with a complete set of all documents recorded with the County Recorder.

m. The Parcels of the Map and lands to be owned by each of the Parties after completion of the transactions contemplated by this Agreement are listed below:

(1) Successor Agency: Parcel 6 and Parcel 7;

(2) Developer: Parcel 1, Revised Parcel 2, Revised Parcel 5 and Parcel 11; and

(3) Conneaut: Parcel 8, Parcel 9, and Parcel 10.

Section 6. All Property Transferred "As Is."

a. Each parcel of land, or portion thereof, transferred under the provisions of this Agreement is transferred to the transferee in an "as is" condition, which shall mean that the transferor is not responsible to the transferee for any hidden or latent defects in the subject property.

b. By its execution of this Agreement, each Party is representing to each other Party that it is not aware of any hidden or latent defect in or of the property or properties which it is transferring under the terms of this Agreement, other than any such defects as may have been disclosed to the transferee in writing delivered to the transferee not less than ten (10) business days prior to the date of this Agreement.

c. Each Party hereto expressly assumes the risk that the property, if any, which is transferred to it under the terms of this Agreement may contain or have defects or conditions which might prevent the intended use of said property, or cause unexpected expense in connection with preparing said land for the intended use.

d. Each Party hereto who is being transferred any of the properties hereunder hereby releases the transferring Party from any claim relating to the condition of the property or properties transferred to it under this Agreement. To that end, each Party, and its officials, members, managers, partners, employees and agents, shall be held harmless for all claims, demands, causes of action, penalties, expenses and liabilities of whatsoever kind or nature which may arise out of, because of, concerning, or incident to the condition of the property or properties conveyed to it under this Agreement, including all court actions, costs and expenses and attorneys' fees relative to any Party being made a party in any action, suit, arbitration or mediation initiated by the Party to whom the subject property was conveyed and/or any third party for any alleged condition of the property or properties conveyed to that Party.

e. Notwithstanding the provisions of this section 6, by signing this Agreement, the Parties acknowledge receipt of a Phase I Environmental Assessment, dated May 15, 2015, of the areas within the Map, which includes areas covered by Parcel 8 and Parcel 11, which does not reflect any condition requiring further study and/or remediation. The Parties are entitled to rely upon such Environmental Assessment. By its execution of this Agreement, each Party represents to each of the other Parties and warrants that it is not aware of and has not received any written notice of any report or physical condition relating to any property covered by this Agreement which indicates the presence of any underground tank or hazardous or toxic materials in condition or amount as would be in violation of applicable laws or other hidden or latent defects with respect to any property which it is to transfer under the terms of this Agreement, except as may be disclosed in writing prior to the Effective Date of this Agreement.

Section 7. Prohibition Against Transfers.

Prior to the Close of Escrow, no Party to this Agreement, without prior written approval by the City, or except as permitted by this Agreement, shall assign or attempt to assign this Agreement or any right herein; or make any total or partial sale, transfer, conveyance, lease, leaseback, or assignment of the whole or any part of any property owned by it referenced in this Agreement and/or the improvements thereon. This prohibition shall not apply to the reasonable grant of limited easements or permits to facilitate the development of any of the properties; to facilitate the construction or the improvement of the Automobile Dealership on Revised Parcel 2 or of the Access Road on Parcel 1 and Parcel 11; or to Parcel 9, at all. In the event of an unauthorized transfer or conveyance, the transferee in connection therewith shall become fully liable for each and every obligation of the transferor, and the transferor shall not be relieved of any obligation or liability under this Agreement.

Section 8. City Covenants.

a. The Parties recognize that, as Successor Agency, the City has an obligation, in connection with transfers of land previously owned by the Redevelopment Agency to the City of Cathedral City, to impose certain redevelopment covenants on such land.

b. Said redevelopment covenants will be contained in any grant deed to be given by the City hereunder. The City, both as Successor Agency and as a city, shall be the beneficiary of each and every such covenant, and may, but is not required to, independently seek enforcement thereof. It should be noted that Developer has the same obligation with respect to any land previously transferred to it by the Redevelopment Agency or Successor Agency.

Section 9. Effect of City Participation.

The City's participation in this Agreement is solely for the specific provisions contained herein, and shall not in any way or in any event be interpreted to mean that the City approves of any land use, development or other treatment of any property affected hereby. All of the City's regular processes apply to any such uses and no approval by the City or any of its

subordinate departments, commissions or agencies shall be implied as a result of its participation in this Agreement or the transfer by it of any property.

Section 10. Defaults.

a. Each Party shall act promptly and diligently to complete these transactions and cause the Closing to occur as soon as reasonably practicable after the Effective Date. Except where a different provision appears in this Agreement with respect to time frames for curing defaults or removing title items, in which case such other provision shall govern, if the Close of Escrow fails to occur within four (4) months of the Effective Date as a result of any action or failure to act by any Party hereto, any other Party may serve a notice of default upon the defaulting Party identifying the act or omission which has caused the default, and permitting ten (10) days after receipt of the notice to cure each and every default identified in the notice. Notices shall be served as provided in section 11 hereof.

b. Any Party which fails to cure all of its defaults within the ten (10) day period specified in any notice of default shall be deemed to be in default of a material provision of this Agreement, except that if the breach reasonably requires more than ten (10) days to cure, the defaulting Party shall not be in default if it immediately commences steps to cure the default and continually prosecutes such steps without unreasonable delay to the conclusion. The time afforded for such cure shall not exceed sixty (60) days unless written consent to a longer period is given by all of the other Parties, or a longer period is provided by another provision of this Agreement. Thereafter, any non-defaulting Party may bring any action under law or equity to compel the defaulting Party to perform its obligations under this Agreement, it being recognized by all of the Parties hereto that damages will not adequately compensate the other Parties for the failure of a defaulting Party to honor its obligations hereunder, and that only the transfers required under the Agreement can compensate the other Parties as contemplated by the Agreement.

c. Any failure or delays by any Party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies. Delays by any Party in asserting any of its rights and remedies shall not deprive said Party of its right to the remedies provided in this Agreement.

Section 11. Notice Provisions.

a. Any and all notices, demands or communications submitted by any Party to another Party pursuant to or as required by this Agreement shall be proper if in writing and dispatched by messenger for immediate personal delivery, or by registered or certified United States mail, postage prepaid, return receipt requested, to the location designated below. Such written notices, demands and communications may be sent in the same manner to such other addresses as either Party may from time to time designate as provided in this section. Any such notice, demand or communication shall be deemed to be received by the addressee, regardless of whether or when any return receipt is received by the sender or the date set forth on such

return receipt, on the day that it is dispatched by messenger for immediate personal delivery, or two (2) calendar days after it is placed in the United States mail as heretofore provided.

b. All notices, demands or communications to a Party shall be sent to:

Developer: M & M Property Company, LLC
2740 BROADWAY
Oakland, CA 94612
Attn: Michael Murphy

With a copy to:

Belzer, Hulchiy & Murray
3650 Mt. Diablo Blvd., Ste. 130
Lafayette, CA 94549
Attn: Robert A. Belzer

The City and
Successor Agency: City of Cathedral City
68-700 Avenida Lalo Guerrero
Cathedral City, CA 92234
Attn: Charles P. McClendon

With a copy to:

Green de Bortnowsky, LLP
23801 Calabasas Rd., Ste. 1015
Calabasas, CA 91302
Attn: Charles R. Green

Conneaut: Conneaut Partners, LLC
39 Shetland Court
P.O. Box 244
San Ramon, CA 94583
Attn: Thomas Hollister

With a copy to:

Freeman, Freeman & Smiley LLP
1888 Century Park East, Suite 1900
Los Angeles, CA 90067
Attn: Glenn T. Sherman

Section 12. Indemnification; Release.

a. The indemnifications provided in this section shall survive the termination for any reason of this Agreement for a period of five (5) years from the date this Agreement is terminated.

b. Each of the Parties agrees to indemnify, defend and hold each other Party, and its elected officials, members, managers, partners, employees and agents, harmless from and against all liabilities, damages, judgments, orders, rulings, costs, expenses and fees (collectively, the "Claims") arising from or related to its default in performing its obligations hereunder.

Section 13. Termination of Agreement.

Each of the Parties shall have the right to terminate this Agreement and its obligations hereunder if any of the other Parties is in default of this Agreement (after written notice thereof and the lapsing of the applicable cure period hereunder, all as described in subsection 10.b hereof).

Section 14. Miscellaneous Provisions.

a. Any action taken by a Party, including, but not limited to, the termination of this Agreement under the provisions hereof, shall be at the sole option of said Party and in its sole and absolute discretion, unless a different standard is otherwise specifically indicated. Each Party acknowledges that each other Party would not have entered into this Agreement in the absence of these covenants.

b. All Exhibits attached to this Agreement are deemed to be incorporated into this Agreement by reference.

c. The Parties each agree to execute any and all additional documents, forms, notices, applications or other documents which are reasonably necessary to carry out the intent of this Agreement.

d. The Parties agree that, should any provision, section, paragraph, sentence or word of this Agreement be rendered or declared invalid by any final court action in a court of competent jurisdiction or by reason of legislation, the remaining provisions, sections, paragraphs, sentences and words of this Agreement shall remain in full force and effect and the Parties agree in good faith to immediately amend this Agreement in such a way as to provide alternative provisions, sections, paragraphs, sentences or words as to carry out the intent of this Agreement.

e. With respect to any default of this Agreement by any other Party, the non-defaulting Party or Parties may institute legal action to cure, correct or remedy any such default, providing that such action is not otherwise prohibited or restricted by the provisions of this Agreement, to recover any damages arising from such default or to obtain any other remedy consistent with the purposes of this Agreement, and further provided that notice is given in accordance with this Agreement. Such legal actions must be instituted in the Superior Court of the County of Riverside, State of California, in any other appropriate court in that County, or in the Federal District Court in the Central District of California.

f. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

g. Except with respect to any rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by any Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by any defaulting Party. A waiver of a requirement shall not constitute an ongoing waiver of that requirement in the future. Any waiver of a right must be in writing to be enforceable.

h. No elected official, officer, employee or agent of the City having any conflict of interest, direct or indirect, related to this Agreement and/or the acquisition and improvement of the subject properties shall participate in any decision relating to this Agreement.

i. Each of the Parties warrants that it has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this Agreement. Third parties, for the purposes of this section, shall not include persons to whom fees are paid for professional services if rendered by attorneys, financial or other consultants, accountants, engineers, architects and the like when such fees are considered necessary by the Party. For the purposes of this paragraph, third parties shall include any elected official, officer, employee or agent of the City.

j. No elected official, official or officer, employee, agent or attorney of any Party shall be personally liable to any other Party, its members or principals, or any successor in interest, or any other party or person whatsoever, in the event of any default or breach by said Party for any amount which may become due to another Party or Parties or to its successors, or on any obligations under the terms of this Agreement, except for gross negligence or willful misconduct of such member, officer, employee or attorney.

k. In addition to specific provisions of this Agreement, performance by any Party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lockouts; riots; floods; earthquakes; fires; casualties; acts of God; acts of public enemy; epidemics; quarantine restrictions; freight embargoes or lack of transportation; weather-caused delays; inability to secure necessary labor, materials or tools; acts of any other Party other than as permitted or required by the terms of this Agreement; acts or failure to act of any public or governmental agency or entity other than as permitted or required by the terms of this Agreement (except that action or failure to act by the City shall not extend the time for the City to act unless such extension is otherwise expressly authorized herewith) unless such action or failure to act is the result of a lawsuit or injunction, or any other causes beyond the reasonable control or without the fault of the Party claiming an extension of time to perform. Any extension of time for any such cause hereunder shall be for the period of the delay caused thereby and shall commence to run from the time of the commencement of the cause, if notice by the Party claiming such extension is sent to the other Parties within thirty (30) calendar days of the commencement of the cause. Notwithstanding any provision of this

Agreement to the contrary, the Party claiming the extension shall not have more than thirty (30) business days after the commencement of such delay to complete its required acts. Times of performance under this Agreement may also be extended by mutual agreement in writing by and between the Parties.

l. The City Manager of the City is authorized to sign on his own authority amendments to this Agreement which are of routine or technical nature, including extensions of time deadlines, except that the cumulative total of extensions granted by the City Manager shall not exceed six (6) months.

m. Each Party represents and warrants the following: the Party has carefully read this Agreement, and in signing this Agreement and agreeing to be bound by the same, the Party has received independent legal advice from legal counsel as to the matters set forth in this Agreement, or has knowingly chosen not to consult legal counsel as to the matters set forth in this Agreement, and the Party has freely signed this Agreement and agreed to be bound by it without any reliance upon any agreement, promise, statement or representation by or on behalf of the other Parties, or their respective agents, employees, or attorneys, except as specifically set forth in this Agreement, and without duress or coercion, whether economic or otherwise. This Agreement shall be interpreted as though prepared jointly and severally by all of the Parties.

n. If any Party hereto files any action or brings any action or proceeding against any other Party arising out of this Agreement, seeks the resolution of disputes, or is made a party to any action or proceeding brought by a third party with respect to this Agreement or the participation in either by any Party, then as between the Parties, the prevailing Party or Parties shall be entitled to recover as an element of its costs of suit or resolution of disputes, and not as damages, its reasonable attorneys' fees as fixed by the Court (or other forum for resolution of disputes as may be agreed upon by the Parties) in such action or proceeding or in a separate action or proceeding brought to recover such attorneys' fees.

o. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns, subject to the provisions relating to transfer as provided in this Agreement.

p. Unless otherwise indicated with respect to a requirement, all timeframes for performance of an act required or permitted by this Agreement shall be calendar days. Time frames measured in months shall be calculated with reference to the actual number of days in the relevant months. Annual time frames shall mean a period of 365 days.

q. This Agreement shall be executed in four (4) duplicate originals each of which is deemed to be an original. This Agreement and all other instruments attached hereto or referred to herein constitute the entire understanding and agreement of the Parties. The Parties may sign this Agreement in counterparts.

r. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter hereof.

s. All waivers of the provisions of this Agreement and all amendments hereto must be in writing and signed by the appropriate representatives of the Party making the waiver. Other than minor or technical amendments permitted under subsection 14.I, which the City Manager may approve on his own authority, any amendment to this Agreement must be approved by the City Council of the City.

t. The Effective Date of this Agreement (the "Effective Date") shall be when both of the following have occurred: (i) this Agreement has been approved by the City Council, both on behalf of the City and acting as the legislative body of the Successor Agency; and (ii) the date when the last signature on behalf of a Party is affixed hereto.

u. The Parties agree to take such steps as are necessary to cause Escrow to Close and all transactions contemplated by this Agreement to be finalized not later than sixty (60) days from the Effective Date.

v. The Successor Agency hereby represents that all necessary approvals of the Oversight Board have been received.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

WHEREFORE, the Parties, intending to be bound hereby, have affixed their authorized signatures to this Property Transfer Agreement with Escrow Instructions.

CITY:
CITY OF CATHEDRAL CITY,
a municipal corporation

DEVELOPER:
M&M PROPERTY COMPANY, LLC,
a California limited liability company

By: _____
Charles P. McClendon, City Manager
Date: _____, 2015

By: _____
Michael Murphy, Managing Member
Date: _____, 2015

SUCCESSOR AGENCY:
CITY OF CATHEDRAL CITY SOLELY
IN ITS ROLE AS SUCCESSOR AGENCY TO
THE FORMER REDEVELOPMENT AGENCY
OF THE CITY OF CATHEDRAL CITY,
a separate legal entity existing under
the Health & Safety Code

CONNEAUT:
CONNEAUT PARTNERS, LLC,
a California limited liability company

By: _____
Charles P. McClendon,
Executive Director
Date: _____, 2015

By: _____
Thomas Hollister, Managing Partner
Date: _____, 2015

Attest:

Gary F. Howell
City Clerk

Approved as to form:

GREEN DE BORTNOWSKY, LLP
City Attorney

Charles R. Green

CATH\0046-47\MM-Conneaut-City Property Transfer Agreement (11-4-15).docx

CERTIFICATE OF 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 _____, before me, _____
Date Here Insert Name and Title of the Officer
personally appeared _____
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 _____

Place Notary Seal Above

CERTIFICATE OF ACKNOWLEDGMENT

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On _____, before me, _____
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State of _____)

County of _____)

On _____, before me, _____
Date Here Insert Name and Title of the Officer
personally appeared _____
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 _____

Place Notary Seal Above

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State of _____)

County of _____)

On _____, before me, _____
Date Here Insert Name and Title of the Officer
personally appeared _____
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 _____

Place Notary Seal Above

EXHIBIT LIST

EXHIBIT "A": Reduced copy of recorded Parcel Map No. 36428

EXHIBIT "B": Legal description of "Original Conneaut Land"

EXHIBIT "C": Legal description of "Former Conneaut Land"

EXHIBIT "D": Certificate of Compliance for Lot Line Adjustment No. 2014-469

EXHIBIT "E": Non-Exclusive Easement Agreement with Maintenance Covenants

**PROPERTY TRANSFER AGREEMENT
(M & M PROPERTY COMPANY-CONNEAUT)**

EXHIBIT "A"

PARCEL MAP NO. 36428

RECORDED JULY 1, 2013, IN BOOK 235, AT PAGES 69-71
OF PARCEL MAPS, OFFICIAL RECORDS OF RIVERSIDE COUNTY
follows this page:

2013-0316671
ORIGINAL

SHEET 2 OF 3 SHEETS

IN THE CITY OF CATHEDRAL CITY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

PARCEL MAP NO. 36428

BEING A SUBDIVISION OVER PORTIONS OF THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 4 SOUTH, RANGE 5 EAST, SAN BERNARDINO MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF

VAN SURVEYING AUGUST, 2012

NOTARY ACKNOWLEDGEMENT

STATE OF CALIFORNIA
COUNTY OF Alameda
ON June 11, 2013 BEFORE ME Diana Saechea a notary public
(INSERT NAME AND TITLE OF THE OFFICER)

PERSONALLY APPEARED Larry Fountain 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/IT/WE DECEASED THE SAME IN HIS/HER/HER
AUTHORIZED CAPACITIES, AND THAT BY HIS/HER/HER SIGNATURE(S) ON THE INSTRUMENT THE PERSONS, 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 Diana Saechea Diana Saechea
COM. #187339 MY COMMISSION EXPIRES JAN 22, 2016
MY PRINCIPAL PLACE OF BUSINESS IS ALAMEDA COUNTY, CA.

NOTARY ACKNOWLEDGEMENT

STATE OF CALIFORNIA
COUNTY OF Riverside
ON June 11, 2013 BEFORE ME Josephine Mera, Notary Public
(INSERT NAME AND TITLE OF THE OFFICER)

PERSONALLY APPEARED Wesley Gerard Hinkley 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/IT/WE DECEASED THE SAME IN HIS/HER/HER
AUTHORIZED CAPACITIES, AND THAT BY HIS/HER/HER SIGNATURE(S) ON THE INSTRUMENT THE PERSONS, 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 Josephine Mera Josephine Mera
COMMISSION # 1857308
COMMISSION EXP. JULY 10, 2013
PRINCIPAL PLACE OF BUSINESS: RIVERSIDE, CA.

NOTARY ACKNOWLEDGEMENT

STATE OF CALIFORNIA
COUNTY OF Orange
ON June 24, 2013 BEFORE ME Robert L. Smith, Notary Public
(INSERT NAME AND TITLE OF THE OFFICER)

PERSONALLY APPEARED Robert L. Smith 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/IT/WE DECEASED THE SAME IN HIS/HER/HER
AUTHORIZED CAPACITIES, AND THAT BY HIS/HER/HER SIGNATURE(S) ON THE INSTRUMENT THE PERSONS, 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 Robert L. Smith Robert L. Smith
COMMISSION # 187339
COMMISSION EXP. 10-16-14
PRINCIPAL PLACE OF BUSINESS: FOUNTAIN, CALIFORNIA

NOTARY ACKNOWLEDGEMENT

STATE OF CALIFORNIA
COUNTY OF Riverside
ON June 18, 2013 BEFORE ME Josephine Mera, Notary Public
(INSERT NAME AND TITLE OF THE OFFICER)

PERSONALLY APPEARED Josephine Mera 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/IT/WE DECEASED THE SAME IN HIS/HER/HER
AUTHORIZED CAPACITIES, AND THAT BY HIS/HER/HER SIGNATURE(S) ON THE INSTRUMENT THE PERSONS, 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 Josephine Mera Josephine Mera
COMMISSION # 1857308
COMMISSION EXP. JULY 10, 2013
PRINCIPAL PLACE OF BUSINESS: RIVERSIDE, CA.



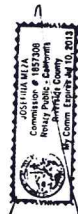
NOTARY ACKNOWLEDGEMENT

STATE OF CALIFORNIA
COUNTY OF Riverside
ON June 16, 2013 BEFORE ME Josephine Mera, Notary Public
(INSERT NAME AND TITLE OF THE OFFICER)

PERSONALLY APPEARED Patricia Dale Hemmers 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/IT/WE DECEASED THE SAME IN HIS/HER/HER
AUTHORIZED CAPACITIES, AND THAT BY HIS/HER/HER SIGNATURE(S) ON THE INSTRUMENT THE PERSONS, 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 Josephine Mera Josephine Mera
COMMISSION # 1857308
COMMISSION EXP. JULY 10, 2013
PRINCIPAL PLACE OF BUSINESS: RIVERSIDE, CA.



SOILS REPORT

AS REQUIRED BY THE HEALTH AND SAFETY CODE OF THE STATE OF CALIFORNIA, THE FOLLOWING SOILS REPORTS WERE PREPARED:

- REPORT PREPARED BY SLOAN ENGINEERING, BRETT L. ANDERSON, C 45389, PROJECT NO. 544-11144, DATED AUGUST 31, 2011, FOR PARCELS 1 AND 2.
- A REPORT PREPARED BY BUENA ENGINEERS, BRETT L. ANDERSON, C 45389, PROJECT NO. 87-3053-PI, DATED MAY 20, 1991, FOR PARCELS 3 AND 4.
- A REPORT PREPARED BY SLOAN ENGINEERING, BRETT L. ANDERSON, C 45389, PROJECT NO. 544-12145, DATED OCTOBER 30, 2012, FOR PARCELS 5 THROUGH 10.

SIGNATURE OMISSIONS

PURSUANT TO SECTION 66438 OF THE SUBDIVISION MAP ACT, THE SIGNATURES OF THE FOLLOWING OWNERS OF EASEMENTS AND/OR OTHER INTEREST HAVE BEEN OMITTED.

- AN EASEMENT IN FAVOR OF CALIFORNIA ELECTRIC POWER COMPANY AND CALIFORNIA WATER AND TELEPHONE COMPANY FOR POLES AND INCIDENTAL PURPOSES RECORDED 8/10/53 AS BK. 1488, PG. 384, O.R.
- AN EASEMENT IN FAVOR OF CALIFORNIA WATER AND TELEPHONE COMPANY FOR POLES AND INCIDENTAL PURPOSES RECORDED 3/08/54 AS BK. 1582, PG. 1, O.R.
- AN EASEMENT IN FAVOR OF CALIFORNIA WATER AND TELEPHONE COMPANY FOR POLES AND INCIDENTAL PURPOSES RECORDED 10/14/59 AS INSTRUMENT NO. 0774, O.R.
- AN EASEMENT IN FAVOR OF CALIFORNIA WATER AND TELEPHONE COMPANY FOR POLES AND INCIDENTAL PURPOSES RECORDED 12/16/59 AS INSTRUMENT NO. 100354, O.R.
- AN EASEMENT IN FAVOR OF CALIFORNIA ELECTRIC POWER COMPANY AND CALIFORNIA WATER AND TELEPHONE COMPANY FOR POLES AND INCIDENTAL PURPOSES RECORDED 10/29/56 AS BK. 1591, PG. 453, O.R.
- AN EASEMENT IN FAVOR OF SOUTHERN CALIFORNIA GAS COMPANY FOR PIPELINES AND INCIDENTAL PURPOSES RECORDED 1/07/57 AS BK. 2020, PG. 242, O.R.
- RIGHTS FOR PIPE LINES PURPOSES AS THE SOUTHERN CALIFORNIA GAS COMPANY MAY HAVE UNDER THE ACT OF MARCH 11, 1904 (33 STAT. 68) AS SET OUT IN PATENT RECORDED 7/06/73 AS INSTRUMENT NO. 08313, O.R.
- AN EASEMENT IN FAVOR OF SOUTHERN CALIFORNIA GAS COMPANY FOR PIPELINES AND INCIDENTAL PURPOSES RECORDED 4/13/53 AS BK. 1480, PG. 549, O.R.
- AN EASEMENT IN FAVOR OF SOUTHERN CALIFORNIA GAS COMPANY FOR PIPELINES AND INCIDENTAL PURPOSES RECORDED 4/30/54 AS INSTRUMENT NO. 08688.
- (2) UNRECORDED EASEMENTS TO SOUTHERN CALIFORNIA GAS COMPANY FOR PIPE LINES, AS DISCLOSED BY AN EXAMINATION OF THE RECORDS OF THE PALM SPRINGS OFFICE OF THE BUREAU OF INDIAN AFFAIRS.
- (2) Easements in favor of Southern California Edison Company for public utilities and incidental purposes recorded May 1, 2013 as Instrument No. 2013-0205479 and as Instrument No. 2013-0205479, both of Official Records.

2013-0316671
ORIGINAL

SHEET 3 OF 3 SHEETS

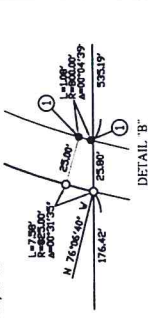
PARCEL MAP NO. 36428

IN THE CITY OF CATHEDRAL CITY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
BEING A SUBDIVISION OVER PORTIONS OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER
OF SECTION 32, TOWNSHIP 4 SOUTH, RANGE 5 EAST, SAN BERNARDINO MERIDIAN,
ACCORDING TO THE OFFICIAL PLAT THEREOF

VAN SURVEYING
AUGUST, 2012

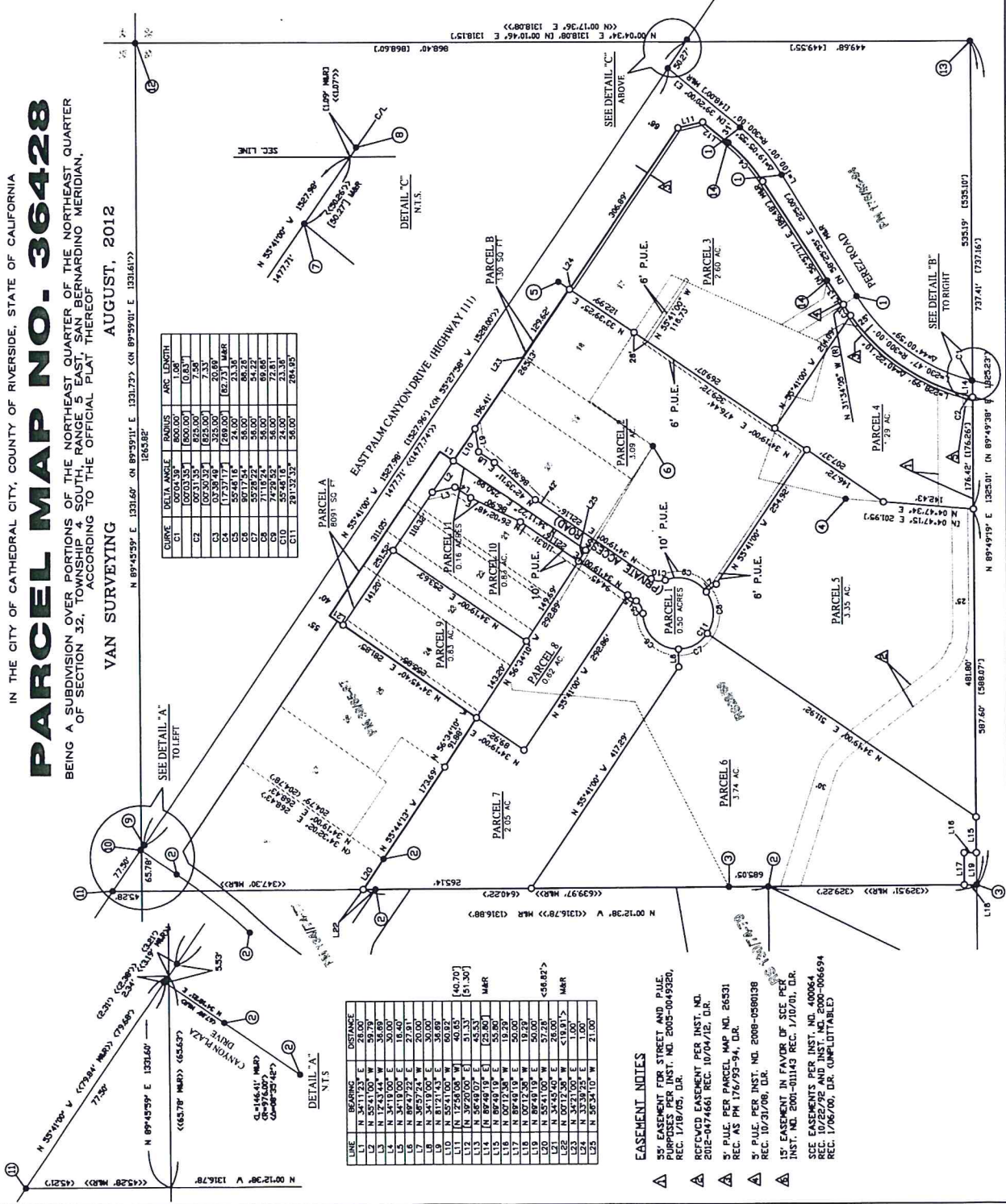
MONUMENT NOTES

- 1 FOUND CORNERED MONUMENT FLUSH, STAMPED LS 4146 PER PM 176/83-84.
- 2 FOUND 1" IRON PIPE FLUSH, WITH PLASTIC PLUG STAMPED REC 26558 PER PM 154/74-77.
- 3 FOUND 3/4" IRON PIPE FLUSH, WITH TAG STAMPED NOTED PER RS 130/74-79.
- 4 FOUND 3/4" IRON PIPE, WITH TAG STAMPED LS 4146 PER PM 176/83-84.
- 5 FOUND NAIL & TAG IN TOP OF CURB STAMPED LS 4146, NO RECORD, ACC AS PHED OF EASTERLY LINE OF PARCEL 10, PM 30/85-87 AT 8.00' OFFSET.
- 6 FOUND 3/4" IRON PIPE DOWN 0.5', WITH TAG STAMPED RE 8284, NO RECORD, ACC AS SE CORNER OF PARCEL 19, PM 30/85-87.
- 7 FOUND CORNERED MONUMENT ON 0.2', STAMPED LS 3087, ACC AS INTERSECTION PER RS 130/74-79.
- 8 FOUND 1" IRON PIPE DOWN 1.2' IN MONUMENT WELL, OPEN PER PM 176/83-84.
- 9 FOUND 2" IRON PIPE DOWN 1.5' IN MONUMENT WELL, OPEN PER PM 176/83-84.
- 10 FOUND 1" IRON PIPE DOWN 0.2', OPEN ACC AS INTERSECTION PER PM 154/74-77.
- 11 FOUND SPIKE DOWN 0.1' PER PM 154/74-77 & RS 130/74-79.
- 12 FOUND 3 1/2" BRASS CAP UP 0.2', STAMPED PER RS 130/74-79.
- 13 FOUND 202 W/NAI UP 0.2', NO RECORD, ACC AS SE COR. OF RE 1/4 OF NE 1/4 OF SEC. 32.
- 14 FOUND LEAD & TAG FLUSH, STAMPED LS 4146 IN CONCRETE PER PM 176/83-84.



SURVEYOR'S NOTES

- BEARINGS ARE BASED ON THE CONTIGUOUS OF EAST PALM CANYON DRIVE ALSO KNOWN AS HIGHWAY 111 AS SHOWN ON P.L.S. 30/85-87, TACED AS: N63°41'00" W
- INDICATES FOUND CORNERED MON. STAMPED LS 4146 PER PARCEL MAP NO. 26531, 176/83-84, UNLESS OTHERWISE NOTED.
 - INDICATES FOUND MONUMENT AS NOTED.
 - INDICATES SET 1" IRON PIPE WITH PLASTIC PLUG STAMPED PLS 6500 IN DIRT AREAS OR NAIL AND TAG STAMPED PLS 6500 IN CONCRETE AREAS.
 - INDICATES RECORD DATA PER PM 154/74-77
 - INDICATES RECORD DATA PER RS 130/74-79
 - INDICATES RECORD DATA PER PM 30/85-87, UNLESS OTHERWISE NOTED.
 - INDICATES RECORD DATA PER PM 176/83-84
 - INDICATES MEASURED AND RECORD DATA.
 - PUBLIC UTILITY EASEMENT PER THIS MAP
- THIS MAP COMPRISING 19.23 ACRES CONSISTS OF 3 SHEETS, 11 NUMBERED PARCELS AND 2 LETTERED PARCELS



CURVE	DELTA ANGLE	RADIUS	ARC LENGTH
C1	00°04'34"	800.00'	108.00'
C2	00°31'35"	825.00'	7.58'
C3	00°30'32"	825.00'	7.33'
C4	03°30'49"	325.00'	10.80'
C5	55°48'16"	24.00'	65.25'
C6	89°17'54"	56.00'	66.28'
C7	50°18'22"	56.00'	54.28'
C8	74°29'52"	56.00'	72.81'
C9	55°48'16"	24.00'	23.38'
C10	55°48'16"	24.00'	23.38'
C11	281°32'33"	56.00'	284.95'

LINE	BEARING	DISTANCE
L1	N 34°11'23" E	28.00'
L2	N 55°41'00" W	59.79'
L3	N 34°11'00" E	30.00'
L4	N 34°11'00" E	16.40'
L5	N 89°42'52" E	27.81'
L6	N 34°11'00" E	30.00'
L7	N 81°21'43" E	36.89'
L8	N 55°41'00" W	60.43'
L9	N 34°11'23" E	45.53'
L10	N 00°12'38" E	15.80'
L11	N 00°12'38" E	19.29'
L12	N 00°12'38" E	19.29'
L13	N 58°48'07" E	45.53'
L14	N 00°12'38" E	15.80'
L15	N 00°12'38" E	19.29'
L16	N 00°12'38" E	19.29'
L17	N 89°42'52" E	27.81'
L18	N 34°11'00" E	30.00'
L19	N 34°11'00" E	16.40'
L20	N 55°41'00" W	59.79'
L21	N 00°12'38" E	15.80'
L22	N 00°12'38" E	19.29'
L23	N 34°11'00" E	30.00'
L24	N 34°11'00" E	16.40'
L25	N 55°41'00" W	59.79'

EASEMENT NOTES

- △ 55' EASEMENT FOR STREET AND P.U.E. PURPOSES PER INST. NO. 2005-0049320, REC. 1/18/05, DR.
- △ RTCCVD EASEMENT PER INST. NO. 2012-0474661 REC. 10/04/12, DR.
- △ 5' P.U.E. PER PARCEL MAP NO. 26531 REC. AS PH 176/83-84, DR.
- △ 5' P.U.E. PER INST. NO. 2008-0580138 REC. 10/31/08, DR.
- △ 15' EASEMENT IN FAVOR OF SCE PER INST. NO. 2001-01145 REC. 1/10/01, DR.
- △ SCE EASEMENTS PER INST. NO. 40064 REC. 10/26/99 AND INST. NO. 2003-006694 REC. 1/26/01, DR. (UNPLATTED)

**PROPERTY TRANSFER AGREEMENT
(M & M PROPERTY COMPANY-CONNEAUT)**

EXHIBIT "B"

Legal description of "Original Conneaut Land"
follows this cover page:

EXHIBIT "B"- Page 1 of 2

ORIGINAL CONNEAUT LAND

Parcels 21 through 24 and a portion of Parcel 25 of Parcel Map No. 8635, as shown by map on file in Book 38, Page(s) 65, 66 and 67 of Parcel Maps, Records of Riverside County, California.

Division 1:

Parcel 21 of Parcel Map 8635, in the City of Cathedral City, County of Riverside, State of California; as shown by map recorded In Book 38, Page 65 through 67 inclusive, of Parcel Maps; and as amended by a Certificate of Correction recorded January 22, 1987 as Instrument No. 87-16835, Records Riverside County, California, together with that portion of Parcel 22, described as follows:

Beginning at the Northeast corner of said Parcel 22;

Thence North 55° 41' 00" West along the Northerly Line; 10.00 Feet;

Thence South 34° 26' 25" West parallel with the Easterly Line; 278.67 Feet to a Point in the Southerly Line;

Thence South 56° 34' 10" East, 10.00 Feet to the Southeast Corner;

Thence North 34° 26' 25" East, 278.52 Feet to the True Point of Beginning.

Division 2:

Parcels 22, 23 and 24 of Parcel Map 8635, in the City of Cathedral City, County of Riverside, State of California, as shown by map recorded in Book 38, Pages 65 through 67, inclusive, of Parcel Maps, and as amended by a Certificate of Correction recorded January 22, 1987 as Instrument No. 87-16835, Records of Riverside County, California, together with that portion of Parcel 25, described as follows:

Beginning at the Northeast corner of said Parcel 25;

Thence North 55° 41' 00" West along the Northerly Line; 10.00 Feet:

Thence South 34° 45' 40" West parallel with the Easterly Line of said Parcel 25, 281.95 Feet to a Point in the Southerly line;

Thence South 56° 34' 10" East, 10.00 Feet to the Southeast Comer;

Thence North 34° 45' 40" East. 281.80 Feet to the True Point of Beginning;

EXHIBIT "B"- Page 2 of 2

Except that Portion of Parcel 22, described as follows:

Beginning at the Northeast Corner of Said Parcel 22;

Thence North 55° 41' 00" West along the Northerly Line: 10.00 Feet;

Thence South 34° 26' 25" West parallel with the Easterly Line, 278.67 Feet to a point in the Southerly Line;

Thence South 56° 34' 10" East, 10.00 Feet to the Southeast corner;

Thence North 34° 26' 25" East 278.52 Feet to the True Point of Beginning.

As described In an ALTA/ASCM Land Survey prepared by The Thomsen Company. Inc., dated February 4, 2004.

Source of Legal Description: Unrecorded lease executed February 4, 2004, between Tramview Land Company and CCC Properties, LLC.

**PROPERTY TRANSFER AGREEMENT
(M & M PROPERTY COMPANY-CONNEAUT)**

EXHIBIT "C"

Legal description of "Former Conneaut Land"
follows this cover page:

EXHIBIT "C"

FORMER CONNEAUT LAND

All that certain real property situated in the County of Riverside, State of California, described as follows:

Parcel 11 of Parcel Map No. 36428, in the City of Cathedral City, County of Riverside, State of California, as shown on the map recorded in Book 235, Pages 69 through 71, inclusive of Parcel Maps, in the Office of the County Recorder of said County.

Containing 0.16 acres more or less.

Assessor's Parcel Number: 687-510-046-7

**PROPERTY TRANSFER AGREEMENT
(M & M PROPERTY COMPANY-CONNEAUT)**

EXHIBIT "D"

·Certificate of Compliance for Lot Line Adjustment No. 2014-469
follows this cover page:

When Recorded Return to: }
CITY OF CATHEDRAL CITY }
CITY CLERK }
68700 Avenida Lalo Guerrero }
Cathedral City, CA 92234 }
EXEMPT from Recording Fees Pursuant }
to Govt. Code Sec. 6103 and 27383 }

DOC # 2014-0072775
02/26/2014

Customer Copy Label
The paper to which this label is
affixed has not been compared
with the filed/recorded document
Larry W Ward
County of Riverside
Assessor, County Clerk & Recorder

APN 687-510- 014, 015, 016
Por. 687-510-032, 033, 034

CERTIFICATE OF COMPLIANCE
LOT LINE ADJUSTMENT NO. 2014-469
(Government Code Sec. 66412d)
(Government Code Sec. 66499.35)

WHEREAS, an application for Lot Line Adjustment No. 2014-469, for the adjustment of property lines between the following described two (2) adjoining parcels, was received by the City of Cathedral City from the following described record owners of said parcels:

M&M Property Company, LLC, a California Limited Liability Company; owner of Parcel 2 of Parcel Map No. 36428, as per map thereof filed in Parcel Map Book 235, at Pages 69 through 71, inclusive, Records of Riverside County, California; which parcel is developed as a Volkswagen auto dealership located generally on the southerly side of East Palm Canyon Drive, westerly of Perez Road, at 67-909 E. Palm Canyon Drive, Cathedral City (Assessor Parcels 687-510-014, 015, and 016, and portions of 687-510-032 and 034); and

The City of Cathedral City, a municipal corporation, as Successor Agency to the Redevelopment Agency of the City of Cathedral City; owner of Parcel 5 of Parcel Map No. 36428, as per map thereof filed in Parcel Map Book 235, at Pages 69 through 71, inclusive, Records of Riverside County, California; which parcel is vacant, and located generally on the southerly side of East Palm Canyon Drive, westerly of Perez Road (a portion of Assessor Parcel 687-510-033); and

WHEREAS, a legal description of the two parcels, as adjusted, marked Exhibit "A", is attached hereto and made a part hereof; and

WHEREAS, a sketch of the two parcels, as adjusted, marked Exhibit "B", is attached hereto and made a part hereof; and

WHEREAS, said application has been duly reviewed in accordance with the Municipal Code of the City of Cathedral City.

NOW, THEREFORE, Lot Line Adjustment No. 2014-469 as described and shown on said Exhibit "A" and Exhibit "B" is hereby approved, and the two (2) new parcels, described as Parcel A and Parcel B in said Exhibit "A", are hereinafter designated as legal parcels, entitled to such rights and privileges as are accorded them by law.

This Certificate of Compliance relates only to issues of compliance or noncompliance with the Subdivision Map Act and local ordinances enacted pursuant thereto. The two (2) new adjusted parcels described herein may be sold, leased, or financed without further compliance with the Subdivision Map Act or any local ordinance enacted pursuant thereto.

Development of the parcels described herein or their further subdivision or adjustment may require issuance of a permit or permits, or other grants of approval. The two parcels described herein may not be divided or adjusted further without compliance with the Subdivision Map Act and the provisions of the Cathedral City Municipal Code.

Dated: 2/25, 2014

REVIEWED:

William Simons, P.E.
City Engineer
City of Cathedral City

By: [Signature]
David R. Faessel, RCE 18731
Engineering Division
As delegated by the City Engineer
pursuant to Government Code Sec. 66416.5(c)

APPROVED:

[Signature]
Pat Milos,
Director of Community Development
City of Cathedral City

:

ATTEST:

[Signature]
Tracey R. Martinez, CMC
Deputy City Clerk
City of Cathedral City

Attachment:

Exhibit A: legal descriptions
Exhibit B: sketch

EXHIBIT "A"
LOT LINE ADJUSTMENT LLA 2014-469
Legal Descriptions of Parcels 2 and 5
of Parcel Map No. 36428, as adjusted

PARCEL "A":

A portion of Parcel 5 of Parcel Map No. 36428, as per map thereof filed in Parcel Map Book 235, at Pages 69 through 71, inclusive, Records of Riverside County, California, described as follows:

Beginning at the most Northerly corner of said Parcel 5, being a common corner with Parcel 2 of said Parcel Map, and also being a point on the boundary of Parcel 1 of said Parcel Map;

Thence, South 09° 18' 43" West, 110.01 feet;

Thence, parallel with the Southwesterly line of said Parcel 2 as shown on said Parcel Map, South 55° 41' 00" East, 227.36 feet, to a point on the Southeasterly line of said Parcel 5;

Thence, Southerly, Westerly and Northeasterly along the boundary of said Parcel 5, the following five (5) courses:

South 34° 19' 00" West, 53.44 feet;

Thence, South 04° 47' 34" West, 142.43 feet;

Thence, South 89° 49' 19" West, 481.80 feet;

Thence, North 34° 19' 00" East, 511.92 feet, to a point on the boundary of Parcel 1 of said Parcel Map, being a non-tangent curve, concave Northerly and having a radius of 56.00 feet, a radial of said curve through said point bears South 34° 19' 00" West;

Thence, Easterly along said curve, through a central angle of 71° 16' 24", an arc distance of 69.66 feet to the point of beginning.

Containing 122,640 s.f., or 2.815 acres, more or less.

PARCEL "B":

Parcel 2 and a portion of Parcel 5 of Parcel Map No. 36428, as per map thereof filed in Parcel Map Book 235, at Pages 69 through 71, inclusive, Records of Riverside County, California, described as follows:

Beginning at the most Northerly corner of said Parcel 5, being a common corner with Parcel 2 of said Parcel Map, and also being a point on the boundary of Parcel 1 of said Parcel Map;

Thence, Northeasterly, Southeasterly, and Southwesterly along the boundary of said Parcel 2 as shown on said Parcel Map, the following nine (9) courses:

Northerly, along a curve, concave Westerly and having a radius of 56.00 feet, through a central angle of $74^{\circ} 29' 52''$, an arc distance of 72.81 feet, to a point of reverse curvature with a curve, concave Easterly and having a radius of 24.00 feet, a radial of said 24.00 foot radius curve through said point bears South $68^{\circ} 32' 43''$ West;

Thence, Northerly along said curve, through a central angle of $55^{\circ} 46' 16''$, an arc length of 23.36 feet;

Thence, North $34^{\circ} 19' 00''$ East, 221.16 feet;

Thence, North $42^{\circ} 35' 11''$ East, 86.90 feet;

Thence, North $34^{\circ} 19' 00''$ East, 30.00 feet;

Thence, North $81^{\circ} 21' 43''$ East, 36.69 feet;

Thence, South $55^{\circ} 41' 00''$ East, 265.13 feet;

Thence, South $33^{\circ} 39' 25''$ West, 122.99 feet;

Thence, South $34^{\circ} 19' 00''$ West, 329.72 feet;

Thence, leaving the boundary of said Parcel 2, and continuing South $34^{\circ} 19' 00''$ West, 93.28 feet;

Thence, parallel with the Southwesterly line of said Parcel 2 as shown on said Parcel Map, North $55^{\circ} 41' 00''$ West, 227.36 feet,;

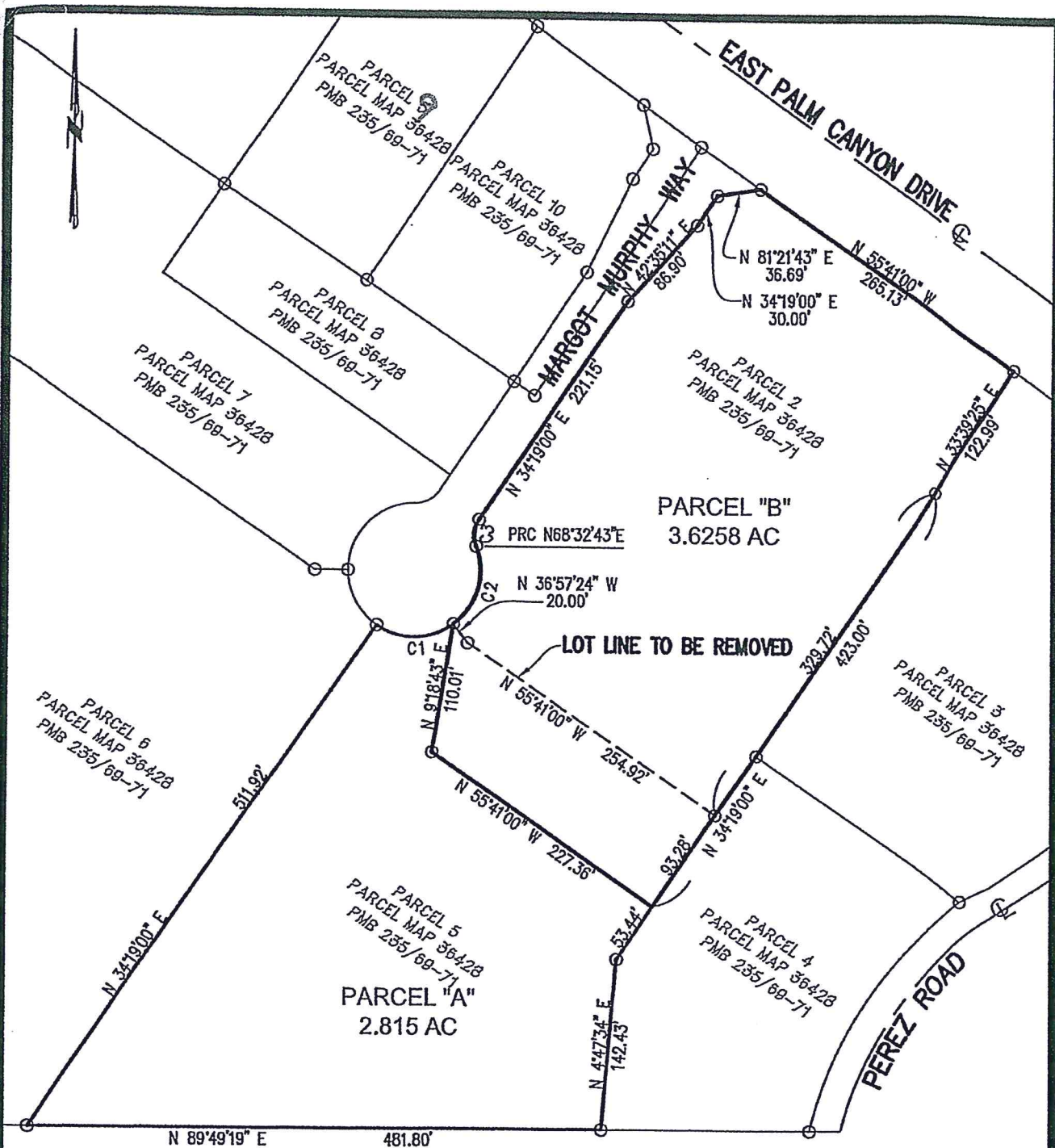
Thence, North $09^{\circ} 18' 43''$ East, 110.01 feet to the point of beginning.

Containing 157,899 s.f. or 3.625 acres, more or less.

Prepared by: David R. Faessel 2-11-2014
David R. Faessel RCE 18731

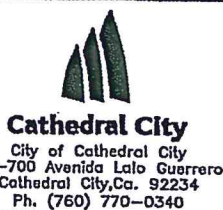


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APPLICANTS:
 PARCEL 2: M&M PROPERTY COMPANY, LLC
 PARCEL 5: CITY OF CATHEDRAL CITY AS SUCCESSOR AGENCY TO
 THE REDEVELOPMENT AGENCY OF THE CITY OF CATHEDRAL CITY

CURVE	RADIUS	LENGTH	DELTA
C1	R=56.00'	L=69.66'	Δ=71°16'24"
C2	R=56.00'	L=72.81'	Δ=74°29'52"
C3	R=24.00'	L=23.36'	Δ=55°46'16"



LOT LINE ADJUSTMENT LLA 2014-469 EXHIBIT "B"

Scale: 1"=120'
 Date: 2/13/14
 Sheet: 1 of 1 Sheets
 Drawn By: KSL
 Checked By: drf

**PROPERTY TRANSFER AGREEMENT
(M & M PROPERTY COMPANY-CONNEAUT)**

EXHIBIT "E"

Non-Exclusive Easement Agreement with Maintenance Covenants

follows this cover page: