RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

Rialto Bldg 6 Project, LLC, 901 Via Piemonte, Suite 175 Ontario, CA 91765 Attn: Christine Buckle

FREE RECORDING: This instrument benefits the City of Rialto and is entitled to be recorded without fee per California Government Code Section 27383.

(Space Above Line For Use By Recorder)

APNs: 0240-251-34-0-000; 0240-251-09-0-000 (portion); 0240-251-28-0-000 (portion); 0240-251-14-0-000; 0240-251-29-0-000; 0240-251-33-0-000; and 0240-251-30-0-000 (portion)

THE UNDERSIGNED GRANTOR DECLARES DOCUMENTARY TRANSFER TAX is <u>\$0.00</u>. The document is exempt from documentary transfer taxes per California Revenue and Taxation Code Section 11911 (value or consideration less than \$100.00) and Section 11922 (governmental agency acquiring title/interest).

THE UNDERSIGNED GRANTOR DECLARES:

The document is exempt from the \$75 fee per California Government Code Section 27388.1 because the document is executed and recorded by the City of Rialto, a municipal corporation. California Government Code Section 27388.1(a)(2)(D).

EASEMENT FOR STORM DRAIN

This Easement for Storm Drain (this "<u>Easement</u>") is entered into as of the _____ day of ______, 2018, by Rialto Bldg 6 Project, LLC, a Delaware limited liability company ("<u>Grantor</u>"), and the City of Rialto, a municipal corporation (the "<u>Grantee</u>"). Hereinafter, Grantor and Grantee may be referred to individually as a "<u>Party</u>," or jointly as the "<u>Parties</u>." In addition, PCCP CREDIT IX REIT-SUB HOLDCO, LLC, a Delaware limited liability company ("<u>Lender</u>"), is executing the "Consent and Subordination" attached hereto and made a part hereof, for the purpose of consenting and subordinating its rights as beneficiary under the Deed of Trust (as defined in the Consent and Subordination).

WHEREAS, Grantor owns certain real property in the City of Rialto, County of San Bernardino, State of California, with Assessor's parcel numbers 0240-251-34-0-000, and portions of 0240-251-09-0-000 and 0240-251-28-0-000, legally described in Exhibit "A" attached hereto (the "Grantor Property");

WHEREAS, Grantee owns certain real property in the City of Rialto, County of San Bernardino, State of California, with Assessor's parcel numbers 0240-251-14-0-000, 0240-251-29-0-000, 0240-251-33-0-000 and a portion of 0240-251-30-0-000, legally described in Exhibit "B" attached hereto (the "<u>Grantee Property</u>");

WHEREAS, the Parties are developing the Grantor Property and the Grantee Property (jointly, the "<u>**Properties**</u>") in conjunction and with certain shared infrastructure, including a storm drain that will serve the Grantee Property and will be located partially on the Grantor Property and partially on the Grantee Property (the "<u>Storm Drain</u>"); and

WHEREAS, Grantee desires to obtain, and Grantor desires to grant, a non-exclusive perpetual storm water easement over a portion of the Grantor Property to allow the Grantee Property to use a portion of the Grantor Property for storm water drainage, all on the terms and conditions expressly set forth herein.

NOW, THEREFORE, good and valuable consideration having been paid, the Parties hereby agree as follows:

1. Grant of Easements.

(a) <u>Storm Drain Easement</u>. Grantor hereby grants, declares and conveys to Grantee, for the benefit of the Grantee Property, for use by Grantee and its tenants, subtenants and licensees, a non-exclusive, perpetual and appurtenant easement ("<u>Easement</u>") over, under, across and upon that portion of the Grantor Property shown in Exhibit "C" and legally described in Exhibit "D" (the "<u>Easement Area</u>") for the discharge and drainage of surface and storm waters and for the installation, operation, maintenance, repair and replacement of Storm Drain improvements. Grantor hereby agrees to accept surface and storm waters from the Grantee Property, and Grantor shall not take any action that would affect the ability of the Storm Drain to receive storm waters or surface drainage from the Grantee Property, as provided in this Easement. Once constructed, Grantee shall (at its sole cost and expense) maintain, repair and replace the Storm Drain and related facilities; provided, however, Grantee shall not modify or alter the design of the Storm Drain without the prior written consent of Grantor.

(b) <u>Access Easement</u>. Grantor hereby grants, declares and conveys to Grantee and its tenants, subtenants and licensees, and each of their respective employees, agents and contractors (collectively, the "<u>Grantee Parties</u>"), a non-exclusive easement, and right of ingress and egress, over, across and upon the Grantor Property, along the designated access ways and paths of travel existing upon the Grantor Property that provide pedestrian and/or vehicular access from Linden Avenue to the Storm Drain.

(c) <u>Maintenance Easement</u>. Grantor hereby grants, declares and conveys to Grantee and the Grantee Parties a non-exclusive easement across, over and upon the Easement Area for the purpose of performing Grantee's maintenance duties and obligations under this Easement.

2. <u>Term; Duration</u>. Unless otherwise cancelled or terminated in accordance with Section 15 below, the rights and obligations contained in this Easement, and the easements

established herein, are perpetual and shall run with the land, and shall be binding upon the successive owners of the Properties.

3. <u>Maintenance</u>. Grantee shall maintain (or cause to be maintained), at its sole cost and expense, the Storm Drain in good condition and repair and in accordance with applicable law and applicable licenses and permits ("<u>Maintenance Work</u>"), which Maintenance Work may include (without limitation): (a) regular inspection of the drainage outlet and other components of Storm Drain; (b) removal of trash, debris, sentiment and other obstructions inhibiting the flow of surface and storm waters; and (c) maintenance of landscaped and vegetated areas (including, without limitation, periodic mowing, weed control, irrigation, reseeding and/or replanting of bare areas, removal and replacement of vegetation, and the clearing of debris).

Grantee shall perform all work in, under, or upon the Easement Area expeditiously and in a good and workmanlike fashion. Grantee agrees that any work in, under, or upon the Easement Area shall be performed in such manner as not to interfere with operations on the Grantor Property, and Grantee shall give Grantor reasonable prior notice of such work. Grantee represents and warrants that it will maintain the Easement Area and the balance of the Grantor Property free and clear from any liens or encumbrances of any nature whatsoever in connection with Grantee's work in, under, or upon the Easement Area.

Notwithstanding anything to the contrary herein, any entry onto the Grantor Property shall be subject to the prior written permission of the occupant of the Grantor Property (any such permission, an "Entry Permission"), which shall not be unreasonably withheld, conditioned, or delayed. It shall be reasonable for such occupant to refuse to provide an Entry Permission if (i) a written request for permission to enter (an "Entry Notice") is not delivered to such occupant at least two (2) business days prior to the requested time of entry, (ii) the reason for and scope of the activities to be undertaken pursuant to such entry is not described in reasonable detail in such Entry Notice so that the occupant can reasonably determine the magnitude of any attendant interruption of or interference with the use and operations conducted by the occupant, any reasonably anticipated damage to the surface area of the Grantor Property, and the scope of any repair and restoration required as a result thereof, or (iii) the Entry Notice is not accompanied by (a) a statement of the name, and the State of California contractor's license number for, all persons (excluding employees of such persons) who will be entering the Grantor Property in connection with the Entry Notice and (b) a copy of each such person's general commercial liability policy covering its presence and activities on the Grantor Property. In addition to the requirements of clauses (i) through (iii) above, the occupant of the Grantor Property may impose such commercially reasonable conditions and requirements on the entry onto the Grantor Property so as to minimize the disruption and interference with the business and operations conducted on the Grantor Property and to protect the health, safety, and welfare of the occupant of the Grantor Property, such occupant's employees, guests, and invitees, and the public in general, including without limitation requiring work to be performed outside of such occupant's peak traffic hours and requiring each person to comply with such occupant's reasonable security and confidentiality measures. Upon the granting of permission to enter pursuant to an Entry Notice, the occupant of the Grantor Property shall have the right to have a representative present to observe all activities undertaken on the Grantor Property to assure that all requirements and conditions under the applicable Entry Permission are complied with; and if such representative determines that any such activities are not being conducted in such compliant manner, then such

representative shall have the right and power to require the cessation of the non-compliant activity unless and until such compliance is established and maintained.

Grantee will, at its sole cost and expense and promptly after completion of its work, replace the surface and subsurface of the soil as may be disturbed in the use, operation, maintenance, and repair (including reconstruction) of Grantee's facilities in substantially the same condition that existed prior to Grantee's work.

4. <u>Reservation of Rights</u>. Provided the same does not materially interfere with Grantee's use of the easements set forth in Section 1 above, Grantor reserves for itself the following rights with respect to the Easement Area:

- (a) the right to use the surface and sub-surface areas of the Easement Area;
- (b) the right to grant utility or other easements across, over, under or upon the Easement Area without having to obtain the approval of Grantee; and
- (c) the right to alter the designated access ways and paths of travel existing upon the Grantor Property provided Grantee continues to have reasonable pedestrian and/or vehicular access from Linden Avenue to the Storm Drain.

Insurance. During any period of time when Grantee or the Grantee Parties are 5. performing the Maintenance Work, Grantee shall maintain commercial general liability insurance with limits not less than Two Million and No/100 Dollars (\$2,000,000.00) with respect to death or injuries to any one person, Two Million and No/100 Dollars (\$2,000,000.00) with respect to any one accident, Three Million and No/100 Dollars (\$3,000,000.00) general aggregate, and Two Million and No/100 Dollars (\$2,000,000.00) with respect to property damage. Such amount shall be increased every five (5) years following the Effective Date of this Easement to reflect increases in the Consumer Price Index - All Urban Consumers for the market in which the Properties are located, or any reasonably comparable replacement index, if such index is no longer published. The aforementioned insurance will be written on an occurrence basis (not a claims made basis), will name Grantor as an additional insured, and will be non-contributing with other insurance coverage available to Grantor. Notwithstanding anything to the contrary, so long as the net worth of Grantee exceeds One Hundred Million and No/100 Dollars (\$100,000,000.00), Grantee will have the right to retain (in whole or in part) the financial risk for any claim required to be insured against hereunder on an uninsured basis (i.e., to self-insure). In such event, the requirement to maintain the aforementioned insurance policies will not apply. Within thirty (30) days of a written request, Grantee will provide Grantor with evidence of such insurance or confirmation that Grantee has elected to self-insure.

6. <u>Indemnification</u>. Each Party shall indemnify, defend and hold the other Party and its employees, agents, contractors, tenants, licensees, officers and directors (collectively, "<u>Indemnified Parties</u>") harmless from and against any and all claims, causes of action, costs, expenses, losses, liabilities or damages (but specifically excluding consequential, indirect and punitive damages) ("<u>Claims</u>") arising from or incurred in connection with any breach of this Easement and/or any actions undertaken by said Party or its employees, agents, contractors,

tenants, licensees, officer or directors in connection with the exercise of any right or easement set forth in this Easement. The foregoing indemnification shall not cover any Claims (a) to the extent the same were caused by any act or omission of the Indemnified Parties or (b) that relate to the preexisting condition of the Grantor Property or the Grantee Property (including, without limitation, any preexisting hazardous materials discovered thereon). Notwithstanding the foregoing, Grantee shall indemnify, defend and hold Grantor and Grantor's Indemnified Parties harmless from and against any Claims arising from or incurred in connection with the release or discharge of any hazardous materials or substances into or upon the Storm Drain, Easement Area and/or other portion of the Grantor Property.

7. <u>Mechanic's Liens</u>. Grantee will cause to be discharged and will not permit the sale of the Grantor Property in foreclosure of any mechanic's or other lien filed against the Grantor Property by reason of any act or omission of Grantee or the Grantee Parties in connection with the Maintenance Work. Notwithstanding the foregoing, Grantee has the right to contest any such lien filed against the Grantor Property, and so long as Grantee is challenging such lien, Grantor will not be obligated to pay or otherwise remove such lien, by bond or otherwise, unless Grantor notifies Grantee that the existence of such lien is adversely affecting an actively pending sale or refinance of the Grantor Property, in which event, Grantee will remove such lien as an encumbrance against the Grantor Property, by bond or otherwise, within thirty (30) days following receipt of such notice.

8. Cure Rights. If either Party fails to discharge its respective obligations hereunder, the non-defaulting Party may provide written notice of such default to the defaulting Party, and if the defaulting Party does not cure such default within thirty (30) days (or commence to cure such default within thirty (30) days for a default that cannot reasonably be cured within thirty (30) days and uses commercially-reasonable diligence thereafter to complete any such cure), then the non-defaulting Party may, in addition to any other rights or remedies available at law, in equity or provided hereunder, take over such item of maintenance, repair or replacement and collect its costs of correction from the defaulting Party (together with costs of pursuit and collection, including reasonable attorney's fees and costs), plus a 15% administrative fee (against all costs incurred) from the defaulting Party. In addition, in the event of a breach or default, or threatened breach or default by either Party under this Easement, the non-defaulting Party shall have the right, in addition to all other rights under law or in equity, to obtain an injunction and enforce specific performance against the defaulting Party. Notwithstanding the foregoing, in the case of emergency (defined as any situation where there is an imminent threat of harm to persons or property), the non-defaulting Party, acting in good faith, shall the right to cure a default prior to the passage of the time period set forth in this Section but shall give notice in advance of such emergency repair as is practicable.

9. <u>Condition of Easement Area</u>. Grantee accepts the Easement Area, all improvements therein, and all aspects thereof, in an "AS IS", "WHERE IS", "WITH ALL FAULTS" condition, including but not limited to both latent and patent defects, and the existence of hazardous substances, if any, and without representations or warranties of any type whatsoever, either express or implied. Grantee shall not cause or permit any hazardous substance to be deposited or discharged in, on or under the Grantor Property. Grantee hereby waives and releases all warranties, express or implied, regarding the condition and use of the Easement Area, including, but not limited to any warranty of merchantability or fitness for a

particular purpose. The conveyance of the easements set forth in this Easement is further made subject to any and all restrictions, covenants, easements, rights-of-way, encumbrances, and mineral or royalty reservations or interests affecting the Easement Area and appearing of record in the Official Records of San Bernardino County, California, to the extent the same are in effect and validly enforceable against the Easement Area (the "**Permitted Encumbrances**"); provided, however, to the extent that Grantor has the ability to enforce any of the Permitted Encumbrances, subject to applicable law, Grantor will not do so in a manner that would unreasonably prejudice or interfere with the exercise of the rights in this Easement and use of the Easement Area for the purposes set forth herein

10. <u>Estoppel Certificates</u>. Upon request, each Party agrees to provide the other Party with a commercially-reasonable form of an estoppel certificate to any prospective mortgagee, tenant or purchaser of the requesting Party's property, so that such mortgagee, tenant or purchaser will be aware of any asserted liens or any other breach or default under this Easement.

11. <u>Notices</u>. All notices and other communications required or permitted to be given hereunder shall be in writing and shall be sent by: (a) certified or registered mail, postage prepaid, return receipt requested; (b) personal delivery; or (c) a recognized overnight carrier that provides proof of delivery; and shall be addressed as follows:

If to Grantor:

If to Grantee:

Rialto Bldg 6 Project, LLC c/o Hillwood Development Company 901 Via Piemonte, Suite 175 Ontario, CA 91764 Attn: John Magness	City of Rialto 150 S. Palm Avenue Rialto, CA 92376 Attn: City Administrator		
With a Copy to:	With a Copy to:		
Hillwood Development Company, LLC 3000 Turtle Creek Boulevard Dallas, Texas 75219 Attn: Chief Legal Officer	City of Rialto 150 S. Palm Avenue Rialto, CA 92376 Attn: City Attorney		

Notices shall be deemed effective upon receipt or rejection only.

If either Party desires to change its address for the purpose of receipt of notice, such notice or change of address shall be given in the manner specified herein. However, unless and until such written notice of change is actually received, the last address and addressee as stated by written notice, or provided herein if no written notice or change has been received, shall be deemed to continue in effect for all purposes hereunder. This notice provision shall be inapplicable to any judicial or non-judicial proceeding where California law governs the manner and timing of notice, commencing and prosecuting an action, commencing and prosecuting a foreclosure, or seeking the appointment of a receiver. 12. <u>Counterparts</u>. This Easement may be executed in one or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument.

13. <u>Recordation</u>. This Easement shall be recorded in the Official Records of San Bernardino County, California, and shall be effective upon the date of such recordation ("<u>Effective Date</u>").

14. <u>Applicable Law and Venue</u>. The validity of this Easement and any of its terms or provisions, as well as the rights and duties of the Parties hereunder, shall be interpreted and construed pursuant to and in accordance with the laws of the State of California, without regard to conflicts of laws principles that would require the application of any other law. The Parties select San Bernardino County, California as the proper and sole venue for any action filed to enforce, construe or interpret this Easement.

15. <u>Amendment, Modification and Termination</u>. This Easement may be amended, modified or terminated only by a written instrument duly executed and acknowledged by the Parties hereto (or their successors-in-interest) and recorded in the Official Records of San Bernardino County, California.

16. <u>Covenants Running with the Land; Compliance with Section 1468</u>. The covenants, conditions, restrictions and easements contained herein are intended to satisfy the provisions of Section 1468 of the California Civil Code, and thereby establish easements and covenants running with the land, binding upon the Parties and the successive owners of the Properties. Consequently, the Parties agree that: (a) the Grantee Property is benefitted by, and the Grantor Property is burdened by, the easements set forth in this Easement; (b) despite any provisions to the contrary in this Easement, all references to Grantor will be deemed to refer to the owner of the Grantee Property; (c) the successors, assigns and transferees of Grantor, as owners of the Grantor Property, are bound and benefitted by this Easement, and the successors, assigns and transferees of Grantee, as owners of the Grantee Property, are bound and benefitted by this Easement, and (d) this Easement will be duly recorded in the Official Records of San Bernardino County, California.

17. <u>Severability</u>. In the event any portion of this Easement is declared by any court of competent jurisdiction to be invalid, illegal or unenforceable, such portion will be severed from this Easement and the remaining parts hereof will remain in full force and effect as fully as though such invalid, illegal or unenforceable portion had never been part of this Easement, provided the remaining Easement can be reasonably and equitably enforced.

18. <u>Integration</u>. This Easement sets forth the entire agreement of the Parties with respect to the subject matter addressed and all prior negotiations, representations, warranties and discussions are superseded by the provisions of this Easement.

19. <u>Interpretation</u>. Unless the context of this Easement clearly requires otherwise, plural and singular numbers will each be deemed to include the other; the masculine, feminine and neuter genders will each be deemed to include the others; "or" is not exclusive; and

"includes" and "including" are not limiting. Time is of the essence for each and every term, condition, covenant, obligation and provision of this Easement. This Easement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with in this Easement. In addition, each Party has been or has had the opportunity to be represented by experienced and knowledgeable counsel. Accordingly, any rule of law (including California Civil Code §1654) or legal decision that would require interpretation of any ambiguities in this Easement against the Party that has drafted it is not applicable and is waived. The provisions of this Easement will be interpreted in a reasonable manner to effect the purpose of the Parties and this Easement. Section headings are included in this Easement as a matter of convenience only; they are not a part of this Easement and will not be used in the interpretation of this Easement. If a day for any performance or the last date of any period specified in this Easement is a Saturday, Sunday or national bank holiday, such performance date or period end will be extended to the next day that is not a Saturday, Sunday or national bank holiday.

20. <u>Not a Public Dedication; No Third-Party Beneficiary</u>. Nothing herein contained shall be deemed to be a gift or dedication of any portion of the Properties to the general public, or for any public use or purpose whatsoever. No right, privileges or immunities of any Party hereto shall inure to the benefit of any third-party person, nor shall any third-party person be deemed to be a beneficiary of any of the provisions contained herein.

21. <u>Successors and Assigns</u>. The terms and provisions of this Easement are binding upon and inure to the benefit of the successors and assigns of the Parties hereto.

22. <u>Conflicts</u>. In the event of a conflict between this Easement and any other document(s) executed or purported to be executed between the Parties prior to the date hereof, the provisions contained in this Easement shall in all instances govern and prevail.

[Signatures Follow on Next Page]

NOW WHEREFORE, the Parties hereto have executed this Easement as of the date first set forth above.

"GRANTOR"

RIALTO BLDG 6 PROJECT, LLC, a Delaware limited liability company

By:	
Name:	
Title:	

"GRANTEE"

CITY OF RIALTO, a municipal corporation

By: _____ Deborah Robertson, Mayor

ATTEST:

By:___

Barbara A. McGee, City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By:___

David J. Aleshire, City Attorney

This Notary Acknowledgement is attached to a document entitled *Easement for Storm Drain*.

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

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

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

WITNESS my hand and official seal.

Signature:

(Seal)

CONSENT AND SUBORDINATION (Easement for Storm Drain)

The undersigned, PCCP CREDIT IX REIT-SUB HOLDCO, LLC, a Delaware limited liability company ("Lender"), the beneficiary under that certain Construction Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing, dated August 18, 2017 (the "Deed of Trust") executed by RIALTO BLDG 6 PROJECT, LLC, a Delaware limited liability company, as City ("Trustor"), to First American Title Insurance Company, as Trustee, recorded on August 22, 2017 as Instrument No. 2017-0341654, Official Records, County of San Bernardino, California, hereby consents to the terms, provisions and conditions of the Easement for Storm Drain (the "Easement") to which this Consent and Subordination is attached, and, subject to the terms and provisions of this Consent and Subordination, subordinates the lien and security interests of the Deed of Trust to the Easement, such that from and after the effective date of this Consent and Subordination, the terms, provisions and conditions of the Easement are and shall be prior and superior to the liens, security interest, terms and provisions of the Deed of Trust; provided, however, this Consent and Subordination: (i) shall not be construed or operate as a consent and subordination to any other amendment to or modification of the Easement, or a release of the lien and security interests of the Deed of Trust, but shall instead confirm that the lien and security interests of the Deed of Trust shall hereafter be upon and against all of the property subject to the Deed of Trust; and (ii) shall not modify or amend the terms and provisions of the Deed of Trust.

LENDER:

PCCP CREDIT IX REIT-SUB HOLDCO, LLC, a Delaware limited liability company

By:			
Name:			
Title:			

[Acknowledgement appears on the following page]

This Notary Acknowledgement is attached to a document entitled *Consent and Subordination* (*Easement for Storm Drain*).

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 _____, 20__ 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.

Signature:

(Seal)

EXHIBIT "A"

LEGAL DESCRIPTION OF GRANTOR PROPERTY

All that certain real property situated in the City of Rialto, County of San Bernardino, State of California, more fully described as follows:

THE NORTHEAST QUARTER OF SECTION 33, TOWNSHIP 1 NORTH, RANGE 5 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF RIALTO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, ACCORDING TO GOVERNMENT TOWNSHIP PLAT.

EXCEPTING THEREFROM THE SOUTHERLY 727.00 FEET OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 33, TOWNSHIP 1 NORTH, RANGE 5 WEST, SAN BERNARDINO MERIDIAN, IN SAID CITY, COUNTY, AND STATE, ACCORDING TO GOVERNMENT TOWNSHIP PLAT.

ALSO EXCEPTING THEREFROM THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 33, TOWNSHIP 1 NORTH, RANGE 5 WEST, SAN BERNARDINO MERIDIAN, IN SAID CITY, COUNTY, AND STATE, ACCORDING TO GOVERNMENT TOWNSHIP PLAT, LYING NORTHERLY OF THE FOLLOWING DESCRIBED COURSES:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 33;

THENCE SOUTHERLY ALONG THE EASTERLY LINE OF SAID SECTION, SOUTH 00° 17' 49" EAST 925.42 FEET TO A POINT ON THE SOUTHERLY LINE OF THE NORTH 263.79 FEET OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33, SAID POINT BEING THE POINT OF BEGINNING;

THENCE WESTERLY ALONG SAID SOUTHERLY LINE, SOUTH 89° 41' 09" WEST 1321.34 FEET TO THE EASTERLY LINE OF THE WEST HALF OF NORTHEAST QUARTER OF SAID SECTION 33;

THENCE SOUTHERLY ALONG SAID EASTERLY LINE, SOUTH 00° 19' 03" EAST 47.64 FEET TO THE NORTHEAST CORNER OF PARCEL 1 OF PARCEL MAP NO. 11101, IN SAID CITY, COUNTY, AND STATE, AS PER MAP FILED IN BOOK 136, PAGE 34 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

THENCE WESTERLY ALONG THE NORTHERLY LINE OF SAID PARCEL 1 AND ITS WESTERLY PROLONGATION, SOUTH 89° 40' 42" WEST 1321.32 FEET TO THE CENTERLINE OF LOCUST AVENUE, SAID CENTERLINE ALSO BEING THE WESTERLY LINE OF NORTHEAST QUARTER OF SAID SECTION 33.

ALSO EXCEPTING THEREFROM THAT PORTION OF LINDEN AVENUE AS DEDICATED TO THE CITY OF RIALTO PER DOCUMENT RECORDED JUNE 15, 2016 AS DOCUMENT NO. 2016-0234616 OF OFFICIAL RECORDS OF SAID COUNTY.

ALSO EXCEPTING THEREFROM THAT PORTION OF LOCUST AVENUE AS DESCRIBED IN RESOLUTION NO. 6368 RECORDED JANUARY 31, 2014 AS DOCUMENT NO. 2014-0043582 OF OFFICIAL RECORDS OF SAID COUNTY.

APNs: 0240-251-34-0-000, 0240-251-09-0-000 (portion) and 0240-251-28-0-000.

(End of Legal Description)

EXHIBIT "B"

LEGAL DESCRIPTION OF GRANTEE PROPERTY

All that certain real property located in the City of Rialto, County of San Bernardino, State of California, as more particularly described as follows:

A PORTION OF THE NORTHEAST ONE-QUARTER OF SECTION 33, TOWNSHIP 1 NORTH, RANGE 5 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF RIALTO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, ACCORDING TO GOVERNMENT TOWNSHIP PLAT.

EXCEPTING THEREFROM THAT PORTION OF LAND DESCRIBED IN GRANT DEED TO THE STATE OF CALIFORNIA, RECORDED JUNE 12, 2008 AS DOCUMENT NO. 2008-0268512 OF OFFICIAL RECORDS, ALSO EXCEPTING THEREFROM THAT PORTION OF SAID DESCRIBED LAND LYING NORTHERLY OF THE SOUTHERLY LINE OF SAID LAND AND ITS EASTERLY PROLONGATION TO THE EASTERLY LINE OF SAID SECTION 33.

EXCEPTING THEREFROM THAT PORTION LYING SOUTHERLY OF THE SOUTHERLY LINE OF THE NORTH 263.79 FEET OF THE SOUTH HALF OF THE NORTHEAST ONE-QUARTER OF THE NORTHEAST ONE-QUARTER OF SECTION 33, TOWNSHIP 1 NORTH, RANGE 5 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO GOVERNMENT TOWNSHIP PLAT.

EXCEPTING THEREFROM PARCEL 1 OF PARCEL MAP NO. 11101, IN SAID CITY, COUNTY AND STATE, AS PER MAP FILED IN BOOK 136, PAGE 34 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION OF LAND DESCRIBED IN EASEMENT DEED RECORDED JULY 28, 2016 AS DOCUMENT NO. 2016-0303163 OF OFFICIAL RECORDS OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION OF LAND DESCRIBED IN EASEMENT DEED RECORDED DECEMBER 18, 2013 AS DOCUMENT NO. 2013-0541597 OF OFFICIAL RECORDS OF SAID COUNTY.

ALSO EXCEPTING THEREFROM THAT PORTION LYING NORTHERLY AND EASTERLY OF THE FOLLOWING DESCRIBED PORTION OF SAID NORTHEAST ONE-QUARTER:

BEGINNING AT A POINT IN THE EASTERLY LINE OF SAID NORTHEAST ONE-QUARTER OF SECTION 33, ALSO BEING THE CENTERLINE OF LINDEN AVENUE, SAID POINT BEING DISTANT THEREON SOUTH 00° 17' 49" EAST 526.90 FEET MEASURED ALONG SAID EASTERLY LINE FROM THE NORTHEAST CORNER OF SAID NORTHEAST ONE-QUARTER OF SECTION 33;

THENCE SOUTH 89° 42' 11" WEST 43.79 FEET TO A POINT ON THE WESTERLY LINE OF LINDEN AVENUE AS DEDICATED PER SAID DOCUMENT RECORDED JULY 28, 2016 AS DOCUMENT NO. 2016-0303163 OF SAID OFFICIAL RECORDS, SAID POINT BEING THE BEGINNING OF A NON- TANGENT CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 20.00 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 24° 42' 01" EAST;

THENCE NORTHWESTERLY ALONG SAID NON-TANGENT CURVE, THROUGH A CENTRAL ANGLE OF 25° 01' 59", AN ARC LENGTH OF 8.74 FEET;

THENCE SOUTH 89° 40' 02" WEST 30.36 FEET TO THE BEGINNING OF TANGENT CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 50.00 FEET;

THENCE WESTERLY ALONG SAID TANGENT CURVE, THROUGH A CENTRAL ANGLE OF 03° 33' 06", AN ARC LENGTH OF 3.10 FEET;

THENCE SOUTH 86° 06' 56" WEST 36.58 FEET;

THENCE NORTH 00° 18' 51" WEST 32.00 FEET;

THENCE SOUTH 89° 41' 09" WEST 365.00 FEET;

THENCE NORTH 00° 01' 30" EAST 265.41 FEET TO A POINT IN THE SOUTHERLY LINE OF SAID GRANT DEED TO THE STATE OF CALIFORNIA, RECORDED JUNE 12, 2008 AS DOCUMENT NO. 2008-0268512 OF SAID OFFICIAL RECORDS.

APN(s): 0240-251-14-0-000, 0240-251-29-0-000, 0240-251-33-0-000 and Portion of 024-151-30-0-000.

(End of Legal Description)

EXHIBIT "C"

EXHIBIT "D"