



City of Corona

400 S. Vicentia Ave.
Corona, CA 92882

Agenda

Planning and Housing Commission

Karen Alexander, Chair
Timothy Jones, Vice Chair
Mitchell Norton, Commissioner
Viren Shah, Commissioner
Craig Siqueland, Commissioner

Monday, May 6, 2019

6:00 PM

Council Chambers

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ORAL COMMUNICATIONS FROM THE PUBLIC

Persons wishing to address the Planning and Housing Commission are requested to state their name for the record. This portion of the agenda is intended for public comment. State law prohibits the Planning and Housing Commission from discussing or taking action on items not listed on the agenda. The Planning and Housing Commission will appreciate your cooperation in keeping your comments brief. Please observe a three minute limit to communications.

4. MEETING MINUTES

19-0437

[Approval of minutes for the Planning and Housing Commission meeting of April 22, 2019.](#)

Attachments:

[20190422-P&H Minutes - DRAFT](#)

5. CONSENT ITEMS

19-0433

[First Amendment to Disposition and Development Agreement between the City of Corona and Lab Holding, LLC for the acquisition and development of \(17\) Corona Housing Authority properties and \(9\) City of Corona properties generally located East of Main Street between East Fourth Street and West Eighth Street, and West of Ramona Avenue \(Corona Mall Property\) originally approved May 17, 2017. \(Applicant: Lab Holding\).](#)

Recommended action:

That the Planning and Housing Commission recommend **APPROVAL** of the First Amendment to the Disposition and Development Agreement to the City Council and Corona Housing Authority.

Attachments: [Staff Report](#)
[Location Map](#)
[Exhibit A - Proposed First Amendment to Disposition and Development Agreement \(Redline\)](#)
[Exhibit B - Proposed First Amendment to Disposition and Development Agreement \(Final\)](#)

6. PUBLIC HEARINGS

7. WRITTEN COMMUNICATIONS

8. ADMINISTRATIVE REPORTS

Report by Director, Joanne Coletta

9. PLANNING AND HOUSING COMMISSIONERS' REPORTS AND COMMENTS

10. PLANNING AND HOUSING COMMISSION ORAL REPORTS AND COMMENTS REGARDING COUNCIL COMMITTEES

19-0438 [Report on the April 3, 2019 Infrastructure Committee meeting.](#)

Attachments: [20190403 Infrastructure Committee Minutes - Final](#)

11. ADJOURNMENT

The next meeting of the Planning and Housing Commission is scheduled for Monday, May 20th, 2019, commencing at 6:00 p.m. in the City Council Chambers, 400 S. Vicentia Avenue.

Corona City Hall Online, All the Time- www.CoronaCA.gov

NOTICE TO THE PUBLIC:

If you challenge any items on the agendas in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Planning and Housing Commission at or prior to this public hearing.

Agendas for all Planning and Housing Commission meetings are posted at least 72 hours prior to the meeting in the entry way at City Hall. A complete agenda packet is available for public inspection during business hours at the Community Development Department. Any materials relating to an item on the agenda which are distributed to all, or majority of all, members of the Planning and Housing Commission after the posting of the agenda will also be available at the same time for public inspection during business hours at the Community Development Department.

Written communications from the public for the agenda must be received by the Community Development Department seven (7) days prior to the Planning and Housing Commission meeting. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the ADA Coordinator at (951) 736-2235. Notification 48 hours prior to the meeting will enable

the City to make reasonable arrangements to ensure accessibility to this meeting.

MEETING IS BEING RECORDED

City of Corona

400 S. Vicentia Ave.
Corona, CA 92882



Minutes - Draft

Monday, April 22, 2019

6:00 PM

Council Chambers

Planning and Housing Commission

Karen Alexander, Chair
Timothy Jones, Vice Chair
Mitchell Norton, Commissioner
Viren Shah, Commissioner
Craig Siqueland, Commissioner

ROLLCALL

Present 5 - Commissioner Viren Shah, Commissioner Mitchell Norton, Vice Chair Tim Jones, Chair Karen Alexander, and Commissioner Craig Siqueland

1. CALL TO ORDER

Chair Alexander called the meeting to order.

2. PLEDGE OF ALLEGIANCE

Chair Alexander led the Pledge of Allegiance.

3. ORAL COMMUNICATIONS FROM THE PUBLIC

None.

4. MEETING MINUTES

[19-0402](#) Approval of minutes for the Planning and Housing Commission meeting of April 8, 2019.

Attachments: [20190408-P&H Minutes - DRAFT](#)

A motion was made by Vice Chair Jones, seconded by Commissioner Siqueland, that the Planning and Housing Commission approve the meeting minutes of April 8, 2019. The motion carried by the following vote:

Aye: 5 - Commissioner Shah, Commissioner Norton, Vice Chair Jones, Chair Alexander, and Commissioner Siqueland

5. CONSENT ITEMS

None.

6. PUBLIC HEARINGS

[19-0400](#) CZ2018-0002 (CONTINUED): An application to change the zone on 1.46 acres located at 1215 E. Ontario Avenue from C-2 (Restricted Commercial) to C-3 (General Commercial) to facilitate the development of a 4,462 sq. ft. drive-through restaurant (Applicant: Ruben Gonzalez, PM Design Group, 38 Executive Park, Suite 310, Irvine, CA 92614).

Attachments: [Staff Report](#)
[Locational and Zoning Map](#)
[Exhibit A - Proposed Zoning Map Amendment](#)
[Exhibit B - Existing General Plan](#)
[Exhibit C - Site Plan for Raising Cane's restaurant](#)
[Exhibit D - Applicant's letter dated April 5, 2019 describing the scope of the project](#)
[Exhibit E - Legal Description of the change of zone project site and Parcel Map 36633](#)
[Exhibit F - Environmental Documentation](#)
[CZ2018-0002 PPM2018-0011 PP Presentation](#)

At the request of Chair Alexander, Sandra Yang, Senior Planner, reviewed portions of the updated staff report for CZ2018-0002 and PPM2018-0011, which are continued items from the February 25, 2019 Planning and Housing Commission meeting. The reason the project was continued to this meeting was to allow the applicant to gather additional information to address the on-site circulation concerns that were raised at the February 25 meeting. Ms. Yang stated the applicant has made revisions to the site plan and conducted a queueing analysis. At the conclusion of her presentation, Ms. Yang offered to answer any questions of the Commission.

Chair Alexander stated she was happy to see the new design and increased queueing capacity for the drive-through on the revised plan. Chair Alexander stated she spoke with the business manager from the adjacent industrial site who did not think that the revised site plan would be an issue with his semis that would be making deliveries to his industrial site. Chair Alexander also spoke of the concern she had with peak hour traffic on Ontario Avenue and does not see any more issues after observing Ontario Avenue from the Traffic Management Center.

LARRY CANALE, CO-PROPERTY OWNER REPRESENTING RAISING CANE'S, thanked staff and Raising Cane's for addressing the concerns and for redesigning the site. He stated he concurs with staff and the conditions of approval.

Chair Alexander thanked Mr. Canale for being given the opportunity to review the revised site plan and queueing analysis ahead of time and opened the public hearing.

TOM RICHINS, RESIDENT, spoke in favor of the new design and appreciates the applicant and staff for making the effort to make the changes needed for a successful project.

JOE MORGAN, RESIDENT, spoke in favor of the new design and inquired if the zone change to C-3 would open the doors to other uses on the project site.

Chair Alexander closed the public hearing.

Chair Alexander spoke on her concerns regarding the increased lane changes at the back of the site which could bring in more noise to the residents to the north of the project site and requested that the conditions of approval include signage to be installed at the back of the property notifying drive-through patrons to be courteous of the residents to the north with respect to noise.

Commissioner Shah commended staff on how well they worked with the applicant to incorporate all the previous concerns.

Chair Alexander added that the adjacent restaurant, Del Taco, is requesting that the applicant spray the site for bugs before the demolition begins.

A motion was made by Commission Shah, seconded by Commissioner Norton, that the Planning and Housing Commission recommend adoption of the Negative Declaration and APPROVAL of CZ2018-0002 to the City Council, based on the findings contained in the staff report. The motion carried by the following vote:

Aye: 5 - Commissioner Shah, Commissioner Norton, Vice Chair Jones, Chair Alexander, and Commissioner Siqueland

[19-0401](#)

PPM2018-0011 (CONTINUED): Precise plan modification application to construct a 4,462 sq. ft. restaurant with drive-through services for Raising Cane's on 1.46 acres in the proposed C-3 (General Commercial) Zone located at 1215 E. Ontario Avenue (Applicant: Ruben Gonzalez, PM Design Group, 38 Executive Park, Suite 310, Irvine, CA 92614).

Attachments: [Staff Report](#)
[Resolution No. 2529](#)
[Locational and Zoning Map](#)
[Exhibit A1 - Revised Site Plan \(April 2019\)](#)
[Exhibit A2 - Initial Site Plan \(February 2019\)](#)
[Exhibit B - Conditions of Approval](#)
[Exhibit C - Floor plan](#)
[Exhibits D1 & D2 - Detailed Elevation Plans](#)
[Exhibits E1 & E2 - Colored Elevation Plans](#)
[Exhibits F1 & F2 - Landscape Plan](#)
[Exhibit G - Applicant's letter dated April 5, 2019 addressing the scope of the project](#)
[Exhibit H - Environmental Documentation](#)
[Exhibit I - Drive-through Queueing Analysis dated April 5, 2019](#)

A motion was made by Commissioner Shah, seconded by Commissioner Siqueland, that the Planning and Housing Commission recommend adoption of the Negative Declaration and adopt Resolution No. 2529 GRANTING PPM2018-0011, with the added conditions for a courtesy quiet sign and the implementation of a vector control program, in addition to the findings contained in the staff report and conditions of approval. The motion carried by the following vote:

Aye: 5 - Commissioner Shah, Commissioner Norton, Vice Chair Jones, Chair Alexander, and Commissioner Siqueland

[19-0389](#) CUP2018-0003: Conditional use permit application to establish a 76-foot high wireless telecommunications facility designed as a mono-eucalyptus tree on a 0.69-acre property located south of Chase Drive and west of Skyline Drive in the R-1A (Single Family Residential) zone (Applicant: Peter Blied of Plancom, Inc. for Renegade Towers).

Attachments: [Staff Report](#)
[Resolution No. 2533](#)
[Locational & Zoning Map](#)
[Exhibit A - Site Plans](#)
[Exhibit B - Project Conditions](#)
[Exhibit C - Equipment Layout Plan](#)
[Exhibit D - Antenna Layout Plan](#)
[Exhibit E - Elevation Plans](#)
[Exhibit F - Cross-Section of Project Site](#)
[Exhibit G - Applicant's letter describing alternative sites](#)
[Exhibit H - Propagation Maps](#)
[Exhibit I - Photosimulations](#)
[Exhibit J - Photograph of the project site taken April 12, 2019](#)
[Exhibit K - Community Meeting information for September 28 and 30, 2017](#)
[Exhibit L - Community Meeting information for November 29, 2018](#)
[Exhibit M - Infrastructure Committee Minutes, November 1, 2017](#)
[Exhibit N - Infrastructure Committee Minutes, January 9, 2019](#)
[Exhibit O - Public correspondence opposing the project](#)
[Exhibit P - Petition against the project, 2017](#)
[Exhibit Q - Petition against the project, 2018](#)
[Exhibit R - Public correspondence supporting the project](#)
[CUP2018-0003 PP Presentation](#)

At the request of Chair Alexander, Ms. Yang, Senior Planner, reviewed the staff report for CUP2018-0003. At the conclusion of her presentation, Ms. Yang offered to answer any questions of the Commission.

PETER BLIED, REPRESENTING RENEGADE TOWERS, spoke on the two handouts given to the Commissioners: Hammett & Edison RF Safety Evaluation report and a real estate analysis of existing sites in Corona. Mr. Blied followed with a Power Point presentation on the real estate analysis showing property values of single-family homes located nearby existing cell towers in Corona in comparison to Corona property values in general and by zip code.

JAMES ROGERS, REPRESENTING SMART LINK LLC, spoke of his concern with the lack of Verizon coverage and stated this new cell tower would increase the coverage in the area. He also spoke on the text message campaign that was sent out from Verizon to Verizon customers in the area of the proposed site for the support for the project.

Chair Alexander noted she received a letter from a resident in support of the project.

Vice Chair Jones asked for clarification regarding the 10 alternative sites that were considered and asked why the applicant was unable to obtain a lease agreement with alternative sites #1 and #2.

MICHAEL MILLER, REPRESENTING VISTA TOWERS, responded that the property owner of site #1 was not interested and the owner of site #2 had other plans for their property, including the development of a single-family dwelling which would preclude the site from being used for a cell tower.

Chair Alexander opened the public hearing.

MICHAEL SHAY, RESIDENT, lives near the proposed site and spoke against the project. He presented a picture of an existing tower in another residential area surrounded by trees allowing the tower to blend in. Mr. Shay then presented a photosimulation exhibit from the staff report and stated the proposed tower would be an eyesore because there is no surrounding greenery for the tower to blend in with. He also stated that he has no issues with the Verizon cell coverage in his area.

VIOLET SHAY, RESIDENT, spoke against the project expressing her concern that development of the project would decrease the value of the homes in her neighborhood. She believes the current proposed location is not suitable for the community and that a better solution can be found.

LES LEONARD, RESIDENT, spoke in favor of the project. He is building a home in the area and it will not only improve cellular communication service, but in the event of an emergency, good cellular service would be pivotal.

JENNIFER MILLETT, RESIDENT, spoke in favor of the project. She lives next to the tower and stated it is needed due to poor cellular communication service.

RICH SHUMNY, RESIDENT, expressed mixed feelings about the cell tower and asked if the project can wait until a better location is found.

SHEIKH AFTAB, RESIDENT, stated he works for Verizon and assisted the applicant in selecting the project site. He spoke in favor of the project due to the dropped calls in the area.

IAN ATKINS, RESIDENT, spoke against the project due to the tower

obstructing the view from his house.

ERIN ATKINS, RESIDENT, spoke against the project stating that the tower would not blend into the area and that the tower would obstruct their view of the mountains.

JOE MORGAN, RESIDENT, spoke against the project stating that the tower does not blend into the area and is an eyesore.

Mr. Blied addressed the concerns of the residents opposed to the project.

A discussion ensued among Commissioner Shah, the applicant, Mr. Miller and Mr. Aftab regarding Verizon using other existing towers, such as Sprint, to possibly co-locate.

Referring to the Verizon text message campaign, Commissioner Siqueland inquired as to why the tower is referred to as "disguised" structure throughout the text messages, but the photosimulations don't depict the tower as a disguised structure.

Mr. Blied responded by providing history of how the term "disguised tower" has changed throughout the years.

Vice Chair Jones asked why the height of the tower is necessary and if the tower could be built at a lower height. A discussion ensued among the Commissioners, the applicant and Mr. Aftab as to why the height was chosen for this project.

Chair Alexander thanked the residents for sharing their comments and concerns. Chair Alexander expressed her concerns with placing a tower so close to the residences noting her visit to the area and preserving quality of life for residents.

Commissioner Norton mentioned that he has witnessed several cell phone tower proposals over the years as a commissioner and he cannot recall another project that has brought so much opposition.

Vice Chair Jones expressed his thoughts and believes there is a better solution for providing coverage in the area.

JOANNE COLETTA, COMMUNITY DEVELOPMENT DIRECTOR, explained that the applicant has the right to appeal the Commissioners' denial and has 10 working days to do so.

A motion was made by Vice Chair Jones, seconded by Commissioner Siqueland, that the Planning and Housing Commission recommend adoption of Resolution No. 2533 DENYING CUP2018-0003 based on the findings contained in the staff

report. The motion carried by the following vote:

Aye: 5 - Commissioner Shah, Commissioner Norton, Vice Chair Jones, Chair Alexander, and Commissioner Siqueland

7. WRITTEN COMMUNICATIONS

None.

8. ADMINISTRATIVE REPORTS

None.

9. PLANNING AND HOUSING COMMISSIONERS' REPORTS AND COMMENTS

Commissioner Shah requested a study session be scheduled with the Planning and Housing Commissioners where staff provide the Commissioners an outline of the development process so that the Commissioners can have a better understanding of how the application process works before projects are presented to the Planning and Housing Commission.

Ms. Coletta responded that if all the Commissioners are in favor of holding a study session, staff will follow up with a date in the future.

All Commissioners were in favor.

Chair Alexander thanked staff and the applicants for their hard work.

10. ADJOURNMENT

Chair Alexander adjourned the meeting at 7:46 p.m. to the Planning and Housing Commission meeting of Monday, May 6, 2019, commencing at 6:00 p.m. in the City Hall Council Chambers.



Agenda Report

File #: 19-0433

**PLANNING AND HOUSING COMMISSION
STAFF REPORT**

DATE: 5/6/2019
TO: Honorable Chair and Commissioners
FROM: Economic Development Division

APPLICATION REQUEST:

First Amendment to Disposition and Development Agreement between the City of Corona and Lab Holding, LLC for the acquisition and development of (17) Corona Housing Authority properties and (9) City of Corona properties generally located East of Main Street between East Fourth Street and West Eighth Street, and West of Ramona Avenue (Corona Mall Property) originally approved May 17, 2017. (Applicant: Lab Holding).

RECOMMENDED ACTION:

That the Planning and Housing Commission recommend **APPROVAL** of the First Amendment to the Disposition and Development Agreement to the City Council and Corona Housing Authority.

PROJECT SITE SUMMARY

Area of Property:

Existing Zoning: D (Downtown) of the Downtown Revitalization Specific Plan (SP98-01)

Existing General Plan: MUD (Mixed-Use Development)

Existing Land Use: C (Commercial), CP (Commercial Professional)

Proposed Land Use: Rehabilitation and/or Redevelopment of Existing Structures

Surrounding Zoning/Land Use:

N: East Fourth Street and Commercial Parcel beyond Gateway Business District zone of SP98-01

E: South Ramona Avenue and Commercial parcels beyond / Downtown zone of SP98-01

S: West Eight Street and Commercial parcels beyond / Community Services zone of SP98-01

W: Sixth Street and Commercial parcels beyond / Downtown zone of SP98-01

BACKGROUND

Beginning in the early 2000's the Corona Redevelopment Agency began to acquire properties within the Corona Mall area in hopes of assembling enough property for a complete redevelopment of the area. On June 29, 2011 Governor Brown signed Assembly Bill 1X 26 (AB 1X 26) eliminating

Redevelopment Agencies in the State of California. Pursuant to Resolution 2012-04 adopted January 11, 2012, the City of Corona became the Successor Agency to the Redevelopment Agency. As part of Corona's wind down of redevelopment activities, as required by AB 1X 26, the properties within the Corona Mall area were transferred to the Corona Housing Authority allowing for the development of housing, if feasible, or the sale of such properties at market value with proceeds being returned to the Corona Housing Authority. Ultimately, it was determined that a housing development in the Corona Mall was not in the best interest of the community and the City proceeded forward with interest in a commercial development on the site. On May 17, 2017, the City and the Housing Authority entered into a Disposition and Development Agreement ("DDA") with Lab Holding, LLC ("Developer") for the Developer's acquisition and development of the 17 parcels of real property owned by the Corona Housing Authority ("Corona Mall Property"), as well as an option to acquire and develop 9 parcels of real property owned by the City of Corona that is currently used for parking and common area purposes ("City Option Property").

STAFF ANALYSIS

The current DDA imposes certain obligations on the Developer to develop the Corona Mall Property in accordance with a schedule of performance. The DDA also prohibits the Developer from transferring, assigning or selling any portion of the Corona Mall Property without the prior written consent of the Housing Authority/City for 10 years after escrow closes, unless the transfer or assignment is to persons/entities in which the Developer owns more than 50% of the assets or has a majority voting interest.

Shortly before the close of escrow on the 17 Housing Authority parcels, Lab Holding, LLC (Developer) indicated that it wanted title to the Corona Mall Property to be vested in an entity entitled Las Artes Corona, LLC. However, a review of the corporate documents for Las Artes Corona, LLC revealed that Shaheen Sadeghi was the sole member of the Las Artes Corona, LLC. Since the Developer (i.e., Lab Holding, LLC) did not have any ownership or voting interest in Las Artes Corona, LLC, a transfer to Las Artes Corona, LLC would have required the consent of the City by the City Council. The Developer chose to instead proceed with the close of escrow and take title to the Corona Mall Property under Lab Holding, LLC, which is owned by Shaheen Sadeghi and Linda Sadeghi, each having a 50% interest in the company.

The Developer is now requesting that an amendment to the DDA be approved to provide more flexibility for the Developer to assign or transfer property and rights under the DDA to project-specific limited liability companies. The Developer believes this to be necessary in order to successfully execute their development strategies in a manner consistent with the Developer's business model. It should be noted that the Developer (Shaheen Sadeghi) is well-known in Southern California for transforming under-utilized parcels into creative, one-of-a-kind developments. The Developer is responsible for the redevelopment of the Anaheim Packing House and the CAMP and the Anti-Mall in Costa Mesa. The Developer's approach in these types of developments is to establish, own and manage many of the businesses within a development project, which allows for control of daily operations, events programming, and overall atmosphere and branding of the development.

City staff has worked with the Developer for several months to draft the First Amendment to the DDA, which are attached to this report in redline and final form. Below is a summary of the substantive revisions to the DDA:

- **Merger of Anti-Speculation Covenant and Assignment Limitation:** Under the current DDA, the

Developer is not permitted to sell any portion of the Corona Mall Property or City Option Property without the City's consent until June 5, 2028 (10 years after close of escrow on Corona Mall Property). This is referred to in the DDA as the "Anti-Speculation Covenant". Additionally, the DDA limits the Developer's ability to assign the DDA, or any of its interests or obligations without the City's consent, unless Lab Holding, LLC owns 50% of the assets or has a majority voting interest in the assignee. This assignment limitation applies for the term of the DDA and does not go away after June 5, 2028 like with the Anti-Speculation Covenant. The First Amendment to the DDA would merge the Anti-Speculation Covenant and the assignment limitation such that the Developer would be able to transfer or assign the DDA or any portion of the Corona Mall Property and the City Option Property without the consent of the Housing Authority or the City after June 5, 2028.

- Pre-Approved Transfers: The First Amendment to the DDA would add new provisions to allow the Developer to transfer, assign, or sell its interest in the Corona Mall Property or the City Option Property to certain pre-approved entities, without the Housing Authority's or City's consent. The pre-approved entities include the Corona Arts District, LLC, and any other single entity in which Shaheen Sadeghi maintains a 50.1% ownership interest. The First Amendment would also add a process for approval by the Housing Authority and/or the City of discretionary transfers/assignments (i.e., any transfer/assignments that do not qualify as "Pre-Approved Transfers"). An assignment and assumption agreement will be required for any transfer of the Corona Mall Property or the City Option Property

- Removal of the acceleration clause from the Agreement and promissory notes: The current DDA provides that any amounts due under the Housing Authority promissory notes would be immediately due and payable upon the transfer or assignment of any of the Corona Mall Property. The First Amendment would eliminate this acceleration clause and would allow the promissory notes to be transferred and assumed by the assignee so long as the Corona Mall Property is transferred to and the promissory notes are assumed by a single entity in which Shaheen Sadeghi maintains a minimum 50.1% ownership interest. This will allow the promissory note to be transferred and assumed by the project-specific LLC that acquires the Corona Mall Property from the Developer. The deed of trust that provides the security for the promissory notes will remain as an encumbrance on the Corona Mall Property until the promissory note is paid in full.

- Modification of City Option Property Conditions: A condition has been added to the DDA that requires the Developer, prior to exercising the option and acquiring the City Option Property, to prepare a Reciprocal Easement Agreement (REA) to be recorded against the Corona Mall Property the City Option Property, and any other parcel that may be acquired by the Developer prior to the REA recordation date. The purpose of the REA is to provide for the improvement, maintenance, repair, replacement, and cohesive development of the improvement, fixtures, and equipment in the Corona Mall.

- Modification of Option Agreement Exhibits: The First Amendment would also revise the option agreements for the City Option Property, which are attached as exhibits to the DDA. The option agreements would be revised to incorporate the same pre-approved transfer provisions proposed to be added to the DDA, as described above. Additionally, language has also been

included in the option agreements to ensure that the entity that owns the north side of the Corona Mall Property will also own the City Option Property, thus facilitating a cohesive development.

ENVIRONMENTAL DETERMINATION:

This action is exempt pursuant to section 15061(b)(3) of the Guidelines for the California Environmental Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action merely amends the conditions of the disposition and development agreement and any future development of the property will be subject to review under CEQA prior to development. Therefore, there is no possibility that approving this amendment will have a significant effect on the environment and no environmental analysis is required at this time.

FISCAL IMPACT

The total purchase price of the Corona Housing Authority Properties was \$1,860,000, of which \$970,000 was for the Authority North Mall properties and \$890,000 for the Authority South Mall properties. The Corona Housing Authority financed the purchase price of the Authority North Mall property as well as Authority South Mall property less the earnest deposit for an amount equal to \$873,000 and \$801,000 evidenced by two separate promissory notes. Additionally, Lab Holding has an option to purchase the City-owned common area property for \$1 and the City-owned parking lot property for \$6,000,000 minus reasonable and documented expenses incurred by Lab Holding for improvements made to the Corona Mall properties acquired from the Housing Authority and acquisition of fee title interest in any of the privately owned real property within the Corona Mall. Sales price has not been renegotiated as part of this amendment and there is no other fiscal impact associated with this amendment.

PREPARED BY: RYAN CORTEZ, ECONOMIC DEVELOPMENT COORDINATOR

REVIEWED BY: JAMIE RAYMOND, CHIEF DEPUTY CITY ATTORNEY

REVIEWED BY: DEAN DERLETH, CITY ATTORNEY

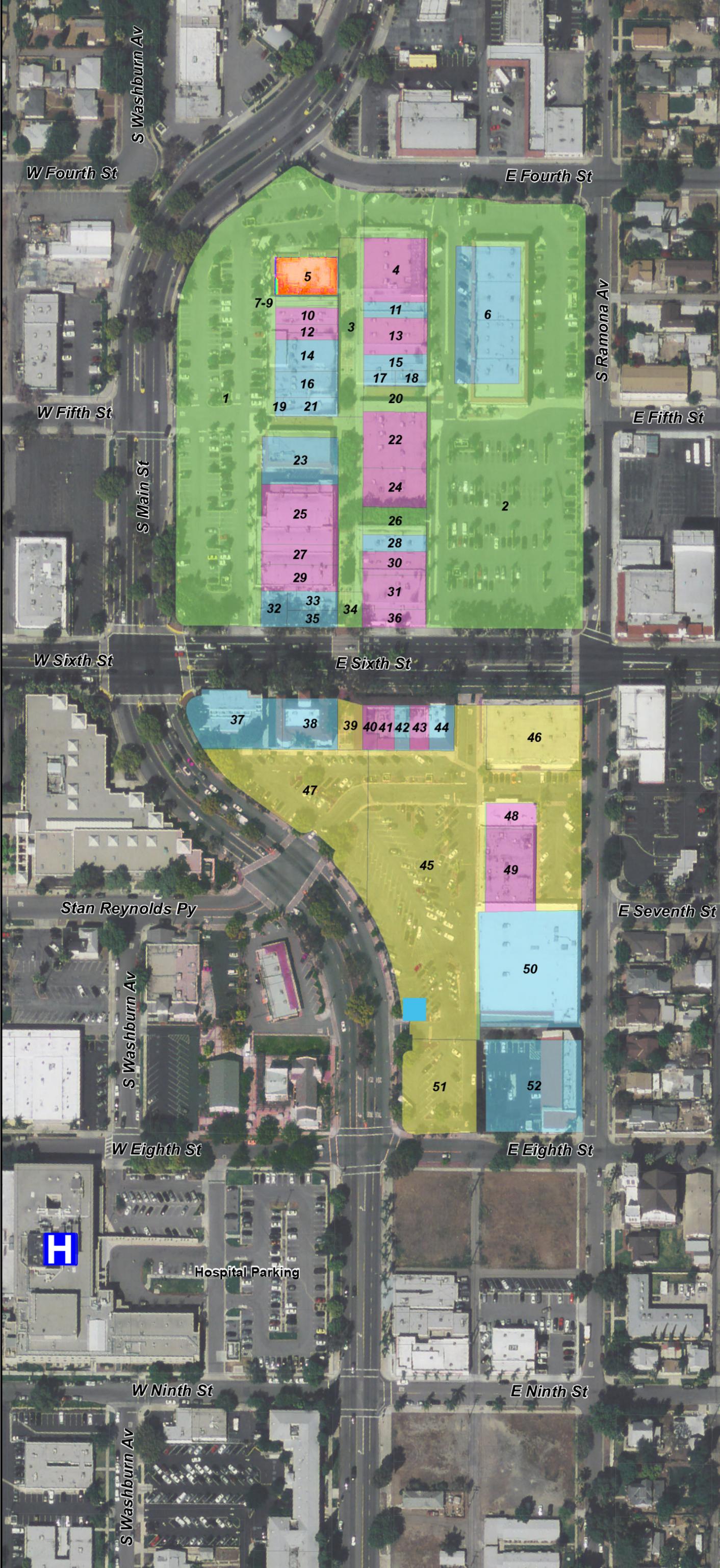
RECOMMENDED BY: MICHELE NISSEN, ASSISTANT CITY ATTORNEY

EXHIBITS

1. Locational Map
2. Exhibit A - Proposed First Amendment to Disposition and Development Agreement (Redline)
3. Exhibit B - Proposed First Amendment to Disposition and Development Agreement (Final)



**Corona Mall North
Corona Mall South**



| | | | |
|----|-----------------|-----------|------|
| 1 | 480 CORONA MALL | 117143015 | 2.74 |
| 2 | 599 CORONA MALL | 117151022 | 3.41 |
| 3 | | 117151014 | 0.25 |
| 4 | 405 CORONA MALL | 117151002 | 0.23 |
| 5 | 402 CORONA MALL | 117143033 | 0.14 |
| 6 | 400 S RAMONA AV | 117151023 | 0.50 |
| 7 | | 117143035 | 0.02 |
| 8 | | 117143034 | 0.02 |
| 9 | | 117143030 | 0.01 |
| 10 | 422 CORONA MALL | 117143031 | 0.06 |
| 11 | 425 CORONA MALL | 117151019 | 0.06 |
| 12 | 442 CORONA MALL | 117143032 | 0.06 |
| 13 | 415 CORONA MALL | 117151021 | 0.13 |
| 14 | 462 CORONA MALL | 117143017 | 0.11 |
| 15 | 474 CORONA MALL | 117151020 | 0.06 |
| 16 | 482 CORONA MALL | 117143018 | 0.09 |
| 17 | 487 CORONA MALL | 117151003 | 0.03 |
| 18 | 131 CORONA MALL | 117151018 | 0.03 |
| 19 | 141 CORONA MALL | 117143009 | 0.01 |
| 20 | | 117151013 | 0.09 |
| 21 | 496 CORONA MALL | 117143036 | 0.06 |
| 22 | 505 CORONA MALL | 117151004 | 0.20 |
| 23 | 500 CORONA MALL | 117143037 | 0.20 |
| 24 | 525 CORONA MALL | 117151005 | 0.14 |
| 25 | 508 S MAIN ST | 117143038 | 0.26 |
| 26 | | 117151012 | 0.10 |
| 27 | 514 S MAIN ST | 117143039 | 0.09 |
| 28 | 555 CORONA MALL | 117151006 | 0.06 |
| 29 | 518 S MAIN ST | 117143040 | 0.11 |
| 30 | 577 CORONA MALL | 117151015 | 0.08 |
| 31 | 579 CORONA MALL | 117151016 | 0.12 |
| 32 | 113 E SIXTH ST | 117143002 | 0.05 |
| 33 | 580 CORONA MALL | 117143024 | 0.05 |
| 34 | | 117143026 | 0.05 |
| 35 | 588 CORONA MALL | 117143025 | 0.05 |
| 36 | 591 CORONA MALL | 117151007 | 0.07 |
| 37 | 601 S MAIN ST | 117183016 | 0.28 |
| 38 | 102 E SIXTH ST | 117183017 | 0.16 |
| 39 | | 117183005 | 0.07 |
| 40 | 106 E SIXTH ST | 117191001 | 0.04 |
| 41 | 114 E SIXTH ST | 117191002 | 0.04 |
| 42 | 122 E SIXTH ST | 117191003 | 0.04 |
| 43 | 138 E SIXTH ST | 117191004 | 0.05 |
| 44 | 142 E SIXTH ST | 117191005 | 0.06 |
| 45 | 715 S MAIN ST | 117191019 | 2.21 |
| 46 | 152 E SIXTH ST | 117191014 | 0.35 |
| 47 | 655 S MAIN ST | 117183004 | 0.67 |
| 48 | 675 S MAIN ST | 117191021 | 0.07 |
| 49 | 683 S MAIN ST | 117191022 | 0.23 |
| 50 | 725 S MAIN ST | 117191011 | 0.66 |
| 51 | 735 S MAIN ST | 117191020 | 0.38 |
| 52 | 720 S RAMONA AV | 117191024 | 0.50 |

- City Owned Non-Option Property
- Lab Privately Acquired
- Lab Owned Properties
- City of Corona Properties
- Private Properties

Acreage Breakdown

North - Lots 1 - 36 9.7 Acres
South - Lots 37-51 5.31 Acres

North
Housing Agency - 1.54 Acres
City - 6.68 Acres
Private - 1.48 Acres
Total - 9.7 Acres

South
Housing Agency - 0.43 Acres
City - 3.68 Acres
Private - 1.2 Acres (Except Lot #52)
Total - 5.31 Acres



CORONA HOUSING AUTHORITY AND CITY OF CORONA

**FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT
WITH LAB HOLDING, LLC
(CORONA MALL PROPERTY)**

This First Amendment to Disposition and Development Agreement (the “**First Amendment**”) is dated for reference purposes as of the 15th day of May, 2019, and is being entered into by and among LAB HOLDING, LLC, a California limited liability company (“**Developer**”), the CITY OF CORONA, a California municipal corporation (“**City**”), and the CITY OF CORONA HOUSING AUTHORITY, a public body, corporate and politic (“**Authority**”). Developer, City, and Authority are sometimes individually referred to herein as “**Party**” and collectively as “**Parties**” throughout this First Amendment.

RECITALS:

A. The Parties previously entered into that certain Disposition and Development Agreement dated as of May 17, 2017 (the “**Original Agreement**”).

B. Developer is a holding company and not a development entity. Developer is solely owned and controlled by Shaheen Sadeghi and Linda Sadeghi. In order to implement the Project, Developer desires to have the right to transfer and assign all or a portion of its rights and obligations set forth in the Original Agreement and all or a portion of its right, title, and interest in the Authority Mall Property and the City Option Property to a single purpose entity or entities in which Shaheen Sadeghi will own and maintain not less than a 50.1% interest. In this regard, Mr. Sadeghi has previously caused to be formed a single purpose entity named Corona Arts District LLC, a California limited liability company, which is 100% owned by Mr. Sadeghi.

C. Based upon the foregoing, and in order to enable Developer to accomplish the objectives of the Original Agreement, the Parties desire to enter into this First Amendment to modify the provisions of the Original Agreement relating to Developer’s right to transfer and assign its right, title, and interest in the Original Agreement, the Authority Mall Property, and the City Option Property, all as set forth herein.

AGREEMENT

Based upon the foregoing Recitals, which are incorporated into this First Amendment by reference, and for good and valuable consideration, the receipt and sufficiency of which is acknowledged by all Parties, the Parties hereby agree to modify the Original Agreement as follows:

1. **Effective Date of First Amendment.** This First Amendment shall be effective as of the date, following all legally required notices and hearings, that this First Amendment has been approved by City’s and Authority’s governing body or its delegated representative and signed by all Parties.

2. **Defined Terms.** All references in the Original Agreement to the Authority North Mall Property Promissory Note (Exhibit E to the Original Agreement), the Authority North Mall Property Deed of Trust (Exhibit F to the Original Agreement), the Authority South Mall Property Promissory Note (Exhibit G to the Original Agreement), the Authority South Mall Property Deed of Trust (Exhibit H to the Original Agreement), the City Common Areas Option Agreement (Exhibit K to the Original Agreement), the City Parking Lots Option Agreement (Exhibit L to the Original Agreement), and the City Option Property License Agreement (Exhibit O to the Original Agreement) shall be deemed to refer to such promissory notes, deeds of trust, and agreements as the same are modified pursuant to this First Amendment. Otherwise, and except as may be expressly set forth in this First Amendment to the contrary, the defined terms in this First Amendment shall have the same meanings ascribed to said terms in the Original Agreement.

3. **Modification of Recitals.** Section 2 of the Original Agreement, entitled “Recitals” is hereby amended to add subsection 2.11 to read in its entirety as follows:

“2.11 Developer. All references to “Developer” in this Agreement, shall be deemed to refer to the original Developer (LAB Holding, LLC) and any authorized (and, if applicable, approved) successor in interest to the original Developer that acquires its interest consistent with Section 3.8.2.”

4. **Modification of Anti-Speculation Covenants.** Section 3.8.2 of the Original Agreement, entitled “Anti-Speculation Covenants,” is hereby amended to read in its entirety as follows:

“3.8.2 Anti-Speculation Covenants.

3.8.2.1 Anti-Speculation Covenants. Except as set forth in Section 3.8.2.2 below, Developer shall not transfer, assign or sell any any of its rights or obligations set forth in this Agreement, any portion of the Authority Mall Property, or any portion of the City Option Property, ~~if Developer has exercised one or both of the options on the City Option Property,~~ without the prior written consent or approval of Authority or City, as applicable, ~~which consent shall not be unreasonably withheld—(collectively, the~~ “**Anti-Speculation Covenant**”), for ~~a period commencing on the Closing Date for the Authority Property, the Closing Date for the City Parking Lots pursuant to the City Parking Lots Option Agreement or the Closing Date for the City Common Areas pursuant to the City Common Areas Option Agreement, as applicable, and ending on the date that is one hundred twenty (120) months after the Closing Date for the Authority Property, the Closing Date for the City Parking Lots pursuant to the City Parking Lots Option Agreement or the Closing Date for the City Common Areas pursuant to the City Common Areas Option Agreement, as applicable (collectively, the~~ “**Anti-Speculation Period**”); the following periods of time:

(A) for the Authority Mall Property, until June 5, 2028 (120 months after the Closing Date for the Authority Mall Property);

(B) for the City Parking Lots, until the earlier of:

(i) the date that Developer’s right to acquire the City Parking Lots pursuant to the City Parking Lots Option Agreement expires or terminates, if Developer has not exercised the option to acquire the City Parking Lots; or

(ii) if Developer exercises the option and acquires the City Parking Lots pursuant to the City Parking Lots Option Agreement, until June 5, 2028 (120 months after the Closing Date for the Authority Mall Property);

(C) for the City Common Areas, until the earlier of:

(i) the date that Developer’s right to acquire the City Common Areas pursuant to the City Common Areas Option Agreement expires or terminates, if Developer has not exercised the option to acquire the City Parking Lots; or

(ii) if Developer exercises the option and acquires the City Common Areas pursuant to the City Common Areas Option Agreement, until June 5, 2028 (120 months after the Closing Date for the Authority Mall Property); and

(D) for any rights and obligations arising under this Agreement not specifically related to the Authority Mall Property or City Option Property, upon the date such rights and obligations are fully performed or otherwise terminate or expire, as applicable (collectively, the “**Anti-Speculation Period**”).

There shall be no restriction on Developer’s right to transfer, assign, or sell any of its rights or obligations set forth in this Agreement or any portion of the Authority Mall Property and the City Option Property, if applicable, after the termination or expiration of the applicable Anti-Speculation Period. Any transfer or assignment occurring during the Anti-Speculation Period in violation of the Anti-Speculation Covenant set forth in this Section 3.8.2 shall be null and void and shall be subject to the City’s and the Authority’s remedies set forth in Section 3.9.

3.8.2.2 Pre-Approved Transfers. Notwithstanding Section 3.8.2.1, during the Anti-Speculation Period, Developer shall have the right to transfer, assign, or sell all or any portion of its rights and obligations set forth in this Agreement and/or Developer’s right, title, and interest in and to all or a portion of the Authority Mall Property and/or the City Option Property, if applicable, only as provided in the following clauses (A)-(H), inclusive (each, a “**Pre-Approved Transfer**”) and, except to the limited extent set forth in Section 3.8.2.3 below, the same shall not require Authority or City approval:

(A) as to the Authority North Mall Property, a transfer, assignment, or sale of fee title to Corona Arts District LLC, a California limited liability company, or any other single entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest (herein, the “**Authority North Mall Property Pre-Approved Transferee**”), and provided that all of the following conditions are satisfied, as applicable:

(i) a single Authority North Mall Property Pre-Approved Transferee shall hold and maintain fee title to the entire Authority North Mall Property during the Anti-Speculation Period;

(ii) concurrent with the Authority North Mall Property Pre-Approved Transferee's acquisition of the Authority North Mall Property, all of Developer's rights and obligations concerning the option to acquire the City Option Property and all of Developer's rights and obligations set forth in the City Option Property License Agreement shall be transferred and assigned to the Authority North Mall Property Pre-Approved Transferee as well; and

(iii) from and after the Authority North Mall Property Pre-Approved Transferee's acquisition of the City Parking Lots pursuant to the City Parking Lots Option Agreement and/or the City Common Areas pursuant to the City Common Areas Option Agreement, as applicable, the same Authority North Mall Property Pre-Approved Transferee that holds fee title to the entire Authority North Mall Property, shall similarly hold and maintain fee title to the City Parking Lots and/or City Common Areas, as applicable, as well;

(B) as to the Authority South Mall Property, a transfer, assignment, or sale of fee title to one or a combination of Corona Arts District LLC, a California limited liability company, or any other entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest (herein, the "**Authority South Mall Property Pre-Approved Transferee**");

(C) a conveyance of a security interest in connection with any Senior Loan, as defined in the Authority North Mall Property Deed of Trust and/or the Authority South Mall Property Deed of Trust;

(D) a transfer resulting from a foreclosure or conveyance of a deed in lieu of foreclosure by the holder of a Senior Loan, as described in clause (C) above (a "**Holder**"), and any subsequent conveyance by the Holder to a subsequent purchaser for value;

(E) a transfer or assignment in trust by Developer for the benefit of immediate family members of Shaheen Sadeghi, provided that Mr. Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest in said trust, and with the understanding that such a qualifying trust shall qualify as an Authority North Mall Property Pre-Approved Transferee or Authority South Mall Property Pre-Approved Transferee, as applicable;

(F) dedications of portions of the Authority Mall Property and/or the City Option Property to a public agency or utility company consistent with the Project;

(G) recordation of a reciprocal easement agreement, covenants, conditions, and restrictions (CC&Rs), or similar conveyances consistent with the

provisions set forth in Section 3.10.9 of this Agreement, including amendments thereto; and

(H) lease of commercial spaces within the Authority Mall Property to tenants consistent with the applicable City land use regulations governing their uses, provided that fee title of the underlying land subject to each such lease is held by the original Developer, an Authority North Mall Property Pre-Approved Transferee, or an Authority South Mall Property Pre-Approved Transferee, as applicable, or by an “Approved Discretionary Transferee” (as that term is defined in Section 3.8.2.4 below).

Any proposed transfer, assignment, or sale of all or any portion of Developer’s rights and obligations set forth in this Agreement and/or Developer’s right, title, and interest in and to all or a portion of the Authority Mall Property and/or the City Option Property during the Anti-Speculation Period that does not qualify as a Pre-Approved Transfer shall be referred to herein as a “**Discretionary Transfer**”.

3.8.2.3 Procedures Applicable to Pre-Approved Transfers. In the event Developer desires to ~~transfer, assign or sell any portion of the Authority Mall Property or the City Option Property during the Anti-Speculation Period, make a Pre-Approved Transfer pursuant to clause (A), (B), (C) or (E) of Section 3.8.2.2,~~ Developer shall provide written notice to the Executive Director of Authority and/or the City Manager of City, as applicable, at least thirty (30) days prior to Developer’s intended date of transfer, assignment or sale. The notice shall specify the name(s) of the intended transferee(s), or assignee(s) or purchaser(s) and, in addition, Developer shall submit with such notice or as soon as practicable thereafter such supporting information that the Executive Director and/or City Manager, as applicable, may determine to be necessary to enable him/her to verify that the transfer, assignment or sale in fact qualifies as a Pre-Approved Transfer. ~~the purchase price for the property being transferred, assigned or sold. In the event that the Authority and/or the City consents to Developer’s requested transfer, assignment or sale, any amounts due under the Authority North Mall Property Promissory Note (to the extent that the transfer, assignment or sale pertains to the Authority North Mall Property), the Authority South Promissory Note (to the extent that the transfer, assignment or sale pertains to the Authority South Mall Property), and/or the City Parking Lots Promissory Note (to the extent that the transfer, assignment or sale pertains to the City Option Property) shall be immediately due and payable. The notice shall specify the name of the intended transferee or assignee and, in addition, Developer shall submit with such notice or as soon as practicable thereafter such supporting information that the Executive Director and/or City Manager, as applicable, may determine to be necessary to enable him/her to verify that the transfer, assignment or sale in fact qualifies as a Pre-Approved Transfer. The Executive Director and/or City Manager shall have the authority on behalf of Authority and/or City, as applicable, to verify that a transfer or assignment is a Pre-Approved Transfer. The Executive Director and/or City~~

Manager shall not unreasonably withhold, condition, or delay his/her approval and the scope of his/her review shall be limited to verifying whether the transfer or assignment qualifies as a Pre-Approved Transfer. Any disapproval by the Executive Director and/or City Manager shall be in writing and shall specify the grounds for disapproval in sufficient detail to enable Developer to submit any additional information reasonably requested by the Executive Director and/or City Manager to resubmit the Pre-Approved Transfer for his/her verification.

3.8.2.4 Procedures Applicable to Discretionary Transfers. In the event Developer desires to make a Discretionary Transfer during the Anti-Speculation Period, Developer shall provide written notice to the Executive Director of Authority and/or the City Manager of City, as applicable, at least ninety (90) days prior to Developer's intended date of transfer, assignment or sale. The notice shall specify the name of the intended transferee or assignee and, in addition, Developer shall submit with such notice or as soon as practicable thereafter such supporting information that the Executive Director and/or City Manager, as applicable, may determine to be necessary to enable Authority's Board of Directors and/or the City Council of City to consider the request on its merits. When the Executive Director and/or City Manager reasonably determines that Developer has submitted sufficient information to enable Authority's Board of Directors and/or the City Council to evaluate and take action upon Developer's request, the Executive Director and/or City Manager shall promptly submit the request and supporting information to Authority's Board of Directors and/or the City Council, as applicable, for its or their consideration and final decision. Authority's Board of Directors and/or the City Council of City shall not unreasonably withhold, condition, or delay its or their approval. Any disapproval shall specify the grounds for disapproval in sufficient detail to enable Developer to submit any additional or changed information that may be needed for Developer to resubmit its request for further consideration. As used in this Agreement, a transferee or assignee that is approved through the foregoing Discretionary Transfer process is referred to as a "**Approved Discretionary Transferee.**"

3.8.2.5 Assignment Documents. Prior to the effective date of any Pre-Approved Transfer pursuant to clauses (A), (B) and (E) (but not clauses (C), (D), or (F)-(H)) of Section 3.8.2.2 and prior to the effective date of any Discretionary Transfer to an Approved Discretionary Transferee approved by the Authority and/or the City, Developer shall be required to deliver to the Executive Director and/or City Manager, as applicable, the following documents:

(A) if the transfer/assignment concerns the Authority North Mall Property, an assignment and assumption agreement executed by both the transferor/assignor and transferee/assignee, which shall include the option to acquire the City Option Property, as provided for in clause (A) of Section 3.8.2.2 unless the Developer has already exercised the option and acquired the City Option Property; and

(i) a new Authority North Mall Property Promissory Note executed by the transferee/assignee to replace the Authority North Mall Property Promissory Note previously executed by Developer provided that the entire Authority North Mall Property Promissory Note must be transferred to and assumed by a single entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest; and

(ii) a new Authority North Mall Property Deed of Trust executed by the transferee/assignee (and acknowledged to permit recordation of same) to replace the Authority North Mall Property Deed of Trust previously executed by Developer and recorded on June 5, 2018, in the Official Records of Riverside County as Document #2018-0227898 (“**Original Authority North Mall Property Deed of Trust**”) provided that the new Authority North Mall Property Deed of Trust shall provide the same security and shall encumber the same real property as the Original Authority North Mall Property Deed of Trust; and

(iii) if, at the time of the transfer/assignment of the Authority North Mall Property, Developer has exercised the option and acquired fee title to the City Parking Lots pursuant to the City Parking Lots Option Agreement, and has executed a promissory note for all or a portion of the purchase price of the City Parking Lots pursuant to Section 3.8.3 of the City Parking Lots Option Agreement, and the amounts owing under that promissory note have not been fully paid, a new promissory note for the then-unpaid portion of the City Parking Lots promissory note executed by the transferee/assignee to replace the promissory note previously executed by Developer and a new deed of trust securing the obligation to pay same (and acknowledged to permit recordation).

(B) if the transfer/assignment concerns the Authority South Mall Property, an assignment and assumption agreement executed by both the transferor/assignor and transferee/assignee; and

(i) a new Authority South Mall Property Promissory Note executed by the transferee/assignee to replace the Authority South Mall Promissory Note (previously executed by Developer, provided that the entire Authority South Mall Property Promissory Note must be transferred to and assumed by a single entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest; and

(ii) a new Authority South Mall Property Deed of Trust executed by the transferee/assignee (and acknowledged to permit recordation of same) to replace the Authority South Mall Property Deed of Trust previously executed by Developer and recorded on June 5, 2018, in the Official Records of Riverside County as Document #2018-0227899 (“**Original Authority South Mall Property Deed of Trust**”) provided that the new Authority South Mall Property Deed of Trust shall provide the same security and shall encumber the same real property as the Original Authority South Mall Property Deed of Trust; and

The Executive Director and/or City Manager, as applicable, shall have the right on behalf of Authority and/or City, as applicable, to approve (or disapprove) the form of the assignment and assumption agreement and the new promissory note(s) and deed(s) of trust referred to above. The Executive Director and/or City Manager shall not unreasonably withhold or delay his/her approval. Any disapproval by the Executive Director and/or City Manager shall be in writing and shall specify the grounds for disapproval in sufficient detail to enable Developer and the transferee/assignee to correct the form of the assignment and assumption agreement and/or the new promissory note(s) and deed(s) of trust, as applicable, and resubmit the same for approval.

3.8.2.6 No Acceleration of Amounts Due Under Promissory Note(s) for Pre-Approved Transfers and Approved Discretionary Transfers; Release of Transferor/Assignor. Notwithstanding any other provision set forth in this Agreement, including any of the exhibits hereto, no acceleration of any amounts that may be due at the time of a Pre-Approved Transfer or at the time a Discretionary Transfer is approved by Authority's Board of Directors and/or the City Council of City, as applicable, under the Authority North Mall Property Promissory Note, Authority South Mall Property Promissory Note, or City Parking Lots Promissory Note shall occur in conjunction with such a transfer or assignment.

Upon the effective date of any Pre-Approved Transfer described in clause (A), (B) and (E) (but not clauses (C), (D) or (F)-(H) of Section 3.8.2.2, as applicable, or the effective date of a Discretionary Transfer that has been approved by the Authority and/or the City, as applicable, but no earlier than the date that Developer and/or the transferee/assignee deliver to the Executive Director and/or City Manager, as applicable, the fully executed documents required pursuant to Section 3.8.2.5 in the approved forms therefor, Authority and/or City, as applicable, shall (i) promptly return to the transferor/assignor the original promissory note that is being superseded by the new promissory note, with the original promissory note(s) marked cancelled, (ii) reconvey the original deed of trust that is being superseded by the new deed of trust, (iii) cooperate with Developer in causing to be recorded the new deed of trust (including, if required, executing and acknowledging the same), and (iv) take all other actions consistent with this Agreement, including the execution of documents as appropriate, to accomplish the purposes of said transfer/assignment. Developer covenants that the new deed(s) of trust shall have priority over all other monetary liens that may have attached subsequent to the recordation of the new deed(s) of trust with the exception of non-delinquent property taxes and assessments, but Developer shall not be responsible for providing or paying for a new or updated lender's policy of title insurance with respect to same. Authority or City may elect to obtain such a title policy, provided that the issuance of same shall not be a condition to the closing of the transaction nor delay the same. Upon the effective date of any Pre-Approved Transfer described in clause (A), (B) and (E) (but not clauses (C), (D) or (F)-(H) of Section 3.8.2.2, as applicable, or the effective date of a Discretionary Transfer that has been approved by the Authority and/or the City, as applicable, and satisfaction of all requirements in this Section 3.8.2.6, the Developer shall be released from any

further obligations under this Agreement with respect to the rights and obligations so transferred and assigned, including without limitation any obligation under the new promissory note and deed of trust.”

5. **Modification of City Option Property Conditions.** Section 3.10.9 is hereby added to the Original Agreement to read in its entirety as follows:

“3.10.9 Reciprocal Easement Agreement. On or before the North Mall REA Recordation Date (as that term is defined below), Developer shall prepare at its cost and expense a Reciprocal Easement Agreement that complies with the terms and conditions of this Section 3.10.9 (“REA”) and cause the REA to be recorded against the Authority North Mall Property, the City Common Areas (if Developer has exercised the option to acquire the City Common Areas and title is vesting in Developer), the City Parking Lots (if Developer has exercised the option to acquire the City Parking Lots and title is vesting in Developer), any other BID Parcels (as that term is defined in Section 3.10.5) that may have been acquired in fee by Developer prior to the North Mall REA Recordation Date, and any other BID Parcels whose owners consent to making their parcels subject to the REA (with the understanding that Developer shall have no obligation to acquire any of the BID Parcels that it did not own as of the Effective Date of this Agreement and Developer makes no representation or warranty that the owner of any other BID Parcel will consent to making its or their parcel(s) subject to the REA). The parcels described in the preceding sentence that are to be subject to the initial REA are referred to herein as the “North Mall REA Parcels.” The “North Mall REA Recordation Date” shall be the earlier of the following dates: (i) the date on which Developer acquires fee title to the City Common Areas or (ii) the date on which Developer acquires fee title to the City Parking Lots.

3.10.9.1 Required Provisions of REA. The REA shall provide for the improvement, maintenance, repair, replacement and cohesive development of the improvements, fixtures, and equipment existing from time to time within the Authority North Mall Property, the City Common Areas (if Developer has exercised the option to acquire the City Common Areas and title is vesting in Developer as of the North Mall REA Recordation Date or will vest in Developer in the future), the City Parking Lots (if Developer has exercised the option to acquire the City Parking Lots and title is vesting in Developer as of the North Mall REA Recordation Date or will vest in Developer in the future), and any other portion of the parcels comprising the northern portion of the Corona Mall (i.e., the portion of the Corona Mall located generally west of 6th Street and north of Main Street) that may constitute “common areas” as that term is commonly defined in REAs for similar commercial projects in Southern California (and subject to the understanding that Developer shall have no affirmative obligation to make any particular improvements within said common areas, nor shall Developer have any affirmative obligation to cause any additional portion of any of the BID Parcels to be converted to common areas). Such common area improvements, fixtures, and equipment to be addressed in the REA include, as

applicable and without limitation, driveways, walkways, and other vehicular and pedestrian accessways, parking facilities, bicycle racks, electric vehicle re-charging stations, signage, lighting, landscaping, and irrigation improvements and facilities, and any improvements in the adjacent public rights-of-way that Developer may have an obligation to maintain. At Developer's option, the REA may also include provisions for security, marketing, and advertising, and other operations and activities. The REA shall provide for annexation into the REA (by appropriate recorded amendment) of any additional BID Parcels that may be acquired by Developer subsequent to the North Mall REA Recordation Date. The REA shall further provide for the assessment of the properties subject to the REA on a reasonable and non-discriminatory basis for the costs of performing the tasks subject to the REA ("CAM Charges"). Finally, the REA shall contain a provision that none of the provisions of the REA described in this paragraph may be terminated without the prior express written consent of City, which consent City may withhold in its sole and absolute discretion as long as the parcels subject to the REA contain any common area or other improvements that are required to be maintained or operated in accordance with the REA, and the REA shall further contain a provision that none of the provisions of the REA described in this Section 3.10.9.1 may be modified or amended without the prior written consent of the City, which consent City agrees shall not be unreasonably withheld, conditioned, or delayed, and which consent City agrees shall be granted if Developer demonstrates that the modifications or amendments will not materially adversely affect the authority and ability of the property owner(s) subject to the REA to accomplish the purposes of the REA described herein. Notwithstanding the foregoing, City and Developer acknowledge that the existing BID (referred to in Sections 3.10.5, 3.10.6, and 3.11 of this Agreement addresses many of the issues addressed in the REA, that it is the purpose of the REA to provide an additional layer of protection to ensure that the matters being handled through the BID are accomplished and not to supersede or replace the BID, and that the REA may provide for implementation of redundant functions to remain dormant as long as the BID continues to function, as it now exists or is hereafter renewed or extended. The covenants in the preceding two sentences shall survive the termination of this Agreement and the termination or expiration of the Anti-Speculation Period.

3.10.9.2 City Review of REA. No less than sixty (60) days prior to the North Mall REA Recordation Date, Developer shall submit the proposed REA to City for its review and approval. The City Manager of City (or his/her designee) shall have the authority on behalf of City to review and approve (or disapprove) the proposed REA. Within thirty (30) days after Developer submits the proposed REA to City, the City Manager (or his/her designee) shall approve or disapprove the form and content of the proposed REA. If the City Manager (or designee) fails to timely approve or disapprove the form and content of the proposed REA in writing, the proposed REA shall be deemed approved. Any disapproval by the City Manager (or designee) shall be in writing and shall specify the grounds therefore in sufficient detail to enable Developer to modify the proposed REA and resubmit the same. Developer shall have the right

in its sole and absolute discretion to decline to revise the proposed REA, in which case Developer shall be deemed to have elected to rescind its exercise of the option to acquire the City Common Areas and/or City Parking Lots, as applicable. If Developer decides instead to modify the proposed REA to address the grounds for the City Manager's (or designee's) disapproval, Developer shall promptly make the required modifications and resubmit the same to the City Manager (or designee). In such event, the City Manager (or designee) shall have ten (10) days from the date of the resubmittal to approve (or disapprove) the modified REA and otherwise the same provisions set forth above with respect to the initial submittal and review procedure shall also apply to any resubmittal(s) and review(s) of same. In the event that delays in obtaining City approval of the REA prevent the Parties from timely effectuating the closing of the City Common Areas or City Parking Lots, as applicable, the deadline for such applicable closing shall be extended until ten (10) days after the date that the REA is finally approved.

3.10.9.3 Annexation of Acquired BID Parcels. If, after the initial REA is approved and recorded, Developer acquires any additional BID Parcels, Developer shall cause said additional BID Parcels to be annexed into the REA. The covenants in this Section 3.10.9.3 shall survive the termination of this Agreement and the termination or expiration of the Anti-Speculation Period.”

6. **Modification of Assignment Provision.** Section 3.15.16 of the Original Agreement, entitled “Assignment,” is hereby retitled and amended to read in its entirety as follows:

“3.15.16 Assignment by Authority and City. ~~Developer shall not assign this Agreement or delegate any right or obligation herein, without the prior consent or approval of City and Authority, which consent may be given or withheld in City's and Authority's sole discretion. Neither Authority nor City shall not transfer, assign, or delegate any of its or their rights and obligations set forth in this Agreement, or delegate any right or obligation herein, without the prior written consent of Developer, which consent may be given or withheld in Developer's sole discretion. Notwithstanding the foregoing, no consent or approval is required for an assignment to an entity in which the assigning Party owns more than 50% of the assets and/or a majority voting interest. Any assignment or delegation in violation of this section shall be void. In the event of an assignment or delegation permitted by this Section 3.15.16, the person or entity to whom this Agreement or any right or obligation herein is assigned or delegated shall be required to assume this Agreement and/or any right or obligation herein in writing in a form approved by the Authority and the City, regardless of whether the prior consent or approval of such assignment or delegation is required by this Section 3.15.16.”~~

7. **Allonge to Authority North Mall Property Promissory Note.** The Authority North Mall Property Promissory Note dated as of June 1, 2018, that was executed and delivered by Developer to Authority (the form of which was set forth as Exhibit E to the Original Agreement) shall be amended in accordance with the Allonge to Authority North Mall Property Promissory

Note set forth as **Exhibit A** hereto. Developer shall print the Allonge to North Mall Property Promissory Note as a stand-alone document (deleting the exhibit reference and title), fill in the blanks, and execute and deliver the Allonge to North Mall Property Promissory Note to Authority within five (5) business days after the Effective Date of this First Amendment and Authority shall promptly affix the same to the original Authority North Mall Property Promissory Note in Authority's possession.

8. **Allonge to Authority South Mall Property Promissory Note.** The Authority South Mall Property Promissory Note dated as of June 1, 2018, that was executed and delivered by Developer to Authority (the form of which was set forth as Exhibit G to the Original Agreement) shall be amended in accordance with the Allonge to Authority South Mall Property Promissory Note set forth as **Exhibit B** hereto. Developer shall print the Allonge to South Mall Property Promissory Note as a stand-alone document (deleting the exhibit reference and title), fill in the blanks, and execute and deliver the Allonge to South Mall Property Promissory Note to Authority within five (5) business days after the Effective Date of this First Amendment and Authority shall promptly affix the same to the original Authority South Mall Property Promissory Note in Authority's possession.

9. **Modification of City Common Areas Option Agreement.** The form of the City Common Areas Option Agreement (Exhibit K to the Original Agreement) is hereby deleted in its entirety and replaced with **Exhibit K-1** attached to this First Amendment and incorporated herein by reference.

10. **Modification of City Parking Lots Option Agreement.** The form of the City Parking Lots Option Agreement (Exhibit L to the Original Agreement) is hereby deleted in its entirety and replaced with **Exhibit L-1** attached to this First Amendment and incorporated herein by reference.

11. **Modification of City Option Property License Agreement.** The form of the City Option Property License Agreement (Exhibit O to the Original Agreement) is hereby deleted in its entirety and replaced with **Exhibit O-1** attached to this First Amendment and incorporated herein by reference.

12. **Recordation of Memorandum of Agreement.** Immediately upon the execution and delivery of this First Amendment, the Parties agree to execute (in recordable form) a stand-alone original of the Memorandum of Agreement in the form set forth as **Exhibit C** (after deleting the exhibit reference and title) and cooperate in causing the same to be recorded against the Authority North Mall Property and Authority South Mall Property within five (5) business days after the Effective Date of this First Amendment. In addition, if Developer exercises either of the Option(s) to acquire the City Common Areas and/or the City Parking Lots, the Parties agree to cooperate, execute, and cause to be recorded a similar Memorandum against such property(ies) at the applicable Closing(s) therefor.

13. **Entire Agreement.** The Original Agreement, as modified by this First Amendment, including all of the exhibits thereto and hereto, constitutes the entire agreement between and among the Parties pertaining to the subject matters addressed therein. Except as

expressly set forth in this First Amendment, all of provisions set forth in the Original Agreement are unmodified and remain in full force and effect.

14. **Counterparts.** This First Amendment may be executed in counterparts. The City Manager of City and Executive Director of Authority are hereby authorized and directed to execute this First Amendment on behalf of City and Authority, respectively, and to take all necessary actions to implement and enforce the same.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the dates set forth next to their respective signatures below.

CITY OF CORONA
a California municipal corporation

By: _____
Mitchell Lansdell, Acting City Manager

May __, 2019

Attest:

By: _____
Sylvia Edwards, City Clerk

Approved as to Form:

By: _____
Dean Derleth, City Attorney

CITY OF CORONA HOUSING AUTHORITY
a public body

By: _____
Mitchell Lansdell, Acting Executive Director

May __, 2019

Attest:

By: _____
Sylvia Edwards, Secretary

Approved as to Form:

By: _____
Dean Derleth, General Counsel

LAB HOLDING LLC
a California limited liability company

By: _____
Shaheen Sadeghi, its Managing Member

May __, 2019

**EXHIBIT A TO FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT
AGREEMENT**

ALLONGE TO
CORONA HOUSING AUTHORITY
PROMISSORY NOTE SECURED BY A DEED OF TRUST
(AUTHORITY NORTH MALL PROPERTY)

Dated: May 15, 2019

FOR VALUE RECEIVED, the undersigned, LAB HOLDING LLC, a California limited liability company (“Maker”) makes the following amendments, modifications, and clarifications to that certain Promissory Note Secured by Deed of Trust in the principal sum of Eight Hundred Seventy-Three Thousand Dollars (\$873,000) that was executed on or about June 1, 2018, in favor of the City of Corona Housing Authority (the “Original Note”).

1. Notwithstanding that the blank in the Original Note was filled in with the name Shaheen Sadeghi, Maker hereby clarifies that Mr. Sadeghi executed the Original Note in his capacity as the Managing Member of Maker and that Maker, not Mr. Sadeghi, is the party bound by the Original Note, as modified by this Allonge.

2. The “Agreement” referred to in Paragraph 1 of the Original Note means the Disposition and Development Agreement dated as of May 17, 2017, as amended by the First Amendment to Disposition and Development Agreement dated as of May 15, 2019.

3. In Section 5.1.7 of the Original Note, the reference to Section 3.14.16 of the Agreement is hereby corrected to refer instead to Section 3.8.2 of the Agreement.

4. Maker shall have the right to transfer and assign its obligations under the Original Note, as modified by this Allonge, to any permitted or approved transferee or assignee of Maker’s right, title, and interest in the Agreement and the Authority North Property, as provided in Sections 3.8.2 of the Agreement provided that the Original Note, as modified by this Allonge, may only be transferred to and assumed by a single entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest. Any such transferee/assignee shall be required to comply with and execute and deliver to Authority all documents required by Section 3.8.2 of the Agreement, including, without limitation, an assignment and assumption agreement and a new promissory note consistent with the aforesaid provisions of the Agreement. Upon the effective date of a transfer or assignment permitted or approved pursuant to Section 3.8.2 and satisfaction of all conditions set forth in Section 3.8.2, the Maker shall be released from any further obligations with respect to the Original Note, as modified by this Allonge.

5. Section 7 of the Original Note is hereby amended to read in its entirety as follows:

“Should Maker transfer or convey the Authority North Property during the ~~Period of Affordability to any party, or parties, Anti-Speculation Period~~ set forth in the Agreement in violation of the Anti-Speculation Covenant, or there

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4/30/19

exists an Event of Default (as defined in this Promissory Note) ~~during the same period, while the this Promissory Note remains outstanding, then~~ Maker shall pay to the Authority the entire Authority North Property Loan and any interest on the principal amount of the Authority North Property Loan that is due and payable at the time of such conveyance.”

IN WITNESS WHEREOF, Maker enters into and executes this Allonge to the Promissory Note Secured by a Deed of Trust (Authority North Mall Property) e as of the date first written above.

LAB HOLDING LLC

By: _____
Shaheen Sadeghi, its Managing Member

**EXHIBIT B TO FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT
AGREEMENT**

ALLONGE TO
CORONA HOUSING AUTHORITY
PROMISSORY NOTE SECURED BY A DEED OF TRUST
(AUTHORITY SOUTH MALL PROPERTY)

Dated: May 15, 2019

FOR VALUE RECEIVED, the undersigned, LAB HOLDING LLC, a California limited liability company (“Maker”) makes the following amendments, modifications, and clarifications to that certain Promissory Note Secured by Deed of Trust in the principal sum of Eight Hundred One Thousand Dollars (\$801,000) that was executed on or about June 1, 2018, in favor of the City of Corona Housing Authority (the “Original Note”).

1. Notwithstanding that the blank in the Original Note was filled in with the name Shaheen Sadeghi, Maker hereby clarifies that Mr. Sadeghi executed the Original Note in his capacity as the Managing Member of Maker and that Maker, not Mr. Sadeghi, is the party bound by the Original Note, as modified by this Allonge.

2. The “Agreement” referred to in Paragraph 1 of the Original Note means the Disposition and Development Agreement dated as of May 17, 2017, as amended by the First Amendment to Disposition and Development Agreement dated as of May 15, 2019.

3. In Section 5.1.7 of the Original Note, the reference to Section 3.14.16 of the Agreement is hereby corrected to refer instead to Section 3.8.2 of the Agreement.

4. Maker shall have the right to transfer and assign its obligations under the Original Note, as modified by this Allonge, to any permitted transferee or assignee of Maker’s right, title, and interest in the Agreement and the Authority South Property, as provided in Sections 3.8.2 of the Agreement provided that the Original Note, as modified by this Allonge, may only be transferred to and assumed by a single entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest. Any such transferee/assignee shall be required to comply with and execute and deliver to Authority all documents required by Section 3.8.2 of the Agreement, including, without limitation, an assignment and assumption agreement and a new promissory note consistent with the aforesaid provisions of the Agreement. Upon the effective date of a transfer or assignment permitted or approved pursuant to Section 3.8.2 and satisfaction of all conditions set forth in Section 3.8.2, the Maker shall be released from any further obligations with respect to the Original Note, as modified by this Allonge.

5. Section 7 of the Original Note is hereby amended to read in its entirety as follows:

“Should Maker transfer or convey the Authority South Property during the ~~Period of Affordability to any party, or parties,~~ Anti-Speculation Period

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set forth in the Agreement in violation of the Anti-Speculation Covenant, or there exists an Event of Default (as defined in this Promissory Note) ~~during the same period,~~ while the this Promissory Note remains outstanding, then Maker shall pay to the Authority the entire Authority South Property Loan and any interest on the principal amount of the Authority South Property Loan that is due and payable at the time of such conveyance.”

IN WITNESS WHEREOF, Maker enters into and executes this Allonge to the Promissory Note Secured by a Deed of Trust (Authority South Mall Property) as of the date first written above.

LAB HOLDING LLC

By: _____
Shaheen Sadeghi, its Managing Member

**EXHIBIT C TO FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT
AGREEMENT**

MEMORANDUM OF AGREEMENT CONTAINING COVENANTS AFFECTING REAL
PROPERTY

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

City of Corona
400 S. Vicentia Avenue
Corona, CA 92882
Attn: Mitchell Lansdell, Acting City Manager

(Space above for Recorder's Use) Exempt From Recording
Fee Per Government Code Sections 6013 and 27383)

**MEMORANDUM OF AGREEMENT CONTAINING COVENANTS AFFECTING REAL
PROPERTY**

This Memorandum Containing Covenants Affecting Real Property (the “**Memorandum**”) is dated for reference purposes only as of the 15th day of May, 2019, and is being entered into by and among LAB HOLDING, LLC, a California limited liability company (“**Developer**”), the CITY OF CORONA, a California municipal corporation (“**City**”), and the CITY OF CORONA HOUSING AUTHORITY, a public body, corporate and politic (“**A uthority**”). Developer, City, and Authority are sometimes individually referred to herein as “**Party**” and collectively as “**Parties**” throughout this Memorandum.

RECITALS:

This Memorandum is being entered into with reference to the following facts:

A. The Parties previously entered into that certain Disposition and Development Agreement dated as of May 17, 2017, as amended by that certain First Amendment to Disposition and Development Agreement dated as of May 15, 2019 (collectively, the “**DDA**”). The DDA is a public record, a copy of which is available for public inspection and copying in the office of the City Clerk of the City of Corona, 400 S. Vicentia Avenue, Corona, CA 92882. All defined terms in this Memorandum shall have the same meanings ascribed to those terms in the DDA. The terms and conditions set forth in the DDA are incorporated herein by this reference.

B. The purpose of this Memorandum is to provide public notice of the DDA. This Memorandum is not intended to and does not modify or amend the DDA. In the event of any inconsistencies between the DDA and this Memorandum, the provisions of the DDA shall govern and control.

C. The DDA concerns the acquisition, disposition, and development of certain properties situated in the City of Corona, County of Riverside, State of California, referred to in the DDA as the “Authority North Mall Property” and “Authority South Mall Property” (collectively, the “Authority Mall Property”) and the “City Option Property.” Prior to the date of this Memorandum, Authority conveyed the Authority Mall Property to Developer. The Authority Mall Property is more particularly described in Exhibit A attached hereto.

D. Pursuant to Section 3.8.2 of the DDA, Developer has agreed to an “Anti-Speculation Covenant” that restricts in certain respects Developer’s right, without Authority and/or City consent, to transfer and assign Developer’s rights and obligations set forth in the Agreement, including without limitation with respect to any portion of the Authority Mall Property and the City Option Property, without the prior consent or approval of Authority or City, as applicable, during the “Anti-Speculation Period,” as defined therein. With respect to the Authority Mall Property, the Anti-Speculation Period terminates or expires no later than June 5, 2028. Reference is hereby made to the Anti-Speculation Covenant in the DDA.

MEMORANDUM

Based upon the foregoing Recitals, which are incorporated into this Memorandum by reference, and for good and valuable consideration, the receipt and sufficiency of which is acknowledged by all Parties, the Parties agree as follows:

1. The foregoing Recitals are true and correct.
2. This Memorandum shall be recorded against the Authority Mall Property. The DDA shall run with the land and shall be binding on Developer and its successors and assigns to fee ownership of the Authority Mall Property.
3. This Memorandum may be executed in counterparts. The City Manager of City and Executive Director of Authority are hereby authorized and directed to execute this First Amendment on behalf of City and Authority, respectively, and to take all necessary actions to implement and enforce the same.
4. Upon the written request by any Party delivered to the other Parties, the Parties, on their own behalf and on behalf of their respective successors and assigns, agree to cooperate by executing and recording a document terminating this Memorandum and removing the same of record upon termination or expiration of the Anti-Speculation Period set forth in the DDA.

[Signatures and Notarizations on following pages]

IN WITNESS WHEREOF, the Parties have executed this Memorandum to be effective as of the date first written above.

CITY OF CORONA
a California municipal corporation

By: _____
Mitchell Lansdell, Acting City Manager

CITY OF CORONA HOUSING AUTHORITY
a public body

By: _____
Mitchell Lansdell, Acting Executive Director

LAB HOLDING LLC
a California limited liability company

By: _____
Shaheen Sadeghi, its Managing Member

REDLINE DRAFT
4/30/19

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

State of California)
County of _____)

On _____, before me, _____,
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

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

State of California)
County of _____)

On _____, before me, _____,
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature _____ (Seal)

REDLINE DRAFT
4/30/19

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

State of California)
County of _____)

On _____, before me, _____,
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature _____

(Seal)

**EXHIBIT A TO MEMORANDUM OF AGREEMENT CONTAINING COVENANTS
AFFECTING REAL PROPERTY**

LEGAL DESCRIPTION OF AUTHORITY MALL PROPERTY

**LEGAL DESCRIPTION AND
DEPICTION OF AUTHORITY MALL PROPERTY**

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

CORONA MALL NORTH PROPERTIES

PARCEL 1

ASSESSOR PARCEL NUMBER 117-143-031

THAT PORTION OF LOTS 5 AND 6 OF BLOCK 155 OF THE SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 9, PAGES 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, ALSO SHOWN ON RECORD OF SURVEY AS A PORTION OF PARCEL C-2 ON FILE IN BOOK 61, PAGE 24 OF RECORDS OF SURVEY, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: "BEGINNING AT A POINT ON THE EASTERLY LINE OF SAID BLOCK 155, WHICH BEARS NORTH 07° 06' 53" EAST, A DISTANCE OF 116.00 FEET FROM THE SOUTHEAST CORNER OF LOT 1 SAID BLOCK 155 TO THE TRUE POINT OF BEGINNING; THENCE NORTH 82° 42' 02" WEST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 100.00 FEET; THENCE NORTH 07° 16' 53" EAST, PARALLEL WITH THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET; THENCE SOUTH 82° 42' 02" EAST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 100.00 FEET TO THE EASTERLY LINE OF SAID BLOCK 155; THENCE SOUTH 07° 16' 53" WEST ALONG THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET TO THE TRUE POINT OF BEGINNING."

AN EASEMENT APPURTENANT TO THE ABOVE DESCRIBED PARCEL DESCRIBED AS FOLLOWS:

AN EASEMENT OVER, UNDER, ABOVE, BELOW AND ACROSS THE NORTHERLY FIVE FEET SIX INCHES OF THE REAL PROPERTY LYING IMMEDIATELY ADJACENT TO THE SOUTHERLY PROPERTY LINE OF THE ABOVE DESCRIBED PARCEL 1 FOR THE PURPOSE OF FOOTING AND FOUNDATIONS FOR BUILDINGS AND STRUCTURES ON THE ABOVE DESCRIBED PARCEL 1 AND FOR THE PURPOSE OF CONSTRUCTING ROOF OVERHANGS AND BUILDING SURFACE OVERHANGING, SAID OVERHANGS TO CONFORM ARCHITECTURALLY WITH ANY BUILDING AND STRUCTURES

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IMMEDIATELY ADJACENT TO THE SOUTHERLY PROPERTY LINE OF THE ABOVE DESCRIBED PROPERTY SO AS NOT TO INTERFERE WITH PEDESTRIAN TRAFFIC THERETO; TOGETHER WITH THE RIGHT TO CONSTRUCT OR CONNECT TO A COMMON OR PARTY WALL, INCLUDING FOOTINGS AND FOUNDATIONS THEREFOR, ALONG THE SOUTHERLY LINES OF THE ABOVE DESCRIBED PARCEL 1 IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THAT CERTAIN AGREEMENT AND GRANT OF EASEMENTS DATED JANUARY 17, 1977 AND RECORDED JANUARY 27, 1977 AS INSTRUMENT NO. 14690 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 2

ASSESSOR PARCEL NUMBER 117-143-032

THAT PORTION OF LOTS 4 AND 5 OF BLOCK 155 OF THE SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 9, PAGES 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, ALSO SHOWN ON RECORDS OF SURVEY AS A PORTION OF PARCEL C-2 ON FILE IN BOOK 61, PAGE 24, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: "BEGINNING AT A POINT ON THE EASTERLY LINE OF SAID BLOCK 155, WHICH BEARS NORTH 07° 16' 53" EAST, A DISTANCE OF 90.00 FEET FROM THE SOUTHEAST CORNER OF LOT 1 IN SAID BLOCK 155 TO THE TRUE POINT OF BEGINNING; THENCE NORTH 82° 42' 02" WEST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1 A DISTANCE OF 100.00 FEET; THENCE NORTH 07° 16' 53" EAST, PARALLEL WITH THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET; THENCE SOUTH 82° 42' 02" EAST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 100.00 FEET TO THE EASTERLY LINE OF SAID BLOCK 155; THENCE SOUTH 07° 16' 53" WEST ALONG THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET, TO THE TRUE POINT BEGINNING."

PARCEL 3 AND 4

ASSESSOR PARCEL NUMBER: 117-143-038 and ASSESSOR PARCEL NUMBER: 117-143-039

THOSE PORTIONS OF BLOCK 144 OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9 PAGE 8 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WESTERLY PROLONGATION OF THE SOUTH LINE OF LOT 6 IN SAID BLOCK 144, WITH THE CENTER LINE OF THE 16.00 FEET WIDE ALLEYWAY ABUTTING LOTS 6, 7, 8 AND 9 ON THE WEST, THENCE SOUTH 82° 45' 00" EAST, 178.05 FEET ON SAID WESTERLY PROLONGATION, THE SOUTH LINE OF SAID LOT 6 AND ITS EASTERLY PROLONGATION TO THE CENTER LINE OF MAIN STREET AS SHOWN ON SAID MAP THENCE NORTH 7° 15' 00" EAST 116.00 FEET ON SAID

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CENTER LINE TO THE INTERSECTION OF THE EASTERLY PROLONGATION OF THE NORTH LINE OF LOT 9 IN SAID BLOCK 144; THENCE NORTH 82° 45' 00" WEST 178.05 FEET ON LAST SAID PROLONGATION, THE NORTH LINE OF SAID LOT 9 AND ITS WESTERLY PROLONGATION, TO SAID CENTER LINE OF SAID ALLEY ABUTTING ON THE WEST; THENCE SOUTH 7° 15' 00" WEST 116.00 FEET ON SAID CENTER LINE TO THE POINT OF BEGINNING. EXCEPT THE EAST 10.00 FEET AS CONVEYED TO THE REDEVELOPMENT AGENCY OF THE CITY OF CORONA BY DEED RECORDED APRIL 15, 1969, AS INSTRUMENT NO. 36744 OF OFFICIAL RECORDS.

PARCEL 5

ASSESSOR PARCEL NUMBER 117-143-040

THOSE PORTIONS OF BLOCK 144 OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9 PAGE 8 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WESTERLY PROLONGATION OF THE NORTH LINE OF LOT 5 IN SAID BLOCK 144, WITH THE CENTERLINE OF THE 16.00 FEET WIDE ALLEY ABUTTING LOTS 4 AND 5 IN SAID BLOCK, ON THE WEST; THENCE SOUTH 82° 45' 00" EAST, 178.05 FEET ON SAID PROLONGATION, THE NORTH LINE OF SAID LOT 5 AND ITS EASTERLY PROLONGATION TO THE CENTER LINE OF MAIN STREET, AS SHOWN ON SAID MAP; THENCE SOUTH 7° 15' 00" WEST, 50.00 FEET ON LAST SAID CENTER LINE TO THE INTERSECTION OF THE EASTERLY PROLONGATION OF THE SOUTH LINE OF SAID LOT 4; HENCE NORTH 82° 45' 00" WEST, 178.05 FEET ON SAID EASTERLY PROLONGATION, THE SOUTH LINE OF SAID LOT 4 AND ITS WESTERLY PROLONGATION TO SAID CENTER LINE OF SAID ALLEY ABUTTING ON THE WEST; THENCE NORTH 7° 15' 00" EAST 50.00 FEET ON LAST SAID CENTER LINE TO THE POINT OF BEGINNING. EXCEPT THE EAST 10.00 FEET AS CONVEYED TO THE REDEVELOPMENT AGENCY OF THE CITY OF CORONA BY DEED RECORDED APRIL 15, 1969, AS INSTRUMENT NO. 36744 OF OFFICIAL RECORDS.

PARCEL 6

ASSESSOR PARCEL NUMBER 117-151-007

ALL THAT PORTION OF LOTS 16, 17 AND 18 IN BLOCK 143 AND ALL THAT PORTION OF MAIN STREET LYING BETWEEN FIFTH STREET AND SIXTH STREET, AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016, RIVERSIDE COUNTY RECORDS, ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 PAGE 8 OF MAPS, SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: BEGINNING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60 FEET NORTHERLY, MEASURED AT

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RIGHT ANGLES FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82° 43' 52" WEST, ALONG SAID PARALLEL LINE, 10 FEET TO A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE OF MAIN STREET; THENCE NORTH 07° 16' 53" EAST, ALONG SAID LINE PARALLEL WITH THE CENTERLINE OF MAIN STREET, 30 FEET; THENCE SOUTH 82° 43' 07" EAST, AT RIGHT ANGLES TO SAID CENTERLINE OF MAIN STREET, 100 FEET; THENCE SOUTH 07° 16' 53" WEST, PARALLEL WITH SAID CENTERLINE OF MAIN STREET, 29.98 FEET TO SAID LINE PARALLEL WITH THE CENTERLINE OF SIXTH STREET; THENCE NORTH 82° 43' 07" WEST, ALONG SAID PARALLEL LINE, 90 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 7

ASSESSOR PARCEL NUMBER 117-151-016

THOSE PORTIONS OF LOTS 14, 15, AND 16 IN BLOCK 143, ALL THAT PORTION OF MAIN STREET LYING BETWEEN FIFTH STREET AND SIXTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969, AS INSTRUMENT NO. 98016, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE, TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE N. 82°43'52" W, ALONG SAID PARALLEL LINE, A DISTANCE OF 10.00 FEET TO A LINE PARALLEL WITH AND 10.00 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE OF MAIN STREET; THENCE N .07°16'53" E., ALONG SAID LINE PARALLEL WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 30.00 FEET TO THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE CONTINUING N. 07°16'53" E., ALONG SAID LINE, PARALLEL WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 50.00 FEET; THENCE S. 82°43'07" E., AT RIGHT ANGLES TO SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 100.00 FEET; THENCE S. 07°16'53" W., PARALLEL WITH SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 50.00 FEET TO A POINT THAT BEARS S. 82°43'07" E., A DISTANCE OF 100.00 FEET FROM THE POINT OF BEGINNING. THENCE N. 82°43'07" W., A DISTANCE OF 100.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 8

ASSESSOR PARCEL NUMBER 117-151-015

REDLINE DRAFT
4/30/19

THAT PORTION OF LOTS 13 AND 14 IN BLOCK 143, ALL THAT PORTION OF THE MAIN STREET LYING BETWEEN FIFTH AND SIXTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969, AS INSTRUMENT NO. 98016, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA , COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA. DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE N. 82°43'52" W., ALONG SAID PARALLEL LINE, A DISTANCE OF 10.00 FEET TO A LINE PARALLEL WITH AND 10.00 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE OF MAIN STREET; THENCE N. 07°16'53" E., ALONG SAID PARALLEL LINE WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 80.00 FEET TO THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE CONTINUING N. 07°16'53" E., ALONG SAID LINE PARALLEL WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 32.00 FEET; THENCE S. 82°43'07" E., AT RIGHT ANGLES TO SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 100.00 FEET. THENCE S. 07°16'53" W., PARALLEL WITH SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 32.00 FEET; THENCE N. 82°43'07" W., A DISTANCE OF 100.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 9

ASSESSOR PARCEL NUMBER 117-151-005

THOSE PORTIONS OF LOTS 8, 9, 10 AND 11 IN BLOCK 143 AND A PORTION OF MAIN STREET (VACATED), AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9, PAGE 8 OF MAPS, AS PER SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE CENTER LINE OF MAIN STREET (VACATED)WHICH BEARS NORTH 07°16'53" EAST, 245 FEET FROM ITS INTERSECTION WITH THE CENTER LINE OF SIXTH STREET, AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82°43'07" WEST, AT RIGHT ANGLES TO THE CENTER LINE OF MAIN STREET (VACATED), 10 FEET; THENCE NORTH 07°16'53" EAST, ALONG A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTER LINE OF MAIN STREET (VACATED), 62 FEET; THENCE SOUTH 82°43'07" EAST, 100 FEET; THENCE SOUTH 07°16'53" WEST, 62 FEET; THENCE NORTH 82°43'07" WEST, 90 FEET TO THE POINT OF BEGINNING. SAID MAIN STREET HAVING BEEN VACATED BY RESOLUTION OF THE CITY COUNCIL OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION BEING RECORD SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016, OFFICIALRECORDS.

PARCEL 10

ASSESSOR PARCEL NUMBER: 117-151-004

THOSE PORTIONS OF LOTS 7 AND 8 IN BLOCK 143 AND THOSE PORTIONS OF MAIN STREET (VACATED) AND FIFTH STREET (VACATED), AS SHOWN BY MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9, PAGE 8 OF MAPS, AS PER SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE CENTER LINE OF MAIN STREET (VACATED) WHICH BEARS NORTH 07°16' 53" EAST 245 FEET FROM ITS INTERSECTION WITH THE CENTER LINE OF SIXTH STREET, AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82°43'07" WEST, AT RIGHT ANGLES TO THE CENTER LINE OF MAIN STREET (VACATED), 10 FEET; THENCE NORTH 07° 16' 53" EAST, ALONG A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTER LINE OF MAIN STREET (VACATED), 62 FEET, FOR THE TRUE POINT OF BEGINNING; THENCE NORTH 07°16' 53" EAST, CONTINUING ALONG SAID PARALLEL LINE, 88 FEET; THENCE SOUTH 82°43'07" EAST 100 FEET; THENCE SOUTH 07°16'53" WEST 88 FEET; THENCE NORTH 82°43'07" WEST 100 FEET, TO THE TRUE POINT OF BEGINNING. SAID PORTIONS OF MAIN STREET AND FIFTH HAVE BEEN VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON AUGUST 18, 1969, A CERTIFIED COPY OF SAID RESOLUTION BEING RECORDED SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016, OFFICIAL RECORDS. SAID LAND BEING A PORTION OF THE LAND AS SHOWN ON A RECORD OF SURVEY MAP ON FILE IN BOOK 61, PAGES 22 THROUGH 26, INCLUSIVE OF RECORDS OF SURVEYS, RIVERSIDE COUNTY RECORDS.

THOSE CERTAIN EASEMENTS, RIGHTS, AND RIGHTS OF WAY CONTAINED IN THAT CERTAIN AGREEMENT AND GRANT OF EASEMENTS DATED JANUARY 23, 1970, EXECUTED BY AND BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF CORONA, A BODY POLITIC, PUBLIC AND CORPORATE, AND VASELS, A CALIFORNIA CORPORATION, AND NICHOLS VASELS, RECORD JANUARY 29, 1970 AS INSTRUMENT NO. 8882, OFFICIAL RECORDS.

PARCEL 11

ASSESSOR PARCEL NUMBER 117-151-021

THAT PORTION OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 8, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, SHOWN AS THAT PORTION OF PARCEL D-3 OF THE CORONA DOWNTOWN REDEVELOPMENT PROJECT, AS SHOWN ON THAT RECORD OF SURVEY RECORDED IN MAP BOOK 61 AT PAGE 22 OF THE OFFICIAL RECORDS OF THE RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS

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FOLLOWS: ALL OF PARCEL D-3 EXCEPTING THEREFROM THE NORTH 26.00 FEET AND THE SOUTH 30.00 FEET.

PARCEL 12

ASSESSOR PARCEL NUMBER: 117-151-002

THAT PORTION OF LOTS 9 THROUGH 12 IN BLOCK 156; THAT PORTION OF MAIN STREET LYING BETWEEN FOURTH STREET AND FIFTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016; AND THAT PORTION OF THE EAST-WEST ALLEY IN SAID BLOCK 156; AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON JULY 7, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED JULY 11, 1969 AS INSTRUMENT NO. 70713; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE ON FILE IN BOOK 9 PAGE 8 OF MAPS, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE CENTER LINE OF SAID MAIN STREET WHICH BEARS NORTH 07° 16' 53" EAST, 435 FEET FROM ITS INTERSECTION WITH THE CENTERLINE OF SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82° 43' 07" WEST, AT RIGHT ANGLES TO SAID CENTER LINE OF MAIN STREET, 10 FEET TO A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTER LINE OF MAIN STREET; THENCE NORTH 07° 16' 53" EAST, ALONG SAID PARALLEL LINE, 132 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH 07° 16' 53" EAST, ALONG SAID PARALLEL LINE, 100 FEET; THENCE SOUTH 82° 43' 07" EAST, 100 FEET; THENCE SOUTH 07° 16' 53" WEST, PARALLEL WITH SAID CENTER LINE OF MAIN STREET, 100 FEET; THENCE NORTH 82° 43' 07" WEST, 100 FEET TO THE TRUE POINT OF BEGINNING.

REDLINE DRAFT
4/30/19



Exhibit A - Corona Mall North Properties



| | | | | | |
|---|---------------------------------|---|---------------------------------|----|-------------------------------|
| 1 | 117-143-031 (422 Corona Mall) | 5 | 117-143-040 (518 S Main Street) | 9 | 117-151-005 (525 Corona Mall) |
| 2 | 117-143-032 (442 Corona Mall) | 6 | 117-151-007 (591 Corona Mall) | 10 | 117-151-004 (505 Corona Mall) |
| 3 | 117-143-038 (508 S Main Street) | 7 | 117-151-016 (579 Corona Mall) | 11 | 117-151-021 (415 Corona Mall) |
| 4 | 117-143-039 (514 S Main Street) | 8 | 117-151-015 (577 Corona Mall) | 12 | 117-151-002 (405 Corona Mall) |

Date: 04/10/2015

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CORONA MALL SOUTH PROPERTIES

PARCEL 1

ASSESSOR PARCEL NUMBER 117-191-022

ALL THAT PORTION OF LOTS 1 AND 2 IN BLOCK 132, ALL THAT PORTION OF THE NORTH-SOUTH ALLEY IN SAID BLOCK 132 AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON OCTOBER 3, 1970, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED OCTOBER 9, 1970 AS INSTRUMENT NO. 102199, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA AND ALL THAT PORTION OF SEVENTH STREET ADJOINING SAID BLOCK 132 AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON MAY 19, 1969 HAVING BEEN RECORDED MAY 26, 1969 AS INSTRUMENT NO. 51651, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA; DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF LOT 3 IN BLOCK 119 AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE, SAID CORNER BEING ON THE EASTERLY LINE OF SAID BLOCK 119; THENCE N. 07°17'08" E., ALONG THE EASTERLY LINE OF SAID BLOCK 119 AND THE NORTHERLY PROLONGATION OF SAID EASTERLY LINE, A DISTANCE OF 200.00 FEET; THENCE N. 82°42'52" W., A DISTANCE OF 70.00 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE N. 07°17'08" E., A DISTANCE OF 122.00 FEET; THENCE N. 82°42'52" W., A DISTANCE OF 80.00 FEET; THENCE S. 07°17'08" W., A DISTANCE OF 122.00 FEET TO A POINT WHICH BEARS N. 82°42'52" W., A DISTANCE OF 80.00 FEET FROM THE POINT OF BEGINNING. THENCE S. 82°42'52" E, A DISTANCE OF 80.00 FEET TO THE POINT OF BEGINNING.

PARCEL 2

ASSESSOR PARCEL NUMBER 117-191-021

ALL THAT PORTION OF LOTS 2 AND 3 IN BLOCK 132 AND ALL THAT PORTION OF THE NORTH-SOUTH ALLEY IN SAID BLOCK 132, AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON OCTOBER 5, 1970, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED OCTOBER 9, 1970 AS INSTRUMENT NO. 102199; IN THE CITY OF CORONA , COUNTY OF RIVERSIDE, STATE OF CALIFORNIA ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE ON FILE IN BOOK 9 OF MAPS AT PAGE 8 THEREOF , SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF LOT 3 IN BLOCK 119, AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE, SAID CORNER BEING ON THE EASTERLY LINE OF SAID BLOCK 119; THENCE NORTH 07° 17' 18" EAST ALONG THE EASTERLY LINE OF SAID BLOCK 119 AND THE NORTHERLY PROLONGATION OF SAID EASTERLY LINE 200 FEET; THENCE NORTH 82° 42' 52" WEST 70 FEET; THENCE NORTH 07° 17' 08" EAST 122 FEET TO THE POINT

OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE NORTH 82° 42' 52" WEST 80 FEET; THENCE NORTH 07° 17' 08" EAST 40 FEET; THENCE SOUTH 82° 42' 52" EAST 80 FEET; THENCE SOUTH 07° 17' 08" WEST 40 FEET TO THE POINT OF BEGINNING.

PARCEL 3

ASSESSOR PARCEL NUMBER 117-191-004

THAT PORTION OF LOTS 7, 8, 9, AND 10 IN BLOCK 132 AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 PAGE 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF MAIN STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE AND A LINE PARALLEL WITH AND 60.00 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF SIXTH STREET, AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE SOUTH 82° 43' 52" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 65.02 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE CONTINUING SOUTH 82° 43' 52" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 30.00 FEET; THENCE SOUTH 07° 16' 08" WEST, A DISTANCE OF 70.00 FEET; THENCE NORTH 82° 43' 52" WEST, PARALLEL WITH SAID CENTERLINE OF SIXTH STREET, A DISTANCE OF 30.00 FEET; THENCE NORTH 07° 16' 08" EAST, A DISTANCE OF 70.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 4

ASSESSOR PARCEL NUMBER 117-191-002

THAT PORTION OF MAIN STREET LYING BETWEEN SIXTH STREET AND SEVENTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF CORONA ON FEBRUARY 22, 1972, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED APRIL 6, 1972, AS INSTRUMENT NO. 44527, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE S. 82° 43' 52" E., ALONG SAID PARALLEL LINE, A DISTANCE OF 15.02 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED: THENCE CONTINUING S. 82°43' 52" E., ALONG SAID PARALLEL LINE, A DISTANCE OF 25.00 FEET; THENCE S. 07° 16 ' 08" W., A DISTANCE OF 70.00 FEET; THENCE N. 82° 43' 52" W., PARALLEL WITH SAID CENTERLINE OF SIXTH STREET, A DISTANCE OF 25.00 FEET TO A POINT WHICH BEARS S. 07° 16 ' 08" W., A

DISTANCE OF 70.00 FEET FROM THE POINT OF BEGINNING; THENCE N. 07° 16' 08" E., A DISTANCE OF 70.00 FEET TO THE POINT OF BEGINNING.

PARCEL 5

ASSESSOR PARCEL NUMBER 117-191-001

THAT PORTION OF MAIN STREET LYING BETWEEN SIXTH STREET AND SEVENTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON FEBRUARY 22, 1972, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED APRIL 6, 1972, AS INSTRUMENT NO. 44527, OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, AS SHOWN BY MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA , COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 PAGE 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: BEGINNING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET SOUTHERLY , MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE SOUTH 82°43'52" EAST, ALONG SAID PARALLEL LINE A DISTANCE OF 15 .02 FEET; THENCE SOUTH 07°16'08" WEST, A DISTANCE OF 70.00 FEET; THENCE NORTH 82°43'52" WEST, PARALLEL WITH SAID CENTERLINE OF SIXTH STREET. A DISTANCE OF 25.00 FEET; THENCE NORTH 07°16'08" EAST, A DISTANCE OF 70.00 FEET TO SAID LINE PARALLEL WITH AND 60.00 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SIXTH STREET; THENCE SOUTH 82°43'52" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 9.98 FEET TO THE POINT OF BEGINNING.



Exhibit A - Corona Mall South Properties



- 1 117-191-022 (663 S Main Street)
- 2 117-191-021 (675 S Main Street)
- 3 117-191-004 (138 E Sixth Street)
- 4 117-191-002 (114 E Sixth Street)
- 5 117-191-001 (106 E Sixth Street)

Date: 04/21/2015

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**EXHIBIT K-1 TO FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT
AGREEMENT**

**CITY OF CORONA
OPTION TO PURCHASE AGREEMENT
(CITY COMMON AREAS – CORONA MALL)**

1. PARTIES AND DATE.

THIS OPTION TO PURCHASE AGREEMENT (“**Option Agreement**”) is entered into as of **[**INSERT DATE**]**, for reference purposes only, by and between THE CITY OF CORONA, a California municipal corporation (“**City**”), and **[**INSERT DEVELOPER’S NAME**]**, a **[**INSERT STATE AND TYPE OF ENTITY**]** (“**Developer**”). Developer and City are sometimes individually referred to herein as “Party” and collectively as “Parties” throughout this Option Agreement.

2. RECITALS.

3.12.1 City is the owner of that certain real property located at the northeast corner of South Main Street and East Sixth Street, Corona, County of Riverside, California consisting of approximately 1.13 acres (49,223 square feet), as more specifically described and depicted in **Exhibit “A”** attached to this Option Agreement (“**City Common Areas Option Property**”).

3.22.2 Developer desires to acquire the exclusive right to purchase the City Common Areas Option Property at an agreed price and upon specified terms and conditions, without any obligation to purchase the City Common Areas Option Property, and City is willing to grant such right to Developer.

NOW, THEREFORE, in consideration of the above facts and for the covenants and agreements contained herein, the Parties hereto agree as follows:

3. TERMS.

3.93.1 **Definitions.** In addition to the definitions ascribed to certain words, phrases or terms in the Preamble or Recitals to this Option Agreement, the following words, phrases or terms shall have the following definitions:

3.11.13.1.1 **Authority North Mall Property.** ~~Collectively, that~~**That** certain real property generally located at the northeast corner of South Main Street and East Sixth Street, Corona, County of Riverside, California consisting of approximately 1.55 acres (67,732 square

feet) and that certain real property generally located at the southwest corner of East Sixth Street and South Ramona Avenue, Corona, County of Riverside, California consisting of approximately 0.42 acres (18,295 square feet), as more specifically described and depicted in Exhibit "B" attached to this Option Agreement.

3.11.23.1.2 Developer. ****INSERT BUYER'S DEVELOPER'S NAME****, a ****INSERT STATE AND TYPE OF ENTITY****.

3.11.33.1.3 City. The City of Corona, California, a municipal corporation.

3.11.43.1.4 City Common Areas Option Property. That certain real property specifically described in the legal description set forth in Exhibit "A" attached to this Option Agreement, including all appurtenant rights and interests.

3.11.53.1.5 County. The County of Riverside, California.

3.11.63.1.6 Default. Any Monetary Default or Non-Monetary Default.

3.11.73.1.7 Development Agreement. A Disposition and Development Agreement in substantially the same form as that certain Disposition and Development Agreement ~~with Lab Holding, LLC~~ (Corona Mall Property) dated ****INSERT DATE**** entered into by and among ~~the~~with LAB Holding, LLC, City, and the City of Corona Housing Authority ~~and the Developer (or Developer's predecessor in interest), dated as of May 17, 2017, as amended by that certain First Amendment to Disposition and Development Agreement dated as of May 15, 2019,~~ including all exhibits thereto, with terms and conditions consistent with this Option Agreement.

3.11.83.1.8 Effective Date. The first date on which all of the following have occurred: (i) the Developer is the record owner of the Authority North Mall Property; (ii) the Developer has received two (2) counterpart originals of this Option Agreement signed by the authorized representative(s) of City; (iii) this Option Agreement is signed by the authorized representative(s) of the Developer; (iv) one (1) original of this Option Agreement signed by the authorized representative(s) of the Developer has been delivered by the Developer to City; and (v) the City has received the Option Consideration Payment from Developer.

3.11.93.1.9 Escrow. An escrow, as defined in Civil Code Section 1057 and Financial Code Section 17003(a), that is conducted by the Escrow Agent with respect to the conveyance of the City Common Areas Option Property from City to the Developer, pursuant to this Option Agreement.

3.11.103.1.10 Escrow Agent. First American Title Company, 18500 Von Karman Avenue, Suite 600, Irvine California, 92612 (C/o Nathan Thompson Escrow Officer).

3.11.113.1.11 Event of Default. The occurrence of any one or more of the following:

3.11.11.13.1.11.1 Monetary Default. A Monetary Default that continues for seven (7) days after Notice from the non-defaulting Party, specifying in reasonable detail the amount of money not paid and the nature and calculation of each such payment; or

3.11.11.23.1.11.2 *Non-Monetary Default.* Any Non-Monetary Default that is not cured within thirty (30) days after Notice to the Party alleged to be in Default describing the Non-Monetary Default in reasonable detail, or, in the case of a Non-Monetary Default that cannot with reasonable diligence be cured within thirty (30) days after such Notice, if the Party alleged to be in Default does not do all of the following: (i) within thirty (30) days after Notice of such Non-Monetary Default, advise the other Party of the intention of the Party alleged to be in Default to take all reasonable steps to cure such Non-Monetary Default; (ii) duly commence such cure within such period, and then diligently prosecute such cure to completion; and (iii) complete such cure within a reasonable time under the circumstances.

3.11.123.1.12 *Government.* Each and every governmental agency, authority, bureau, department, quasi-governmental body, or other entity or instrumentality having or claiming jurisdiction over the City Common Areas Option Property (or any activity this Option Agreement allows), including the government of the United States of America, the State and County governments and their subdivisions and municipalities, including the City, and all other applicable governmental agencies, authorities, and subdivisions thereof, including any planning commission, board of standards and appeals, department of buildings, city council, zoning board of appeals, design review board or committee or similar body having or claiming jurisdiction over the City Common Areas Option Property or any activities on or at the City Common Areas Option Property.

3.11.133.1.13 *Law.* Every law, ordinance, requirement, order, proclamation, directive, rule, and regulation of any Government applicable to the City Common Areas Option Property, in any way, including any development, use, maintenance, taxation, operation, or occupancy of, or environmental conditions affecting the City Common Areas Option Property, or relating to any taxes, or otherwise relating to this Option Agreement or any Party's rights or remedies under this Option Agreement, or any transfer of any of the foregoing, whether in force on the Effective Date or passed, enacted, modified, amended or imposed at some later time, subject in all cases, however, to any applicable waiver, variance, or exemption.

3.11.143.1.14 *Monetary Default.* Any failure by either Party to pay or deposit, when and as this Option Agreement requires, any amount of money.

3.11.153.1.15 *Non-Monetary Default.* The occurrence of any of the following, except to the extent constituting a Monetary Default: (i) any failure of a Party to perform any of its obligations under this Option Agreement; (ii) a Party's failure to comply with any material restriction or prohibition in this Option Agreement; or (iii) any other event or circumstance that, with passage of time or giving of Notice, or both, or neither, would constitute a breach of this Option Agreement.

3.11.163.1.16 *Notice.* Any consent, demand, designation, election, Notice, or request relating to this Option Agreement, including any Notice of Default. All Notices must be in writing.

3.11.173.1.17 *Notice of Default.* Any Notice claiming or giving Notice of a Default.

3.11.183.1.18 Option. The exclusive right to purchase the City Common Areas Option Property, without obligation, granted by the City to the Developer in Section 3.2 of this Option Agreement.

3.11.193.1.19 Option Consideration Payment. Five Hundred Dollars (\$500) to be paid to City by Developer for the right to acquire the City Common Areas Option Property.-

3.11.203.1.20 Option Memorandum. A memorandum of this Option Agreement in substantially the form of **Exhibit “C”** attached to this Option Agreement.

3.11.213.1.21 Option Term. The period of time commencing on the EffectiveClosing Date for the Authority North Mall Property and ending at 5:00 p.m. Pacific Time on ~~the date that is one hundred twenty~~June 5, 2028 (120) months after the EffectiveClosing Date for the Authority North Mall Property).

3.11.223.1.22 Person. Any association, corporation, governmental entity or agency, individual, joint venture, joint-stock company, limited liability company, partnership, trust, unincorporated organization, or other entity of any kind.

3.11.233.1.23 Project. The development on the City Common Areas Option Property of ~~a commercial and mixed-use project common area improvements~~ that ~~is~~are physically and functionally integrated with the commercial and mixed-use development project on the Authority North Mall Property.

3.11.243.1.24 Purchase Price. The amount of One Dollar (\$1.00).

3.1.25 Senior Loan. The lien of a first deed of trust against the City Common Areas Option Property by any of the following: (a) a bank (State, Federal or foreign), trust company (in its individual or trust capacity), insurance company, credit union, savings bank (State or Federal), pension, welfare or retirement fund or system, real estate investment trust (or an umbrella partnership or other entity of which a real estate investment trust is the majority owner), Federal or State agency regularly making or guaranteeing mortgage loans, investment bank or a subsidiary of a Fortune 500 company, real estate mortgage brokers and bankers, real estate mortgage and investment trusts, real estate bond dealers, venture capital firms or funds; (b) any entity that is an affiliate of or is a combination of any one or more of the entities described in subsection (a) of this Section; or (c) any other lender that is reasonably acceptable to the City’s City Manager, but only on condition that all of the proceeds of the proposed Senior Loan, less any transaction costs, must be used to provide financing for the commercial and mixed-use development project on the Authority North Mall Property.

3.11.253.1.26 Unavoidable Delay. A delay in either Party performing any obligation under this Option Agreement, except payment of money, arising from or on account of any cause whatsoever beyond the Party’s reasonable control, despite such Party’s reasonable diligent efforts, including industry-wide strikes, labor troubles or other union activities (but only to the extent such actions do not result from the willful misconduct or negligence of the Party), casualty, war, acts of terrorism, riots, litigation, Government action or refusal to act when or as required by Law or inability to obtain materials. Unavoidable Delay shall not include delay caused by a Party’s financial condition, illiquidity, or insolvency.

3.12 3.2 Grant of Option. In exchange for payment of the Option Consideration Payment and other valuable consideration described in this Option Agreement, City grants to Developer the exclusive right and option to purchase the City Common Areas Option Property at the Purchase Price and upon the terms and conditions set forth in this Option Agreement and the Development Agreement. Any defined terms used, but not defined, in this Option Agreement shall have the meaning ascribed to the same terms in the Development Agreement.

3.133.3 Term. The term of the Option shall be the Option Term.

3.143.4 Consideration. As consideration for the granting of the Option for the Option Term, Developer shall pay the Option Consideration Payment to City prior to the Effective Date. The Option Consideration Payment is given solely in consideration of the grant of the Option and shall not be refundable, except in the event of City's default under this Option Agreement. The Option Consideration Payment shall not be applicable to the Purchase Price at the close of Escrow under the Development Agreement.

3.153.5 Memorandum of Option. On or before the Effective Date, City and Developer shall execute the Option Memorandum. Developer shall file the Option Memorandum with the office of the Recorder of the County for recordation in the official records of the County and pay any associated recording expenses.

3.163.6 Exercise of Option; Execution of Development Agreement. If, during the Option Term, Developer is not in Default under this Option Agreement, it may exercise the Option by delivering Notice of such exercise to City prior to the expiration of the Option Term. Within fifteen (15) ~~business~~ days following delivery of such Notice, City shall prepare the Development Agreement and deliver two (2) originals of the Development Agreement signed by the City to Developer. Developer shall counter-sign such originals of the Development Agreement and deliver one (1) fully ~~signed~~executed original of the Development Agreement to ~~City and a copy of the fully signed Development Agreement to~~ Escrow Agent. The Development Agreement ~~will~~shall constitute the joint instructions ~~to Escrow Agent from of~~ City and Developer to Escrow Agent regarding the purchase and sale transaction for the City Common Areas Option Property between City and Developer. Upon Escrow Agent's request, City and Developer shall execute such additional escrow instructions consistent with this Option Agreement as may be required by Escrow Agent to perform its duties hereunder.

3.173.7 Termination. The Option shall automatically and immediately terminate, without further Notice, if either: (a) prior to the expiration of the Option Term, Developer fails to exercise the Option; or (b) Developer, at any time during the Option Term, gives written Notice to City of its election to terminate the Option. Upon any such termination of the Option, City shall retain the Option Consideration Payment.

3.183.8 Escrow Terms.

3.18.13.8.1 Opening and Close of Escrow. City and Developer shall open Escrow for the conveyance of the City Common Areas Option Property within ten (10) days following the date that Developer the Development Agreement has been signed by all Parties

("Opening Date"). Escrow shall close within forty-five days following the Opening Date ("Close of Escrow").

3.18.23.8.2 Escrow Costs. All costs of the title policy for the City Common Areas Option Property shall be paid by the Developer, and all Escrow fees and normal closing costs attributable to the conveyance of the City Common Areas Option Property shall be split 50/50 between the City and the Developer.

3.193.9 Development of City Common Areas Option Property; Covenants. The Development Agreement shall contain at least the following provisions without revision or amendment unless approved by the City in its sole and absolute discretion:

3.9.1 Development Covenant. If Developer exercises the Option pursuant to Section 3.6, Developer shall diligently pursue development of the Project pursuant to the Schedule of Performance set forth in **Exhibit "D"** (Schedule of Performance), attached hereto and incorporated herein by reference ("**Development Covenant**"). The City's City Manager shall have the authority to approve adjustments, deemed by the City Manager to be reasonable, to the schedule set forth in the Development Covenant.

3.9.2 Anti-Speculation Covenant.—

3.9.2.1 Anti-Speculation Covenant. ~~Except as set forth in Section 3.9.2.2 below,~~ Developer shall not transfer, assign, or sell any of its rights or obligations set forth in this Option Agreement or any portion of the City Common Areas Option Property or any of its rights and obligations set forth in this Option Agreement without the prior written consent or approval of City until the City, which consent shall not be unreasonably withheld ("**Anti-Speculation Covenant**"), ~~for a period commencing on the Close of Escrow (as defined in Section 3.8.1 of this Option Agreement) and ending on the date that is one hundred twentyearlier of: (i) June 5, 2028 (120) months later ("after the Closing Date for the Authority North Mall Property) or (ii) the date this Option Agreement is terminated pursuant to Section 3.7. (as applicable, the "Anti-Speculation Period").~~

~~3.9.2.2 Notice.~~ ~~In the event Developer desires to~~ To the extent that Developer has acquired the City Common Areas Option Proeprty pursuant to this Option Agreement, there shall be no restriction on Developer's right to transfer, assign, or sell any portion of the City Common Areas Option Property after the termination or expiration of the Anti-Speculation Period. Any transfer or assignment occurring during the Anti-Speculation Period in violation of the Anti-Speculation Covenant set forth in this Section 3.9.2 shall be null and void.

3.9.2.2 Pre-Approved Transfers. Notwithstanding Section 3.9.2.1, during the Anti-Speculation Period, Developer shall provide written notice to the City have the right to transfer, assign, or sell of its rights or obligations set froth in this Option Agreement or any any portion of the City Common Areas Option Property as provided in the following clauses (A)-(F), inclusive (each, a "Pre-Approved Transfer") and, except to the limited extent set forth in Section 3.9.2.3 below, the same shall not require City approval.

(A) a transfer, assignment, or sale of fee title to Corona Arts District LLC, a California limited liability company, or any other single entity in which Shaheen Sadeghi

maintains a minimum fifty and one-tenths percent (50.1%) ownership interest (herein, the “City Common Areas Option Property Pre-Approved Transferee”), and provided that all of the following conditions are satisfied, as applicable:

(i) a single City Common Areas Option Property Pre-Approved Transferee shall hold and maintain fee title to the entire City Common Areas Option Property and the entire Authority North Mall Property during the Anti-Speculation Period; and

(ii) from and after the City Common Areas Option Property Pre-Approved Transferee’s acquisition of the City Common Areas Option Property, a single City Common Areas Option Property Pre-Approved Transferee shall also hold all of Developer’s right, title, and interest in the City Parking Lots pursuant to the City Parking Lots Option Agreement (as those terms are defined in the Disposition and Development Agreement with Lab Holding, LLC (Corona Mall Property) dated May 17, 2017) during the Anti-Speculation Period;

(B) a conveyance of a security interest in the City Common Areas Option Property in connection with any Senior Loan;

(C) a transfer resulting from a foreclosure or conveyance of a deed in lieu of foreclosure by the holder of a Senior Loan, as described in clause (B) above (a “Holder”), and any subsequent conveyance by the Holder to a subsequent purchaser for value;

(D) a transfer or assignment in trust by Developer for the benefit of immediate family members of Shaheen Sadeghi, provided that Mr. Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest in said trust;

(E) dedications of portions of the City Common Areas Option Property to a public agency or utility company consistent with the Project; and

(F) recordation of a reciprocal easement agreement, covenants, conditions, and restrictions (CC&Rs), or similar conveyances consistent with Section 3.10.9 of the Development Agreement, including amendments thereto.

Any proposed transfer, assignment, or sale of all or any portion of the City Common Areas Option Property during the Anti-Speculation Period that does not qualify as a Pre-Approved Transfer shall be referred to herein as a “Discretionary Transfer.”

3.9.2.3 Procedures Applicable to Pre-Approved Transfers. In the event Developer desires to make a Pre-Approved Transfer pursuant to clause (A), (B), or (D) of Section 3.9.2.2, Developer shall provide written notice to the City Manager of City, as applicable, at least thirty (30) days prior to Developer’s intended date of transfer, assignment or sale. The notice shall specify the name of the intended transferee or assignee and, in addition, Developer shall submit with such notice or as soon as practicable thereafter such supporting information that the City Manager may determine to be necessary to enable him/her to verify that the transfer, assignment or sale in fact qualifies as a Pre-Approved Transfer. The City Manager shall have the authority on behalf of the City, as applicable, to verify that a transfer or assignment is a Pre-Approved Transfer. The City Manager shall not unreasonably withhold, condition, or delay his/her approval and the scope of his/her review shall be limited to verifying whether the transfer or

assignment qualifies as a Pre-Approved Transfer. Any disapproval by the City Manager shall be in writing and shall specify the grounds for disapproval in sufficient detail to enable Developer to submit any additional information reasonably requested by the City Manager to resubmit the Pre-Approved Transfer for his/her verification.

3.9.2.4 Procedures Applicable to Discretionary Transfers. In the event Developer desires to make a Discretionary Transfer during the Anti-Speculation Period, Developer shall provide written notice to the City Manager of City at least ninety (90) days prior to Developer's intended date of transfer, assignment or sale. ~~The notice shall specify the name(s) of the intended transferee(s), assignee(s) or purchaser(s) and the purchase price for the property being transferred, assigned or sold. In the event that the City consents to Developer's requested transfer, assignment or sale, any amounts due under the~~ The notice shall specify the name of the intended transferee or assignee and, in addition, Developer shall submit with such notice or as soon as practicable thereafter such supporting information that the City Manager, as applicable, may determine to be necessary to enable the City Council of City to consider the request on its merits. When the City Manager reasonably determines that Developer has submitted sufficient information to enable the City Council to evaluate and take action upon Developer's request, the City Manager shall promptly submit the request and supporting information to the City Council, as applicable, for its or their consideration and final decision. The City Council of City shall not unreasonably withhold, condition, or delay its or their approval. Any disapproval shall specify the grounds for disapproval in sufficient detail to enable Developer to submit any additional or changed information that may be needed for Developer to resubmit its request for further consideration.

3.9.2.5 Assignment Documents. Prior to the effective date of any Pre-Approved Transfer pursuant to clauses (A), (B) and (D) (but not clauses (C), (E), or (F)) of Section 3.9.2.2 and prior to the effective date of any Discretionary Transfer approved by the City, Developer shall be required to deliver to the City Manager an assignment and assumption agreement executed by both the transferor/assignor and transferee/assignee.

The City Manager, as applicable, shall have the right on behalf of the City to approve (or disapprove) the form of the assignment and assumption agreement. The City Manager shall not unreasonably withhold or delay his/her approval. Any disapproval by the City Manager shall be in writing and shall specify the grounds for disapproval in sufficient detail to enable Developer and the transferee/assignee to correct the form of the assignment and assumption agreement and/or the new promissory note ~~described in Section 3.8.3 shall be immediately due and payable~~-(s) and deed(s) of trust, as applicable, and resubmit the same for approval.

3.9.3 Access Covenant. Developer acknowledges and agrees that assessments are imposed and collected through a Business Improvement District ("BID") for the purpose of maintaining parking lots, sidewalks and landscape improvements in an area that includes the City Common Areas Option Property. The BID expires on June 30, 2020 ("BID Expiration Date"). Developer acknowledges and agrees that development or use of the City Common Areas Option Property for any purpose other than common area walkways and pedestrian ingress and egress is subject to and expressly contingent upon Developer continuing to provide sufficient pathways for reasonable and direct pedestrian access similar to that which exists as of the Effective Date to serve the parcels that are included within and are subject to the assessments imposed by the BID ("BID

Parcels”). Developer further acknowledges and agrees to allow public access to and use of the City Common Areas Option Property for the benefit of the BID Parcels. In furtherance thereof, Developer shall not deny, prevent, hinder or obstruct reasonable and direct public access to each of the BID Parcels and use of the City Common Areas Option Property at any time prior to the BID Expiration Date for any reason, or at any time thereafter if in violation of the Corona Municipal Code and/or other applicable laws, rules or regulations. Developer acknowledges and agrees that from and after the BID Expiration Date or the Close of Escrow, whichever occurs first, maintenance of the City Common Areas Option Property shall be the sole responsibility of Developer. The obligations and limitations set forth in this Section 3.9.3 shall be collectively referred to as the “**Access Covenant**” and shall survive expiration or termination of this Option Agreement. The record owners of the BID Parcels, individually and collectively, shall be third party beneficiaries of the Access Covenant.

1.1.1.3.9.4 City’s Reversionary Interest in the City Common Areas Option Property. In the event Developer fails to fully and timely satisfy the Development Covenant and/or breaches or violates the Anti-Speculation Covenant or the Access Covenant, the City Common Areas Option Property will revert to the City solely upon payment to Developer of the Purchase Price without interest.

1.1.2.3.9.4 Prevailing Wages. Since the Project is part of an applicable “public works” project, as defined by Chapter 1 (beginning at Section 1720 et seq.) of Part 7 of Division 2 of the California Labor Code, as well as Title 8, Section 16000 et seq. of the California Code of Regulations (“**Prevailing Wage Laws**”), Developer shall fully comply with the Prevailing Wage Laws for their contractors and any others to whom such laws are applicable. Developer shall also be responsible for any and all violations and fines imposed on them pursuant to the Prevailing Wage Laws. Pursuant to SB 854, which amended the Prevailing Wage Laws, the Project would also be subject to compliance monitoring and enforcement by the California Department of Industrial Relations (“**DIR**”). Beginning April 1, 2015, no contractor may engage in the performance of any public work contract unless registered with the DIR pursuant to Labor Code Section 1725.5. City/Authority will report all necessary agreements to the DIR as required by the Prevailing Wage Laws. Developer shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to develop the Project available to interested parties upon request, and shall post copies at Developer’s principal place of business and at the Project site. Developer shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

1.2.3.10 City Covenants Regarding Maintenance of City Common Areas Option Property. City covenants and agrees with the Developer that throughout the Option Term:

1.1.13.10.1 City shall not modify or amend any lease respecting the City Common Areas Option Property, or enter into any new lease respecting the City Common Areas Option Property, without the Developer's prior written approval; provided that Developer hereby expressly consents to the City entering into that certain City of Corona License Agreement for Use of City Facilities (City Option Property – Corona Mall) with ****INSERT DEVELOPER’S NAME**** dated ****INSERT DATE****;

~~1.1.23.10.1~~ Except as provided in the Development Agreement, which imposes certain maintenance obligations upon Developer from and after the BID Expiration Date, and unless Developer has exercised its option on the City Common Areas Option Property, in which case Developer shall be solely responsible for all obligations related to such property, as provided in the Development Agreement, City shall maintain the City Common Areas Option Property in accordance with the same standards City has customarily observed in its ownership and management of the City Common Areas Option Property;

~~1.1.33.10.1~~ City shall maintain in force all insurance policies currently maintained by City with respect to the City Common Areas Option Property;

~~1.1.43.10.1~~ City shall not cause, permit, allow or suffer any additional exception to the title of the City Common Areas Option Property.

~~1.23.10~~ City Representations and Warranties. As of the Effective Date, City makes the following representations and warranties:

~~1.2.13.10.1~~ The entering into and performance of this Option Agreement by City will not constitute a violation of any court order or decree or result in City's default under any other contract by which City or the City Common Areas Option Property are bound.

~~1.2.23.10.1~~ To City's knowledge, there are no sale agreements or lease agreements with respect to the City Common Areas Option Property that would prevent City from conveying title to the City Common Areas Option Property, as required by this Option Agreement or the Development Agreement, if Developer exercises the Option.

~~1.2.33.10.1~~ There is no pending or threatened private or governmental litigation by any Government or Person against City relating to the City Common Areas Option Property that might, if it and all other pending and threatened litigation were adversely determined, result in a material adverse change in the City Common Areas Option Property or its operation or that challenges the validity of or otherwise materially adversely affects the transactions contemplated by this Option Agreement.

~~1.2.43.10.1~~ No attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization, or other proceedings are pending or threatened against City or City's interest in the City Common Areas Option Property, nor are any such proceedings contemplated by City.

~~1.2.53.10.1~~ City has received no Notice of any presently pending or contemplated special assessments or proceedings to condemn or demolish the City Common Areas Option Property or any part of it or any proceedings to declare the City Common Areas Option Property or any part of it a nuisance.

~~1.2.63.10.1~~ City has good and marketable title to the City Common Areas Option Property. Except as provided in Section 3.9.3 of this Option Agreement, City has no actual knowledge of any unrecorded or undisclosed legal or equitable interest in the City Common Areas Option Property owned or claimed by anyone other than City. City has no knowledge that anyone claims any right to possession of the City Common Areas Option Property, except as disclosed by

this Option Agreement or otherwise in writing by City to the Developer. There are no unsatisfied mechanics' or materialmen's lien rights on the City Common Areas Option Property.

1.33.10 General Provisions.

1.1.13.12.1 Execution of this Option Agreement. Notwithstanding any other provision of this Option Agreement, this Option Agreement shall only become binding on the Parties or either of them, upon the occurrence of the Effective Date. Any approval or execution of this Option Agreement by either Party shall be of no force or effect, unless and until the Effective Date.

1.1.23.12.1 Incorporation of Recitals. The recitals of fact set forth preceding this Option Agreement are true and correct and are incorporated into this Option Agreement in their entirety by this reference.

1.1.33.12.1 Notices, Demands and Communications between the Parties. All notices or other communications required or permitted between the Parties hereunder shall be in writing, and shall be (i) personally delivered, (ii) sent by United States registered or certified mail, postage prepaid, return receipt requested, (iii) sent by facsimile transmission with confirmation of receipt, or (iv) sent by nationally recognized overnight courier service (e.g., Federal Express or United Parcel Service), addressed to the Party to whom the notice is given at the addresses provided below, subject to the right of any Party to designate a different address for itself by notice similarly given. Any notice so given by registered or certified United States mail shall be deemed to have been given on the third business day after the same is deposited in the United States mail. Any notice not so given by registered or certified mail, such as notices delivered by personal delivery, facsimile transmission or courier service, shall be deemed given upon receipt, rejection or refusal of the same by the Party to whom the notice is given. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice or other communication sent.

| | |
|---------------|---|
| To City: | City of Corona 400 South Vicentia Avenue Corona, CA 92882 Attn: City Manager Telephone: (951) 736-2371 |
| To Developer: | **INSERT ENTITY NAME** **INSERT ADDRESS** Attn: **INSERT NAME** Telephone: **INSERT NUMBER** |

~~1.1~~

1.1.43.12.1 Relationship of Parties. The Parties each intend and agree that the Developer and City are independent contracting entities and do not intend by this Option Agreement to create any partnership, joint venture, or similar business arrangement, relationship or association between them.

1.1.53.12.1 Survival of Option Agreement. Section 3.9 and all terms and conditions of this Option Agreement relating to principles of interpretation, dispute resolution and limitations on damages or remedies, including, without limitation, Section 3.12.6, shall survive any expiration or termination of this Option Agreement.

1.1.63.12.1 Limitation of Developer's Remedies and Release. Developer acknowledges and agrees that City would not have entered into this Option Agreement, if it were to individually or jointly, be liable to Developer for any monetary damages, monetary recovery or any remedy following a default under this Option Agreement by City, other than: (i) termination of this Option Agreement pursuant to Section 3.7 or any other provision of this Option Agreement; (ii) specific performance; or (iii) injunctive relief (collectively, "**Developer Remedies**"). Accordingly, the Parties agree that the Developer Remedies shall be Developer's sole and exclusive rights and remedies following a default under this Option Agreement by City. Developer hereby waives any right to pursue any remedy or damages based upon a default by City under this Option Agreement other than the Developer Remedies. It is the intention of Developer to be bound by the limitations on damages and remedies set forth in this Section 3.14.6, and Developer hereby releases any and all claims against City for monetary damages, monetary recovery or other legal or equitable relief related to any default under this Option Agreement by City, except as specifically provided in this Section 3.12.6, whether or not any such released claims were known or unknown to Developer as of the Effective Date of this Option Agreement. Except for the Developer Remedies, Developer hereby releases City, and its officials, officers, employees and agents from any and all claims arising out of a default by City under this Option Agreement.

~~1.1.1~~ Without limiting the generality of anything in this Section 3.12.6, with respect to the waivers, releases and limitations on remedies contained in this Section 3.12.6, Developer hereby expressly waives the benefit of and any protections provided by California Civil Code Section 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

~~1.1.2~~ In addition to waiving the provisions of California Civil Code Section 1542, Developer hereby waives, releases and foregoes the provisions of any other federal or state statute or judicial decision of similar effect with respect to the waivers, releases and limitations contained in this Section 3.12.6.

Initials of Authorized
Developer Representative

The obligations described above will be for the benefit of the City and binding upon Developer, its successors and assigns, officers, employees and representatives, and will survive termination of this Option Agreement, close of escrow on the City Common Areas Option Property and the recordation of a grant deed conveying the City Common Areas Option Property.–

1.2.13.12.1 Calculation of Time Periods. Unless otherwise specified, all references to time periods in this Option Agreement measured in days shall be to consecutive calendar days, all references to time periods in this Option Agreement measured in months shall be to consecutive calendar months and all references to time periods in this Option Agreement measured in years shall be to consecutive calendar years. Any reference to business days in this Option Agreement shall mean consecutive business days of the Developer.

1.2.23.12.1 Principles of Interpretation. No inference in favor of or against any Party shall be drawn from the fact that such Party has drafted any part of this Option Agreement. The Parties have both participated substantially in the negotiation, drafting, and revision of this Option Agreement, with advice from legal and other counsel and advisers of their own selection. A word, term or phrase defined in the singular in this Option Agreement may be used in the plural, and vice versa, all in accordance with ordinary principles of English grammar, which shall govern all language in this Option Agreement. The words “include” and “including” in this Option Agreement shall be construed to be followed by the words: “without limitation.” Each collective noun in this Option Agreement shall be interpreted as if followed by the words “(or any part of it),” except where the context clearly requires otherwise. Every reference to any document, including this Option Agreement, refers to such document, as modified from time to time (excepting any modification that violates this Option Agreement), and includes all exhibits, schedules, addenda and riders to such document. The word “or” in this Option Agreement includes the word “and.” Every reference to a law, statute, regulation, order, form or similar governmental requirement refers to each such requirement as amended, modified, renumbered, superseded or succeeded, from time to time.

1.2.33.12.1 Governing Law. The Laws of the State of California shall govern the interpretation and enforcement of this Option Agreement, without application of conflicts of laws principles. The Parties acknowledge and agree that this Option Agreement is entered into, is to be fully performed in and relates to real property located in the City of Corona, County of Riverside, State of California. All legal actions arising from this Option Agreement shall be filed in the Superior Court of California in and for the County of Riverside or in the United States District Court with jurisdiction in the County of Riverside.

1.2.43.12.1 Unavoidable Delay; Extension of Time of Performance. Subject to any specific provisions of this Option Agreement stating that they are not subject to Unavoidable Delay or otherwise limiting or restricting the effects of an Unavoidable Delay, performance by either Party under this Option Agreement shall not be deemed, or considered to be in Default, where any such Default is due to the occurrence of an Unavoidable Delay. Any Party claiming an

Unavoidable Delay shall give Notice to the other Party: (i) within ten (10) days after such Party knows of any such Unavoidable Delay; and (ii) within five (5) days after such Unavoidable Delay ceases to exist. To be effective, any Notice of an Unavoidable Delay must describe the Unavoidable Delay in reasonable detail. The extension of time for an Unavoidable Delay shall commence on the date of receipt of written Notice of the occurrence of the Unavoidable Delay by the Party not claiming an extension of time to perform due to such Unavoidable Delay and shall continue until the end of the condition causing the Unavoidable Delay. The Party claiming an extension of time to perform due to an Unavoidable Delay shall exercise its commercially reasonable best efforts to cure the condition causing the Unavoidable Delay, within a reasonable time.

~~1.2.53.12.1 DeveloperCity Assignment.~~ ~~Developer~~ City shall not transfer, assign this Option Agreement, or delegate any right or obligation herein, of its rights and obligations set forth in this Option Agreement without the prior written consent ~~or approval~~ of CityDeveloper, which consent may be given or withheld in City'sDeveloper's sole discretion. ~~Notwithstanding the foregoing, no consent or approval is required for an assignment to an entity in which the Developer owns more than 50% of the assets and/or a majority voting interest.~~ Any assignment or delegation in violation of this section shall be void. ~~In the event of an assignment or delegation permitted by this Section 3.12.11, the person or entity to whom this Option Agreement or any right or obligation herein is assigned or delegated shall be required to assume this Option Agreement and/or any right or obligation herein in writing in a form approved by the City, regardless of whether the prior consent or approval of such assignment or delegation is required by this Section 3.12.11.~~

~~1.2.63.12.1 Binding on Successors and Assigns.~~ This Option Agreement shall be binding upon and inure to the benefit of the Parties and their respective legal representatives, successors and assigns.

~~1.2.73.12.1 No Other Representations or Warranties.~~ Except as expressly set forth in this Option Agreement, no Party makes any representation or warranty material to this Option Agreement to any other Party.

~~1.2.83.12.1 Execution in Counterparts.~~ This Option Agreement may be executed in multiple counterpart originals, each of which shall be deemed to be an original, but all of which together shall constitute one and the same document.

~~1.2.93.12.1 Entire Option Agreement.~~

~~(a)3.12.1.1~~ Integrated Agreement. This Option Agreement includes **INSERT WRITTEN NUMBER** (**INSERT NUMBER**) pages and four (4) exhibits, that constitute the entire understanding and Option Agreement of the Parties regarding the City Common Areas Option Property and the other subjects addressed in this Option Agreement. This Option Agreement integrates all of the terms and conditions mentioned in this Option Agreement or incidental to this Option Agreement, and supersedes all negotiations or previous agreements between the Parties with respect to the City Common Areas Option Property and the other subjects addressed in this Option Agreement.

~~(b)~~3.12.1.1 No Merger. None of the terms, covenants, restrictions, agreements or conditions set forth in this Option Agreement shall be deemed to be merged with any deed conveying title to any portion of the City Common Areas Option Property, and this Option Agreement shall continue in full force and effect before and after any such instruments, in accordance with its terms.

~~(e)~~3.12.1.1 Waivers Must be in Writing. All waivers of the provisions of this Option Agreement and all amendments to this Option Agreement must be in writing and signed by the authorized representative(s) of both the Developer and City.

~~1.2.10~~3.12.1 Exhibits. All of the Exhibits attached to this Option Agreement are described as follows:

~~1.1.1~~ **Exhibit “A”** - City Common Areas Option Property Legal Description

~~1.1.2~~ **Exhibit “B”** – Authority Mall Property Legal Description

~~1.1.3~~ **Exhibit “C”** - Option Memorandum

~~1.1.4~~ **Exhibit “D”** – Schedule of Performance

~~1.2.11~~3.12.1 Time Declared to be of the Essence. As to the performance of any obligation under this Option Agreement of which time is a component, the performance of such obligation within the time specified is of the essence.

~~1.2.12~~3.12.1 No Waiver. Failure to insist on any one occasion upon strict compliance with any term, covenant, condition, restriction or agreement contained in this Option Agreement shall not be deemed a waiver of such term, covenant, condition, restriction or agreement, nor shall any waiver or relinquishment of any rights or powers under this Option Agreement, at any one time or more times, be deemed a waiver or relinquishment of such right or power at any other time or times.

[SIGNATURES ON FOLLOWING 2 PAGES]

CITY'S SIGNATURE PAGE FOR

**CITY OF CORONA
OPTION TO PURCHASE AGREEMENT
(CITY COMMON AREAS – CORONA MALL)**

IN WITNESS WHEREOF, the City has executed this Option Agreement as of the date set forth below.

CITY OF CORONA
a California municipal corporation

By: _____
Mitchell Lansdell, Acting City Manager

May __, 2019

Attest:

By: _____
Sylvia Edwards, City Clerk

Approved as to Form:

By: _____
Dean Derleth, City Attorney

DEVELOPER'S SIGNATURE PAGE FOR
CITY OF CORONA
OPTION TO PURCHASE AGREEMENT
(CITY COMMON AREAS – CORONA MALL)

IN WITNESS WHEREOF, the Developer has executed this Option Agreement as of the latest date set forth below.

[INSERT NAME OF DEVELOPER**]**
a **[**INSERT STATE AND TYPE OF ENTITY**]**

By:

[INSERT NAME**]**
[INSERT TITLE**]**

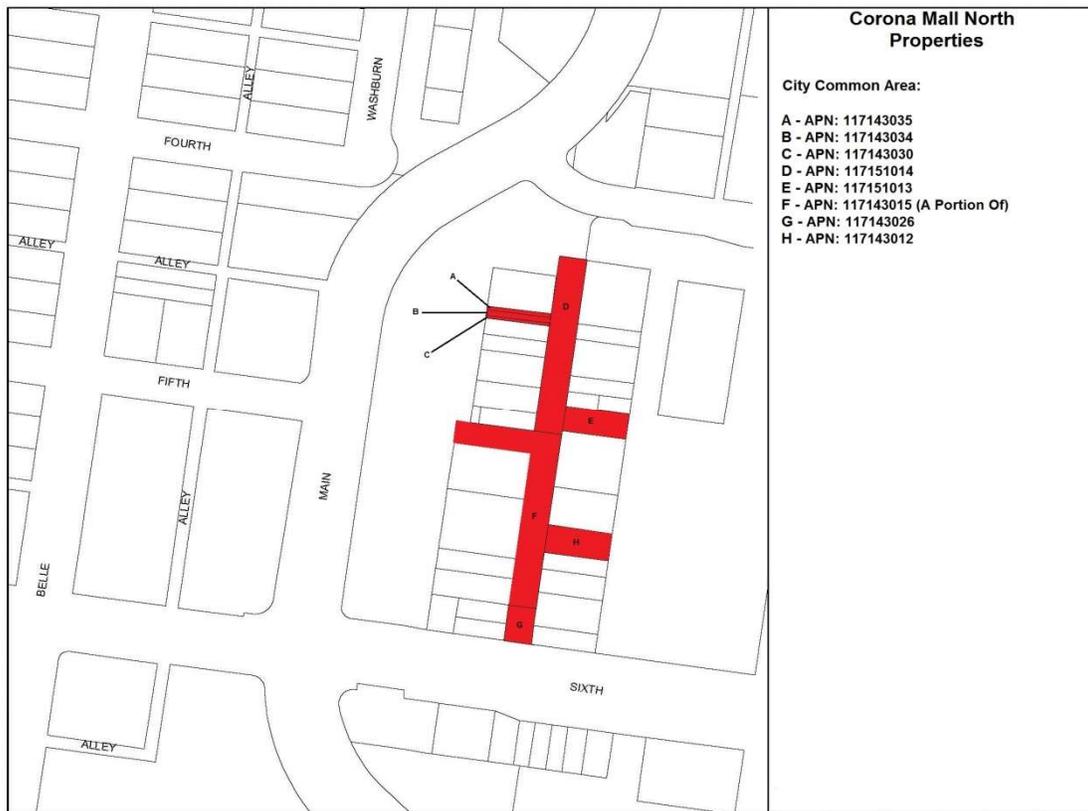
Date

EXHIBIT "A"
TO OPTION AGREEMENT
LEGAL DESCRIPTION AND
DEPICTION OF CITY COMMON AREAS OPTION PROPERTY

The real property situated in the City of Corona, County of Riverside, State of California and identified as follows:

Assessor Parcel Numbers

- 117-143-015
- 117-143-026
- 117-143-030
- 117-143-034
- 117-143-035
- 117-151-012
- 117-151-013
- 117-151-014



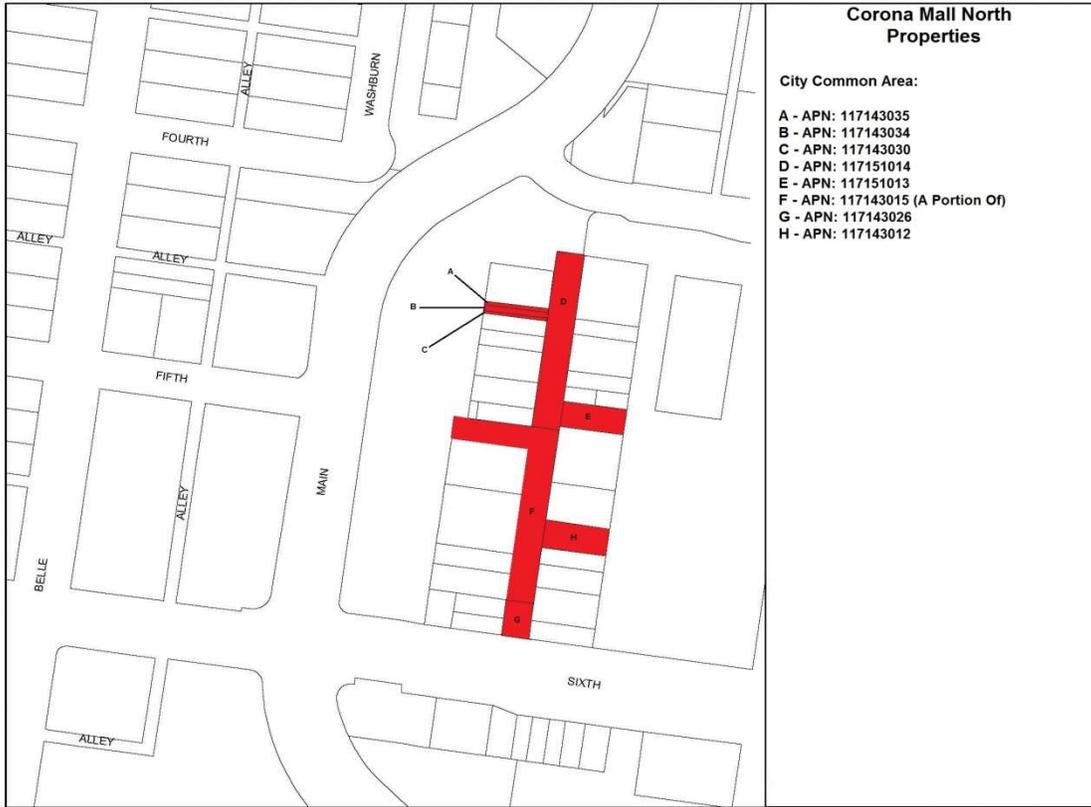


EXHIBIT "B"

TO OPTION AGREEMENT

**LEGAL DESCRIPTION AND
DEPICTION OF AUTHORITY NORTH MALL PROPERTY**

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

~~CORONA MALL NORTH PROPERTIES~~

PARCEL 1

ASSESSOR PARCEL NUMBER 117-143-031

THAT PORTION OF LOTS 5 AND 6 OF BLOCK 155 OF THE SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 9, PAGES 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, ALSO SHOWN ON RECORD OF SURVEY AS A PORTION OF PARCEL C-2 ON FILE IN BOOK 61, PAGE 24 OF RECORDS OF SURVEY, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: "BEGINNING AT A POINT ON THE EASTERLY LINE OF SAID BLOCK 155, WHICH BEARS NORTH 07° 06' 53" EAST, A DISTANCE OF 116.00 FEET FROM THE SOUTHEAST CORNER OF LOT 1 SAID BLOCK 155 TO THE TRUE POINT OF BEGINNING; THENCE NORTH 82° 42' 02" WEST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 100.00 FEET; THENCE NORTH 07° 16' 53" EAST, PARALLEL WITH THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET; THENCE SOUTH 82° 42' 02" EAST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 100.00 FEET TO THE EASTERLY LINE OF SAID BLOCK 155; THENCE SOUTH 07° 16' 53" WEST ALONG THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET TO THE TRUE POINT OF BEGINNING."

AN EASEMENT APPURTENANT TO THE ABOVE DESCRIBED PARCEL DESCRIBED AS FOLLOWS:

AN EASEMENT OVER, UNDER, ABOVE, BELOW AND ACROSS THE NORTHERLY FIVE FEET SIX INCHES OF THE REAL PROPERTY LYING IMMEDIATELY ADJACENT TO THE SOUTHERLY PROPERTY LINE OF THE ABOVE DESCRIBED PARCEL 1 FOR THE PURPOSE OF FOOTING AND FOUNDATIONS FOR BUILDINGS AND STRUCTURES ON THE ABOVE DESCRIBED PARCEL 1 AND FOR THE PURPOSE OF CONSTRUCTING ROOF OVERHANGS AND BUILDING SURFACE OVERHANGING, SAID OVERHANGS TO CONFORM ARCHITECTURALLY WITH ANY BUILDING AND STRUCTURES IMMEDIATELY ADJACENT TO THE SOUTHERLY PROPERTY LINE OF THE ABOVE DESCRIBED PROPERTY SO AS NOT TO INTERFERE WITH PEDESTRIAN TRAFFIC

THERETO; TOGETHER WITH THE RIGHT TO CONSTRUCT OR CONNECT TO A COMMON OR PARTY WALL, INCLUDING FOOTINGS AND FOUNDATIONS THEREFOR, ALONG THE SOUTHERLY LINES OF THE ABOVE DESCRIBED PARCEL 1 IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THAT CERTAIN AGREEMENT AND GRANT OF EASEMENTS DATED JANUARY 17, 1977 AND RECORDED JANUARY 27, 1977 AS INSTRUMENT NO. 14690 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 2

ASSESSOR PARCEL NUMBER 117-143-032

THAT PORTION OF LOTS 4 AND 5 OF BLOCK 155 OF THE SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 9, PAGES 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, ALSO SHOWN ON RECORDS OF SURVEY AS A PORTION OF PARCEL C-2 ON FILE IN BOOK 61, PAGE 24, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: "BEGINNING AT A POINT ON THE EASTERLY LINE OF SAID BLOCK 155, WHICH BEARS NORTH 07° 16' 53" EAST, A DISTANCE OF 90.00 FEET FROM THE SOUTHEAST CORNER OF LOT 1 IN SAID BLOCK 155 TO THE TRUE POINT OF BEGINNING; THENCE NORTH 82° 42' 02" WEST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1 A DISTANCE OF 100.00 FEET; THENCE NORTH 07° 16' 53" EAST, PARALLEL WITH THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET; THENCE SOUTH 82° 42' 02" EAST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 100.00 FEET TO THE EASTERLY LINE OF SAID BLOCK 155; THENCE SOUTH 07° 16' 53" WEST ALONG THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET, TO THE TRUE POINT BEGINNING."

PARCEL 3 AND 4

ASSESSOR PARCEL NUMBER: 117-143-038 and ASSESSOR PARCEL NUMBER: 117-143-039

THOSE PORTIONS OF BLOCK 144 OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9 PAGE 8 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WESTERLY PROLONGATION OF THE SOUTH LINE OF LOT 6 IN SAID BLOCK 144, WITH THE CENTER LINE OF THE 16.00 FEET WIDE ALLEYWAY ABUTTING LOTS 6, 7, 8 AND 9 ON THE WEST, THENCE SOUTH 82° 45' 00" EAST, 178.05 FEET ON SAID WESTERLY PROLONGATION, THE SOUTH LINE OF SAID

LOT 6 AND ITS EASTERLY PROLONGATION TO THE CENTER LINE OF MAIN STREET AS SHOWN ON SAID MAP THENCE NORTH 7° 15' 00" EAST 116.00 FEET ON SAID CENTER LINE TO THE INTERSECTION OF THE EASTERLY PROLONGATION OF THE NORTH LINE OF LOT 9 IN SAID BLOCK 144; THENCE NORTH 82° 45' 00" WEST 178.05 FEET ON LAST SAID PROLONGATION, THE NORTH LINE OF SAID LOT 9 AND ITS WESTERLY PROLONGATION, TO SAID CENTER LINE OF SAID ALLEY ABUTTING ON THE WEST; THENCE SOUTH 7° 15' 00" WEST 116.00 FEET ON SAID CENTER LINE TO THE POINT OF BEGINNING. EXCEPT THE EAST 10.00 FEET AS CONVEYED TO THE REDEVELOPMENT AGENCY OF THE CITY OF CORONA BY DEED RECORDED APRIL 15, 1969, AS INSTRUMENT NO. 36744 OF OFFICIAL RECORDS.

PARCEL 5

ASSESSOR PARCEL NUMBER 117-143-040

THOSE PORTIONS OF BLOCK 144 OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9 PAGE 8 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WESTERLY PROLONGATION OF THE NORTH LINE OF LOT 5 IN SAID BLOCK 144, WITH THE CENTERLINE OF THE 16.00 FEET WIDE ALLEY ABUTTING LOTS 4 AND 5 IN SAID BLOCK, ON THE WEST; THENCE SOUTH 82° 45' 00" EAST, 178.05 FEET ON SAID PROLONGATION, THE NORTH LINE OF SAID LOT 5 AND ITS EASTERLY PROLONGATION TO THE CENTER LINE OF MAIN STREET, AS SHOWN ON SAID MAP; THENCE SOUTH 7° 15' 00" WEST, 50.00 FEET ON LAST SAID CENTER LINE TO THE INTERSECTION OF THE EASTERLY PROLONGATION OF THE SOUTH LINE OF SAID LOT 4; HENCE NORTH 82° 45' 00" WEST, 178.05 FEET ON SAID EASTERLY PROLONGATION, THE SOUTH LINE OF SAID LOT 4 AND ITS WESTERLY PROLONGATION TO SAID CENTER LINE OF SAID ALLEY ABUTTING ON THE WEST; THENCE NORTH 7° 15' 00" EAST 50.00 FEET ON LAST SAID CENTER LINE TO THE POINT OF BEGINNING. EXCEPT THE EAST 10.00 FEET AS CONVEYED TO THE REDEVELOPMENT AGENCY OF THE CITY OF CORONA BY DEED RECORDED APRIL 15, 1969, AS INSTRUMENT NO. 36744 OF OFFICIAL RECORDS.

PARCEL 6

ASSESSOR PARCEL NUMBER 117-151-007

ALL THAT PORTION OF LOTS 16, 17 AND 18 IN BLOCK 143 AND ALL THAT PORTION OF MAIN STREET LYING BETWEEN FIFTH STREET AND SIXTH STREET, AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016, RIVERSIDE COUNTY RECORDS, ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 PAGE 8 OF MAPS, SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60 FEET NORTHERLY, MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82° 43' 52" WEST, ALONG SAID PARALLEL LINE, 10 FEET TO A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE OF MAIN STREET; THENCE NORTH 07° 16' 53" EAST, ALONG SAID LINE PARALLEL WITH THE CENTERLINE OF MAIN STREET, 30 FEET; THENCE SOUTH 82° 43' 07" EAST, AT RIGHT ANGLES TO SAID CENTERLINE OF MAIN STREET, 100 FEET; THENCE SOUTH 07° 16' 53" WEST, PARALLEL WITH SAID CENTERLINE OF MAIN STREET, 29.98 FEET TO SAID LINE PARALLEL WITH THE CENTERLINE OF SIXTH STREET; THENCE NORTH 82° 43' 07" WEST, ALONG SAID PARALLEL LINE, 90 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 7

ASSESSOR PARCEL NUMBER 117-151-016

THOSE PORTIONS OF LOTS 14, 15, AND 16 IN BLOCK 143, ALL THAT PORTION OF MAIN STREET LYING BETWEEN FIFTH STREET AND SIXTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969, AS INSTRUMENT NO. 98016, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE, TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE N. 82°43'52" W, ALONG SAID PARALLEL LINE, A DISTANCE OF 10.00 FEET TO A LINE PARALLEL WITH AND 10.00 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE OF MAIN STREET; THENCE N .07°16'53" E., ALONG SAID LINE PARALLEL WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 30.00 FEET TO THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE CONTINUING N. 07°16'53" E., ALONG SAID LINE, PARALLEL WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 50.00 FEET; THENCE S. 82°43'07" E., AT RIGHT ANGLES TO SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 100.00 FEET; THENCE S. 07°16'53" W., PARALLEL WITH SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 50.00 FEET TO A POINT THAT BEARS S. 82°43'07" E., A DISTANCE OF 100.00 FEET FROM THE POINT OF BEGINNING. THENCE N. 82°43'07" W., A DISTANCE OF 100.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 8

ASSESSOR PARCEL NUMBER 117-151-015

THAT PORTION OF LOTS 13 AND 14 IN BLOCK 143, ALL THAT PORTION OF THE MAIN STREET LYING BETWEEN FIFTH AND SIXTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969, AS INSTRUMENT NO. 98016, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA. DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE N. 82°43'52" W., ALONG SAID PARALLEL LINE, A DISTANCE OF 10.00 FEET TO A LINE PARALLEL WITH AND 10.00 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE OF MAIN STREET; THENCE N. 07°16'53" E., ALONG SAID PARALLEL LINE WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 80.00 FEET TO THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE CONTINUING N. 07°16'53" E., ALONG SAID LINE PARALLEL WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 32.00 FEET; THENCE S. 82°43'07" E., AT RIGHT ANGLES TO SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 100.00 FEET. THENCE S. 07°16'53" W., PARALLEL WITH SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 32.00 FEET; THENCE N. 82°43'07" W., A DISTANCE OF 100.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 9

ASSESSOR PARCEL NUMBER 117-151-005

THOSE PORTIONS OF LOTS 8, 9, 10 AND 11 IN BLOCK 143 AND A PORTION OF MAIN STREET (VACATED), AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9, PAGE 8 OF MAPS, AS PER SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE CENTER LINE OF MAIN STREET (VACATED) WHICH BEARS NORTH 07°16'53" EAST, 245 FEET FROM ITS INTERSECTION WITH THE CENTER LINE OF SIXTH STREET, AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82°43'07" WEST, AT RIGHT ANGLES TO THE CENTER LINE OF MAIN STREET (VACATED), 10 FEET; THENCE NORTH 07°16'53" EAST, ALONG A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTER LINE OF MAIN STREET (VACATED), 62 FEET; THENCE SOUTH 82°43'07" EAST, 100 FEET; THENCE SOUTH

07°16'53" WEST, 62 FEET; THENCE NORTH 82°43'07" WEST, 90 FEET TO THE POINT OF BEGINNING. SAID MAIN STREET HAVING BEEN VACATED BY RESOLUTION OF THE CITY COUNCIL OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION BEING RECORD SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016, OFFICIALRECORDS.

PARCEL 10

ASSESSOR PARCEL NUMBER: 117-151-004

THOSE PORTIONS OF LOTS 7 AND 8 IN BLOCK 143 AND THOSE PORTIONS OF MAIN STREET (VACATED) AND FIFTH STREET (VACATED), AS SHOWN BY MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9, PAGE 8 OF MAPS, AS PER SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE CENTER LINE OF MAIN STREET (VACATED) WHICH BEARS NORTH 07°16' 53" EAST 245 FEET FROM ITS INTERSECTION WITH THE CENTER LINE OF SIXTH STREET, AS SHOWN ON SAID MAP OF SOUTH RIVERS DE TOWNSITE; THENCE NORTH 82°43'07" WEST, AT RIGHT ANGLES TO THE CENTER LINE OF MAIN STREET (VACATED), 10 FEET; THENCE NORTH 07° 16' 53" EAST, ALONG A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGELS, FROM THE CENTER LINE OF MAIN STREET (VACATED), 62 FEET, FOR THE TRUE POINT OF BEGINNING; THENCE NORTH 07°16 '53" EAST, CONTINUING ALONG SAID PARALLEL LINE, 88 FEET; THENCE SOUTH 82°43'07" EAST 100 FEET; THENCE SOUTH 07°16'53" WEST 88 FEET; THENCE NORTH 82°43'07" WEST 100 FEET, TO THE TRUE POINT OF BEGINNING. SAID PORTIONS OF MAIN STREET AND FIFTH HAVE BEEN VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON AUGUST 18, 1969, A CERTIFIED COPY OF SAID RESOLUTION BEING RECORDED SEPTEMBER 24, 1969 AS INSTRUMENT NO . 98016, OFFICIAL RECORDS. SAID LAND BEING A PORTION OF THE LAND AS SHOWN ON A RECORD OF SURVEY MAP ON FILE IN BOOK 61, PAGES 22 THROUGH 26, INCLUSIVE OF RECORDS OF SURVEYS, RIVERSIDE COUNTY RECORDS.

THOSE CERTAIN EASEMENTS, RIGHTS, AND RIGHTS OF WAY CONTAINED IN THAT CERTAIN GREEMENTAND GRANT OF EASEMENTS DATED JANUARY 23, 1970, EXECUTED BY AND BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF CORONA, A BODY POLITIC, PUBLIC AND CORPORATE, AND VASELS, A CALIFORNIA CORPORATION, AND NICHOLS VASELS, RECORD JANUARY 29, 1970 AS INSTRUMENT NO. 8882, OFFICIAL RECORDS.

PARCEL 11

ASSESSOR PARCEL NUMBER 117-151-021

THAT PORTION OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 8, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, SHOWN AS THAT PORTION OF PARCEL D-3 OF THE CORONA DOWNTOWN REDEVELOPMENT PROJECT, AS SHOWN ON THAT RECORD OF SURVEY RECORDED IN MAP BOOK 61 AT PAGE 22 OF THE OFFICIAL RECORDS OF THE RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: ALL OF PARCEL D-3 EXCEPTING THEREFROM THE NORTH 26.00 FEET AND THE SOUTH 30.00 FEET.

PARCEL 12

ASSESSOR PARCEL NUMBER: 117-151-002

THAT PORTION OF LOTS 9 THROUGH 12 IN BLOCK 156; THAT PORTION OF MAIN STREET LYING BETWEEN FOURTH STREET AND FIFTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016; AND THAT PORTION OF THE EAST-WEST ALLEY IN SAID BLOCK 156; AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON JULY 7, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED JULY 11, 1969 AS INSTRUMENT NO. 70713; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE ON FILE IN BOOK 9 PAGE 8 OF MAPS, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE CENTER LINE OF SAID MAIN STREET WHICH BEARS NORTH 07° 16' 53" EAST, 435 FEET FROM ITS INTERSECTION WITH THE CENTERLINE OF SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82° 43' 07" WEST, AT RIGHT ANGLES TO SAID CENTER LINE OF MAIN STREET, 10 FEET TO A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTER LINE OF MAIN STREET; THENCE NORTH 07° 16' 53" EAST, ALONG SAID PARALLEL LINE, 132 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH 07° 16' 53" EAST, ALONG SAID PARALLEL LINE, 100 FEET; THENCE SOUTH 82° 43' 07" EAST, 100 FEET; THENCE SOUTH 07° 16' 53" WEST, PARALLEL WITH SAID CENTER LINE OF MAIN STREET, 100 FEET; THENCE NORTH 82° 43' 07" WEST, 100 FEET TO THE TRUE POINT OF BEGINNING.



Exhibit A - Corona Mall North Properties



| | | | | | |
|---|---------------------------------|---|---------------------------------|----|-------------------------------|
| 1 | 117-143-031 (422 Corona Mall) | 5 | 117-143-040 (518 S Main Street) | 9 | 117-151-005 (525 Corona Mall) |
| 2 | 117-143-032 (442 Corona Mall) | 6 | 117-151-007 (591 Corona Mall) | 10 | 117-151-004 (505 Corona Mall) |
| 3 | 117-143-038 (508 S Main Street) | 7 | 117-151-016 (579 Corona Mall) | 11 | 117-151-021 (415 Corona Mall) |
| 4 | 117-143-039 (514 S Main Street) | 8 | 117-151-015 (577 Corona Mall) | 12 | 117-151-002 (405 Corona Mall) |

Date 04/10/2015

Path: P:\arcgis\CoronaMall\REVISED\117-151-016\117-151-016.aprx

CORONA MALL SOUTH PROPERTIES

PARCEL 1

ASSESSOR PARCEL NUMBER 117-191-022

~~ALL THAT PORTION OF LOTS 1 AND 2 IN BLOCK 132, ALL THAT PORTION OF THE NORTH SOUTH ALLEY IN SAID BLOCK 132 AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON OCTOBER 3, 1970, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED OCTOBER 9, 1970 AS INSTRUMENT NO. 102199, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA AND ALL THAT PORTION OF SEVENTH STREET ADJOINING SAID BLOCK 132 AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON MAY 19, 1969 HAVING BEEN RECORDED MAY 26, 1969 AS INSTRUMENT NO. 51651, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA; DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF LOT 3 IN BLOCK 119 AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE, SAID CORNER BEING ON THE EASTERLY LINE OF SAID BLOCK 119; THENCE N. 07°17'08" E., ALONG THE EASTERLY LINE OF SAID BLOCK 119 AND THE NORTHERLY PROLONGATION OF SAID EASTERLY LINE, A DISTANCE OF 200.00 FEET; THENCE N. 82°42'52" W., A DISTANCE OF 70.00 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE N. 07°17'08" E., A DISTANCE OF 122.00 FEET; THENCE N. 82°42'52" W., A DISTANCE OF 80.00 FEET; THENCE S. 07°17'08" W., A DISTANCE OF 122.00 FEET TO A POINT WHICH BEARS N. 82°42'52" W., A DISTANCE OF 80.00 FEET FROM THE POINT OF BEGINNING. THENCE S. 82°42'52" E, A DISTANCE OF 80.00 FEET TO THE POINT OF BEGINNING.~~

PARCEL 2

ASSESSOR PARCEL NUMBER 117-191-021

~~ALL THAT PORTION OF LOTS 2 AND 3 IN BLOCK 132 AND ALL THAT PORTION OF THE NORTH SOUTH ALLEY IN SAID BLOCK 132, AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON OCTOBER 5, 1970, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED OCTOBER 9, 1970 AS INSTRUMENT NO. 102199; IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE ON FILE IN BOOK 9 OF MAPS AT PAGE 8 THEREOF, SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF LOT 3 IN BLOCK 119, AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE, SAID CORNER BEING ON THE EASTERLY LINE OF SAID BLOCK 119; THENCE NORTH 07° 17' 18" EAST ALONG THE EASTERLY LINE OF SAID BLOCK 119 AND THE NORTHERLY PROLONGATION OF SAID EASTERLY LINE 200 FEET; THENCE NORTH 82° 42' 52" WEST 70 FEET; THENCE NORTH 07° 17' 08" EAST 122 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE NORTH 82° 42' 52" WEST 80 FEET; THENCE NORTH 07° 17' 08" EAST 40 FEET; THENCE SOUTH 82° 42' 52" EAST 80 FEET; THENCE SOUTH 07° 17' 08" WEST 40 FEET TO THE POINT OF BEGINNING.~~

PARCEL 3

ASSESSOR PARCEL NUMBER 117-191-004

~~THAT PORTION OF LOTS 7, 8, 9, AND 10 IN BLOCK 132 AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 PAGE 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF MAIN STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE AND A LINE PARALLEL WITH AND 60.00 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF SIXTH STREET, AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE SOUTH 82° 43' 52" EAST, ALONG SAID~~

PARALLEL LINE, A DISTANCE OF 65.02 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE CONTINUING SOUTH 82° 43' 52" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 30.00 FEET; THENCE SOUTH 07° 16' 08" WEST, A DISTANCE OF 70.00 FEET; THENCE NORTH 82° 43' 52" WEST, PARALLEL WITH SAID CENTERLINE OF SIXTH STREET, A DISTANCE OF 30.00 FEET; THENCE NORTH 07° 16' 08" EAST, A DISTANCE OF 70.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 4

ASSESSOR PARCEL NUMBER 117-191-002

~~THAT PORTION OF MAIN STREET LYING BETWEEN SIXTH STREET AND SEVENTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF CORONA ON FEBRUARY 22, 1972, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED APRIL 6, 1972, AS INSTRUMENT NO. 44527, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE S. 82° 43' 52" E., ALONG SAID PARALLEL LINE, A DISTANCE OF 15.02 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED: THENCE CONTINUING S. 82° 43' 52" E., ALONG SAID PARALLEL LINE, A DISTANCE OF 25.00 FEET; THENCE S. 07° 16' 08" W., A DISTANCE OF 70.00 FEET; THENCE N. 82° 43' 52" W., PARALLEL WITH SAID CENTERLINE OF SIXTH STREET, A DISTANCE OF 25.00 FEET TO A POINT WHICH BEARS S. 07° 16' 08" W., A DISTANCE OF 70.00 FEET FROM THE POINT OF BEGINNING; THENCE N. 07° 16' 08" E., A DISTANCE OF 70.00 FEET TO THE POINT OF BEGINNING.~~

PARCEL 5

ASSESSOR PARCEL NUMBER 117-191-001

~~THAT PORTION OF MAIN STREET LYING BETWEEN SIXTH STREET AND SEVENTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON FEBRUARY 22, 1972, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED APRIL 6, 1972, AS INSTRUMENT NO. 44527, OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, AS SHOWN BY MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 PAGE 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: BEGINNING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE SOUTH 82° 43' 52" EAST, ALONG SAID PARALLEL LINE A DISTANCE OF 15.02 FEET; THENCE SOUTH 07° 16' 08" WEST, A DISTANCE OF 70.00 FEET; THENCE NORTH 82° 43' 52" WEST, PARALLEL WITH SAID CENTERLINE OF SIXTH STREET. A DISTANCE OF 25.00 FEET; THENCE NORTH 07° 16' 08" EAST, A DISTANCE OF 70.00 FEET TO SAID LINE PARALLEL WITH AND 60.00 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SIXTH STREET; THENCE SOUTH 82° 43' 52" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 9.98 FEET TO THE POINT OF BEGINNING.~~



Exhibit A - Corona Mall South Properties



- 1 117-191-022 (663 S Main Street)
- 2 117-191-021 (675 S Main Street)
- 3 117-191-004 (138 E Sixth Street)
- 4 117-191-002 (114 E Sixth Street)
- 5 117-191-001 (108 E Sixth Street)

Date 04/21/2015

Plan: E:\applied\land\MPF\ESD_117191\corona\2015\applied\land\Map\ExhibitA.mxd



Exhibit A - Corona Mall North Properties



| | | | | | |
|---|---------------------------------|---|---------------------------------|----|-------------------------------|
| 1 | 117-143-031 (422 Corona Mall) | 5 | 117-143-040 (518 S Main Street) | 9 | 117-151-005 (525 Corona Mall) |
| 2 | 117-143-032 (442 Corona Mall) | 6 | 117-151-007 (591 Corona Mall) | 10 | 117-151-004 (505 Corona Mall) |
| 3 | 117-143-038 (508 S Main Street) | 7 | 117-151-016 (579 Corona Mall) | 11 | 117-151-021 (415 Corona Mall) |
| 4 | 117-143-039 (514 S Main Street) | 8 | 117-151-015 (577 Corona Mall) | 12 | 117-151-002 (405 Corona Mall) |

Date 04/10/2015

Path: P:\arcgis\CoronaMall\REVISED\117-151-016\117-151-016.aprx

EXHIBIT "C"
TO OPTION AGREEMENT
OPTION MEMORANDUM

[SEE ATTACHED SIX (6) PAGES]

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

[INSERT BUYER'S/DEVELOPER'S
NAME
AND ADDRESS**]**

APN: 117-143-013, 117-143-015, 117-143-026,
117-143-030, 117-143-034, 117-143-035,
117-151-012, 117-151-014, 117-151-022

(SPACE ABOVE FOR RECORDER'S USE)

**MEMORANDUM
OF
OPTION TO PURCHASE AGREEMENT
(CITY COMMON AREAS OPTION PROPERTY – CORONA MALL)**

This Memorandum of Option to Purchase Agreement (“**Memorandum**”) is dated as of **[**INSERT DATE**]** between **[**INSERT BUYER'S/DEVELOPER'S NAME**]**, a **[**INSERT STATE AND TYPE OF ENTITY**]** (“**Developer**”) and THE CITY OF CORONA, a California municipal corporation (“**City**”).

RECITALS

WHEREAS, Developer and City have executed that certain Option to Purchase Agreement dated as of **[***INSERT DATE***]** (“**Option Agreement**”), concerning certain real property located in the County of Riverside, State of California, and more particularly described in **Exhibit “1”** attached hereto and incorporated herein by this reference that is described and depicted as the City Common Areas Option Property in the Option Agreement (“**Option Property**”); and

WHEREAS, the Option Agreement is a public record available for inspection and copying during normal business hours in the office of the City Clerk of the City of Corona, whose address is 400 S. Vicentia Avenue, Corona, CA 92882; and

WHEREAS, Developer and City desire to record this Memorandum to provide notice of the Option Agreement in the Official Records of Riverside County, California;

NOW, THEREFORE, in consideration of the foregoing, Developer and City hereby declare as follows:

1. Grant of Option. City has granted to Developer, in accordance with the Option Agreement, the option to purchase the Option Property.

2. Option Term. The term of the Option Agreement ~~begins on the Effective Date and ends at~~ terminates no later than 5:00 p.m. Pacific Time on ~~the date that is one hundred twenty (120) months after the Effective Date~~ June 5, 2028, as more particularly set forth therein.

3. ~~Development Covenants; Power of Termination/Reversion. The Option Property. The Development Agreement shall contain at least the following provisions~~ contains various covenants, including without revision or amendment unless approved by the City in its sole and absolute discretion:

3.1 ~~limitation a “Development Covenant. If Developer exercises the Option pursuant to Section 3.6 of the Option Agreement, Developer shall diligently pursue development of the Project pursuant to the Schedule of Performance set forth in Exhibit “D” (Schedule of Performance) attached to the Option Agreement (“Development Covenant”). The City’s City Manager shall have the authority to approve adjustments, deemed by the City Manager to be reasonable, to the schedule set forth in the Development Covenant.~~

3.2 ~~” (in Section 3.9.1), an “Anti-Speculation.~~

3.2.1 ~~Anti-Speculation Covenant. Developer shall not transfer, assign or sell any portion of the Option Property without the prior consent or approval of the City, which consent shall not be unreasonably withheld (“Anti-Speculation Covenant”), for a period commencing on the Close of Escrow and ending on the date that is one hundred twenty (120) months later (“Anti-Speculation Period”).~~

3.2.2 ~~Notice. In the event Developer desires to transfer, assign or sell any portion of the Option Property during the Anti-Speculation Period, Developer shall provide written notice to the City at least ninety (90) days prior to Developer’s intended date of transfer, assignment or sale. The notice shall specify the name(s) of the intended transferee(s), assignee(s) or purchaser(s) and the purchase price for the property being transferred, assigned or sold. In the event that the City consents to Developer’s requested transfer, assignment or sale, any amounts due under the promissory note described in Section 3.8.3 of the Option Agreement shall be immediately due and payable.~~

3.3 ~~Covenant” (Section 3.9.2), and an “Access Covenant. Developer acknowledges and agrees that assessments are imposed and collected through a Business Improvement District (“BID”) for the purpose of maintaining parking lots, sidewalks and landscape improvements in an area that includes the City Common Areas Option Property. The BID expires on June 30, 2020 (“BID Expiration Date”). Developer acknowledges and agrees that development or use of the City Common Areas Option Property for any purpose other than common area walkways and pedestrian ingress and egress is subject to and expressly contingent” (Section 3.9.3), which covenants are binding upon Developer continuing to provide sufficient pathways for reasonable and direct pedestrian access similar to that which exists as of the Effective Date to serve the parcels that are included within and are subject to the assessments imposed by the BID (“BID Parcels”). Developer further acknowledges and agrees to allow public access to and use of the City Common Areas Option Property for the benefit of the BID Parcels. In furtherance thereof, Developer shall not deny, prevent, hinder or obstruct reasonable and direct public access to each of~~

~~the BID Parcels and use of the City Common Areas Option Property at any for the periods of time prior to the BID Expiration Date for any reason, or at any time thereafter if in violation of the Corona Municipal Code and/or other applicable laws, rules or regulations. Developer acknowledges and agrees that from and after the BID Expiration Date or the Close of Escrow, whichever occurs first, maintenance of the City Common Areas Option Property shall be the sole responsibility of Developer. The obligations and limitations set forth in this Section 3.9.3 shall be collectively referred to as the "Access Covenant" and shall survive expiration or termination of this Option Agreement. The record owners of the BID Parcels, individually and collectively, shall be third party beneficiaries of the Access Covenant.~~

~~Section 1.013. City's Reversionary Interest in the Option Property and subject to the terms and conditions more particularly set forth therein.~~ In the event Developer fails to fully and timely satisfy the Development Covenant and/or breaches or violates the Anti-Speculation Covenant or the ~~Aeess~~Access Covenant, the Option Property will revert to the City solely upon payment to Developer of the Purchase Price (the sum of One Dollar [\$1]), without interest. Reference is hereby made to the Option Agreement for particulars.

~~4. Developer shall not assign the Option Agreement or any right or obligation therein, without the prior consent or approval of City, which consent may be given or withheld in City's sole discretion.~~

~~5.4.~~ This Memorandum is prepared for the purpose of providing record notice of the ~~option~~Option Agreement and shall not alter or affect in any way the rights and obligations of Developer or City under the Option Agreement. In the event of any inconsistency between this Memorandum and the Option Agreement, the terms of the Option Agreement shall control.

~~6.5.~~ The meaning of defined terms, indicated by initial capitalization, used in this Memorandum shall be the same as the meaning ascribed to such terms in the Option Agreement.

Developer and City have signed this Memorandum by and through the signatures of their authorized representatives, as set forth below:

CITY:

DEVELOPER:

CITY OF CORONA, a California municipal corporation

[INSERT DEVELOPER'S NAME AND TYPE OF ENTITY**]**

By: _____
Mitchell Lansdell, Acting City Manager

By: _____
Name: _____
Its: _____

Attest:

By: _____
Sylvia Edwards, City Clerk

By: _____
Name: _____
Its: _____

|

[SIGNATURE(S) MUST BE NOTARY ACKNOWLEDGED]

|

**EXHIBIT 1
TO
MEMORANDUM OF
OPTION AGREEMENT**

OPTION PROPERTY LEGAL DESCRIPTION

TO BE ATTACHED PRIOR TO RECORDATION

EXHIBIT “D”

TO OPTION AGREEMENT

SCHEDULE OF PERFORMANCE

| ITEM | MILESTONE | RESPONSIBLE PARTY | COMPLIANCE DATE(S) | ESTIMATED TIMELINE |
|------|---|--------------------|---|--------------------|
| 1 | Effective Date of City Common Areas Option Property DDA <u>Option Agreement</u> | City and Developer | Within 14 days following approval by City Council <u>and subject to satisfaction of conditions set forth in Section 3.1.8 of Option Agreement</u> | TBD |
| 2 | Open <u>Opening</u> of Escrow | City and Developer | Within 14 days following execution of the DDA-Development Agreement by parties | TBD |
| 3 | Close of Escrow | City and Developer | 45 Days after open of Escrow | TBD |
| 4 | <u>Submittal of</u> Preliminary Project design and submittal to the City Infrastructure Committee <u>for portion of Project to be constructed on City Common Areas Option Property</u> (substantially consistent with the conceptual master plan prepared pursuant to Exhibit “K” to the Disposition and Development Agreement with LAB Holding LLC (Corona Mall Property)) | Developer | 180 days following Close of Escrow | TBD |
| 5 | Submittal of Precise Plan application for the Project to Community Development <u>for portion of Project to be constructed on City Common Areas Option Property</u> (consistent with Project design approved by Infrastructure Committee) | Developer | Within 90 days following <u>approval by</u> Infrastructure Committee | TBD |
| 6 | Planning Commission Review and City Council action on Precise Plan application. | City and Developer | Within 65 days after submittal of PP application | TBD |
| 7 | Public Works, Planning, & Building review of construction documents. | City and Developer | Within 60 days of PC/CC approval of PP application | TBD |

| | | | | |
|----|---|-----------|--|-----|
| 8 | Obtain building permits for construction of <u>portion of Project to be constructed on City Common Areas Option Property.</u> | Developer | Within 18 Months following Close of Escrow | TBD |
| 9 | Commence and diligently pursue construction of the <u>portion of Project in accordance to be constructed on City Common Areas Option Property (consistent with approved construction documents).</u> | Developer | Within 24 months following Close of Escrow | TBD |
| 10 | Complete construction of the <u>portion of Project to be constructed on City Common Areas Option Property (consistent with approved construction documents)</u> | Developer | Within 30 Months of approval of construction documents | TBD |

**EXHIBIT L-1 TO FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT
AGREEMENT**

**CITY OF CORONA
OPTION TO PURCHASE AGREEMENT
(CITY PARKING LOTS – CORONA MALL)**

1. PARTIES AND DATE.

THIS OPTION TO PURCHASE AGREEMENT (“**Option Agreement**”) is entered into as of **[**INSERT DATE**]**, for reference purposes only, by and between THE CITY OF CORONA, a California municipal corporation (“**City**”), and **[**INSERT DEVELOPER’S NAME**]**, a **[**INSERT STATE AND TYPE OF ENTITY**]** (“**Developer**”). Developer and City are sometimes individually referred to herein as “Party” and collectively as “Parties” throughout this Option Agreement.

2. RECITALS.

3.202.3 City is the owner of that certain real property located at the northeast corner of South Main Street and East Sixth Street, Corona, County of Riverside, California consisting of approximately 5.56 acres (242,194 square feet), as more specifically described and depicted in **Exhibit “A”** attached to this Option Agreement (“**City Parking Lots Option Property**”).

3.212.4 Developer desires to acquire the exclusive right to purchase the City Parking Lots Option Property at an agreed price and upon specified terms and conditions, without any obligation to purchase the City Parking Lots Option Property, and City is willing to grant such right to Developer.

NOW, THEREFORE, in consideration of the above facts and for the covenants and agreements contained herein, the Parties hereto agree as follows:

3. TERMS.

(a)3.1 Definitions. In addition to the definitions ascribed to certain words, phrases or terms in the Preamble or Recitals to this Option Agreement, the following words, phrases or terms shall have the following definitions:

i)3.1.1 Authority North Mall Property. ~~Collectively, that~~That certain real property generally located at the northeast corner of South Main Street and East Sixth Street, Corona, County of Riverside, California consisting of approximately 1.55 acres (67,732 square feet)~~and that certain real property generally located at the southwest corner of East Sixth Street and South Ramona~~

~~Avenue, Corona, County of Riverside, California consisting of approximately 0.42 acres (18,295 square feet)~~, as more specifically described and depicted in **Exhibit “B”** attached to this Option Agreement.

~~ii)3.1.2~~ Developer. ****INSERT BUYER'S DEVELOPER'S NAME****, a ****INSERT STATE AND TYPE OF ENTITY****.

~~iii)3.1.3~~ City. The City of Corona, California, a municipal corporation.

~~iv)3.1.4~~ City Parking Lots Option Property. That certain real property specifically described in the legal description set forth in **Exhibit “A”** attached to this Option Agreement, including all appurtenant rights and interests.

~~v)3.1.5~~ County. The County of Riverside, California.

~~vi)3.1.6~~ Default. Any Monetary Default or Non-Monetary Default.

~~vii)3.1.7~~ Development Agreement. A Disposition and Development Agreement in substantially the same form as that certain Disposition and Development Agreement ~~with Lab Holding, LLC~~ (Corona Mall Property) dated ****INSERT DATE**** entered into by and among ~~the~~ with LAB Holding, LLC, City, and the City of Corona Housing Authority and the Developer (or Developer's predecessor in interest), dated as of May 17, 2017, as amended by that certain First Amendment to Disposition and Development Agreement dated as of May 15, 2019, including all exhibits thereto, with terms and conditions consistent with this Option Agreement.

~~viii)3.1.8~~ Effective Date. The first date on which all of the following have occurred: (i) the Developer ~~is the record owner of the Authority Mall Property;~~ (ii) ~~the Developer~~ has received two (2) counterpart originals of this Option Agreement signed by the authorized representative(s) of City; (iii) this Option Agreement is signed by the authorized representative(s) of the Developer; (iv) one (1) original of this Option Agreement signed by the authorized representative(s) of the Developer has been delivered by the Developer to City; and (v) the City has received the Option Consideration Payment from Developer.

~~ix)3.1.9~~ Escrow. An escrow, as defined in Civil Code Section 1057 and Financial Code Section 17003(a), that is conducted by the Escrow Agent with respect to the conveyance of the City Parking Lots Option Property from City to the Developer, pursuant to this Option Agreement.

~~x)3.1.10~~ Escrow Agent. First American Title Company, 18500 Von Karman Avenue, Suite 600, Irvine California, 92612 (C/o Nathan Thompson Escrow Officer).

~~xi)3.1.11~~ Event of Default. The occurrence of any one or more of the following:

~~(1)3.1.11.1~~ Monetary Default. A Monetary Default that continues for seven (7) days after Notice from the non-defaulting Party, specifying in reasonable detail the amount of money not paid and the nature and calculation of each such payment; or

~~(2)~~3.1.11.2 Non-Monetary Default. Any Non-Monetary Default that is not cured within thirty (30) days after Notice to the Party alleged to be in Default describing the Non-Monetary Default in reasonable detail, or, in the case of a Non-Monetary Default that cannot with reasonable diligence be cured within thirty (30) days after such Notice, if the Party alleged to be in Default does not do all of the following: (i) within thirty (30) days after Notice of such Non-Monetary Default, advise the other Party of the intention of the Party alleged to be in Default to take all reasonable steps to cure such Non-Monetary Default; (ii) duly commence such cure within such period, and then diligently prosecute such cure to completion; and (iii) complete such cure within a reasonable time under the circumstances.

~~xii)~~3.1.12 Government. Each and every governmental agency, authority, bureau, department, quasi-governmental body, or other entity or instrumentality having or claiming jurisdiction over the City Parking Lots Option Property (or any activity this Option Agreement allows), including the government of the United States of America, the State and County governments and their subdivisions and municipalities, including the City, and all other applicable governmental agencies, authorities, and subdivisions thereof, including any planning commission, board of standards and appeals, department of buildings, city council, zoning board of appeals, design review board or committee or similar body having or claiming jurisdiction over the City Parking Lots Option Property or any activities on or at the City Parking Lots Option Property.

~~xiii)~~3.1.13 Law. Every law, ordinance, requirement, order, proclamation, directive, rule, and regulation of any Government applicable to the City Parking Lots Option Property, in any way, including any development, use, maintenance, taxation, operation, or occupancy of, or environmental conditions affecting the City Parking Lots Option Property, or relating to any taxes, or otherwise relating to this Option Agreement or any Party's rights or remedies under this Option Agreement, or any transfer of any of the foregoing, whether in force on the Effective Date or passed, enacted, modified, amended or imposed at some later time, subject in all cases, however, to any applicable waiver, variance, or exemption.

~~xiv)~~3.1.14 Monetary Default. Any failure by either Party to pay or deposit, when and as this Option Agreement requires, any amount of money.

~~xv)~~3.1.15 Non-Monetary Default. The occurrence of any of the following, except to the extent constituting a Monetary Default: (i) any failure of a Party to perform any of its obligations under this Option Agreement; (ii) a Party's failure to comply with any material restriction or prohibition in this Option Agreement; or (iii) any other event or circumstance that, with passage of time or giving of Notice, or both, or neither, would constitute a breach of this Option Agreement.

~~xvi)~~3.1.16 Notice. Any consent, demand, designation, election, Notice, or request relating to this Option Agreement, including any Notice of Default. All Notices must be in writing.

~~xvii)~~3.1.17 Notice of Default. Any Notice claiming or giving Notice of a Default.

~~xviii)~~3.1.18 Option. The exclusive right to purchase the City Parking Lots Option Property, without obligation, granted by the City to the Developer in Section 3.2 of this Option Agreement.

~~xi~~3.1.19 Option Consideration Payment. The non-refundable sum of Five Hundred Dollars (\$500) to be paid to City by Developer for the right to acquire the City Parking Lots Option Property.

~~xx~~3.1.20 Option Memorandum. A memorandum of this Option Agreement in substantially the form of **Exhibit “C”** attached to this Option Agreement.

~~xxi~~3.1.21 Option Term. The period of time commencing on the EffectiveClosing Date for the Authority North Mall Property and ending at 5:00 p.m. Pacific Time on ~~the date that is one hundred twenty~~June 5, 2028 (120) months after the EffectiveClosing Date for the Authority North Mall Property).

~~xxii~~3.1.22 Person. Any association, corporation, governmental entity or agency, individual, joint venture, joint-stock company, limited liability company, partnership, trust, unincorporated organization, or other entity of any kind.

~~xxiii~~3.1.23 Project. The development on the City Parking Lots Option Property of ~~a commercial and mixed-use project parking lot, driveway, landscaping, and other improvements~~ that ~~is~~are physically and functionally integrated with the commercial and mixed-use development project on the Authority North Mall Property.

~~xxiv~~3.1.24 Purchase Price. The amount of One Six Million Dollars (\$6,000,000), less all reasonable and documented expenses incurred by Developer prior to the Opening Date (defined below) for improvements made to the Authority Mall Property and acquisition of fee title interest in any of the privately owned real property specifically described in **Exhibit “E”** attached to this Option Agreement

3.1.25 Senior Loan. The lien of a first deed of trust against the City Parking Lots Option Property by any of the following: (a) a bank (State, Federal or foreign), trust company (in its individual or trust capacity), insurance company, credit union, savings bank (State or Federal), pension, welfare or retirement fund or system, real estate investment trust (or an umbrella partnership or other entity of which a real estate investment trust is the majority owner), Federal or State agency regularly making or guaranteeing mortgage loans, investment bank or a subsidiary of a Fortune 500 company, real estate mortgage brokers and bankers, real estate mortgage and investment trusts, real estate bond dealers, venture capital firms or funds; (b) any entity that is an affiliate of or is a combination of any one or more of the entities described in subsection (a) of this Section; or (c) any other lender that is reasonably acceptable to the City’s City Manager, but only on condition that all of the proceeds of the proposed Senior Loan, less any transaction costs, must be used to provide financing for the the commercial and mixed-use development project on the Authority North Mall Property.

~~xxv~~3.1.26 Unavoidable Delay. A delay in either Party performing any obligation under this Option Agreement, except payment of money, arising from or on account of any cause whatsoever beyond the Party’s reasonable control, despite such Party’s reasonable diligent efforts, including industry-wide strikes, labor troubles or other union activities (but only to the extent such actions do not result from the willful misconduct or negligence of the Party), casualty, war, acts of terrorism, riots, litigation, Government action or refusal to act when or as required by Law or

inability to obtain materials. Unavoidable Delay shall not include delay caused by a Party's financial condition, illiquidity, or insolvency.

b)3.2 Grant of Option. In exchange for payment of the Option Consideration Payment and other valuable consideration described in this Option Agreement, City grants to Developer the exclusive right and option to purchase the City Parking Lots Option Property at the Purchase Price and upon the terms and conditions set forth in this Option Agreement and the Development Agreement. Any defined terms used, but not defined, in this Option Agreement shall have the meaning ascribed to the same terms in the Development Agreement.

e)3.3 Term. The term of the Option shall be the Option Term.

d)3.4 Consideration. ——— As consideration for the granting of the Option for the Option Term, Developer shall pay the Option Consideration Payment to City prior to the Effective Date. The Option Consideration Payment is given solely in consideration of the grant of the Option and shall not be refundable, except in the event of City's default under this Option Agreement. The Option Consideration Payment shall not be applicable to the Purchase Price at the close of Escrow under the Development Agreement.

e)3.5 Memorandum of Option. On or before the Effective Date, City and Developer shall execute the Option Memorandum. Developer shall file the Option Memorandum with the office of the Recorder of the County for recordation in the official records of the County and pay any associated recording expenses.

f)3.6 Exercise of Option; Execution of Development Agreement. If, during the Option Term, Developer is not in Default under this Option Agreement, it may exercise the Option by delivering Notice of such exercise to City prior to the expiration of the Option Term. Within fifteen (15)-~~business~~ days following delivery of such Notice, City shall prepare the Development Agreement and deliver two (2) originals of the Development Agreement signed by the City to Developer. Developer shall counter-sign such originals of the Development Agreement and deliver one (1) fully ~~signed~~~~executed~~ original of ~~of~~ the Development Agreement to ~~City and a copy of the fully signed Development Agreement to~~ Escrow Agent. The Development Agreement ~~will~~~~shall~~ constitute the joint instructions ~~to Escrow Agent from of~~ City and Developer ~~to Escrow Agent~~ regarding the purchase and sale transaction for the City Parking Lots Option Property between City and Developer. Upon Escrow Agent's request, City and Developer shall execute such additional escrow instructions consistent with this Option Agreement as may be required by Escrow Agent to perform its duties hereunder.

g)3.7 Termination. The Option shall automatically and immediately terminate, without further Notice, if either: (a) prior to the expiration of the Option Term, Developer fails to exercise the Option; or (b) Developer, at any time during the Option Term, gives written Notice to City of its election to terminate the Option. Upon any such termination of the Option, City shall retain the Option Consideration Payment.

h)3.8 Escrow Terms.

i)3.8.1 Opening and Close of Escrow. City and Developer shall open Escrow for the conveyance of the City Parking Lots Option Property within ten (10) days following the date that

the Development Agreement has been signed by all Parties (“**Opening Date**”). Escrow shall close within forty-five days following the Opening Date (“**Close of Escrow**”).

~~ii~~3.8.2 Earnest Money Deposit. On or before the Opening Date, Developer shall deposit into Escrow ten percent (10%) of the Purchase Price, as an earnest money deposit (“**Deposit**”), which Deposit shall be applicable to the Purchase Price at Close of Escrow.

~~iii~~3.8.3 City Financing of Purchase Price. In the event Developer exercises the Option pursuant to Section 3.6, City shall finance the balance of the Purchase Price, less the Deposit provided for in Section 3.8.2, (“**City Financed Amount**”), which shall be evidenced by a promissory note and the deed of trust. The terms of the promissory note and deed of trust shall include the principal of the City Financed Amount and interest at two and one-half percent (2.5%) per annum. Developer shall make interest only monthly payments for a period of fifty-nine (59) months commencing on the first date of the month following the Close of Escrow with one (1) final “balloon” payment due and payable in the sixtieth (60th) month.

~~iv~~3.8.4 Escrow Costs. All costs of the title policy for the City Parking Lots Option Property shall be paid by the Developer, and all Escrow fees and normal closing costs attributable to the conveyance of the City Parking Lots Option Property shall be split 50/50 between the City and the Developer.

~~v~~3.8.5 Subordination. The promissory note and deed of trust for the City Financed Amount may be subordinated only to the lien of a first deed of trust against the City Parking Lots Option Property by a Qualified Lender, as defined below (“**Senior Loan**”), but only on condition that all of the proceeds of the proposed Senior Loan, less any transaction costs, must be used to provide financing for the Project. Upon a determination by the City Manager that the conditions in this Section have been reasonably satisfied, the City Manager or his/her designee on behalf of the City will be authorized to execute subordination agreement(s) that are reasonably satisfactory to the City Attorney without the necessity of any further action or approval by the City. For purposes of this Section, a “**Qualified Lender**” shall mean any of the following: (a) a bank (State, Federal or foreign), trust company (in its individual or trust capacity), insurance company, credit union, savings bank (State or Federal), pension, welfare or retirement fund or system, real estate investment trust (or an umbrella partnership or other entity of which a real estate investment trust is the majority owner), Federal or State agency regularly making or guaranteeing mortgage loans, investment bank or a subsidiary of a Fortune 500 company, real estate mortgage brokers and bankers, real estate mortgage and investment trusts, real estate bond dealers, venture capital firms or funds; (b) any entity that is an affiliate of or is a combination of any one or more of the entities described in subsection (a) of this Section; or (c) any other lender that is reasonably acceptable to the City Manager.

~~vi~~3.9 Development of City Parking Lots Option Property; Covenants. The Development Agreement shall contain at least the following provisions without revision or amendment unless approved by the City in its sole and absolute discretion:

3.9.1 Development Covenant. If Developer exercises the Option pursuant to Section 3.6, Developer shall diligently pursue development of the Project pursuant to the Schedule of Performance set forth in **Exhibit “D”** (Schedule of Performance), attached hereto and incorporated herein by reference (“**Development Covenant**”). The City’s City Manager shall have

the authority to approve adjustments, deemed by the City Manager to be reasonable, to the schedule set forth in the Development Covenant.–

3.9.2 Anti-Speculation.—

3.9.2.1 Anti-Speculation Covenant. ~~Except as set forth in Section 3.9.2.2 below,~~ Developer shall not transfer, assign, or sell any portion of the City Parking Lots Option Property or any of its rights and obligations set forth in this Option Agreement without the prior written consent or approval of City until the City, which consent shall not be unreasonably withheld (“Anti-Speculation Covenant”), for a period commencing on the Close of Escrow (as defined in Section 3.8.earlier of this Option Agreement) and ending on the date that is one hundred twenty: (i) June 5, 2028 (120) months later (“after the Closing Date for the Authority Mall Property) or (ii) the date this Option Agreement is terminated pursuant to Section 3.7. (as applicable, the “Anti-Speculation Period”).

~~3.9.2.2 Notice. In the event Developer desires to~~ To the extent that Developer has acquired the City Parking Lots Option Property pursuant to this Option Agreement, there shall be no restriction on Developer’s right to transfer, assign, or sell any portion of the City Parking Lots Option Property after the termination or expiration of the Anti-Speculation Period. Any transfer or assignment occurring during the Anti-Speculation Period in violation of the Anti-Speculation Covenant set forth in this Section 3.9.2 shall be null and void.

~~3.9.2.2 Pre-Approved Transfers. Notwithstanding Section 3.9.2.1, during the Anti-Speculation Period, Developer shall provide written notice to the City~~ shall have the right to transfer, assign, or sell any portion of the City Parking Lots Option Property as provided in the following clauses (A)-(F), inclusive (each, a “Pre-Approved Transfer”) and, except to the limited extent set forth in Section 3.9.2.3 below, the same shall not require Authority or City approval.

(A) a transfer, assignment, or sale of fee title to Corona Arts District LLC, a California limited liability company, or any other single entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest (herein, the “City Parking Lots Option Property Pre-Approved Transferee”), and provided that all of the following conditions are satisfied, as applicable:

(i) a single City Parking Lots Option Property Pre-Approved Transferee shall hold and maintain fee title to the entire City Parking Lots Option Property and the entire Authority North Mall Property during the Anti-Speculation Period; and

(ii) from and after the City Parking Lots Option Property Pre-Approved Transferee’s acquisition of the City Parking Lots Option Property, a single City Parking Lots Option Property Pre-Approved Transferee shall also hold all of Developer’s right, title, and interest in the City Common Area Option Property pursuant to the City Common Areas Option Agreement (as those terms are defined in the Disposition and Development Agreement with Lab Holding, LLC (Corona Mall Property) dated May 17, 2017) during the Anti-Speculation Period;

(B) a conveyance of a security interest in the City Parking Lots Option Property in connection with any Senior Loan;

(C) a transfer resulting from a foreclosure or conveyance of a deed in lieu of foreclosure by the holder of a Senior Loan, as described in clause (B) above (a “Holder”), and any subsequent conveyance by the Holder to a subsequent purchaser for value;

(D) a transfer or assignment in trust by Developer for the benefit of immediate family members of Shaheen Sadeghi, provided that Mr. Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest in said trust;

(E) dedications of portions of the City Parking Lots Option Property to a public agency or utility company consistent with the Project; and

(F) recordation of a reciprocal easement agreement, covenants, conditions, and restrictions (CC&Rs), or similar conveyances consistent with Section 3.10.9 of the Development Agreement, including amendments thereto.

Any proposed transfer, assignment, or sale of all or any portion of the City Parking Lots Option Property during the Anti-Speculation Period that does not qualify as a Pre-Approved Transfer shall be referred to herein as a “Discretionary Transfer.”

3.9.2.3 Procedures Applicable to Pre-Approved Transfers. In the event Developer desires to make a Pre-Approved Transfer pursuant to clause (A), (B), or (D) of Section 3.9.2.2, Developer shall provide written notice to the City Manager of City at least thirty (30) days prior to Developer’s intended date of transfer, assignment or sale. The notice shall specify the name of the intended transferee or assignee and, in addition, Developer shall submit with such notice or as soon as practicable thereafter such supporting information that the City Manager may determine to be necessary to enable him/her to verify that the transfer, assignment or sale in fact qualifies as a Pre-Approved Transfer. The City Manager shall have the authority on behalf of the City, as applicable, to verify that a transfer or assignment is a Pre-Approved Transfer. The City Manager shall not unreasonably withhold, condition, or delay his/her approval and the scope of his/her review shall be limited to verifying whether the transfer or assignment qualifies as a Pre-Approved Transfer. Any disapproval by the City Manager shall be in writing and shall specify the grounds for disapproval in sufficient detail to enable Developer to submit any additional information reasonably requested by the City Manager to resubmit the Pre-Approved Transfer for his/her verification.

3.9.2.4 Procedures Applicable to Discretionary Transfers. In the event Developer desires to make a Discretionary Transfer during the Anti-Speculation Period, Developer shall provide written notice to the City Manager of City at least ninety (90) days prior to Developer’s intended date of transfer, assignment or sale. ~~The notice shall specify the name(s) of the intended transferee(s), assignee(s) or purchaser(s) and the purchase price for the property being~~ The notice shall specify the name of the intended transferee or assignee and, in addition, Developer shall submit with such notice or as soon as practicable thereafter such supporting information that the City Manager may determine to be necessary to enable the City Council of City to consider the request on its merits. When the City Manager reasonably determines that Developer has submitted sufficient information to enable the City Council to evaluate and take action upon Developer’s request, the City Manager shall promptly submit the request and supporting information to the City Council, as applicable, for its or their consideration and final decision. The City Council of City shall not unreasonably withhold, condition, or delay its or their approval. Any disapproval shall specify the

grounds for disapproval in sufficient detail to enable Developer to submit any additional or changed information that may be needed for Developer to resubmit its request for further consideration.

3.9.2.5 Assignment Documents. Prior to the effective date of any Pre-Approved Transfer pursuant to clauses (A), (B) and (D) (but not clauses (C), (E), or (F)) of Section 3.9.2.2 and prior to the effective date of any Discretionary Transfer approved by the City, Developer shall be required to deliver to the City Manager the following documents:

(A) an assignment and assumption agreement executed by both the transferor/assignor and transferee/assignee;

(B) a new Authority North Mall Property Promissory Note executed by the transferee/assignee to replace the Authority North Mall Property Promissory Note previously executed by Developer, provided that the entire Authority North Mall Property Promissory Note must be transferred, assigned or sold. In the event that the City consents to Developer's requested transfer, assignment or sale, any amounts due under the to and assumed by a single entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest; and

(C) a new Authority North Mall Property Deed of Trust executed by the transferee/assignee (and acknowledged to permit recordation of same) to replace the Authority North Mall Property Deed of Trust previously executed by Developer and recorded on June 5, 2018, in the Official Records of Riverside County as Document #2018-0227898 ("**Original Authority North Mall Property Deed of Trust**") , provided that the new Authority North Mall Property Deed of Trust shall provide the same security and shall encumber the same real property as the Original Authority North Mall Property Deed of Trust. and

(D) if, at the time of the transfer/assignment of the City Parking Lots Option Property, Developer has exercised the option and acquired fee title to the City Parking Lots Option Property pursuant to this Option Agreement and has executed a promissory note described in for all or a portion of the purchase price of the City Parking Lots Option Property pursuant to Section 3.8.3 of this Option Agreement and the amounts owing under that promissory note have not been fully paid, a new promissory note for the then-unpaid portion of the City Parking Lots promissory note executed by the transferee/assignee to replace the promissory note previously executed by Developer and a new deed of trust securing the obligation to pay same (and acknowledged to permit recordation); provided that the entire promissory note must be transferred to and assumed by a single entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest.

The City Manager shall have the right on behalf of the City to approve (or disapprove) the form of the assignment and assumption agreement and the new promissory note(s) and deed(s) of trust referred to above. The City Manager shall not unreasonably withhold or delay his/her approval. Any disapproval by the City Manager shall be in writing and shall specify the grounds for disapproval in sufficient detail to enable Developer and the transferee/assignee to correct the form of the assignment and assumption agreement and/or the new promissory note(s) and deed(s) of trust, as applicable, and resubmit the same for approval.

3.9.2.6 No Acceleration of Amounts Due Under Promissory Note(s) for Pre-Approved Transfers and Approved Discretionary Transfers; Release of Transferor/Assignor. Notwithstanding any other provision set forth in this Agreement, including any of the exhibits hereto, no acceleration of any amounts that may be due at the time of a Pre-Approved Transfer or at the time a Discretionary Transfer is approved by the City Council of City under the promissory note for the City Parking Lots pursuant to Section 3.8.3 shall be immediately due and payable. of this Option Agreement shall occur in conjunction with such a transfer or assignment.

Upon the effective date of any Pre-Approved Transfer described in clause (A), (B) and (D) (but not clauses (C), (E) or (F) of Section 3.9.2.2, as applicable, or the effective date of a Discretionary Transfer that has been approved by the City but no earlier than the date that Developer and/or the transferee/assignee deliver to the City Manager, as applicable, the fully executed documents required pursuant to Section 3.9.2.5 in the approved forms therefor, City, as applicable, shall (i) promptly return to the transferor/assignor the original promissory note that is being superseded by the new promissory note, with the original promissory note(s) marked cancelled, (ii) reconvey the original deed of trust that is being superseded by the new deed of trust, (iii) cooperate with Developer in causing to be recorded the new deed of trust (including, if required, executing and acknowledging the same), and (iv) take all other actions consistent with this Agreement, including the execution of documents as appropriate, to accomplish the purposes of said transfer/assignment. Developer covenants that the new deed(s) of trust shall have priority over all other monetary liens that may have attached subsequent to the recordation of the new deed(s) of trust with the exception of non-delinquent property taxes and assessments, but Developer shall not be responsible for providing or paying for a new or updated lender's policy of title insurance with respect to same. City may elect to obtain such a title policy, provided that the issuance of same shall not be a condition to the closing of the transaction nor delay the same. Upon the effective date of any Pre-Approved Transfer described in clause (A), (B) and (D) (but not clauses (C), (E) or (F) of Section 3.9.2.2, as applicable, or the effective date of a Discretionary Transfer that has been approved by the City and satisfaction of all requirements in this Section 3.9.2.6, the Developer shall be released from any further obligations under this Agreement with respect to the rights and obligations so transferred and assigned, including without limitation any obligation under the new promissory note and deed of trust.

3.9.3 Parking Covenant. Developer acknowledges and agrees that assessments are imposed and collected through a Business Improvement District (“**BID**”) for the purpose of maintaining parking lots, sidewalks and landscape improvements in an area that includes the City Parking Lots Option Property. The BID expires on June 30, 2020 (“**BID Expiration Date**”). Developer acknowledges and agrees that development or use of the City Parking Lots Option Property for any purpose other than parking and vehicular and pedestrian ingress and egress is subject to and expressly contingent upon Developer providing sufficient parking, as required by the Corona Municipal Code and/or other applicable laws, rules or regulations, and pathways for reasonable and direct vehicular and pedestrian access similar to that which exists as of the Effective Date to serve the parcels that are included within and are subject to the assessments imposed by the BID (“**BID Parcels**”). Sufficient parking for the BID Parcels may be provided through a variety of methods subject to and contingent upon the discretionary land use and police power authority of the City, including, without limitation, reconfiguring current parking fields on the City Parking Lots Option Property, development of a parking structure on the City Parking Lots Option Property and/or the Authority Mall Property, approval of an urban parking standard, or a combination of the foregoing and/or other options. Developer further acknowledges and agrees to allow public access

to and use of the City Parking Lots Option Property for the benefit of the BID Parcels. In furtherance thereof, Developer shall not deny, prevent, hinder or obstruct reasonable and direct public access to each of the BID Parcels and use of the City Parking Lots Option Property at any time prior to the BID Expiration Date for any reason, or at any time thereafter if in violation of the Corona Municipal Code and/or other applicable laws, rules or regulations. Developer acknowledges and agrees that parking on the City Parking Lots Option Property is provided free of charge on a first-come, first-serve basis, notwithstanding the fact that there is no reciprocal parking agreement, easement or similar documentation regulating such parking, and that the availability of such parking free of charge on a first-come, first-serve basis shall be maintained. Developer acknowledges and agrees that from and after the BID Expiration Date or the Close of Escrow, whichever occurs first, maintenance of the City Parking Lots Option Property shall be the sole responsibility of Developer. The obligations and limitations set forth in this Section 3.9.3 shall be collectively referred to as the **“Parking Covenant”** and shall survive expiration or termination of this Option Agreement. The record owners of the BID Parcels, individually and collectively, shall be third party beneficiaries of the Parking Covenant. Developer acknowledges and agrees that from and after the Close of Escrow, maintenance of the City Parking Lots Option Property shall be the sole responsibility of Developer. The obligations and limitations set forth in this Section 3.9.3 shall be collectively referred to as the **“Parking Covenant”** and shall survive expiration or termination of this Option Agreement. The record owners of the BID Parcels, individually and collectively, shall be third party beneficiaries of the Parking Covenant.

~~1.3.13.9.4~~ 1.3.9.4 **City’s Reversionary Interest in the City Parking Lots Option Property.**

In the event Developer fails to fully and timely satisfy the Development Covenant and/or breaches or violates the Anti-Speculation Covenant or the Parking Covenant, the City Parking Lots Option Property will revert to the City solely upon payment to Developer of the Purchase Price without interest.

~~1.3.23.9.5~~ 1.3.9.5 **Prevailing Wages.** Since the Project is part of an applicable “public works” project, as defined by Chapter 1 (beginning at Section 1720 et seq.) of Part 7 of Division 2 of the California Labor Code, as well as Title 8, Section 16000 et seq. of the California Code of Regulations (**“Prevailing Wage Laws”**), Developer shall fully comply with the Prevailing Wage Laws for their contractors and any others to whom such laws are applicable. Developer shall also be responsible for any and all violations and fines imposed on them pursuant to the Prevailing Wage Laws. Pursuant to SB 854, which amended the Prevailing Wage Laws, the Project would also be subject to compliance monitoring and enforcement by the California Department of Industrial Relations (**“DIR”**). Beginning April 1, 2015, no contractor may engage in the performance of any public work contract unless registered with the DIR pursuant to Labor Code Section 1725.5. City/Authority will report all necessary agreements to the DIR as required by the Prevailing Wage Laws. Developer shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to develop the Project available to interested parties upon request, and shall post copies at Developer’s principal place of business and at the Project site. Developer shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

1.43.10 City Covenants Regarding Maintenance of City Parking Lots Option Property. City covenants and agrees with the Developer that throughout the Option Term:

a.3.10.1 City shall not modify or amend any lease respecting the City Parking Lots Option Property, or enter into any new lease respecting the City Parking Lots Option Property, without the Developer's prior written approval; provided that Developer hereby expressly consents to the City entering into that certain City of Corona License Agreement for Use of City Facilities (City Option Property – Corona Mall) with ****INSERT DEVELOPER'S NAME**** dated ****INSERT DATE****;

b.3.10.2 Except as provided in the Development Agreement, which imposes certain maintenance obligations upon Developer from and after the BID Expiration Date, and unless Developer has exercised its option on the City Parking Lots Option Property, in which case Developer shall be solely responsible for all obligations related to such property, as provided in the Development Agreement, City shall maintain the City Parking Lots Option Property in accordance with the same standards City has customarily observed in its ownership and management of the City Parking Lots Option Property;

e.3.10.3 City shall maintain in force all insurance policies currently maintained by City with respect to the City Parking Lots Option Property;

d.3.10.4 City shall not cause, permit, allow or suffer any additional exception to the title of the City Parking Lots Option Property.

2.3.11 City Representations and Warranties. As of the Effective Date, City makes the following representations and warranties:

a.3.11.1 The entering into and performance of this Option Agreement by City will not constitute a violation of any court order or decree or result in City's default under any other contract by which City or the City Parking Lots Option Property are bound.

b.3.11.2 To City's knowledge, there are no sale agreements or lease agreements with respect to the City Parking Lots Option Property that would prevent City from conveying title to the City Parking Lots Option Property, as required by this Option Agreement or the Development Agreement, if Developer exercises the Option.

e.3.11.3 There is no pending or threatened private or governmental litigation by any Government or Person against City relating to the City Parking Lots Option Property that might, if it and all other pending and threatened litigation were adversely determined, result in a material adverse change in the City Parking Lots Option Property or its operation or that challenges the validity of or otherwise materially adversely affects the transactions contemplated by this Option Agreement.

d.3.11.4 No attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization, or other proceedings are pending or threatened against City or City's interest in the City Parking Lots Option Property, nor are any such proceedings contemplated by City.

~~e~~3.11.5 City has received no Notice of any presently pending or contemplated special assessments or proceedings to condemn or demolish the City Parking Lots Option Property or any part of it or any proceedings to declare the Option Property or any part of it a nuisance.

~~f~~3.11.6 City has good and marketable title to the City Parking Lots Option Property. Except as provided in Section 3.9.3 of this Option Agreement, City has no actual knowledge of any unrecorded or undisclosed legal or equitable interest in the City Parking Lots Option Property owned or claimed by anyone other than City. City has no knowledge that anyone claims any right to possession of the City Parking Lots Option Property, except as disclosed by this Option Agreement or otherwise in writing by City to the Developer. There are no unsatisfied mechanics' or materialmen's lien rights on the City Parking Lots Option Property.

3.3.12 General Provisions.

~~(a)~~3.12.1 Execution of this Option Agreement. Notwithstanding any other provision of this Option Agreement, this Option Agreement shall only become binding on the Parties or either of them, upon the occurrence of the Effective Date. Any approval or execution of this Option Agreement by either Party shall be of no force or effect, unless and until the Effective Date.

~~(b)~~3.12.2 Incorporation of Recitals. The recitals of fact set forth preceding this Option Agreement are true and correct and are incorporated into this Option Agreement in their entirety by this reference.

~~(c)~~3.12.3 Notices, Demands and Communications between the Parties. All notices or other communications required or permitted between the Parties hereunder shall be in writing, and shall be (i) personally delivered, (ii) sent by United States registered or certified mail, postage prepaid, return receipt requested, (iii) sent by facsimile transmission with confirmation of receipt, or (iv) sent by nationally recognized overnight courier service (e.g., Federal Express or United Parcel Service), addressed to the Party to whom the notice is given at the addresses provided below, subject to the right of any Party to designate a different address for itself by notice similarly given. Any notice so given by registered or certified United States mail shall be deemed to have been given on the third business day after the same is deposited in the United States mail. Any notice not so given by registered or certified mail, such as notices delivered by personal delivery, facsimile transmission or courier service, shall be deemed given upon receipt, rejection or refusal of the same by the Party to whom the notice is given. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice or other communication sent.

| | |
|----------|--|
| To City: | City of Corona 400 South Vicentia Avenue Corona, CA 92882 Attn: City Manager Phone: (951) 736-2371 |
|----------|--|

To Developer:

****INSERT ENTITY NAME****

****INSERT ADDRESS****

Attn: ****INSERT NAME****

Telephone: ****INSERT NUMBER****

~~(d)~~3.12.4 Relationship of Parties. The Parties each intend and agree that the Developer and City are independent contracting entities and do not intend by this Option Agreement to create any partnership, joint venture, or similar business arrangement, relationship or association between them.

~~(e)~~3.12.5 Survival of Option Agreement. Section 3.9 and all terms and conditions of this Option Agreement relating to principles of interpretation, dispute resolution and limitations on damages or remedies, including, without limitation, Section 3.12.6, shall survive any expiration or termination of this Option Agreement.

~~(f)~~3.12.6 Limitation of Developer's Remedies and Release. Developer acknowledges and agrees that City would not have entered into this Option Agreement, if it were to individually or jointly, be liable to Developer for any monetary damages, monetary recovery or any remedy following a default under this Option Agreement by City, other than: (i) termination of this Option Agreement pursuant to Section 3.7 or any other provision of this Option Agreement; (ii) specific performance; or (iii) injunctive relief (collectively, "**Developer Remedies**"). Accordingly, the Parties agree that the Developer Remedies shall be Developer's sole and exclusive rights and remedies following a default under this Option Agreement by City. Developer hereby waives any right to pursue any remedy or damages based upon a default by City under this Option Agreement other than the Developer Remedies. It is the intention of Developer to be bound by the limitations on damages and remedies set forth in this Section 3.14.6, and Developer hereby releases any and all claims against City for monetary damages, monetary recovery or other legal or equitable relief related to any default under this Option Agreement by City, except as specifically provided in this Section 3.12.6, whether or not any such released claims were known or unknown to Developer as of the Effective Date of this Option Agreement. Except for the Developer Remedies, Developer hereby releases City, and its officials, officers, employees and agents from any and all claims arising out of a default by City under this Option Agreement.

Without limiting the generality of anything in this Section 3.12.6, with respect to the waivers, releases and limitations on remedies contained in this Section 3.12.6, Developer hereby expressly waives the benefit of and any protections provided by California Civil Code Section 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

In addition to waiving the provisions of California Civil Code Section 1542, Developer hereby waives, releases and foregoes the provisions of any other federal or state statute or judicial decision of similar effect with respect to the waivers, releases and limitations contained in this Section 3.12.6.

Initials of Authorized
Developer Representative

The obligations described above will be for the benefit of the City and binding upon Developer, its successors and assigns, officers, employees and representatives, and will survive termination of this Option Agreement, close of escrow on the City Parking Lots Option Property and the recordation of a grant deed conveying the City Parking Lots Option Property. –

~~(g)~~3.12.7 Calculation of Time Periods. Unless otherwise specified, all references to time periods in this Option Agreement measured in days shall be to consecutive calendar days, all references to time periods in this Option Agreement measured in months shall be to consecutive calendar months and all references to time periods in this Option Agreement measured in years shall be to consecutive calendar years. Any reference to business days in this Option Agreement shall mean consecutive business days of the Developer.

~~(h)~~3.12.8 Principles of Interpretation. No inference in favor of or against any Party shall be drawn from the fact that such Party has drafted any part of this Option Agreement. The Parties have both participated substantially in the negotiation, drafting, and revision of this Option Agreement, with advice from legal and other counsel and advisers of their own selection. A word, term or phrase defined in the singular in this Option Agreement may be used in the plural, and vice versa, all in accordance with ordinary principles of English grammar, which shall govern all language in this Option Agreement. The words “include” and “including” in this Option Agreement shall be construed to be followed by the words: “without limitation.” Each collective noun in this Option Agreement shall be interpreted as if followed by the words “(or any part of it),” except where the context clearly requires otherwise. Every reference to any document, including this Option Agreement, refers to such document, as modified from time to time (excepting any modification that violates this Option Agreement), and includes all exhibits, schedules, addenda and riders to such document. The word “or” in this Option Agreement includes the word “and.” Every reference to a law, statute, regulation, order, form or similar governmental requirement refers to each such requirement as amended, modified, renumbered, superseded or succeeded, from time to time.

~~(i)~~3.12.9 Governing Law. The Laws of the State of California shall govern the interpretation and enforcement of this Option Agreement, without application of conflicts of laws principles. The Parties acknowledge and agree that this Option Agreement is entered into, is to be fully performed in and relates to real property located in the City of Corona, County of Riverside, State of California. All legal actions arising from this Option Agreement shall be filed in the Superior Court of California in and for the County of Riverside or in the United States District Court with jurisdiction in the County of Riverside.

~~(j)~~3.12.10 Unavoidable Delay; Extension of Time of Performance. Subject to any specific provisions of this Option Agreement stating that they are not subject to Unavoidable

Delay or otherwise limiting or restricting the effects of an Unavoidable Delay, performance by either Party under this Option Agreement shall not be deemed, or considered to be in Default, where any such Default is due to the occurrence of an Unavoidable Delay. Any Party claiming an Unavoidable Delay shall give Notice to the other Party: (i) within ten (10) days after such Party knows of any such Unavoidable Delay; and (ii) within five (5) days after such Unavoidable Delay ceases to exist. To be effective, any Notice of an Unavoidable Delay must describe the Unavoidable Delay in reasonable detail. The extension of time for an Unavoidable Delay shall commence on the date of receipt of written Notice of the occurrence of the Unavoidable Delay by the Party not claiming an extension of time to perform due to such Unavoidable Delay and shall continue until the end of the condition causing the Unavoidable Delay. The Party claiming an extension of time to perform due to an Unavoidable Delay shall exercise its commercially reasonable best efforts to cure the condition causing the Unavoidable Delay, within a reasonable time.

~~(k)3.12.11~~ DeveloperCity Assignment. ~~DeveloperCity~~ shall not ~~transfer,~~ assign ~~this Option Agreement,~~ or delegate any ~~right or obligation herein, of its rights and obligations set forth in this Option Agreement~~ without the prior written consent ~~or approval~~ of CityDeveloper, which consent may be given or withheld in City'sDeveloper's sole discretion. ~~Notwithstanding the foregoing, no consent or approval is required for an assignment to an entity in which the Developer owns more than 50% of the assets and/or a majority voting interest.~~ Any assignment or delegation in violation of this section shall be void. ~~In the event of an assignment or delegation permitted by this Section 3.12.11, the person or entity to whom this Option Agreement or any right or obligation herein is assigned or delegated shall be required to assume this Option Agreement and/or any right or obligation herein in writing in a form approved by the City, regardless of whether the prior consent or approval of such assignment or delegation is required by this Section 3.12.11.~~

~~(l)3.12.12~~ Binding on Successors and Assigns. This Option Agreement shall be binding upon and inure to the benefit of the Parties and their respective legal representatives, successors and assigns.

~~(m)3.12.13~~ No Other Representations or Warranties. Except as expressly set forth in this Option Agreement, no Party makes any representation or warranty material to this Option Agreement to any other Party.

~~(n)3.12.14~~ Execution in Counterparts. This Option Agreement may be executed in multiple counterpart originals, each of which shall be deemed to be an original, but all of which together shall constitute one and the same document.

~~(o)3.12.15~~ Entire Option Agreement.

~~(p)3.12.15.1~~ Integrated Agreement. This Option Agreement includes ****INSERT WRITTEN NUMBER**** (****INSERT NUMBER****) pages and five (5) exhibits, that constitute the entire understanding and Option Agreement of the Parties regarding the City Parking Lots Option Property and the other subjects addressed in this Option Agreement. This Option Agreement integrates all of the terms and conditions mentioned in this Option Agreement or incidental to this Option Agreement, and supersedes all negotiations or previous agreements between the Parties with respect to the City Parking Lots Option Property and the other subjects addressed in this Option Agreement.

~~(2)~~3.12.15.2 No Merger. None of the terms, covenants, restrictions, agreements or conditions set forth in this Option Agreement shall be deemed to be merged with any deed conveying title to any portion of the City Parking Lots Option Property, and this Option Agreement shall continue in full force and effect before and after any such instruments, in accordance with its terms.

~~(3)~~3.12.15.3 Waivers Must be in Writing. All waivers of the provisions of this Option Agreement and all amendments to this Option Agreement must be in writing and signed by the authorized representative(s) of both the Developer and City.

~~(p)~~3.12.16 Exhibits. All of the Exhibits attached to this Option Agreement are described as follows:

Exhibit “A” - City Parking Lots Option Property Legal Description

Exhibit “B” – Authority Mall Property Legal Description

Exhibit “C” - Option Memorandum

Exhibit “D” – Schedule of Performance

Exhibit “E” – Privately Owned Property

~~(e)~~3.12.17 Time Declared to be of the Essence. As to the performance of any obligation under this Option Agreement of which time is a component, the performance of such obligation within the time specified is of the essence.

~~(r)~~3.12.18 No Waiver. Failure to insist on any one occasion upon strict compliance with any term, covenant, condition, restriction or agreement contained in this Option Agreement shall not be deemed a waiver of such term, covenant, condition, restriction or agreement, nor shall any waiver or relinquishment of any rights or powers under this Option Agreement, at any one time or more times, be deemed a waiver or relinquishment of such right or power at any other time or times.

[SIGNATURES ON FOLLOWING 2 PAGES]

CITY'S SIGNATURE PAGE FOR

**CITY OF CORONA
OPTION TO PURCHASE AGREEMENT
(CITY PARKING LOTS- CORONA MALL)**

IN WITNESS WHEREOF, the City has executed this Option Agreement as of the date set forth below.

CITY OF CORONA
a California municipal corporation

By: _____
Mitchell Lansdell, Acting City Manager

May __, 2019

Attest:

By: _____
Sylvia Edwards, City Clerk

Approved as to Form:

Dean Derleth
City Attorney

DEVELOPER'S SIGNATURE PAGE FOR

**CITY OF CORONA
OPTION TO PURCHASE AGREEMENT
(CITY PARKING LOTS- CORONA MALL)**

IN WITNESS WHEREOF, the Developer has executed this Option Agreement as of the latest date set forth below.

****INSERT NAME OF DEVELOPER****
a ****INSERT STATE AND TYPE OF ENTITY****

By:

****INSERT NAME****
****INSERT TITLE****

Date

EXHIBIT "A"

TO OPTION AGREEMENT

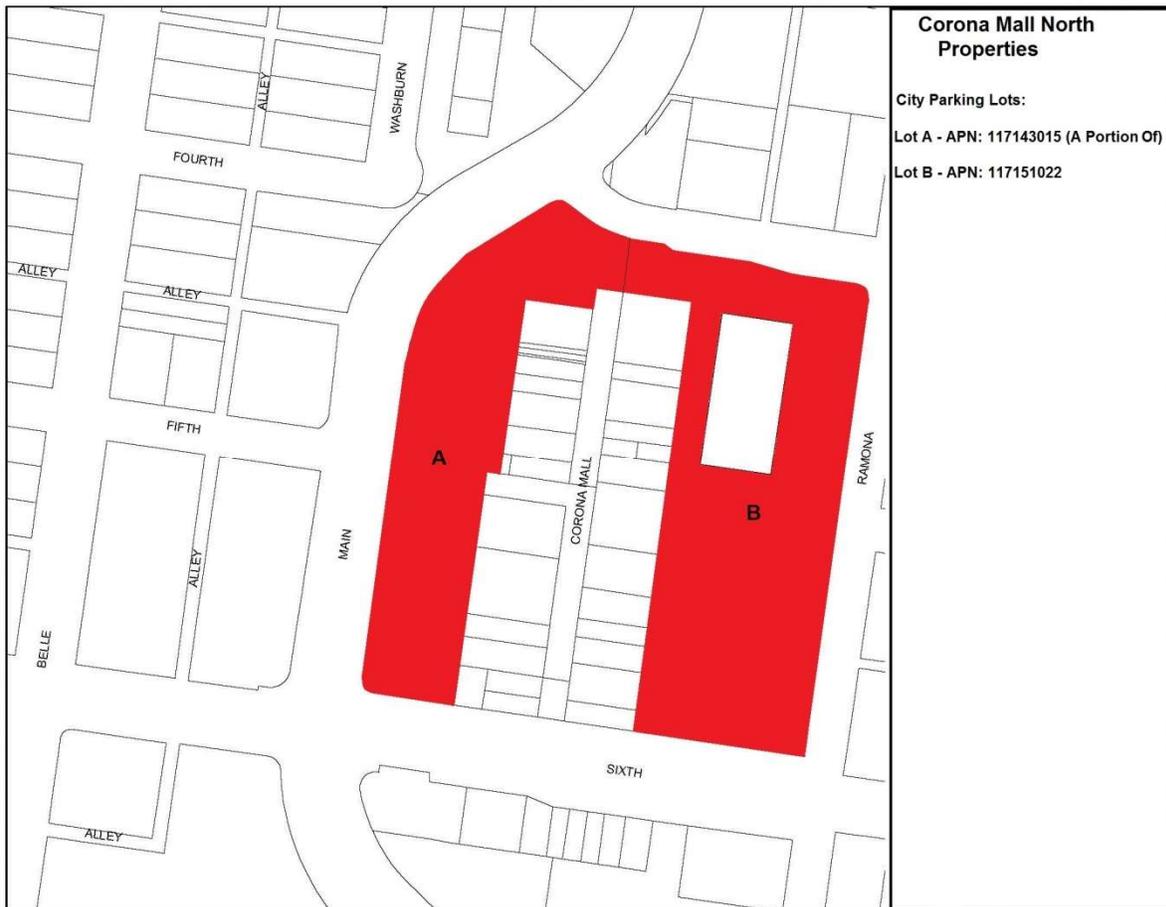
**LEGAL DESCRIPTION AND
DEPICTION OF CITY PARKING LOTS OPTION PROPERTY**

The real property situated in the City of Corona, County of Riverside, State of California and identified as follows:

Assessor Parcel Numbers

117-143-015

117-151-022



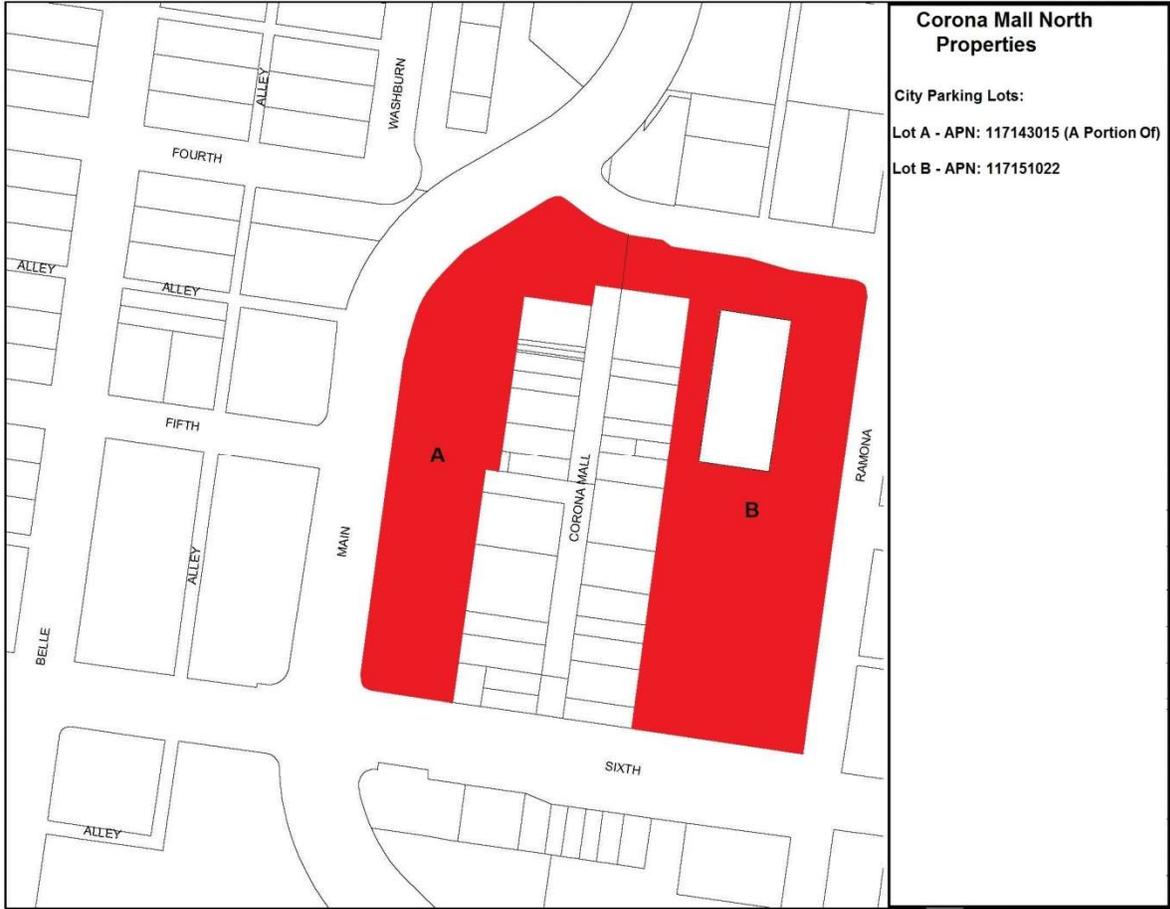


EXHIBIT "B"

TO OPTION AGREEMENT

**LEGAL DESCRIPTION AND
DEPICTION OF AUTHORITY NORTH MALL PROPERTY**

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

~~CORONA MALL NORTH PROPERTIES~~

PARCEL 1

ASSESSOR PARCEL NUMBER 117-143-031

THAT PORTION OF LOTS 5 AND 6 OF BLOCK 155 OF THE SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 9, PAGES 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, ALSO SHOWN ON RECORD OF SURVEY AS A PORTION OF PARCEL C-2 ON FILE IN BOOK 61, PAGE 24 OF RECORDS OF SURVEY, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: "BEGINNING AT A POINT ON THE EASTERLY LINE OF SAID BLOCK 155, WHICH BEARS NORTH 07° 06' 53" EAST, A DISTANCE OF 116.00 FEET FROM THE SOUTHEAST CORNER OF LOT 1 SAID BLOCK 155 TO THE TRUE POINT OF BEGINNING; THENCE NORTH 82° 42' 02" WEST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 100.00 FEET; THENCE NORTH 07° 16' 53" EAST, PARALLEL WITH THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET; THENCE SOUTH 82° 42' 02" EAST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 100.00 FEET TO THE EASTERLY LINE OF SAID BLOCK 155; THENCE SOUTH 07° 16' 53" WEST ALONG THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET TO THE TRUE POINT OF BEGINNING."

AN EASEMENT APPURTENANT TO THE ABOVE DESCRIBED PARCEL DESCRIBED AS FOLLOWS:

AN EASEMENT OVER, UNDER, ABOVE, BELOW AND ACROSS THE NORTHERLY FIVE FEET SIX INCHES OF THE REAL PROPERTY LYING IMMEDIATELY ADJACENT TO THE SOUTHERLY PROPERTY LINE OF THE ABOVE DESCRIBED PARCEL 1 FOR THE PURPOSE OF FOOTING AND FOUNDATIONS FOR BUILDINGS AND STRUCTURES ON THE ABOVE DESCRIBED PARCEL 1 AND FOR THE PURPOSE OF CONSTRUCTING ROOF OVERHANGS AND BUILDING SURFACE OVERHANGING, SAID OVERHANGS TO CONFORM ARCHITECTURALLY WITH ANY BUILDING AND STRUCTURES IMMEDIATELY ADJACENT TO THE SOUTHERLY PROPERTY LINE OF THE ABOVE DESCRIBED PROPERTY SO AS NOT TO INTERFERE WITH PEDESTRIAN TRAFFIC

THERE TO; TOGETHER WITH THE RIGHT TO CONSTRUCT OR CONNECT TO A COMMON OR PARTY WALL, INCLUDING FOOTINGS AND FOUNDATIONS THEREFOR, ALONG THE SOUTHERLY LINES OF THE ABOVE DESCRIBED PARCEL 1 IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THAT CERTAIN AGREEMENT AND GRANT OF EASEMENTS DATED JANUARY 17, 1977 AND RECORDED JANUARY 27, 1977 AS INSTRUMENT NO. 14690 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 2

ASSESSOR PARCEL NUMBER 117-143-032

THAT PORTION OF LOTS 4 AND 5 OF BLOCK 155 OF THE SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 9, PAGES 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, ALSO SHOWN ON RECORDS OF SURVEY AS A PORTION OF PARCEL C-2 ON FILE IN BOOK 61, PAGE 24, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: "BEGINNING AT A POINT ON THE EASTERLY LINE OF SAID BLOCK 155, WHICH BEARS NORTH 07° 16' 53" EAST, A DISTANCE OF 90.00 FEET FROM THE SOUTHEAST CORNER OF LOT 1 IN SAID BLOCK 155 TO THE TRUE POINT OF BEGINNING; THENCE NORTH 82° 42' 02" WEST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1 A DISTANCE OF 100.00 FEET; THENCE NORTH 07° 16' 53" EAST, PARALLEL WITH THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET; THENCE SOUTH 82° 42' 02" EAST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 100.00 FEET TO THE EASTERLY LINE OF SAID BLOCK 155; THENCE SOUTH 07° 16' 53" WEST ALONG THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET, TO THE TRUE POINT BEGINNING."

PARCEL 3 AND 4

ASSESSOR PARCEL NUMBER: 117-143-038 and ASSESSOR PARCEL NUMBER: 117-143-039

THOSE PORTIONS OF BLOCK 144 OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9 PAGE 8 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WESTERLY PROLONGATION OF THE SOUTH LINE OF LOT 6 IN SAID BLOCK 144, WITH THE CENTER LINE OF THE 16.00 FEET WIDE ALLEYWAY ABUTTING LOTS 6, 7, 8 AND 9 ON THE WEST, THENCE SOUTH 82° 45' 00" EAST, 178.05 FEET ON SAID WESTERLY PROLONGATION, THE SOUTH LINE OF SAID

LOT 6 AND ITS EASTERLY PROLONGATION TO THE CENTER LINE OF MAIN STREET AS SHOWN ON SAID MAP THENCE NORTH 7° 15' 00" EAST 116.00 FEET ON SAID CENTER LINE TO THE INTERSECTION OF THE EASTERLY PROLONGATION OF THE NORTH LINE OF LOT 9 IN SAID BLOCK 144; THENCE NORTH 82° 45' 00" WEST 178.05 FEET ON LAST SAID PROLONGATION, THE NORTH LINE OF SAID LOT 9 AND ITS WESTERLY PROLONGATION, TO SAID CENTER LINE OF SAID ALLEY ABUTTING ON THE WEST; THENCE SOUTH 7° 15' 00" WEST 116.00 FEET ON SAID CENTER LINE TO THE POINT OF BEGINNING. EXCEPT THE EAST 10.00 FEET AS CONVEYED TO THE REDEVELOPMENT AGENCY OF THE CITY OF CORONA BY DEED RECORDED APRIL 15, 1969, AS INSTRUMENT NO. 36744 OF OFFICIAL RECORDS.

PARCEL 5

ASSESSOR PARCEL NUMBER 117-143-040

THOSE PORTIONS OF BLOCK 144 OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9 PAGE 8 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WESTERLY PROLONGATION OF THE NORTH LINE OF LOT 5 IN SAID BLOCK 144, WITH THE CENTERLINE OF THE 16.00 FEET WIDE ALLEY ABUTTING LOTS 4 AND 5 IN SAID BLOCK, ON THE WEST; THENCE SOUTH 82° 45' 00" EAST, 178.05 FEET ON SAID PROLONGATION, THE NORTH LINE OF SAID LOT 5 AND ITS EASTERLY PROLONGATION TO THE CENTER LINE OF MAIN STREET, AS SHOWN ON SAID MAP; THENCE SOUTH 7° 15' 00" WEST, 50.00 FEET ON LAST SAID CENTER LINE TO THE INTERSECTION OF THE EASTERLY PROLONGATION OF THE SOUTH LINE OF SAID LOT 4; HENCE NORTH 82° 45' 00" WEST, 178.05 FEET ON SAID EASTERLY PROLONGATION, THE SOUTH LINE OF SAID LOT 4 AND ITS WESTERLY PROLONGATION TO SAID CENTER LINE OF SAID ALLEY ABUTTING ON THE WEST; THENCE NORTH 7° 15' 00" EAST 50.00 FEET ON LAST SAID CENTER LINE TO THE POINT OF BEGINNING. EXCEPT THE EAST 10.00 FEET AS CONVEYED TO THE REDEVELOPMENT AGENCY OF THE CITY OF CORONA BY DEED RECORDED APRIL 15, 1969, AS INSTRUMENT NO. 36744 OF OFFICIAL RECORDS.

PARCEL 6

ASSESSOR PARCEL NUMBER 117-151-007

ALL THAT PORTION OF LOTS 16, 17 AND 18 IN BLOCK 143 AND ALL THAT PORTION OF MAIN STREET LYING BETWEEN FIFTH STREET AND SIXTH STREET, AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016, RIVERSIDE COUNTY RECORDS, ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 PAGE 8 OF MAPS, SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60 FEET NORTHERLY, MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82° 43' 52" WEST, ALONG SAID PARALLEL LINE, 10 FEET TO A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE OF MAIN STREET; THENCE NORTH 07° 16' 53" EAST, ALONG SAID LINE PARALLEL WITH THE CENTERLINE OF MAIN STREET, 30 FEET; THENCE SOUTH 82° 43' 07" EAST, AT RIGHT ANGLES TO SAID CENTERLINE OF MAIN STREET, 100 FEET; THENCE SOUTH 07° 16' 53" WEST, PARALLEL WITH SAID CENTERLINE OF MAIN STREET, 29.98 FEET TO SAID LINE PARALLEL WITH THE CENTERLINE OF SIXTH STREET; THENCE NORTH 82° 43' 07" WEST, ALONG SAID PARALLEL LINE, 90 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 7

ASSESSOR PARCEL NUMBER 117-151-016

THOSE PORTIONS OF LOTS 14, 15, AND 16 IN BLOCK 143, ALL THAT PORTION OF MAIN STREET LYING BETWEEN FIFTH STREET AND SIXTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969, AS INSTRUMENT NO. 98016, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE, TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE N. 82°43'52" W, ALONG SAID PARALLEL LINE, A DISTANCE OF 10.00 FEET TO A LINE PARALLEL WITH AND 10.00 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE OF MAIN STREET; THENCE N .07°16'53" E., ALONG SAID LINE PARALLEL WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 30.00 FEET TO THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE CONTINUING N. 07°16'53" E., ALONG SAID LINE, PARALLEL WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 50.00 FEET; THENCE S. 82°43'07" E., AT RIGHT ANGLES TO SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 100.00 FEET; THENCE S. 07°16'53" W., PARALLEL WITH SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 50.00 FEET TO A POINT THAT BEARS S. 82°43'07" E., A DISTANCE OF 100.00 FEET FROM THE POINT OF BEGINNING. THENCE N. 82°43'07" W., A DISTANCE OF 100.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 8

ASSESSOR PARCEL NUMBER 117-151-015

THAT PORTION OF LOTS 13 AND 14 IN BLOCK 143, ALL THAT PORTION OF THE MAIN STREET LYING BETWEEN FIFTH AND SIXTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969, AS INSTRUMENT NO. 98016, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA , COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA. DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE N. 82°43'52" W., ALONG SAID PARALLEL LINE, A DISTANCE OF 10.00 FEET TO A LINE PARALLEL WITH AND 10.00 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE OF MAIN STREET; THENCE N. 07°16'53" E., ALONG SAID PARALLEL LINE WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 80.00 FEET TO THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE CONTINUING N. 07°16'53" E., ALONG SAID LINE PARALLEL WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 32.00 FEET; THENCE S. 82°43'07" E., AT RIGHT ANGLES TO SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 100.00 FEET. THENCE S. 07°16'53" W., PARALLEL WITH SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 32.00 FEET; THENCE N. 82°43'07" W., A DISTANCE OF 100.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 9

ASSESSOR PARCEL NUMBER 117-151-005

THOSE PORTIONS OF LOTS 8, 9, 10 AND 11 IN BLOCK 143 AND A PORTION OF MAIN STREET (VACATED), AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9, PAGE 8 OF MAPS, AS PER SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE CENTER LINE OF MAIN STREET (VACATED)WHICH BEARS NORTH 07°16'53" EAST, 245 FEET FROM ITS INTERSECTION WITH THE CENTER LINE OF SIXTH STREET, AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82°43'07" WEST, AT RIGHT ANGLES TO THE CENTER LINE OF MAIN STREET (VACATED), 10 FEET; THENCE NORTH 07°16'53" EAST, ALONG A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTER LINE OF MAIN STREET (VACATED), 62 FEET; THENCE SOUTH 82°43'07" EAST, 100 FEET; THENCE SOUTH

07°16'53" WEST, 62 FEET; THENCE NORTH 82°43'07" WEST, 90 FEET TO THE POINT OF BEGINNING. SAID MAIN STREET HAVING BEEN VACATED BY RESOLUTION OF THE CITY COUNCIL OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION BEING RECORD SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016, OFFICIALRECORDS.

PARCEL 10

ASSESSOR PARCEL NUMBER: 117-151-004

THOSE PORTIONS OF LOTS 7 AND 8 IN BLOCK 143 AND THOSE PORTIONS OF MAIN STREET (VACATED) AND FIFTH STREET (VACATED), AS SHOWN BY MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9, PAGE 8 OF MAPS, AS PER SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE CENTER LINE OF MAIN STREET (VACATED) WHICH BEARS NORTH 07°16' 53" EAST 245 FEET FROM ITS INTERSECTION WITH THE CENTER LINE OF SIXTH STREET, AS SHOWN ON SAID MAP OF SOUTH RIVERS DE TOWNSITE; THENCE NORTH 82°43'07" WEST, AT RIGHT ANGLES TO THE CENTER LINE OF MAIN STREET (VACATED), 10 FEET; THENCE NORTH 07° 16' 53" EAST, ALONG A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGELS, FROM THE CENTER LINE OF MAIN STREET (VACATED), 62 FEET, FOR THE TRUE POINT OF BEGINNING; THENCE NORTH 07°16 '53" EAST, CONTINUING ALONG SAID PARALLEL LINE, 88 FEET; THENCE SOUTH 82°43'07" EAST 100 FEET; THENCE SOUTH 07°16'53" WEST 88 FEET; THENCE NORTH 82°43'07" WEST 100 FEET, TO THE TRUE POINT OF BEGINNING. SAID PORTIONS OF MAIN STREET AND FIFTH HAVE BEEN VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON AUGUST 18, 1969, A CERTIFIED COPY OF SAID RESOLUTION BEING RECORDED SEPTEMBER 24, 1969 AS INSTRUMENT NO . 98016, OFFICIAL RECORDS. SAID LAND BEING A PORTION OF THE LAND AS SHOWN ON A RECORD OF SURVEY MAP ON FILE IN BOOK 61, PAGES 22 THROUGH 26, INCLUSIVE OF RECORDS OF SURVEYS, RIVERSIDE COUNTY RECORDS.

THOSE CERTAIN EASEMENTS, RIGHTS, AND RIGHTS OF WAY CONTAINED IN THAT CERTAIN GREEMENTAND GRANT OF EASEMENTS DATED JANUARY 23, 1970, EXECUTED BY AND BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF CORONA, A BODY POLITIC, PUBLIC AND CORPORATE, AND VASELS, A CALIFORNIA CORPORATION, AND NICHOLS VASELS, RECORD JANUARY 29, 1970 AS INSTRUMENT NO. 8882, OFFICIAL RECORDS.

PARCEL 11

ASSESSOR PARCEL NUMBER 117-151-021

THAT PORTION OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 8, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, SHOWN AS THAT PORTION OF PARCEL D-3 OF THE CORONA DOWNTOWN REDEVELOPMENT PROJECT, AS SHOWN ON THAT RECORD OF SURVEY RECORDED IN MAP BOOK 61 AT PAGE 22 OF THE OFFICIAL RECORDS OF THE RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: ALL OF PARCEL D-3 EXCEPTING THEREFROM THE NORTH 26.00 FEET AND THE SOUTH 30.00 FEET.

PARCEL 12

ASSESSOR PARCEL NUMBER: 117-151-002

THAT PORTION OF LOTS 9 THROUGH 12 IN BLOCK 156; THAT PORTION OF MAIN STREET LYING BETWEEN FOURTH STREET AND FIFTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016; AND THAT PORTION OF THE EAST-WEST ALLEY IN SAID BLOCK 156; AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON JULY 7, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED JULY 11, 1969 AS INSTRUMENT NO. 70713; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE ON FILE IN BOOK 9 PAGE 8 OF MAPS, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE CENTER LINE OF SAID MAIN STREET WHICH BEARS NORTH 07° 16' 53" EAST, 435 FEET FROM ITS INTERSECTION WITH THE CENTERLINE OF SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82° 43' 07" WEST, AT RIGHT ANGLES TO SAID CENTER LINE OF MAIN STREET, 10 FEET TO A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTER LINE OF MAIN STREET; THENCE NORTH 07° 16' 53" EAST, ALONG SAID PARALLEL LINE, 132 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH 07° 16' 53" EAST, ALONG SAID PARALLEL LINE, 100 FEET; THENCE SOUTH 82° 43' 07" EAST, 100 FEET; THENCE SOUTH 07° 16' 53" WEST, PARALLEL WITH SAID CENTER LINE OF MAIN STREET, 100 FEET; THENCE NORTH 82° 43' 07" WEST, 100 FEET TO THE TRUE POINT OF BEGINNING.

CORONA MALL SOUTH PROPERTIES

PARCEL 1

ASSESSOR PARCEL NUMBER 117-191-022

~~ALL THAT PORTION OF LOTS 1 AND 2 IN BLOCK 132, ALL THAT PORTION OF THE NORTH SOUTH ALLEY IN SAID BLOCK 132 AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON OCTOBER 3, 1970, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED OCTOBER 9, 1970 AS INSTRUMENT NO. 102199, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA AND ALL THAT PORTION OF SEVENTH STREET ADJOINING SAID BLOCK 132 AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON MAY 19, 1969 HAVING BEEN RECORDED MAY 26, 1969 AS INSTRUMENT NO. 51651, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA; DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF LOT 3 IN BLOCK 119 AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE, SAID CORNER BEING ON THE EASTERLY LINE OF SAID BLOCK 119; THENCE N. 07°17'08" E., ALONG THE EASTERLY LINE OF SAID BLOCK 119 AND THE NORTHERLY PROLONGATION OF SAID EASTERLY LINE, A DISTANCE OF 200.00 FEET; THENCE N. 82°42'52" W., A DISTANCE OF 70.00 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE N. 07°17'08" E., A DISTANCE OF 122.00 FEET; THENCE N. 82°42'52" W., A DISTANCE OF 80.00 FEET; THENCE S. 07°17'08" W., A DISTANCE OF 122.00 FEET TO A POINT WHICH BEARS N. 82°42'52" W., A DISTANCE OF 80.00 FEET FROM THE POINT OF BEGINNING. THENCE S. 82°42'52" E, A DISTANCE OF 80.00 FEET TO THE POINT OF BEGINNING.~~

PARCEL 2

ASSESSOR PARCEL NUMBER 117-191-021

~~ALL THAT PORTION OF LOTS 2 AND 3 IN BLOCK 132 AND ALL THAT PORTION OF THE NORTH SOUTH ALLEY IN SAID BLOCK 132, AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON OCTOBER 5, 1970, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED OCTOBER 9, 1970 AS INSTRUMENT NO. 102199; IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE ON FILE IN BOOK 9 OF MAPS AT PAGE 8 THEREOF, SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF LOT 3 IN BLOCK 119, AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE, SAID CORNER BEING ON THE EASTERLY LINE OF SAID BLOCK 119; THENCE NORTH 07° 17' 18" EAST ALONG THE EASTERLY LINE OF SAID BLOCK 119 AND THE NORTHERLY PROLONGATION OF SAID EASTERLY LINE 200 FEET; THENCE NORTH 82° 42' 52" WEST 70 FEET; THENCE NORTH 07° 17' 08" EAST 122 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE NORTH 82° 42' 52" WEST 80 FEET; THENCE NORTH 07° 17' 08" EAST 40 FEET; THENCE SOUTH 82° 42' 52" EAST 80 FEET; THENCE SOUTH 07° 17' 08" WEST 40 FEET TO THE POINT OF BEGINNING.~~

PARCEL 3

ASSESSOR PARCEL NUMBER 117-191-004

~~THAT PORTION OF LOTS 7, 8, 9, AND 10 IN BLOCK 132 AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 PAGE 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF MAIN STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE AND A LINE PARALLEL WITH AND 60.00 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF SIXTH STREET, AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE SOUTH 82° 43' 52" EAST, ALONG SAID~~

PARALLEL LINE, A DISTANCE OF 65.02 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE CONTINUING SOUTH 82° 43' 52" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 30.00 FEET; THENCE SOUTH 07° 16' 08" WEST, A DISTANCE OF 70.00 FEET; THENCE NORTH 82° 43' 52" WEST, PARALLEL WITH SAID CENTERLINE OF SIXTH STREET, A DISTANCE OF 30.00 FEET; THENCE NORTH 07° 16' 08" EAST, A DISTANCE OF 70.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 4

ASSESSOR PARCEL NUMBER 117-191-002

~~THAT PORTION OF MAIN STREET LYING BETWEEN SIXTH STREET AND SEVENTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF CORONA ON FEBRUARY 22, 1972, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED APRIL 6, 1972, AS INSTRUMENT NO. 44527, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE S. 82° 43' 52" E., ALONG SAID PARALLEL LINE, A DISTANCE OF 15.02 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED: THENCE CONTINUING S. 82° 43' 52" E., ALONG SAID PARALLEL LINE, A DISTANCE OF 25.00 FEET; THENCE S. 07° 16' 08" W., A DISTANCE OF 70.00 FEET; THENCE N. 82° 43' 52" W., PARALLEL WITH SAID CENTERLINE OF SIXTH STREET, A DISTANCE OF 25.00 FEET TO A POINT WHICH BEARS S. 07° 16' 08" W., A DISTANCE OF 70.00 FEET FROM THE POINT OF BEGINNING; THENCE N. 07° 16' 08" E., A DISTANCE OF 70.00 FEET TO THE POINT OF BEGINNING.~~

PARCEL 5

ASSESSOR PARCEL NUMBER 117-191-001

~~THAT PORTION OF MAIN STREET LYING BETWEEN SIXTH STREET AND SEVENTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON FEBRUARY 22, 1972, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED APRIL 6, 1972, AS INSTRUMENT NO. 44527, OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, AS SHOWN BY MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 PAGE 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: BEGINNING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE SOUTH 82° 43' 52" EAST, ALONG SAID PARALLEL LINE A DISTANCE OF 15.02 FEET; THENCE SOUTH 07° 16' 08" WEST, A DISTANCE OF 70.00 FEET; THENCE NORTH 82° 43' 52" WEST, PARALLEL WITH SAID CENTERLINE OF SIXTH STREET. A DISTANCE OF 25.00 FEET; THENCE NORTH 07° 16' 08" EAST, A DISTANCE OF 70.00 FEET TO SAID LINE PARALLEL WITH AND 60.00 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SIXTH STREET; THENCE SOUTH 82° 43' 52" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 9.98 FEET TO THE POINT OF BEGINNING.~~



Exhibit A - Corona Mall North Properties



| | | | | | |
|---|---------------------------------|---|---------------------------------|----|-------------------------------|
| 1 | 117-143-031 (422 Corona Mall) | 5 | 117-143-040 (518 S Main Street) | 9 | 117-151-005 (525 Corona Mall) |
| 2 | 117-143-032 (442 Corona Mall) | 6 | 117-151-007 (591 Corona Mall) | 10 | 117-151-004 (505 Corona Mall) |
| 3 | 117-143-038 (508 S Main Street) | 7 | 117-151-016 (579 Corona Mall) | 11 | 117-151-021 (415 Corona Mall) |
| 4 | 117-143-039 (514 S Main Street) | 8 | 117-151-015 (577 Corona Mall) | 12 | 117-151-002 (405 Corona Mall) |

Date 04/10/2015

Path: P:\arcgis\CoronaMall\REVISED\117-151-016\117-151-016.aprx

EXHIBIT "C"
TO OPTION AGREEMENT
OPTION MEMORANDUM

[SEE ATTACHED FIVE (5) PAGES]

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

[INSERT BUYER'S NAME
AND ADDRESS**]**

APN: 117-143-015
117-151-022

**MEMORANDUM
OF
OPTION TO PURCHASE AGREEMENT
(CITY PARKING LOTS OPTION PROPERTY – CORONA MALL)**

This Memorandum of Option to Purchase Agreement (“**Memorandum**”) is dated as of [**INSERT DATE**] between [**INSERT BUYER'S DEVELOPER'S NAME**], a [**INSERT STATE AND TYPE OF ENTITY**] (“**Developer**”) and THE CITY OF CORONA, a California municipal corporation (“**City**”).

RECITALS

WHEREAS, Developer and City have executed that certain Option to Purchase Agreement dated as of [***INSERT DATE***] (“**Option Agreement**”), concerning certain real property located in the County of Riverside, State of California, and more particularly described in **Exhibit “1”** attached hereto and incorporated herein by this reference that is described and depicted as the City Parking Lots Option Property in the Option Agreement (“**Option Property**”); and

WHEREAS, the Option Agreement is a public record available for inspection and copying during normal business hours in the office of the City Clerk of the City of Corona, whose address is 400 S. Vicentia Avenue, Corona, CA 92882; and

WHEREAS, Developer and City desire to record this Memorandum to provide notice of the Option Agreement in the Official Records of Riverside County, California;

NOW, THEREFORE, in consideration of the foregoing, Developer and City hereby declare as follows:

7.6. Grant of Option. City has granted to Developer, in accordance with the Option Agreement, the option to purchase the Option Property.

~~8.7. Option Term. The term of the Option Agreement begins on the Effective Date and ends at/terminates no later than 5:00 p.m. Pacific Time on the date that is one hundred twenty (120) months after the Effective Date June 5, 2028, as more particularly set forth therein.~~

~~9. Development Covenants; Power of Termination/Reversion. The Option Property. The Development Agreement shall contain at least the following provisions without revision or amendment unless approved by the City in its sole and absolute discretion:~~

~~3.1 contains various covenants, including without limitation a “Development Covenant.— If Developer exercises the Option pursuant to—” (in Section 3.69.1), an “Anti-Speculation Covenant” (Section 3.9.2), and an “Parking Covenant” (Section 3.9.3), which covenants are binding upon Developer for the periods of the Option Agreement, Developer shall diligently pursue development of the Project pursuant to the Schedule of Performance time and subject to the terms and conditions more particularly set forth in Exhibit “D” (Schedule of Performance) attached to the Option Agreement (“Development Covenant”). The City’s City Manager shall have the authority to approve adjustments, deemed by the City Manager to be reasonable, to the schedule set forth in the Development Covenant.—~~

~~3.2 Anti-Speculation.—~~

~~3.2.1 Anti-Speculation Covenant. Developer shall not transfer, assign or sell any portion of the Option Property without the prior consent or approval of the City, which consent shall not be unreasonably withheld (“Anti-Speculation Covenant”), for a period commencing on the Close of Escrow and ending on the date that is one hundred twenty (120) months later (“Anti-Speculation Period”).—~~

~~3.2.2 Notice.— In the event Developer desires to transfer, assign or sell any portion of the Option Property during the Anti-Speculation Period, Developer shall provide written notice to the City at least ninety (90) days prior to Developer’s intended date of transfer, assignment or sale. The notice shall specify the name(s) of the intended transferee(s), assignee(s) or purchaser(s) and the purchase price for the property being transferred, assigned or sold. In the event that the City consents to Developer’s requested transfer, assignment or sale, any amounts due under the promissory note described in Section 3.8.3 of the Option Agreement shall be immediately due and payable.—~~

~~3.3 Parking Covenant. Developer acknowledges and agrees that assessments are imposed and collected through a Business Improvement District (“BID”) for the purpose of maintaining parking lots, sidewalks and landscape improvements in an area that includes the Option Property. The BID expires on June 30, 2020 (“BID Expiration Date”). Developer acknowledges and agrees that development or use of the Option Property for any purpose other than parking and vehicular and pedestrian ingress and egress is subject to and expressly contingent upon Developer providing sufficient parking, as required by the Corona Municipal Code and/or other applicable laws, rules or regulations, and pathways for reasonable and direct vehicular and pedestrian access similar to that which exists as of the Effective Date to serve the parcels that are included within and are subject to the assessments imposed by the BID (“BID Parcels”). Sufficient parking for the BID Parcels may be provided through a variety of methods subject to and contingent upon the discretionary land use and police power authority of the City, including, without limitation, reconfiguring current parking fields on the Option Property, development of a parking structure on the Option Property and/or the Authority Mall Property, approval of an urban parking standard, or a combination of the foregoing and/or other options. Developer further acknowledges and agrees to allow public access to and use of the Option Property for the benefit of the BID Parcels. In furtherance thereof, Developer shall not~~

~~deny, prevent, hinder or obstruct reasonable and direct public access to each of the BID Parcels and use of the Option Property at any time prior to the BID Expiration Date for any reason, or at any time thereafter if in violation of the Corona Municipal Code and/or other applicable laws, rules or regulations. Developer acknowledges and agrees that parking on the Option Property is provided free of charge on a first come, first serve basis, notwithstanding the fact that there is no reciprocal parking agreement, easement or similar documentation regulating such parking, and that the availability of such parking free of charge on a first come, first serve basis shall be maintained. Developer acknowledges and agrees that from and after the BID Expiration Date or the Close of Escrow, whichever occurs first, maintenance of the Option Property shall be the sole responsibility of Developer. The obligations and limitations set forth in this Section 3.3 shall be collectively referred to as the “Parking Covenant” and shall survive expiration or termination of the Option Agreement. The record owners of the BID Parcels, individually and collectively, shall be third party beneficiaries of the Parking Covenant. Developer acknowledges and agrees that from and after the Close of Escrow, maintenance of the Option Property shall be the sole responsibility of Developer. The obligations and limitations set forth in this Section 3.3 shall be collectively referred to as the “Parking Covenant” and shall survive expiration or termination of the Option Agreement. The record owners of the BID Parcels, individually and collectively, shall be third party beneficiaries of the Parking Covenant.~~

~~3.78. City’s Reversionary Interest in the Option Property therein. In the event Developer fails to fully and timely satisfy the Development Covenant and/or breaches or violates the Anti-Speculation Covenant or the Parking Covenant, the Option Property will revert to the City solely upon payment to Developer of the Purchase Price without interest; provided that if the promissory note (described in Section 3.8.3 of the Option Agreement) remains outstanding, the Option Property will revert to the City solely upon release of the promissory note with any and all interest payments that the Developer has paid to the City under the promissory note being forfeited to and retained by the City (the sum of One Dollar [\$1]), without interest. Reference is hereby made to the Option Agreement for particulars.~~

~~10. Developer shall not assign the Option Agreement or any right or obligation therein, without the prior consent or approval of City, which consent may be given or withheld in City’s sole discretion.~~

~~11.9. This Memorandum is prepared for the purpose of providing record notice of the option and shall not alter or affect in any way the rights and obligations of Developer or City under the Option Agreement. In the event of any inconsistency between this Memorandum and the Option Agreement, the terms of the Option Agreement shall control.~~

~~12.10. The meaning of defined terms, indicated by initial capitalization, used in this Memorandum shall be the same as the meaning ascribed to such terms in the Option Agreement.~~

Developer and City have signed this Memorandum by and through the signatures of their authorized representatives, as set forth below.

[SIGNATURES ON FOLLOWING 2 PAGES]

SIGNATURE PAGE

**MEMORANDUM
OF
OPTION TO PURCHASE AGREEMENT
(CITY PARKING LOTS OPTION PROPERTY – CORONA MALL)**

CITY:

CITY OF CORONA, a California municipal corporation

By: _____
Mitchell Lansdell, Acting City Manager

Attest:

By: _____
Sylvia Edwards, City Clerk

DEVELOPER:

****INSERT DEVELOPER'S NAME AND TYPE OF ENTITY****

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

[SIGNATURE(S) MUST BE NOTARY ACKNOWLEDGED]

**EXHIBIT 1
TO
MEMORANDUM OF
OPTION AGREEMENT**

OPTION PROPERTY LEGAL DESCRIPTION

TO BE ATTACHED PRIOR TO RECORDATION

EXHIBIT “D”

TO OPTION AGREEMENT

SCHEDULE OF PERFORMANCE

| ITEM | MILESTONE | RESPONSIBLE PARTY | COMPLIANCE DATE(S) | ESTIMATED TIMELINE |
|------|---|--------------------|---|--------------------|
| 1 | Effective Date of City Parking Lots Option Property DDA Agreement | City and Developer | Within 14 days following approval by City Council <u>and subject to satisfaction of conditions set forth in Section 3.1.8 of Option Agreement</u> | TBD |
| 2 | Open Opening of Escrow | City and Developer | Within 14 days following execution of the DDA Development Agreement by parties | TBD |
| 3 | Close of Escrow | City and Developer | 45 Days after open of Escrow | TBD |
| 4 | <u>Submittal of</u> Preliminary Project design and submittal to the City Infrastructure Committee <u>for portion of Project to be constructed on City Parking Lots Option Property</u> (substantially consistent with the conceptual master plan prepared pursuant to Exhibit “K” to the Disposition and Development Agreement with LAB Holding LLC (Corona Mall Property)) | Developer | 180 days following Close of Escrow | TBD |
| 5 | Submittal of Precise Plan application for the Project to Community Development <u>for portion of Project to be constructed on City Parking Lots Option Property</u> (consistent with Project design approved by Infrastructure Committee) | Developer | Within 90 days following <u>approval by</u> Infrastructure Committee | TBD |
| 6 | Planning Commission Review and City Council action on Precise Plan application. | City and Developer | Within 65 days after submittal of PP application | TBD |
| 7 | Public Works, Planning, & Building review of construction documents. | City and Developer | Within 60 days of PC/CC approval of PP application | TBD |
| 8 | Obtain building permits for construction of <u>portion of Project to be constructed on City Parking Lots Option Property.</u> | Developer | Within 18 Months following Close of Escrow | TBD |

| | | | | |
|----|---|-----------|--|-----|
| 9 | Commence and diligently pursue construction of the portion of Project in accordance to <u>be constructed on City Parking Lots Option Property (consistent with approved construction documents-).</u> | Developer | Within 24 months following Close of Escrow | TBD |
| 10 | Complete construction of the portion of Project <u>to be constructed on City Parking Lots Option Property (consistent with approved construction documents)</u> | Developer | Within 30 Months of approval of construction documents | TBD |

**EXHIBIT “E”
TO OPTION AGREEMENT
PRIVATELY OWNED PROPERTY**

| Address | APN | Acreage |
|---------|-----|---------|
|---------|-----|---------|

| | | |
|--------------------|-------------|------|
| 402 Corona Mall | 117-143-033 | 0.14 |
| 400 S. Ramona Ave. | 117-151-023 | 0.50 |
| 425 Corona Mall | 117-151-019 | 0.06 |
| 462 Corona Mall | 117-143-017 | 0.11 |
| 474 Corona Mall | 117-151-020 | 0.06 |
| 482 Corona Mall | 117-143-018 | 0.09 |
| 487 Corona Mall | 117-151-003 | 0.03 |
| 131 Corona Mall | 117-151-018 | 0.03 |
| 141 Corona Mall | 117-143-009 | 0.01 |
| 496 Corona Mall | 117-143-036 | 0.06 |
| 500 Corona Mall | 117-143-037 | 0.20 |
| 555 Corona Mall | 117-151-006 | 0.06 |
| 113 E. Sixth St. | 117-143-002 | 0.05 |
| 580 Corona Mall | 117-143-024 | 0.05 |
| 588 Corona Mall | 117-143-025 | 0.05 |

**EXHIBIT O-1 TO FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT
AGREEMENT**

**CITY OF CORONA
LICENSE AGREEMENT
FOR USE OF CITY FACILITIES (UCFLA)**

(INSERT NAME OF CUSTOMER**)
(CITY OPTION PROPERTY – CORONA MALL)**

1. PARTIES AND DATE.

This License Agreement for Use of City Facilities (“**Agreement**”) is entered into this **INSERT DAY** day of **INSERT MONTH**, **INSERT YEAR** (“**Effective Date**”), by and between the City of Corona, a municipal corporation organized under the laws of the State of California with its principal place of business at 400 South Vicentia Avenue, Corona, California 92882 (“**City**”), and **INSERT NAME**, a **INSERT TYPE OF ENTITY - CORPORATION, PARTNERSHIP, SOLE PROPRIETORSHIP, INDIVIDUAL OR OTHER LEGAL ENTITY** with its principal place of business at **INSERT ADDRESS** (“**Customer**”). City and Customer are sometimes individually referred to as “Party” and collectively as “Parties” in this Agreement.

2. RECITALS.

2.1 Development Agreement. City, the City of Corona Housing Authority (“**Housing Authority**”) and Customer and/or Customer’s predecessor in interest have previously entered into that certain Disposition and Development Agreement with Lab Holding LLC (Corona Mall Property) dated **INSERT DATE** as of May 17, 2017, as amended by that certain First Amendment to Disposition and Development Agreement dated as of May 15, 2019 (“**Development Agreement**”) for the acquisition and development by Lab Holding LLC of certain real property owned by the Housing Authority generally located at the northeast corner of South Main Street and East Sixth Street and the southwest corner of East Sixth Street and South Ramona Avenue in the City of Corona.

2.2 City Facilities. As part of the Development Agreement, Customer and/or Customer’s predecessor in interest also acquired, subject to the satisfaction of certain conditions precedent as set forth in the Development Agreement, an option to purchase certain real property owned by the City generally located at the northeast corner of South Main Street and East Sixth Street, Corona, County of Riverside, California (Assessor Parcel Numbers 117-143-015, 117-143-026, 117-143-030, 117-143-034, 117-143-035, 117-151-012, 117-151-013, 117-151-014, and 117-151-022) in the City of Corona, California, identified as the City Option Property in the Development Agreement (“**City Option Property**”). The City Option Property consists of approximately 5.56 acres (242,194 square feet) that is currently used for parking and vehicular ingress/egress purposes (“**City Parking Lots**”), as depicted in **Exhibit “A”** attached to this Agreement and incorporated herein by this reference, and approximately 1.13 acres (49,223 square feet) that is currently used for common area and pedestrian walkway purposes (“**City Common Areas**”), as depicted in **Exhibit “B”** attached to this Agreement and incorporated herein by this reference.

2.3 Events and Operations. Customer desires to use the City Option Property for a period of time prior to exercising either the option to acquire the City Common Areas or the option to acquire the City Parking Lots granted in the Development Agreement for the purposes of conducting special events, other programmed commercial, community events to promote economic development in the retail establishments surrounding the City Option Property (singularly an “Event” and collectively “Events”). The date(s) and time(s) of the Event are subject to change pursuant to the mutual agreement of the Parties, and the Events shall also be subject to all terms and conditions of this Agreement and all applicable laws, rules and regulations, including, but not limited to, any special event permit, special use permit or other permit required by the Corona Municipal Code.

2.4 License. City is willing to allow Customer to use the City Option Property pursuant to the terms and conditions set forth in this Agreement.

3. TERMS.

~~1.~~ 3.1 City Option Property. City agrees to allow Customer the non-exclusive use of the City Option Property pursuant to this Agreement. The City Option Property is subject to the needs of the City and, as such, Customer’s use of City Option Property may be cancelled by the City at any time upon thirty (30) days written notice to Customer. In the event City determines, in its sole and absolute discretion, that the City Option Property is needed for any City purposes, Customer shall immediately vacate the City Option Property upon notice by City. In addition to the foregoing, City reserves the exclusive right to use the City Parking Lots every Saturday from 6:00 a.m. to 3:00 p.m.

~~2.~~ 3.2 Customer Responsibility for Personnel and Invitees. Customer shall be responsible for the use of the City Option Property by Customer and its owners, officers, successors, assigns, employees, agents, attendees, participants, guests, invitees, customers and others who enter the City Option Property on behalf of or in connection with Customer’s presence or activities under this Agreement (“**Customer’s Personnel and Invitees**”). The City retains the discretion to terminate this Agreement and require Customer and Customer’s Personnel and Invitees to immediately vacate the City Option Property if an Event or anyone’s participation in an Event poses any kind of threat or liability to the City, the public, or anyone else. Customer’s Personnel and Invitees are at all times employees, agents and contractors of Customer and shall not be considered an employee or agent of City for any purpose related to the Events.

3.3 Parking Covenant. Customer acknowledges and agrees that assessments are imposed and collected through the Corona Mall Business Improvement District, established pursuant to the Property and Business Improvement District Law of 1994 (Streets & Highways Code §§36600 *et seq.*) (“**BID**”) for the purpose of maintaining parking lots, sidewalks and landscape improvements on the City Option Property. The BID expires on June 30, 2020 (“**BID Expiration Date**”). Customer acknowledges and agrees that development or use of the City Parking Lots for any purpose other than parking and vehicular or pedestrian ingress and egress is subject to and expressly contingent upon Customer’s ability to provide sufficient parking, as required by the Corona Municipal Code and/or other applicable laws, rules or regulations, and pathways for reasonable and direct vehicular and pedestrian access similar to that which exists as of the Effective Date to serve the parcels that are included within and are subject to the assessments imposed by the BID (“**BID Parcels**”). In furtherance thereof, Customer shall not, for any reason, deny, prevent, hinder or obstruct reasonable and direct public access to each of the BID Parcels and use of the City Option Property at any time prior to the BID Expiration Date, or at any time thereafter if in violation of the Corona Municipal Code and/or other applicable laws, rules or regulations. Customer acknowledges and agrees that parking on the City Option Property is provided free of charge on a first-come, first-serve basis,

notwithstanding the fact that there is no reciprocal parking agreement, easement or similar documentation regulating such parking, and that the availability of such parking free of charge on a first-come, first-serve basis shall be maintained during the Term of this Agreement. From and after the BID Expiration Date or the close of escrow for Customer's acquisition of the City Parking Lots, whichever occurs first, maintenance of the City Parking Lots shall be the sole responsibility of Customer.

3.4 Access Covenant. Customer acknowledges and agrees that development or use of the City Common Areas for any purpose other than common area walkways and pedestrian ingress and egress is subject to and expressly contingent upon Customer's ability to provide sufficient pathways for reasonable and direct pedestrian access similar to that which exists as of the Effective Date to serve the BID Parcels. Customer further acknowledges and agrees to allow public access to and use of the City Common Areas for the benefit of the BID Parcels. In furtherance thereof, Customer shall not, for any reason, deny, prevent, hinder or obstruct reasonable and direct public access to each of the BID Parcels and use of the City Common Areas at any time prior to the BID Expiration Date, or at any time thereafter if in violation of the Corona Municipal Code and/or other applicable laws, rules or regulations. Customer acknowledges and agrees that from and after the BID Expiration Date or the close of escrow for Customer's acquisition of the City Common Areas, whichever occurs first, maintenance of the City Common Areas shall be the sole responsibility of Customer.-

~~3.~~ 3.5 Release of Liability. In consideration of City's agreement to allow Customer to use the City Option Property, Customer, on behalf of itself and Customer's Personnel and Invitees, hereby releases and forever discharges the City and each of its officials, officers, employees, contractors, agents, volunteers, successors and assigns from any and all known and unknown, certain or contingent, past, present or future obligations, liabilities, demands, claims, costs, expenses, debts, controversies, damages, actions, and causes of action of every nature, character, or description which they may have against the City, arising from or in any way related to the Events, use of City Option Property or this Agreement.

CUSTOMER HEREBY ACKNOWLEDGES THAT IT HAS READ AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542 ("SECTION 1542"), WHICH IS SET FORTH BELOW:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

BY INITIALING BELOW, CUSTOMER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 IN CONNECTION WITH THE RELEASED MATTERS.

Initials of Customer Representative

4. 3.6 Indemnification. To the fullest extent permitted by law, Customer shall **indemnify**, defend and hold harmless City, its officials, officers, employees, contractors, agents, volunteers, successors and assigns from and against any and all claims, damages, demands, liability, costs, losses, injuries and expenses, including, without limitation, court costs and reasonable attorneys' fees and costs, in any manner arising out of or incident to any acts, omissions or willful conduct of Customer or Customer's Personnel and Invitees related to this Agreement, including without limitation any actions or inactions in any way related to the use of the City Option Property or participation in the Events, whether or not while using City equipment, supplies and apparatus.

~~5.~~ 3.7 Insurance. Customer shall, at its sole expense, procure and maintain for the duration of its obligations under this **Agreement insurance** against claims for injuries to persons or damages to property which may arise from or be in connection with the City Option Property and the Events or activities conducted by Customer and/or Customer's Personnel and Invitees. The **insurance** shall take the form of a commercial general liability policy, to include bodily injury, personal injury, and property damage coverage, written on an occurrence basis with a company reasonably acceptable to the City, in an amount not less than Two Million Dollars (\$2,000,000) to cover any activities performed by any person under the permission granted herein and any damage or loss suffered or incurred by the City, its elected officials, officers, employees, contractors, agents, and volunteers resulting from such activity. Customer shall maintain workers compensation and employer's liability **insurance** coverage in the statutorily required amounts, if applicable. Customer shall require its insurer to waive all rights of subrogation against City, its elected officials, officers, employees, contractors, agents, and volunteers, except for any liability resulting from the willful misconduct or grossly negligent acts of City. Customer will provide evidence of such insurance coverage to City's satisfaction prior to any Event. At City's request, Customer shall cause all such policies to be endorsed to add the City, its elected officials, officers, employees, contractors, agents, and volunteers as Additional Insureds.

3.8 City Policies; Laws and Regulations. Customer shall comply with any City written policies related to the City Option Property, as well as any other safety requirements and instructions given to Customer by City personnel. Customer shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Events, including all Cal/OSHA requirements, and shall give all notices required by law. Customer shall be liable for all violations of such laws and regulations in connection with this Agreement.

3.9 Governmental Approvals. Customer shall obtain, at Customer's sole cost and expense, any and all necessary and applicable federal, state and local approvals, certifications, and permits, including, but not limited to, any special event permit, special use permit or other permit required by the Corona Municipal Code, to conduct each and every Event prior to use of City Option Property for such Event. City reserves the right to require Customer to provide proof regarding these approvals, certifications, and permits.

~~6.~~ 3.10 Term of Agreement. This Agreement shall be in effect as of the Effective Date and shall continue until such time that the Development Agreement expires or terminates or until such time that Customer acquires fee title to some or all of the City Option Property, whichever occurs first ("**Term**"), provided that City may terminate this Agreement at any time for any or no reason. To the extent that Customer acquires fee title to the City Common Areas, this Agreement shall continue to apply to the City Parking Lots. To the extent that Customer acquires fee title to the City Parking Lots, this Agreement shall continue to apply to the City Common Areas.

3.11 Notices. Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this Agreement to be served on or given to either party to this Agreement shall be in writing and shall be deemed duly served or given when personally delivered to the party to whom it is directed or to any managing or executive officer or director of that party in lieu of personal service when deposited in the United States mail, first class postage prepaid, addressed as follows:

Customer:

INSERT COMPANY NAME

INSERT ADDRESS

INSERT ADDRESS

Attn: [INSERT CONTACT NAME***]

City:

City of Corona
400 S. Vicentia Avenue
Corona, CA 92882
Attn: Darrell Talbert, City Manager

~~7.~~

~~8.~~ 3.12 Survival. Customer's obligations to release, indemnify, defend, and hold harmless the City as set forth in Section 3.4 of this Agreement shall survive expiration or termination of the term of this Agreement and shall remain in effect until there is no risk to the City of liability for any claims or losses due to the use of the City Option Property for the Event.

~~9.~~ 3.13 Interpretation. The provisions of this Agreement are intended by the parties to be interpreted and construed to provide the fullest protection possible under the law to the City.

~~10.~~ 3.14 Selection of Counsel. Customer's obligation to indemnify the City under this Agreement shall include the obligation of Customer to defend City with legal counsel of City's own choosing. In the event City elects not to select such counsel, the designation of such counsel shall be made by Customer but shall be subject to prior approval by City.

~~11.~~ 3.15 Attorneys' Fees and Costs. In the event that any action or proceeding is commenced between the City and Customer to enforce or interpret any term of this Agreement, the prevailing party in such action or proceeding, in addition to all other relief to which it may be entitled, shall be entitled to recover from the other party the prevailing party's costs of suit and reasonable attorneys' fees and costs. The attorneys' fees and costs recoverable pursuant to this section include, without limitation, attorneys' fees and costs incurred on appeal and those incurred in enforcing any judgment rendered. Attorneys' fees and costs may be recovered as an element of costs in the underlying action or proceeding or in a separate recovery action.

~~12.~~ 3.16 Entire Agreement. This written document contains the entire agreement of the parties and supersedes any prior oral or written statements or agreements between the parties. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing by the parties.

~~13.~~ 3.17 Waiver and Severability. No waiver of any default shall constitute a waiver of any other breach or default, whether of the same or of any other covenant or condition. No waiver, benefit, privilege or service voluntarily given or performed by either party shall give the other party any contractual right by custom, estoppel or otherwise. If any provision of this Agreement is invalid or unenforceable with respect to any party, the remainder of this Agreement or the application of such provision to persons other than those as to whom it is held invalid or unenforceable, shall not be affected and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

~~14.~~ 3.18 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument.

~~15.~~ 3.19 Authority; Binding on Successors and Assigns. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and **authority** to **enter** into this Agreement and bind each respective party. This Agreement shall be binding on and inure to the benefit of the successors and permitted assignees of the respective parties. ~~Notwithstanding the foregoing, Customer's rights and obligations set forth in this Agreement may~~shall be transferred and assigned to any transferee or assignee acquiring Customer's rights and obligations in and to the City Option Property pursuant to Section 3.8.2 of the Development Agreement and such transfer and assignment shall be expressly memorialized in the assignment and assumption agreement referred to therein. Otherwise, this Agreement shall not be transferred or assigned by Customer unless City consents in writing to such assignment in City's sole and absolute discretion.

~~16.~~ 3.20 Governing Law and Venue. This Agreement shall be governed by the laws of the State of California. Any action to interpret or enforce this Agreement shall be brought and maintained exclusively in the courts of and for Riverside County, California.

[SIGNATURES ON NEXT TWO (2) PAGES]

CITY'S SIGNATURE PAGE FOR
CITY OF CORONA
LICENSE AGREEMENT
FOR USE OF CITY FACILITIES
(INSERT NAME OF CUSTOMER**)**
(CITY OPTION PROPERTY – CORONA MALL)

CITY OF CORONA,
a California municipal corporation

By: _____
Mitchell Lansdell, Acting City Manager

May __, 2019

Attest:

By: _____
Sylvia Edwards, City Clerk

Approved as to Form:

Dean Derleth
City Attorney

LICENSEE’S SIGNATURE PAGE FOR
CITY OF CORONA
LICENSE AGREEMENT
FOR USE OF CITY FACILITIES
(INSERT NAME OF CUSTOMER**)**
(CITY OPTION PROPERTY – CORONA MALL)

****INSERT NAME OF CUSTOMER****
a ****INSERT TYPE OF ENTITY****

By: _____
Signature

Name (Print)

Title (Print)

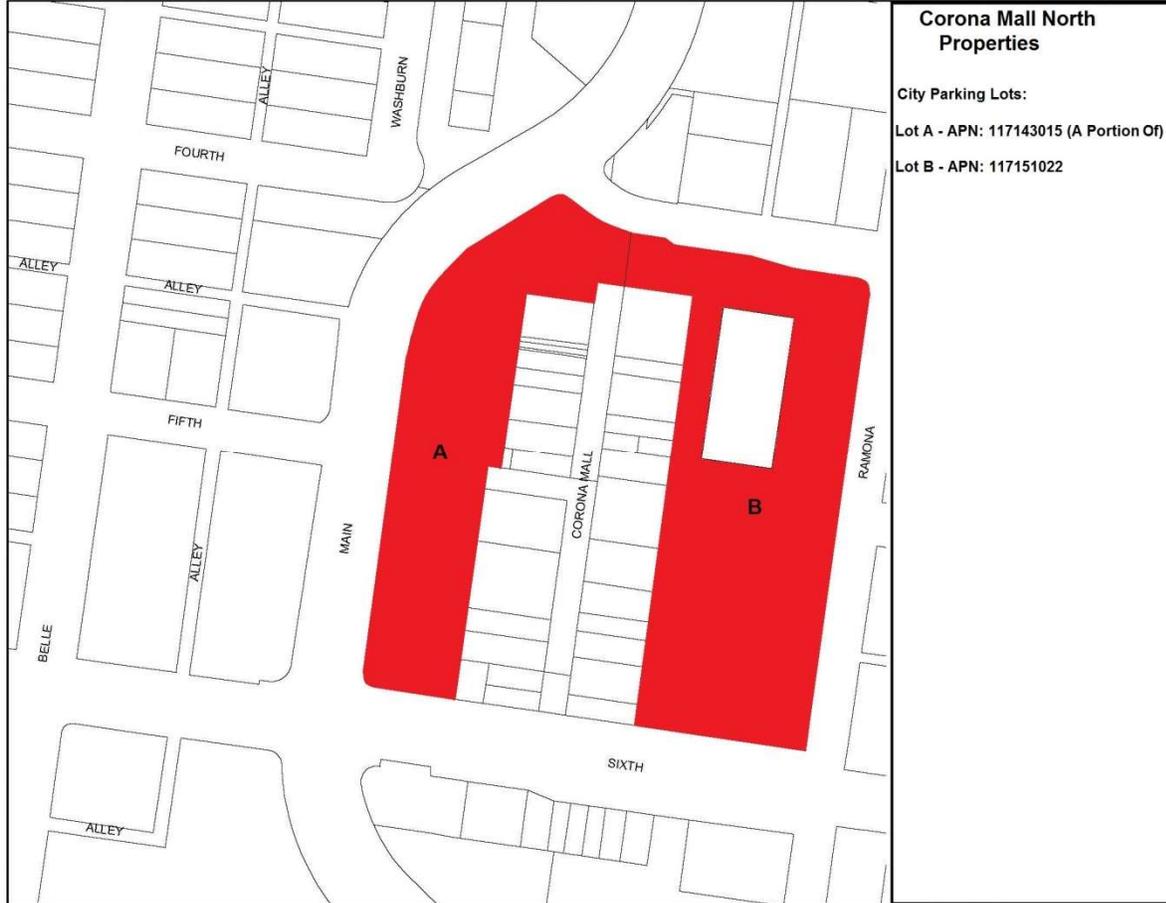
By: _____
Signature

Name (Print)

Title (Print)

EXHIBIT "A"

DEPICTION OF CITY PARKING LOTS





**Corona Mall North
Properties**

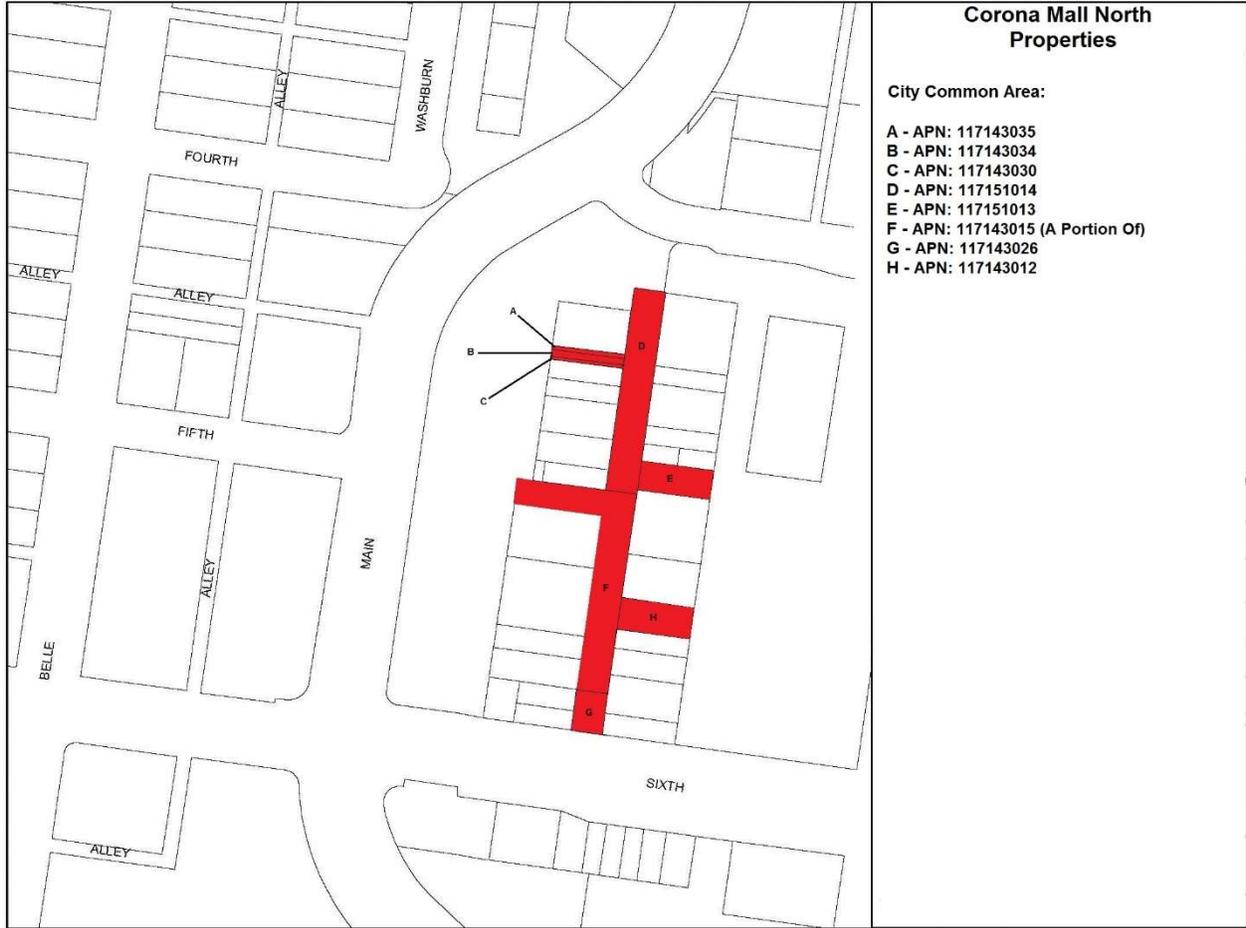
City Parking Lots:

Lot A - APN: 117143015 (A Portion Of)

Lot B - APN: 117151022

EXHIBIT "B"

DEPICTION OF CITY COMMON AREAS





**Corona Mall North
Properties**

City Common Area:

- A - APN: 117143035
- B - APN: 117143034
- C - APN: 117143030
- D - APN: 117151014
- E - APN: 117151013
- F - APN: 117143015 (A Portion Of)
- G - APN: 117143026
- H - APN: 117143012

CORONA HOUSING AUTHORITY AND CITY OF CORONA

FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT WITH LAB HOLDING, LLC (CORONA MALL PROPERTY)

This First Amendment to Disposition and Development Agreement (the “**First Amendment**”) is dated for reference purposes as of the 15th day of May, 2019, and is being entered into by and among LAB HOLDING, LLC, a California limited liability company (“**Developer**”), the CITY OF CORONA, a California municipal corporation (“**City**”), and the CITY OF CORONA HOUSING AUTHORITY, a public body, corporate and politic (“**Authority**”). Developer, City, and Authority are sometimes individually referred to herein as “**Party**” and collectively as “**Parties**” throughout this First Amendment.

RECITALS:

A. The Parties previously entered into that certain Disposition and Development Agreement dated as of May 17, 2017 (the “**Original Agreement**”).

B. Developer is a holding company and not a development entity. Developer is solely owned and controlled by Shaheen Sadeghi and Linda Sadeghi. In order to implement the Project, Developer desires to have the right to transfer and assign all or a portion of its rights and obligations set forth in the Original Agreement and all or a portion of its right, title, and interest in the Authority Mall Property and the City Option Property to a single purpose entity or entities in which Shaheen Sadeghi will own and maintain not less than a 50.1% interest. In this regard, Mr. Sadeghi has previously caused to be formed a single purpose entity named Corona Arts District LLC, a California limited liability company, which is 100% owned by Mr. Sadeghi.

C. Based upon the foregoing, and in order to enable Developer to accomplish the objectives of the Original Agreement, the Parties desire to enter into this First Amendment to modify the provisions of the Original Agreement relating to Developer’s right to transfer and assign its right, title, and interest in the Original Agreement, the Authority Mall Property, and the City Option Property, all as set forth herein.

AGREEMENT

Based upon the foregoing Recitals, which are incorporated into this First Amendment by reference, and for good and valuable consideration, the receipt and sufficiency of which is acknowledged by all Parties, the Parties hereby agree to modify the Original Agreement as follows:

1. **Effective Date of First Amendment.** This First Amendment shall be effective as of the date, following all legally required notices and hearings, that this First Amendment has been approved by City’s and Authority’s governing body or its delegated representative and signed by all Parties.

2. **Defined Terms.** All references in the Original Agreement to the Authority North Mall Property Promissory Note (Exhibit E to the Original Agreement), the Authority North Mall Property Deed of Trust (Exhibit F to the Original Agreement), the Authority South Mall Property Promissory Note (Exhibit G to the Original Agreement), the Authority South Mall Property Deed of Trust (Exhibit H to the Original Agreement), the City Common Areas Option Agreement (Exhibit K to the Original Agreement), the City Parking Lots Option Agreement (Exhibit L to the Original Agreement), and the City Option Property License Agreement (Exhibit O to the Original Agreement) shall be deemed to refer to such promissory notes, deeds of trust, and agreements as the same are modified pursuant to this First Amendment. Otherwise, and except as may be expressly set forth in this First Amendment to the contrary, the defined terms in this First Amendment shall have the same meanings ascribed to said terms in the Original Agreement.

3. **Modification of Recitals.** Section 2 of the Original Agreement, entitled “Recitals” is hereby amended to add subsection 2.11 to read in its entirety as follows:

“2.11 Developer. All references to “Developer” in this Agreement, shall be deemed to refer to the original Developer (LAB Holding, LLC) and any authorized (and, if applicable, approved) successor in interest to the original Developer that acquires its interest consistent with Section 3.8.2.”

4. **Modification of Anti-Speculation Covenants.** Section 3.8.2 of the Original Agreement, entitled “Anti-Speculation Covenants,” is hereby amended to read in its entirety as follows:

“3.8.2 Anti-Speculation Covenants.

3.8.2.1 Anti-Speculation Covenant. Except as set forth in Section 3.8.2.2 below, Developer shall not transfer, assign, or sell any of its rights or obligations set forth in this Agreement, any portion of the Authority Mall Property, or any portion of the City Option Property without the prior written consent or approval of Authority or City, as applicable, (collectively, the “**Anti-Speculation Covenant**”), for the following periods of time:

(A) for the Authority Mall Property, until June 5, 2028 (120 months after the Closing Date for the Authority Mall Property);

(B) for the City Parking Lots, until the earlier of:

(i) the date that Developer’s right to acquire the City Parking Lots pursuant to the City Parking Lots Option Agreement expires or terminates, if Developer has not exercised the option to acquire the City Parking Lots; or

(ii) if Developer exercises the option and acquires the City Parking Lots pursuant to the City Parking Lots Option Agreement, until June 5, 2028 (120 months after the Closing Date for the Authority Mall Property);

(C) for the City Common Areas, until the earlier of:

(i) the date that Developer’s right to acquire the City Common Areas pursuant to the City Common Areas Option Agreement expires or terminates, if Developer has not exercised the option to acquire the City Parking Lots; or

(ii) if Developer exercises the option and acquires the City Common Areas pursuant to the City Common Areas Option Agreement, until June 5, 2028 (120 months after the Closing Date for the Authority Mall Property); and

(D) for any rights and obligations arising under this Agreement not specifically related to the Authority Mall Property or City Option Property, upon the date such rights and obligations are fully performed or otherwise terminate or expire, as applicable (collectively, the “**Anti-Speculation Period**”).

There shall be no restriction on Developer’s right to transfer, assign, or sell any of its rights or obligations set forth in this Agreement or any portion of the Authority Mall Property and the City Option Property, if applicable, after the termination or expiration of the applicable Anti-Speculation Period. Any transfer or assignment occurring during the Anti-Speculation Period in violation of the Anti-Speculation Covenant set forth in this Section 3.8.2 shall be null and void and shall be subject to the City’s and the Authority’s remedies set forth in Section 3.9.

3.8.2.2 Pre-Approved Transfers. Notwithstanding Section 3.8.2.1, during the Anti-Speculation Period, Developer shall have the right to transfer, assign, or sell all or any portion of its rights and obligations set forth in this Agreement and/or Developer’s right, title, and interest in and to all or a portion of the Authority Mall Property and/or the City Option Property, if applicable, only as provided in the following clauses (A)-(H), inclusive (each, a “**Pre-Approved Transfer**”) and, except to the limited extent set forth in Section 3.8.2.3 below, the same shall not require Authority or City approval:

(A) as to the Authority North Mall Property, a transfer, assignment, or sale of fee title to Corona Arts District LLC, a California limited liability company, or any other single entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest (herein, the “**Authority North Mall Property Pre-Approved Transferee**”), and provided that all of the following conditions are satisfied, as applicable:

(i) a single Authority North Mall Property Pre-Approved Transferee shall hold and maintain fee title to the entire Authority North Mall Property during the Anti-Speculation Period;

(ii) concurrent with the Authority North Mall Property Pre-Approved Transferee’s acquisition of the Authority North Mall Property, all of Developer’s rights and obligations concerning the option to acquire the City Option Property and all of Developer’s rights and obligations set forth in the City Option Property License Agreement shall be transferred and assigned to the Authority North Mall Property Pre-Approved Transferee as well; and

(iii) from and after the Authority North Mall Property Pre-Approved Transferee's acquisition of the City Parking Lots pursuant to the City Parking Lots Option Agreement and/or the City Common Areas pursuant to the City Common Areas Option Agreement, as applicable, the same Authority North Mall Property Pre-Approved Transferee that holds fee title to the entire Authority North Mall Property, shall similarly hold and maintain fee title to the City Parking Lots and/or City Common Areas, as applicable, as well;

(B) as to the Authority South Mall Property, a transfer, assignment, or sale of fee title to one or a combination of Corona Arts District LLC, a California limited liability company, or any other entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest (herein, the **“Authority South Mall Property Pre-Approved Transferee”**);

(C) a conveyance of a security interest in connection with any Senior Loan, as defined in the Authority North Mall Property Deed of Trust and/or the Authority South Mall Property Deed of Trust;

(D) a transfer resulting from a foreclosure or conveyance of a deed in lieu of foreclosure by the holder of a Senior Loan, as described in clause (C) above (a **“Holder”**), and any subsequent conveyance by the Holder to a subsequent purchaser for value;

(E) a transfer or assignment in trust by Developer for the benefit of immediate family members of Shaheen Sadeghi, provided that Mr. Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest in said trust, and with the understanding that such a qualifying trust shall qualify as an Authority North Mall Property Pre-Approved Transferee or Authority South Mall Property Pre-Approved Transferee, as applicable;

(F) dedications of portions of the Authority Mall Property and/or the City Option Property to a public agency or utility company consistent with the Project;

(G) recordation of a reciprocal easement agreement, covenants, conditions, and restrictions (CC&Rs), or similar conveyances consistent with the provisions set forth in Section 3.10.9 of this Agreement, including amendments thereto; and

(H) lease of commercial spaces within the Authority Mall Property to tenants consistent with the applicable City land use regulations governing their uses, provided that fee title of the underlying land subject to each such lease is held by the original Developer, an Authority North Mall Property Pre-Approved Transferee, or an Authority South Mall Property Pre-Approved Transferee, as applicable, or by an **“Approved Discretionary Transferee”** (as that term is defined in Section 3.8.2.4 below).

Any proposed transfer, assignment, or sale of all or any portion of Developer's rights and obligations set forth in this Agreement and/or Developer's right, title, and interest in and to all or a portion of the Authority Mall Property and/or the City

Option Property during the Anti-Speculation Period that does not qualify as a Pre-Approved Transfer shall be referred to herein as a “**Discretionary Transfer**”.

3.8.2.3 Procedures Applicable to Pre-Approved Transfers. In the event Developer desires to make a Pre-Approved Transfer pursuant to clause (A), (B), (C) or (E) of Section 3.8.2.2, Developer shall provide written notice to the Executive Director of Authority and/or the City Manager of City, as applicable, at least thirty (30) days prior to Developer’s intended date of transfer, assignment or sale. The notice shall specify the name of the intended transferee or assignee and, in addition, Developer shall submit with such notice or as soon as practicable thereafter such supporting information that the Executive Director and/or City Manager, as applicable, may determine to be necessary to enable him/her to verify that the transfer, assignment or sale in fact qualifies as a Pre-Approved Transfer. The Executive Director and/or City Manager shall have the authority on behalf of Authority and/or City, as applicable, to verify that a transfer or assignment is a Pre-Approved Transfer. The Executive Director and/or City Manager shall not unreasonably withhold, condition, or delay his/her approval and the scope of his/her review shall be limited to verifying whether the transfer or assignment qualifies as a Pre-Approved Transfer. Any disapproval by the Executive Director and/or City Manager shall be in writing and shall specify the grounds for disapproval in sufficient detail to enable Developer to submit any additional information reasonably requested by the Executive Director and/or City Manager to resubmit the Pre-Approved Transfer for his/her verification.

3.8.2.4 Procedures Applicable to Discretionary Transfers. In the event Developer desires to make a Discretionary Transfer during the Anti-Speculation Period, Developer shall provide written notice to the Executive Director of Authority and/or the City Manager of City, as applicable, at least ninety (90) days prior to Developer’s intended date of transfer, assignment or sale. The notice shall specify the name of the intended transferee or assignee and, in addition, Developer shall submit with such notice or as soon as practicable thereafter such supporting information that the Executive Director and/or City Manager, as applicable, may determine to be necessary to enable Authority’s Board of Directors and/or the City Council of City to consider the request on its merits. When the Executive Director and/or City Manager reasonably determines that Developer has submitted sufficient information to enable Authority’s Board of Directors and/or the City Council to evaluate and take action upon Developer’s request, the Executive Director and/or City Manager shall promptly submit the request and supporting information to Authority’s Board of Directors and/or the City Council, as applicable, for its or their consideration and final decision. Authority’s Board of Directors and/or the City Council of City shall not unreasonably withhold, condition, or delay its or their approval. Any disapproval shall specify the grounds for disapproval in sufficient detail to enable Developer to submit any additional or changed information that may be needed for Developer to resubmit its request for further consideration. As used in this Agreement, a transferee or assignee that is approved through the foregoing Discretionary Transfer process is referred to as a “**Approved Discretionary Transferee.**”

3.8.2.5 Assignment Documents. Prior to the effective date of any Pre-Approved Transfer pursuant to clauses (A), (B) and (E) (but not clauses (C), (D), or (F)-(H)) of Section 3.8.2.2 and prior to the effective date of any Discretionary Transfer to an Approved Discretionary Transferee approved by the Authority and/or the City, Developer shall be required to deliver to the Executive Director and/or City Manager, as applicable, the following documents:

(A) if the transfer/assignment concerns the Authority North Mall Property, an assignment and assumption agreement executed by both the transferor/assignor and transferee/assignee, which shall include the option to acquire the City Option Property, as provided for in clause (A) of Section 3.8.2.2 unless the Developer has already exercised the option and acquired the City Option Property; and

(i) a new Authority North Mall Property Promissory Note executed by the transferee/assignee to replace the Authority North Mall Property Promissory Note previously executed by Developer provided that the entire Authority North Mall Property Promissory Note must be transferred to and assumed by a single entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest; and

(ii) a new Authority North Mall Property Deed of Trust executed by the transferee/assignee (and acknowledged to permit recordation of same) to replace the Authority North Mall Property Deed of Trust previously executed by Developer and recorded on June 5, 2018, in the Official Records of Riverside County as Document #2018-0227898 (“**Original Authority North Mall Property Deed of Trust**”) provided that the new Authority North Mall Property Deed of Trust shall provide the same security and shall encumber the same real property as the Original Authority North Mall Property Deed of Trust; and

(iii) if, at the time of the transfer/assignment of the Authority North Mall Property, Developer has exercised the option and acquired fee title to the City Parking Lots pursuant to the City Parking Lots Option Agreement, and has executed a promissory note for all or a portion of the purchase price of the City Parking Lots pursuant to Section 3.8.3 of the City Parking Lots Option Agreement, and the amounts owing under that promissory note have not been fully paid, a new promissory note for the then-unpaid portion of the City Parking Lots promissory note executed by the transferee/assignee to replace the promissory note previously executed by Developer and a new deed of trust securing the obligation to pay same (and acknowledged to permit recordation). (B) if the transfer/assignment concerns the Authority South Mall Property, an assignment and assumption agreement executed by both the transferor/assignor and transferee/assignee; and

(i) a new Authority South Mall Property Promissory Note executed by the transferee/assignee to replace the Authority South Mall Promissory Note (previously executed by Developer, provided that the entire Authority South Mall Property Promissory Note must be transferred to and assumed by a single

entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest; and

(ii) a new Authority South Mall Property Deed of Trust executed by the transferee/assignee (and acknowledged to permit recordation of same) to replace the Authority South Mall Property Deed of Trust previously executed by Developer and recorded on June 5, 2018, in the Official Records of Riverside County as Document #2018-0227899 (“**Original Authority South Mall Property Deed of Trust**”) provided that the new Authority South Mall Property Deed of Trust shall provide the same security and shall encumber the same real property as the Original Authority South Mall Property Deed of Trust; and

The Executive Director and/or City Manager, as applicable, shall have the right on behalf of Authority and/or City, as applicable, to approve (or disapprove) the form of the assignment and assumption agreement and the new promissory note(s) and deed(s) of trust referred to above. The Executive Director and/or City Manager shall not unreasonably withhold or delay his/her approval. Any disapproval by the Executive Director and/or City Manager shall be in writing and shall specify the grounds for disapproval in sufficient detail to enable Developer and the transferee/assignee to correct the form of the assignment and assumption agreement and/or the new promissory note(s) and deed(s) of trust, as applicable, and resubmit the same for approval.

3.8.2.6 No Acceleration of Amounts Due Under Promissory Note(s) for Pre-Approved Transfers and Approved Discretionary Transfers; Release of Transferor/Assignor. Notwithstanding any other provision set forth in this Agreement, including any of the exhibits hereto, no acceleration of any amounts that may be due at the time of a Pre-Approved Transfer or at the time a Discretionary Transfer is approved by Authority’s Board of Directors and/or the City Council of City, as applicable, under the Authority North Mall Property Promissory Note, Authority South Mall Property Promissory Note, or City Parking Lots Promissory Note shall occur in conjunction with such a transfer or assignment.

Upon the effective date of any Pre-Approved Transfer described in clause (A), (B) and (E) (but not clauses (C), (D) or (F)-(H) of Section 3.8.2.2, as applicable, or the effective date of a Discretionary Transfer that has been approved by the Authority and/or the City, as applicable, but no earlier than the date that Developer and/or the transferee/assignee deliver to the Executive Director and/or City Manager, as applicable, the fully executed documents required pursuant to Section 3.8.2.5 in the approved forms therefor, Authority and/or City, as applicable, shall (i) promptly return to the transferor/assignor the original promissory note that is being superseded by the new promissory note, with the original promissory note(s) marked cancelled, (ii) reconvey the original deed of trust that is being superseded by the new deed of trust, (iii) cooperate with Developer in causing to be recorded the new deed of trust (including, if required, executing and acknowledging the same), and (iv) take all other actions consistent with this Agreement, including the execution of documents as appropriate, to accomplish the

purposes of said transfer/assignment. Developer covenants that the new deed(s) of trust shall have priority over all other monetary liens that may have attached subsequent to the recordation of the new deed(s) of trust with the exception of non-delinquent property taxes and assessments, but Developer shall not be responsible for providing or paying for a new or updated lender's policy of title insurance with respect to same. Authority or City may elect to obtain such a title policy, provided that the issuance of same shall not be a condition to the closing of the transaction nor delay the same. Upon the effective date of any Pre-Approved Transfer described in clause (A), (B) and (E) (but not clauses (C), (D) or (F)-(H) of Section 3.8.2.2, as applicable, or the effective date of a Discretionary Transfer that has been approved by the Authority and/or the City, as applicable, and satisfaction of all requirements in this Section 3.8.2.6, the Developer shall be released from any further obligations under this Agreement with respect to the rights and obligations so transferred and assigned, including without limitation any obligation under the new promissory note and deed of trust.”

5. **Modification of City Option Property Conditions.** Section 3.10.9 is hereby added to the Original Agreement to read in its entirety as follows:

“**3.10.9 Reciprocal Easement Agreement.** On or before the North Mall REA Recordation Date (as that term is defined below), Developer shall prepare at its cost and expense a Reciprocal Easement Agreement that complies with the terms and conditions of this Section 3.10.9 (“**REA**”) and cause the REA to be recorded against the Authority North Mall Property, the City Common Areas (if Developer has exercised the option to acquire the City Common Areas and title is vesting in Developer), the City Parking Lots (if Developer has exercised the option to acquire the City Parking Lots and title is vesting in Developer), any other BID Parcels (as that term is defined in Section 3.10.5) that may have been acquired in fee by Developer prior to the North Mall REA Recordation Date, and any other BID Parcels whose owners consent to making their parcels subject to the REA (with the understanding that Developer shall have no obligation to acquire any of the BID Parcels that it did not own as of the Effective Date of this Agreement and Developer makes no representation or warranty that the owner of any other BID Parcel will consent to making its or their parcel(s) subject to the REA). The parcels described in the preceding sentence that are to be subject to the initial REA are referred to herein as the “**North Mall REA Parcels.**” The “**North Mall REA Recordation Date**” shall be the earlier of the following dates: (i) the date on which Developer acquires fee title to the City Common Areas or (ii) the date on which Developer acquires fee title to the City Parking Lots.

3.10.9.1 **Required Provisions of REA.** The REA shall provide for the improvement, maintenance, repair, replacement and cohesive development of the improvements, fixtures, and equipment existing from time to time within the Authority North Mall Property, the City Common Areas (if Developer has exercised the option to acquire the City Common Areas and title is vesting in Developer as of the North Mall REA Recordation Date or will vest in Developer in the future), the City Parking Lots (if Developer has exercised the

option to acquire the City Parking Lots and title is vesting in Developer as of the North Mall REA Recordation Date or will vest in Developer in the future), and any other portion of the parcels comprising the northern portion of the Corona Mall (*i.e.*, the portion of the Corona Mall located generally west of 6th Street and north of Main Street) that may constitute “common areas” as that term is commonly defined in REAs for similar commercial projects in Southern California (and subject to the understanding that Developer shall have no affirmative obligation to make any particular improvements within said common areas, nor shall Developer have any affirmative obligation to cause any additional portion of any of the BID Parcels to be converted to common areas). Such common area improvements, fixtures, and equipment to be addressed in the REA include, as applicable and without limitation, driveways, walkways, and other vehicular and pedestrian accessways, parking facilities, bicycle racks, electric vehicle re-charging stations, signage, lighting, landscaping, and irrigation improvements and facilities, and any improvements in the adjacent public rights-of-way that Developer may have an obligation to maintain. At Developer’s option, the REA may also include provisions for security, marketing, and advertising, and other operations and activities. The REA shall provide for annexation into the REA (by appropriate recorded amendment) of any additional BID Parcels that may be acquired by Developer subsequent to the North Mall REA Recordation Date. The REA shall further provide for the assessment of the properties subject to the REA on a reasonable and non-discriminatory basis for the costs of performing the tasks subject to the REA (“**CAM Charges**”). Finally, the REA shall contain a provision that none of the provisions of the REA described in this paragraph may be terminated without the prior express written consent of City, which consent City may withhold in its sole and absolute discretion as long as the parcels subject to the REA contain any common area or other improvements that are required to be maintained or operated in accordance with the REA, and the REA shall further contain a provision that none of the provisions of the REA described in this Section 3.10.9.1 may be modified or amended without the prior written consent of the City, which consent City agrees shall not be unreasonably withheld, conditioned, or delayed, and which consent City agrees shall be granted if Developer demonstrates that the modifications or amendments will not materially adversely affect the authority and ability of the property owner(s) subject to the REA to accomplish the purposes of the REA described herein. Notwithstanding the foregoing, City and Developer acknowledge that the existing BID (referred to in Sections 3.10.5, 3.10.6, and 3.11 of this Agreement addresses many of the issues addressed in the REA, that it is the purpose of the REA to provide an additional layer of protection to ensure that the matters being handled through the BID are accomplished and not to supersede or replace the BID, and that the REA may provide for implementation of redundant functions to remain dormant as long as the BID continues to function, as it now exists or is hereafter renewed or extended. The covenants in the preceding two sentences shall survive the termination of this Agreement and the termination or expiration of the Anti-Speculation Period.

3.10.9.2 City Review of REA. No less than sixty (60) days prior to the North Mall REA Recordation Date, Developer shall submit

the proposed REA to City for its review and approval. The City Manager of City (or his/her designee) shall have the authority on behalf of City to review and approve (or disapprove) the proposed REA. Within thirty (30) days after Developer submits the proposed REA to City, the City Manager (or his/her designee) shall approve or disapprove the form and content of the proposed REA. If the City Manager (or designee) fails to timely approve or disapprove the form and content of the proposed REA in writing, the proposed REA shall be deemed approved. Any disapproval by the City Manager (or designee) shall be in writing and shall specify the grounds therefore in sufficient detail to enable Developer to modify the proposed REA and resubmit the same. Developer shall have the right in its sole and absolute discretion to decline to revise the proposed REA, in which case Developer shall be deemed to have elected to rescind its exercise of the option to acquire the City Common Areas and/or City Parking Lots, as applicable. If Developer decides instead to modify the proposed REA to address the grounds for the City Manager's (or designee's) disapproval, Developer shall promptly make the required modifications and resubmit the same to the City Manager (or designee). In such event, the City Manager (or designee) shall have ten (10) days from the date of the resubmittal to approve (or disapprove) the modified REA and otherwise the same provisions set forth above with respect to the initial submittal and review procedure shall also apply to any resubmittal(s) and review(s) of same. In the event that delays in obtaining City approval of the REA prevent the Parties from timely effectuating the closing of the City Common Areas or City Parking Lots, as applicable, the deadline for such applicable closing shall be extended until ten (10) days after the date that the REA is finally approved.

3.10.9.3 Annexation of Acquired BID Parcels. If, after the initial REA is approved and recorded, Developer acquires any additional BID Parcels, Developer shall cause said additional BID Parcels to be annexed into the REA. The covenants in this Section 3.10.9.3 shall survive the termination of this Agreement and the termination or expiration of the Anti-Speculation Period.”

6. **Modification of Assignment Provision.** Section 3.15.16 of the Original Agreement, entitled “Assignment,” is hereby retitled and amended to read in its entirety as follows:

“3.15.16 Assignment by Authority and City. Neither Authority nor City shall transfer, assign, or delegate any of its or their rights and obligations set forth in this Agreement without the prior written consent of Developer, which consent may be given or withheld in Developer's sole discretion. Any assignment or delegation in violation of this section shall be void.”

7. **Allonge to Authority North Mall Property Promissory Note.** The Authority North Mall Property Promissory Note dated as of June 1, 2018, that was executed and delivered by Developer to Authority (the form of which was set forth as Exhibit E to the Original Agreement) shall be amended in accordance with the Allonge to Authority North Mall Property Promissory Note set forth as **Exhibit A** hereto. Developer shall print the Allonge to North Mall Property Promissory Note as a stand-alone document (deleting the exhibit reference and title), fill in the

blanks, and execute and deliver the Allonge to North Mall Property Promissory Note to Authority within five (5) business days after the Effective Date of this First Amendment and Authority shall promptly affix the same to the original Authority North Mall Property Promissory Note in Authority's possession.

8. **Allonge to Authority South Mall Property Promissory Note.** The Authority South Mall Property Promissory Note dated as of June 1, 2018, that was executed and delivered by Developer to Authority (the form of which was set forth as Exhibit G to the Original Agreement) shall be amended in accordance with the Allonge to Authority South Mall Property Promissory Note set forth as **Exhibit B** hereto. Developer shall print the Allonge to South Mall Property Promissory Note as a stand-alone document (deleting the exhibit reference and title), fill in the blanks, and execute and deliver the Allonge to South Mall Property Promissory Note to Authority within five (5) business days after the Effective Date of this First Amendment and Authority shall promptly affix the same to the original Authority South Mall Property Promissory Note in Authority's possession.

9. **Modification of City Common Areas Option Agreement.** The form of the City Common Areas Option Agreement (Exhibit K to the Original Agreement) is hereby deleted in its entirety and replaced with **Exhibit K-1** attached to this First Amendment and incorporated herein by reference.

10. **Modification of City Parking Lots Option Agreement.** The form of the City Parking Lots Option Agreement (Exhibit L to the Original Agreement) is hereby deleted in its entirety and replaced with **Exhibit L-1** attached to this First Amendment and incorporated herein by reference.

11. **Modification of City Option Property License Agreement.** The form of the City Option Property License Agreement (Exhibit O to the Original Agreement) is hereby deleted in its entirety and replaced with **Exhibit O-1** attached to this First Amendment and incorporated herein by reference.

12. **Recordation of Memorandum of Agreement.** Immediately upon the execution and delivery of this First Amendment, the Parties agree to execute (in recordable form) a stand-alone original of the Memorandum of Agreement in the form set forth as **Exhibit C** (after deleting the exhibit reference and title) and cooperate in causing the same to be recorded against the Authority North Mall Property and Authority South Mall Property within five (5) business days after the Effective Date of this First Amendment. In addition, if Developer exercises either of the Option(s) to acquire the City Common Areas and/or the City Parking Lots, the Parties agree to cooperate, execute, and cause to be recorded a similar Memorandum against such property(ies) at the applicable Closing(s) therefor.

13. **Entire Agreement.** The Original Agreement, as modified by this First Amendment, including all of the exhibits thereto and hereto, constitutes the entire agreement between and among the Parties pertaining to the subject matters addressed therein. Except as expressly set forth in this First Amendment, all of provisions set forth in the Original Agreement are unmodified and remain in full force and effect.

14. **Counterparts.** This First Amendment may be executed in counterparts. The City Manager of City and Executive Director of Authority are hereby authorized and directed to execute this First Amendment on behalf of City and Authority, respectively, and to take all necessary actions to implement and enforce the same.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the dates set forth next to their respective signatures below.

CITY OF CORONA
a California municipal corporation

By: _____
Mitchell Lansdell, Acting City Manager

May __, 2019

Attest:

By: _____
Sylvia Edwards, City Clerk

Approved as to Form:

By: _____
Dean Derleth, City Attorney

CITY OF CORONA HOUSING AUTHORITY
a public body

By: _____
Mitchell Lansdell, Acting Executive Director

May __, 2019

Attest:

By: _____
Sylvia Edwards, Secretary

Approved as to Form:

By: _____
Dean Derleth, General Counsel

LAB HOLDING LLC
a California limited liability company

By: _____
Shaheen Sadeghi, its Managing Member

May __, 2019

**EXHIBIT A TO FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT
AGREEMENT**

ALLONGE TO
CORONA HOUSING AUTHORITY
PROMISSORY NOTE SECURED BY A DEED OF TRUST
(AUTHORITY NORTH MALL PROPERTY)

Dated: May 15, 2019

FOR VALUE RECEIVED, the undersigned, LAB HOLDING LLC, a California limited liability company (“Maker”) makes the following amendments, modifications, and clarifications to that certain Promissory Note Secured by Deed of Trust in the principal sum of Eight Hundred Seventy-Three Thousand Dollars (\$873,000) that was executed on or about June 1, 2018, in favor of the City of Corona Housing Authority (the “Original Note”).

1. Notwithstanding that the blank in the Original Note was filled in with the name Shaheen Sadeghi, Maker hereby clarifies that Mr. Sadeghi executed the Original Note in his capacity as the Managing Member of Maker and that Maker, not Mr. Sadeghi, is the party bound by the Original Note, as modified by this Allonge.

2. The “Agreement” referred to in Paragraph 1 of the Original Note means the Disposition and Development Agreement dated as of May 17, 2017, as amended by the First Amendment to Disposition and Development Agreement dated as of May 15, 2019.

3. In Section 5.1.7 of the Original Note, the reference to Section 3.14.16 of the Agreement is hereby corrected to refer instead to Section 3.8.2 of the Agreement.

4. Maker shall have the right to transfer and assign its obligations under the Original Note, as modified by this Allonge, to any permitted or approved transferee or assignee of Maker’s right, title, and interest in the Agreement and the Authority North Property, as provided in Sections 3.8.2 of the Agreement provided that the Original Note, as modified by this Allonge, may only be transferred to and assumed by a single entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest. Any such transferee/assignee shall be required to comply with and execute and deliver to Authority all documents required by Section 3.8.2 of the Agreement, including, without limitation, an assignment and assumption agreement and a new promissory note consistent with the aforesaid provisions of the Agreement. Upon the effective date of a transfer or assignment permitted or approved pursuant to Section 3.8.2 and satisfaction of all conditions set forth in Section 3.8.2, the Maker shall be released from any further obligations with respect to the Original Note, as modified by this Allonge.

5. Section 7 of the Original Note is hereby amended to read in its entirety as follows:

“Should Maker transfer or convey the Authority North Property during the Anti-Speculation Period set forth in the Agreement in violation of the Anti-Speculation Covenant , or there exists an Event of Default (as defined in this Promissory Note) while the this Promissory Note remains outstanding, then Maker

shall pay to the Authority the entire Authority North Property Loan and any interest on the principal amount of the Authority North Property Loan that is due and payable at the time of such conveyance.”

IN WITNESS WHEREOF, Maker enters into and executes this Allonge to the Promissory Note Secured by a Deed of Trust (Authority North Mall Property) e as of the date first written above.

LAB HOLDING LLC

By: _____
Shaheen Sadeghi, its Managing Member

**EXHIBIT B TO FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT
AGREEMENT**

ALLONGE TO
CORONA HOUSING AUTHORITY
PROMISSORY NOTE SECURED BY A DEED OF TRUST
(AUTHORITY SOUTH MALL PROPERTY)

Dated: May 15, 2019

FOR VALUE RECEIVED, the undersigned, LAB HOLDING LLC, a California limited liability company (“Maker”) makes the following amendments, modifications, and clarifications to that certain Promissory Note Secured by Deed of Trust in the principal sum of Eight Hundred One Thousand Dollars (\$801,000) that was executed on or about June 1, 2018, in favor of the City of Corona Housing Authority (the “Original Note”).

1. Notwithstanding that the blank in the Original Note was filled in with the name Shaheen Sadeghi, Maker hereby clarifies that Mr. Sadeghi executed the Original Note in his capacity as the Managing Member of Maker and that Maker, not Mr. Sadeghi, is the party bound by the Original Note, as modified by this Allonge.

2. The “Agreement” referred to in Paragraph 1 of the Original Note means the Disposition and Development Agreement dated as of May 17, 2017, as amended by the First Amendment to Disposition and Development Agreement dated as of May 15, 2019.

3. In Section 5.1.7 of the Original Note, the reference to Section 3.14.16 of the Agreement is hereby corrected to refer instead to Section 3.8.2 of the Agreement.

4. Maker shall have the right to transfer and assign its obligations under the Original Note, as modified by this Allonge, to any permitted transferee or assignee of Maker’s right, title, and interest in the Agreement and the Authority South Property, as provided in Sections 3.8.2 of the Agreement provided that the Original Note, as modified by this Allonge, may only be transferred to and assumed by a single entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest. Any such transferee/assignee shall be required to comply with and execute and deliver to Authority all documents required by Section 3.8.2 of the Agreement, including, without limitation, an assignment and assumption agreement and a new promissory note consistent with the aforesaid provisions of the Agreement. Upon the effective date of a transfer or assignment permitted or approved pursuant to Section 3.8.2 and satisfaction of all conditions set forth in Section 3.8.2, the Maker shall be released from any further obligations with respect to the Original Note, as modified by this Allonge.

5. Section 7 of the Original Note is hereby amended to read in its entirety as follows:

“Should Maker transfer or convey the Authority South Property
during the Anti-Speculation Period set forth in the Agreement in violation of the

Anti-Speculation Covenant , or there exists an Event of Default (as defined in this Promissory Note) while the this Promissory Note remains outstanding, then Maker shall pay to the Authority the entire Authority South Property Loan and any interest on the principal amount of the Authority South Property Loan that is due and payable at the time of such conveyance.”

IN WITNESS WHEREOF, Maker enters into and executes this Allonge to the Promissory Note Secured by a Deed of Trust (Authority South Mall Property) as of the date first written above.

LAB HOLDING LLC

By: _____
Shaheen Sadeghi, its Managing Member

**EXHIBIT C TO FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT
AGREEMENT**

**MEMORANDUM OF AGREEMENT CONTAINING COVENANTS AFFECTING REAL
PROPERTY**

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

City of Corona
400 S. Vicentia Avenue
Corona, CA 92882
Attn: Mitchell Lansdell, Acting City Manager

(Space above for Recorder's Use) Exempt From Recording
Fee Per Government Code Sections 6013 and 27383)

**MEMORANDUM OF AGREEMENT CONTAINING COVENANTS AFFECTING REAL
PROPERTY**

This Memorandum Containing Covenants Affecting Real Property (the "**Memorandum**") is dated for reference purposes only as of the 15th day of May, 2019, and is being entered into by and among LAB HOLDING, LLC, a California limited liability company ("**Developer**"), the CITY OF CORONA, a California municipal corporation ("**City**"), and the CITY OF CORONA HOUSING AUTHORITY, a public body, corporate and politic ("**Authority**"). Developer, City, and Authority are sometimes individually referred to herein as "**Party**" and collectively as "**Parties**" throughout this Memorandum.

RECITALS:

This Memorandum is being entered into with reference to the following facts:

A. The Parties previously entered into that certain Disposition and Development Agreement dated as of May 17, 2017, as amended by that certain First Amendment to Disposition and Development Agreement dated as of May 15, 2019 (collectively, the "**DDA**"). The DDA is a public record, a copy of which is available for public inspection and copying in the office of the City Clerk of the City of Corona, 400 S. Vicentia Avenue, Corona, CA 92882. All defined terms in this Memorandum shall have the same meanings ascribed to those terms in the DDA. The terms and conditions set forth in the DDA are incorporated herein by this reference.

B. The purpose of this Memorandum is to provide public notice of the DDA. This Memorandum is not intended to and does not modify or amend the DDA. In the event of any inconsistencies between the DDA and this Memorandum, the provisions of the DDA shall govern and control.

C. The DDA concerns the acquisition, disposition, and development of certain properties situated in the City of Corona, County of Riverside, State of California, referred to in the DDA as the “Authority North Mall Property” and “Authority South Mall Property” (collectively, the “Authority Mall Property”) and the “City Option Property.” Prior to the date of this Memorandum, Authority conveyed the Authority Mall Property to Developer. The Authority Mall Property is more particularly described in **Exhibit A** attached hereto.

D. Pursuant to Section 3.8.2 of the DDA, Developer has agreed to an “Anti-Speculation Covenant” that restricts in certain respects Developer’s right, without Authority and/or City consent, to transfer and assign Developer’s rights and obligations set forth in the Agreement, including without limitation with respect to any portion of the Authority Mall Property and the City Option Property, without the prior consent or approval of Authority or City, as applicable, during the “Anti-Speculation Period,” as defined therein. With respect to the Authority Mall Property, the Anti-Speculation Period terminates or expires no later than June 5, 2028. Reference is hereby made to the Anti-Speculation Covenant in the DDA.

MEMORANDUM

Based upon the foregoing Recitals, which are incorporated into this Memorandum by reference, and for good and valuable consideration, the receipt and sufficiency of which is acknowledged by all Parties, the Parties agree as follows:

1. The foregoing Recitals are true and correct.
2. This Memorandum shall be recorded against the Authority Mall Property. The DDA shall run with the land and shall be binding on Developer and its successors and assigns to fee ownership of the Authority Mall Property.
3. This Memorandum may be executed in counterparts. The City Manager of City and Executive Director of Authority are hereby authorized and directed to execute this First Amendment on behalf of City and Authority, respectively, and to take all necessary actions to implement and enforce the same.
4. Upon the written request by any Party delivered to the other Parties, the Parties, on their own behalf and on behalf of their respective successors and assigns, agree to cooperate by executing and recording a document terminating this Memorandum and removing the same of record upon termination or expiration of the Anti-Speculation Period set forth in the DDA.

[Signatures and Notarizations on following pages]

IN WITNESS WHEREOF, the Parties have executed this Memorandum to be effective as of the date first written above.

CITY OF CORONA
a California municipal corporation

By: _____
Mitchell Lansdell, Acting City Manager

CITY OF CORONA HOUSING AUTHORITY
a public body

By: _____
Mitchell Lansdell, Acting Executive Director

LAB HOLDING LLC
a California limited liability company

By: _____
Shaheen Sadeghi, its Managing Member

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

State of California)
County of _____)

On _____, before me, _____,
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature _____

(Seal)

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

State of California)
County of _____)

On _____, before me, _____,
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature _____

(Seal)

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

State of California)
County of _____)

On _____, before me, _____,
(insert name and title of the officer)

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

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

WITNESS my hand and official seal.

Signature _____

(Seal)

**EXHIBIT A TO MEMORANDUM OF AGREEMENT CONTAINING COVENANTS
AFFECTING REAL PROPERTY**

**LEGAL DESCRIPTION AND
DEPICTION OF AUTHORITY MALL PROPERTY**

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

CORONA MALL NORTH PROPERTIES

PARCEL 1

ASSESSOR PARCEL NUMBER 117-143-031

THAT PORTION OF LOTS 5 AND 6 OF BLOCK 155 OF THE SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 9, PAGES 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, ALSO SHOWN ON RECORD OF SURVEY AS A PORTION OF PARCEL C-2 ON FILE IN BOOK 61, PAGE 24 OF RECORDS OF SURVEY, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: "BEGINNING AT A POINT ON THE EASTERLY LINE OF SAID BLOCK 155, WHICH BEARS NORTH 07° 06' 53" EAST, A DISTANCE OF 116.00 FEET FROM THE SOUTHEAST CORNER OF LOT 1 SAID BLOCK 155 TO THE TRUE POINT OF BEGINNING; THENCE NORTH 82° 42' 02" WEST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 100.00 FEET; THENCE NORTH 07° 16' 53" EAST, PARALLEL WITH THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET; THENCE SOUTH 82° 42' 02" EAST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 100.00 FEET TO THE EASTERLY LINE OF SAID BLOCK 155; THENCE SOUTH 07° 16' 53" WEST ALONG THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET TO THE TRUE POINT OF BEGINNING."

AN EASEMENT APPURTENANT TO THE ABOVE DESCRIBED PARCEL DESCRIBED AS FOLLOWS:

AN EASEMENT OVER, UNDER, ABOVE, BELOW AND ACROSS THE NORTHERLY FIVE FEET SIX INCHES OF THE REAL PROPERTY LYING IMMEDIATELY ADJACENT TO THE SOUTHERLY PROPERTY LINE OF THE ABOVE DESCRIBED PARCEL 1 FOR THE PURPOSE OF FOOTING AND FOUNDATIONS FOR BUILDINGS AND STRUCTURES ON THE ABOVE DESCRIBED PARCEL 1 AND FOR THE PURPOSE OF CONSTRUCTING ROOF OVERHANGS AND BUILDING SURFACE OVERHANGING, SAID OVERHANGS TO CONFORM ARCHITECTURALLY WITH ANY BUILDING AND STRUCTURES IMMEDIATELY ADJACENT TO THE SOUTHERLY PROPERTY LINE OF THE ABOVE DESCRIBED PROPERTY SO AS NOT TO INTERFERE WITH PEDESTRIAN TRAFFIC

THERETO; TOGETHER WITH THE RIGHT TO CONSTRUCT OR CONNECT TO A COMMON OR PARTY WALL, INCLUDING FOOTINGS AND FOUNDATIONS THEREFOR, ALONG THE SOUTHERLY LINES OF THE ABOVE DESCRIBED PARCEL 1 IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THAT CERTAIN AGREEMENT AND GRANT OF EASEMENTS DATED JANUARY 17, 1977 AND RECORDED JANUARY 27, 1977 AS INSTRUMENT NO. 14690 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 2

ASSESSOR PARCEL NUMBER 117-143-032

THAT PORTION OF LOTS 4 AND 5 OF BLOCK 155 OF THE SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 9, PAGES 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, ALSO SHOWN ON RECORDS OF SURVEY AS A PORTION OF PARCEL C-2 ON FILE IN BOOK 61, PAGE 24, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: "BEGINNING AT A POINT ON THE EASTERLY LINE OF SAID BLOCK 155, WHICH BEARS NORTH 07° 16' 53" EAST, A DISTANCE OF 90.00 FEET FROM THE SOUTHEAST CORNER OF LOT 1 IN SAID BLOCK 155 TO THE TRUE POINT OF BEGINNING; THENCE NORTH 82° 42' 02" WEST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1 A DISTANCE OF 100.00 FEET; THENCE NORTH 07° 16' 53" EAST, PARALLEL WITH THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET; THENCE SOUTH 82° 42' 02" EAST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 100.00 FEET TO THE EASTERLY LINE OF SAID BLOCK 155; THENCE SOUTH 07° 16' 53" WEST ALONG THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET, TO THE TRUE POINT BEGINNING."

PARCEL 3 AND 4

ASSESSOR PARCEL NUMBER: 117-143-038 and ASSESSOR PARCEL NUMBER: 117-143-039

THOSE PORTIONS OF BLOCK 144 OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9 PAGE 8 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WESTERLY PROLONGATION OF THE SOUTH LINE OF LOT 6 IN SAID BLOCK 144, WITH THE CENTER LINE OF THE 16.00 FEET WIDE ALLEYWAY ABUTTING LOTS 6, 7, 8 AND 9 ON THE WEST, THENCE SOUTH 82° 45' 00" EAST, 178.05 FEET ON SAID WESTERLY PROLONGATION, THE SOUTH LINE OF SAID LOT 6 AND ITS EASTERLY PROLONGATION TO THE CENTER LINE OF MAIN STREET AS SHOWN ON SAID MAP THENCE NORTH 7° 15' 00" EAST 116.00 FEET ON SAID CENTER LINE TO THE INTERSECTION OF THE EASTERLY PROLONGATION OF THE NORTH LINE OF LOT 9 IN SAID BLOCK 144; THENCE NORTH 82° 45' 00" WEST 178.05

FEET ON LAST SAID PROLONGATION, THE NORTH LINE OF SAID LOT 9 AND ITS WESTERLY PROLONGATION, TO SAID CENTER LINE OF SAID ALLEY ABUTTING ON THE WEST; THENCE SOUTH 7° 15' 00" WEST 116.00 FEET ON SAID CENTER LINE TO THE POINT OF BEGINNING. EXCEPT THE EAST 10.00 FEET AS CONVEYED TO THE REDEVELOPMENT AGENCY OF THE CITY OF CORONA BY DEED RECORDED APRIL 15, 1969, AS INSTRUMENT NO. 36744 OF OFFICIAL RECORDS.

PARCEL 5

ASSESSOR PARCEL NUMBER 117-143-040

THOSE PORTIONS OF BLOCK 144 OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9 PAGE 8 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WESTERLY PROLONGATION OF THE NORTH LINE OF LOT 5 IN SAID BLOCK 144, WITH THE CENTERLINE OF THE 16.00 FEET WIDE ALLEY ABUTTING LOTS 4 AND 5 IN SAID BLOCK, ON THE WEST; THENCE SOUTH 82° 45' 00" EAST, 178.05 FEET ON SAID PROLONGATION, THE NORTH LINE OF SAID LOT 5 AND ITS EASTERLY PROLONGATION TO THE CENTER LINE OF MAIN STREET, AS SHOWN ON SAID MAP; THENCE SOUTH 7° 15' 00" WEST, 50.00 FEET ON LAST SAID CENTER LINE TO THE INTERSECTION OF THE EASTERLY PROLONGATION OF THE SOUTH LINE OF SAID LOT 4; HENCE NORTH 82° 45' 00" WEST, 178.05 FEET ON SAID EASTERLY PROLONGATION, THE SOUTH LINE OF SAID LOT 4 AND ITS WESTERLY PROLONGATION TO SAID CENTER LINE OF SAID ALLEY ABUTTING ON THE WEST; THENCE NORTH 7° 15' 00" EAST 50.00 FEET ON LAST SAID CENTER LINE TO THE POINT OF BEGINNING. EXCEPT THE EAST 10.00 FEET AS CONVEYED TO THE REDEVELOPMENT AGENCY OF THE CITY OF CORONA BY DEED RECORDED APRIL 15, 1969, AS INSTRUMENT NO. 36744 OF OFFICIAL RECORDS.

PARCEL 6

ASSESSOR PARCEL NUMBER 117-151-007

ALL THAT PORTION OF LOTS 16, 17 AND 18 IN BLOCK 143 AND ALL THAT PORTION OF MAIN STREET LYING BETWEEN FIFTH STREET AND SIXTH STREET, AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016, RIVERSIDE COUNTY RECORDS, ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 PAGE 8 OF MAPS, SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: BEGINNING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60 FEET NORTHERLY, MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82° 43' 52" WEST,

ALONG SAID PARALLEL LINE, 10 FEET TO A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE OF MAIN STREET; THENCE NORTH 07° 16' 53" EAST, ALONG SAID LINE PARALLEL WITH THE CENTERLINE OF MAIN STREET, 30 FEET; THENCE SOUTH 82° 43' 07" EAST, AT RIGHT ANGLES TO SAID CENTERLINE OF MAIN STREET, 100 FEET; THENCE SOUTH 07° 16' 53" WEST, PARALLEL WITH SAID CENTERLINE OF MAIN STREET, 29.98 FEET TO SAID LINE PARALLEL WITH THE CENTERLINE OF SIXTH STREET; THENCE NORTH 82° 43' 07" WEST, ALONG SAID PARALLEL LINE, 90 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 7

ASSESSOR PARCEL NUMBER 117-151-016

THOSE PORTIONS OF LOTS 14, 15, AND 16 IN BLOCK 143, ALL THAT PORTION OF MAIN STREET LYING BETWEEN FIFTH STREET AND SIXTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969, AS INSTRUMENT NO. 98016, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE, TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE N. 82°43'52" W, ALONG SAID PARALLEL LINE, A DISTANCE OF 10.00 FEET TO A LINE PARALLEL WITH AND 10.00 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE OF MAIN STREET; THENCE N. 07°16'53" E., ALONG SAID LINE PARALLEL WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 30.00 FEET TO THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE CONTINUING N. 07°16'53" E., ALONG SAID LINE, PARALLEL WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 50.00 FEET; THENCE S. 82°43'07" E., AT RIGHT ANGLES TO SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 100.00 FEET; THENCE S. 07°16'53" W., PARALLEL WITH SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 50.00 FEET TO A POINT THAT BEARS S. 82°43'07" E., A DISTANCE OF 100.00 FEET FROM THE POINT OF BEGINNING. THENCE N. 82°43'07" W., A DISTANCE OF 100.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 8

ASSESSOR PARCEL NUMBER 117-151-015

THAT PORTION OF LOTS 13 AND 14 IN BLOCK 143, ALL THAT PORTION OF THE MAIN STREET LYING BETWEEN FIFTH AND SIXTH STREET AS VACATED BY RESOLUTION

OF THE CITY COUNCIL OF THE CITY OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969, AS INSTRUMENT NO. 98016, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA , COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA. DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE N. 82°43'52" W., ALONG SAID PARALLEL LINE, A DISTANCE OF 10.00 FEET TO A LINE PARALLEL WITH AND 10.00 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE OF MAIN STREET; THENCE N. 07°16'53" E., ALONG SAID PARALLEL LINE WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 80.00 FEET TO THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE CONTINUING N. 07°16'53" E., ALONG SAID LINE PARALLEL WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 32.00 FEET; THENCE S. 82°43'07" E., AT RIGHT ANGLES TO SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 100.00 FEET. THENCE S. 07°16'53" W., PARALLEL WITH SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 32.00 FEET; THENCE N. 82°43'07" W., A DISTANCE OF 100.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 9

ASSESSOR PARCEL NUMBER 117-151-005

THOSE PORTIONS OF LOTS 8, 9, 10 AND 11 IN BLOCK 143 AND A PORTION OF MAIN STREET (VACATED), AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9, PAGE 8 OF MAPS, AS PER SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE CENTER LINE OF MAIN STREET (VACATED)WHICH BEARS NORTH 07°16'53" EAST, 245 FEET FROM ITS INTERSECTION WITH THE CENTER LINE OF SIXTH STREET, AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82°43'07" WEST, AT RIGHT ANGLES TO THE CENTER LINE OF MAIN STREET (VACATED), 10 FEET; THENCE NORTH 07°16'53" EAST, ALONG A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTER LINE OF MAIN STREET (VACATED), 62 FEET; THENCE SOUTH 82°43'07" EAST, 100 FEET; THENCE SOUTH 07°16'53" WEST, 62 FEET; THENCE NORTH 82°43'07" WEST, 90 FEET TO THE POINT OF BEGINNING. SAID MAIN STREET HAVING BEEN VACATED BY RESOLUTION OF THE CITY COUNCIL OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION BEING RECORD SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016, OFFICIALRECORDS.

PARCEL 10

ASSESSOR PARCEL NUMBER: 117-151-004

THOSE PORTIONS OF LOTS 7 AND 8 IN BLOCK 143 AND THOSE PORTIONS OF MAIN STREET (VACATED) AND FIFTH STREET (VACATED), AS SHOWN BY MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9, PAGE 8 OF MAPS, AS PER SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE CENTER LINE OF MAIN STREET (VACATED) WHICH BEARS NORTH 07°16' 53" EAST 245 FEET FROM ITS INTERSECTION WITH THE CENTER LINE OF SIXTH STREET, AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82°43'07" WEST, AT RIGHT ANGLES TO THE CENTER LINE OF MAIN STREET (VACATED), 10 FEET; THENCE NORTH 07° 16' 53" EAST, ALONG A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTER LINE OF MAIN STREET (VACATED), 62 FEET, FOR THE TRUE POINT OF BEGINNING; THENCE NORTH 07°16' 53" EAST, CONTINUING ALONG SAID PARALLEL LINE, 88 FEET; THENCE SOUTH 82°43'07" EAST 100 FEET; THENCE SOUTH 07°16'53" WEST 88 FEET; THENCE NORTH 82°43'07" WEST 100 FEET, TO THE TRUE POINT OF BEGINNING. SAID PORTIONS OF MAIN STREET AND FIFTH HAVE BEEN VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON AUGUST 18, 1969, A CERTIFIED COPY OF SAID RESOLUTION BEING RECORDED SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016, OFFICIAL RECORDS. SAID LAND BEING A PORTION OF THE LAND AS SHOWN ON A RECORD OF SURVEY MAP ON FILE IN BOOK 61, PAGES 22 THROUGH 26, INCLUSIVE OF RECORDS OF SURVEYS, RIVERSIDE COUNTY RECORDS.

THOSE CERTAIN EASEMENTS, RIGHTS, AND RIGHTS OF WAY CONTAINED IN THAT CERTAIN AGREEMENT AND GRANT OF EASEMENTS DATED JANUARY 23, 1970, EXECUTED BY AND BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF CORONA, A BODY POLITIC, PUBLIC AND CORPORATE, AND VASELS, A CALIFORNIA CORPORATION, AND NICHOLS VASELS, RECORD JANUARY 29, 1970 AS INSTRUMENT NO. 8882, OFFICIAL RECORDS.

PARCEL 11

ASSESSOR PARCEL NUMBER 117-151-021

THAT PORTION OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 8, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, SHOWN AS THAT PORTION OF PARCEL D-3 OF THE CORONA DOWNTOWN REDEVELOPMENT PROJECT, AS SHOWN ON THAT RECORD OF SURVEY RECORDED IN MAP BOOK 61 AT PAGE 22 OF THE OFFICIAL RECORDS OF THE RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS

FOLLOWS: ALL OF PARCEL D-3 EXCEPTING THEREFROM THE NORTH 26.00 FEET AND THE SOUTH 30.00 FEET.

PARCEL 12

ASSESSOR PARCEL NUMBER: 117-151-002

THAT PORTION OF LOTS 9 THROUGH 12 IN BLOCK 156; THAT PORTION OF MAIN STREET LYING BETWEEN FOURTH STREET AND FIFTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016; AND THAT PORTION OF THE EAST-WEST ALLEY IN SAID BLOCK 156; AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON JULY 7, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED JULY 11, 1969 AS INSTRUMENT NO. 70713; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE ON FILE IN BOOK 9 PAGE 8 OF MAPS, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE CENTER LINE OF SAID MAIN STREET WHICH BEARS NORTH 07° 16' 53" EAST, 435 FEET FROM ITS INTERSECTION WITH THE CENTERLINE OF SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82° 43' 07" WEST, AT RIGHT ANGLES TO SAID CENTER LINE OF MAIN STREET, 10 FEET TO A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTER LINE OF MAIN STREET; THENCE NORTH 07° 16' 53" EAST, ALONG SAID PARALLEL LINE, 132 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH 07° 16' 53" EAST, ALONG SAID PARALLEL LINE, 100 FEET; THENCE SOUTH 82° 43' 07" EAST, 100 FEET; THENCE SOUTH 07° 16' 53" WEST, PARALLEL WITH SAID CENTER LINE OF MAIN STREET, 100 FEET; THENCE NORTH 82° 43' 07" WEST, 100 FEET TO THE TRUE POINT OF BEGINNING.



Exhibit A - Corona Mall North Properties



| | | | | | |
|---|---------------------------------|---|---------------------------------|----|-------------------------------|
| 1 | 117-143-031 (422 Corona Mall) | 5 | 117-143-040 (518 S Main Street) | 9 | 117-151-005 (525 Corona Mall) |
| 2 | 117-143-032 (442 Corona Mall) | 6 | 117-151-007 (591 Corona Mall) | 10 | 117-151-004 (505 Corona Mall) |
| 3 | 117-143-038 (508 S Main Street) | 7 | 117-151-016 (579 Corona Mall) | 11 | 117-151-021 (415 Corona Mall) |
| 4 | 117-143-039 (514 S Main Street) | 8 | 117-151-015 (577 Corona Mall) | 12 | 117-151-002 (405 Corona Mall) |

Date 04/10/2015

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CORONA MALL SOUTH PROPERTIES

PARCEL 1

ASSESSOR PARCEL NUMBER 117-191-022

ALL THAT PORTION OF LOTS 1 AND 2 IN BLOCK 132, ALL THAT PORTION OF THE NORTH-SOUTH ALLEY IN SAID BLOCK 132 AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON OCTOBER 3, 1970, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED OCTOBER 9, 1970 AS INSTRUMENT NO. 102199, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA AND ALL THAT PORTION OF SEVENTH STREET ADJOINING SAID BLOCK 132 AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON MAY 19, 1969 HAVING BEEN RECORDED MAY 26, 1969 AS INSTRUMENT NO. 51651, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA; DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF LOT 3 IN BLOCK 119 AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE, SAID CORNER BEING ON THE EASTERLY LINE OF SAID BLOCK 119; THENCE N. 07°17'08" E., ALONG THE EASTERLY LINE OF SAID BLOCK 119 AND THE NORTHERLY PROLONGATION OF SAID EASTERLY LINE, A DISTANCE OF 200.00 FEET; THENCE N. 82°42'52" W., A DISTANCE OF 70.00 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE N. 07°17'08" E., A DISTANCE OF 122.00 FEET; THENCE N. 82°42'52" W., A DISTANCE OF 80.00 FEET; THENCE S. 07°17'08" W., A DISTANCE OF 122.00 FEET TO A POINT WHICH BEARS N. 82°42'52" W., A DISTANCE OF 80.00 FEET FROM THE POINT OF BEGINNING. THENCE S. 82°42'52" E, A DISTANCE OF 80.00 FEET TO THE POINT OF BEGINNING.

PARCEL 2

ASSESSOR PARCEL NUMBER 117-191-021

ALL THAT PORTION OF LOTS 2 AND 3 IN BLOCK 132 AND ALL THAT PORTION OF THE NORTH-SOUTH ALLEY IN SAID BLOCK 132, AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON OCTOBER 5, 1970, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED OCTOBER 9, 1970 AS INSTRUMENT NO. 102199; IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE ON FILE IN BOOK 9 OF MAPS AT PAGE 8 THEREOF, SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHEAST CORNER OF LOT 3 IN BLOCK 119, AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE, SAID CORNER BEING ON THE EASTERLY LINE OF SAID BLOCK 119; THENCE NORTH 07° 17' 18" EAST ALONG THE EASTERLY LINE OF SAID BLOCK 119 AND THE NORTHERLY PROLONGATION OF SAID EASTERLY LINE 200 FEET; THENCE NORTH 82° 42' 52" WEST 70 FEET; THENCE NORTH 07° 17' 08" EAST 122 FEET TO THE POINT

OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE NORTH 82° 42' 52" WEST 80 FEET; THENCE NORTH 07° 17' 08" EAST 40 FEET; THENCE SOUTH 82° 42' 52" EAST 80 FEET; THENCE SOUTH 07° 17' 08" WEST 40 FEET TO THE POINT OF BEGINNING.

PARCEL 3

ASSESSOR PARCEL NUMBER 117-191-004

THAT PORTION OF LOTS 7, 8, 9, AND 10 IN BLOCK 132 AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 PAGE 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF MAIN STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE AND A LINE PARALLEL WITH AND 60.00 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF SIXTH STREET, AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE SOUTH 82° 43' 52" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 65.02 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE CONTINUING SOUTH 82° 43' 52" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 30.00 FEET; THENCE SOUTH 07° 16' 08" WEST, A DISTANCE OF 70.00 FEET; THENCE NORTH 82° 43' 52" WEST, PARALLEL WITH SAID CENTERLINE OF SIXTH STREET, A DISTANCE OF 30.00 FEET; THENCE NORTH 07° 16' 08" EAST, A DISTANCE OF 70.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 4

ASSESSOR PARCEL NUMBER 117-191-002

THAT PORTION OF MAIN STREET LYING BETWEEN SIXTH STREET AND SEVENTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF CORONA ON FEBRUARY 22, 1972, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED APRIL 6, 1972, AS INSTRUMENT NO. 44527, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE S. 82° 43' 52" E., ALONG SAID PARALLEL LINE, A DISTANCE OF 15.02 FEET TO THE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED: THENCE CONTINUING S. 82° 43' 52" E., ALONG SAID PARALLEL LINE, A DISTANCE OF 25.00 FEET; THENCE S. 07° 16' 08" W., A DISTANCE OF 70.00 FEET; THENCE N. 82° 43' 52" W., PARALLEL WITH SAID CENTERLINE OF SIXTH STREET, A DISTANCE OF 25.00 FEET TO A POINT WHICH BEARS S. 07° 16' 08" W., A

DISTANCE OF 70.00 FEET FROM THE POINT OF BEGINNING; THENCE N. 07° 16' 08" E., A DISTANCE OF 70.00 FEET TO THE POINT OF BEGINNING.

PARCEL 5

ASSESSOR PARCEL NUMBER 117-191-001

THAT PORTION OF MAIN STREET LYING BETWEEN SIXTH STREET AND SEVENTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON FEBRUARY 22, 1972, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED APRIL 6, 1972, AS INSTRUMENT NO. 44527, OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, AS SHOWN BY MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA , COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 PAGE 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: BEGINNING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET SOUTHERLY , MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE SOUTH 82°43'52" EAST, ALONG SAID PARALLEL LINE A DISTANCE OF 15 .02 FEET; THENCE SOUTH 07°16'08" WEST, A DISTANCE OF 70.00 FEET; THENCE NORTH 82°43'52" WEST, PARALLEL WITH SAID CENTERLINE OF SIXTH STREET. A DISTANCE OF 25.00 FEET; THENCE NORTH 07°16'08" EAST, A DISTANCE OF 70.00 FEET TO SAID LINE PARALLEL WITH AND 60.00 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SIXTH STREET; THENCE SOUTH 82°43'52" EAST, ALONG SAID PARALLEL LINE, A DISTANCE OF 9.98 FEET TO THE POINT OF BEGINNING.

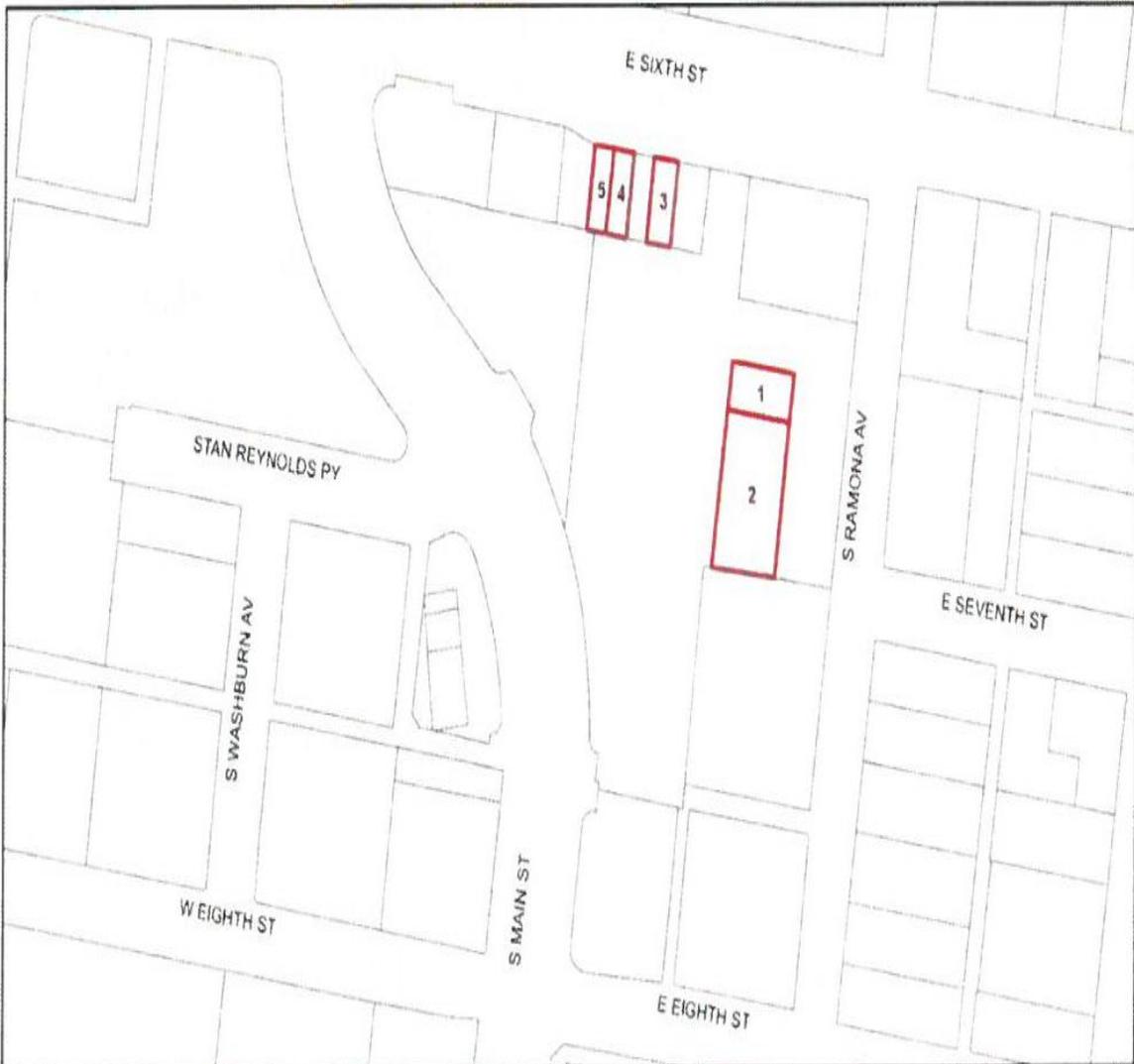


Exhibit A - Corona Mall South Properties



- 1 117-191-022 (663 S Main Street)
- 2 117-191-021 (675 S Main Street)
- 3 117-191-004 (138 E Sixth Street)
- 4 117-191-002 (114 E Sixth Street)
- 5 117-191-001 (106 E Sixth Street)

Date: 04/21/2015

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**EXHIBIT K-1 TO FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT
AGREEMENT**

**CITY OF CORONA
OPTION TO PURCHASE AGREEMENT
(CITY COMMON AREAS – CORONA MALL)**

1. PARTIES AND DATE.

THIS OPTION TO PURCHASE AGREEMENT (“**Option Agreement**”) is entered into as of **[**INSERT DATE**]**, for reference purposes only, by and between THE CITY OF CORONA, a California municipal corporation (“**City**”), and **[**INSERT DEVELOPER’S NAME**]**, a **[**INSERT STATE AND TYPE OF ENTITY**]** (“**Developer**”). Developer and City are sometimes individually referred to herein as “Party” and collectively as “Parties” throughout this Option Agreement.

2. RECITALS.

2.1 City is the owner of that certain real property located at the northeast corner of South Main Street and East Sixth Street, Corona, County of Riverside, California consisting of approximately 1.13 acres (49,223 square feet), as more specifically described and depicted in **Exhibit “A”** attached to this Option Agreement (“**City Common Areas Option Property**”).

2.2 Developer desires to acquire the exclusive right to purchase the City Common Areas Option Property at an agreed price and upon specified terms and conditions, without any obligation to purchase the City Common Areas Option Property, and City is willing to grant such right to Developer.

NOW, THEREFORE, in consideration of the above facts and for the covenants and agreements contained herein, the Parties hereto agree as follows:

3. TERMS.

3.1 **Definitions.** In addition to the definitions ascribed to certain words, phrases or terms in the Preamble or Recitals to this Option Agreement, the following words, phrases or terms shall have the following definitions:

3.1.1 **Authority North Mall Property.** That certain real property generally located at the northeast corner of South Main Street and East Sixth Street, Corona, County of Riverside, California consisting of approximately 1.55 acres (67,732 square feet), as more specifically described and depicted in **Exhibit “B”** attached to this Option Agreement.

3.1.2 Developer. **[**INSERT DEVELOPER’S NAME**]**, a **[**INSERT STATE AND TYPE OF ENTITY**]**.

3.1.3 City. The City of Corona, California, a municipal corporation.

3.1.4 City Common Areas Option Property. That certain real property specifically described in the legal description set forth in **Exhibit “A”** attached to this Option Agreement, including all appurtenant rights and interests.

3.1.5 County. The County of Riverside, California.

3.1.6 Default. Any Monetary Default or Non-Monetary Default.

3.1.7 Development Agreement. A disposition and development agreement in substantially the same form as that certain Disposition and Development Agreement (Corona Mall Property) entered into by and among with LAB Holding, LLC, City, and the City of Corona Housing Authority dated as of May 17, 2017, as amended by that certain First Amendment to Disposition and Development Agreement dated as of May 15, 2019, including all exhibits thereto, with terms and conditions consistent with this Option Agreement.

3.1.8 Effective Date. The first date on which all of the following have occurred: (i) the Developer is the record owner of the Authority North Mall Property; (ii) the Developer has received two (2) counterpart originals of this Option Agreement signed by the authorized representative(s) of City; (iii) this Option Agreement is signed by the authorized representative(s) of the Developer; (iv) one (1) original of this Option Agreement signed by the authorized representative(s) of the Developer has been delivered by the Developer to City; and (v) the City has received the Option Consideration Payment from Developer.

3.1.9 Escrow. An escrow, as defined in Civil Code Section 1057 and Financial Code Section 17003(a), that is conducted by the Escrow Agent with respect to the conveyance of the City Common Areas Option Property from City to the Developer, pursuant to this Option Agreement.

3.1.10 Escrow Agent. First American Title Company, 18500 Von Karman Avenue, Suite 600, Irvine California, 92612 (C/o Nathan Thompson Escrow Officer).

3.1.11 Event of Default. The occurrence of any one or more of the following:

3.1.11.1 Monetary Default. A Monetary Default that continues for seven (7) days after Notice from the non-defaulting Party, specifying in reasonable detail the amount of money not paid and the nature and calculation of each such payment; or

3.1.11.2 Non-Monetary Default. Any Non-Monetary Default that is not cured within thirty (30) days after Notice to the Party alleged to be in Default describing the Non-Monetary Default in reasonable detail, or, in the case of a Non-Monetary Default that cannot with reasonable diligence be cured within thirty (30) days after such Notice, if the Party alleged to be in Default does not do all of the following: (i) within thirty (30) days after Notice of such Non-Monetary Default, advise the other Party of the intention of the Party alleged to be in Default to

take all reasonable steps to cure such Non-Monetary Default; (ii) duly commence such cure within such period, and then diligently prosecute such cure to completion; and (iii) complete such cure within a reasonable time under the circumstances.

3.1.12 Government. Each and every governmental agency, authority, bureau, department, quasi-governmental body, or other entity or instrumentality having or claiming jurisdiction over the City Common Areas Option Property (or any activity this Option Agreement allows), including the government of the United States of America, the State and County governments and their subdivisions and municipalities, including the City, and all other applicable governmental agencies, authorities, and subdivisions thereof, including any planning commission, board of standards and appeals, department of buildings, city council, zoning board of appeals, design review board or committee or similar body having or claiming jurisdiction over the City Common Areas Option Property or any activities on or at the City Common Areas Option Property.

3.1.13 Law. Every law, ordinance, requirement, order, proclamation, directive, rule, and regulation of any Government applicable to the City Common Areas Option Property, in any way, including any development, use, maintenance, taxation, operation, or occupancy of, or environmental conditions affecting the City Common Areas Option Property, or relating to any taxes, or otherwise relating to this Option Agreement or any Party's rights or remedies under this Option Agreement, or any transfer of any of the foregoing, whether in force on the Effective Date or passed, enacted, modified, amended or imposed at some later time, subject in all cases, however, to any applicable waiver, variance, or exemption.

3.1.14 Monetary Default. Any failure by either Party to pay or deposit, when and as this Option Agreement requires, any amount of money.

3.1.15 Non-Monetary Default. The occurrence of any of the following, except to the extent constituting a Monetary Default: (i) any failure of a Party to perform any of its obligations under this Option Agreement; (ii) a Party's failure to comply with any material restriction or prohibition in this Option Agreement; or (iii) any other event or circumstance that, with passage of time or giving of Notice, or both, or neither, would constitute a breach of this Option Agreement.

3.1.16 Notice. Any consent, demand, designation, election, Notice, or request relating to this Option Agreement, including any Notice of Default. All Notices must be in writing.

3.1.17 Notice of Default. Any Notice claiming or giving Notice of a Default.

3.1.18 Option. The exclusive right to purchase the City Common Areas Option Property, without obligation, granted by the City to the Developer in Section 3.2 of this Option Agreement.

3.1.19 Option Consideration Payment. Five Hundred Dollars (\$500) to be paid to City by Developer for the right to acquire the City Common Areas Option Property.

3.1.20 Option Memorandum. A memorandum of this Option Agreement in substantially the form of **Exhibit "C"** attached to this Option Agreement.

3.1.21 Option Term. The period of time commencing on the Closing Date for the Authority North Mall Property and ending at 5:00 p.m. Pacific Time on June 5, 2028 (120 months after the Closing Date for the Authority North Mall Property).

3.1.22 Person. Any association, corporation, governmental entity or agency, individual, joint venture, joint-stock company, limited liability company, partnership, trust, unincorporated organization, or other entity of any kind.

3.1.23 Project. The development on the City Common Areas Option Property of common area improvements that are physically and functionally integrated with the commercial and mixed-use development project on the Authority North Mall Property.

3.1.24 Purchase Price. The amount of One Dollar (\$1.00).

3.1.25 Senior Loan. The lien of a first deed of trust against the City Common Areas Option Property by any of the following: (a) a bank (State, Federal or foreign), trust company (in its individual or trust capacity), insurance company, credit union, savings bank (State or Federal), pension, welfare or retirement fund or system, real estate investment trust (or an umbrella partnership or other entity of which a real estate investment trust is the majority owner), Federal or State agency regularly making or guaranteeing mortgage loans, investment bank or a subsidiary of a Fortune 500 company, real estate mortgage brokers and bankers, real estate mortgage and investment trusts, real estate bond dealers, venture capital firms or funds; (b) any entity that is an affiliate of or is a combination of any one or more of the entities described in subsection (a) of this Section; or (c) any other lender that is reasonably acceptable to the City's City Manager, but only on condition that all of the proceeds of the proposed Senior Loan, less any transaction costs, must be used to provide financing for the commercial and mixed-use development project on the Authority North Mall Property.

3.1.26 Unavoidable Delay. A delay in either Party performing any obligation under this Option Agreement, except payment of money, arising from or on account of any cause whatsoever beyond the Party's reasonable control, despite such Party's reasonable diligent efforts, including industry-wide strikes, labor troubles or other union activities (but only to the extent such actions do not result from the willful misconduct or negligence of the Party), casualty, war, acts of terrorism, riots, litigation, Government action or refusal to act when or as required by Law or inability to obtain materials. Unavoidable Delay shall not include delay caused by a Party's financial condition, illiquidity, or insolvency.

3.2 Grant of Option. In exchange for payment of the Option Consideration Payment and other valuable consideration described in this Option Agreement, City grants to Developer the exclusive right and option to purchase the City Common Areas Option Property at the Purchase Price and upon the terms and conditions set forth in this Option Agreement and the Development Agreement. Any defined terms used, but not defined, in this Option Agreement shall have the meaning ascribed to the same terms in the Development Agreement.

3.3 Term. The term of the Option shall be the Option Term.

3.4 Consideration. As consideration for the granting of the Option for the Option Term, Developer shall pay the Option Consideration Payment to City prior to the Effective Date.

The Option Consideration Payment is given solely in consideration of the grant of the Option and shall not be refundable, except in the event of City's default under this Option Agreement. The Option Consideration Payment shall not be applicable to the Purchase Price at the close of Escrow under the Development Agreement.

3.5 Memorandum of Option. On or before the Effective Date, City and Developer shall execute the Option Memorandum. Developer shall file the Option Memorandum with the office of the Recorder of the County for recordation in the official records of the County and pay any associated recording expenses.

3.6 Exercise of Option; Execution of Development Agreement. If, during the Option Term, Developer is not in Default under this Option Agreement, it may exercise the Option by delivering Notice of such exercise to City prior to the expiration of the Option Term. Within fifteen (15) days following delivery of such Notice, City shall prepare the Development Agreement and deliver two (2) originals of the Development Agreement signed by the City to Developer. Developer shall counter-sign such originals of the Development Agreement and deliver one (1) fully executed original of the Development Agreement to Escrow Agent. The Development Agreement shall constitute the joint instructions of City and Developer to Escrow Agent regarding the purchase and sale transaction for the City Common Areas Option Property between City and Developer. Upon Escrow Agent's request, City and Developer shall execute such additional escrow instructions consistent with this Option Agreement as may be required by Escrow Agent to perform its duties hereunder.

3.7 Termination. The Option shall automatically and immediately terminate, without further Notice, if either: (a) prior to the expiration of the Option Term, Developer fails to exercise the Option; or (b) Developer, at any time during the Option Term, gives written Notice to City of its election to terminate the Option. Upon any such termination of the Option, City shall retain the Option Consideration Payment.

3.8 Escrow Terms.

3.8.1 Opening and Close of Escrow. City and Developer shall open Escrow for the conveyance of the City Common Areas Option Property within ten (10) days following the date that Developer the Development Agreement has been signed by all Parties ("**Opening Date**"). Escrow shall close within forty-five days following the Opening Date ("**Close of Escrow**").

3.8.2 Escrow Costs. All costs of the title policy for the City Common Areas Option Property shall be paid by the Developer, and all Escrow fees and normal closing costs attributable to the conveyance of the City Common Areas Option Property shall be split 50/50 between the City and the Developer.

3.9 Development of City Common Areas Option Property; Covenants. The Development Agreement shall contain at least the following provisions without revision or amendment unless approved by the City in its sole and absolute discretion:

3.9.1 Development Covenant. If Developer exercises the Option pursuant to Section 3.6, Developer shall diligently pursue development of the Project pursuant to the Schedule of Performance set forth in **Exhibit "D"** (Schedule of Performance), attached hereto and

incorporated herein by reference (“**Development Covenant**”). The City’s City Manager shall have the authority to approve adjustments, deemed by the City Manager to be reasonable, to the schedule set forth in the Development Covenant.

3.9.2 Anti-Speculation Covenant.

3.9.2.1 Anti-Speculation Covenant. Except as set forth in Section 3.9.2.2 below, Developer shall not transfer, assign, or sell any of its rights or obligations set forth in this Option Agreement or any portion of the City Common Areas Option Property or any of its rights and obligations set forth in this Option Agreement without the prior written consent or approval of City until the earlier of: (i) June 5, 2028 (120 months after the Closing Date for the Authority North Mall Property) or (ii) the date this Option Agreement is terminated pursuant to Section 3.7. (as applicable, the “**Anti-Speculation Period**”). To the extent that Developer has acquired the City Common Areas Option Property pursuant to this Option Agreement, there shall be no restriction on Developer’s right to transfer, assign, or sell any portion of the City Common Areas Option Property after the termination or expiration of the Anti-Speculation Period. Any transfer or assignment occurring during the Anti-Speculation Period in violation of the Anti-Speculation Covenant set forth in this Section 3.9.2 shall be null and void.

3.9.2.2 Pre-Approved Transfers. Notwithstanding Section 3.9.2.1, during the Anti-Speculation Period, Developer shall have the right to transfer, assign, or sell of its rights or obligations set froth in this Option Agreement or any any portion of the City Common Areas Option Property as provided in the following clauses (A)-(F), inclusive (each, a “**Pre-Approved Transfer**”) and, except to the limited extent set forth in Section 3.9.2.3 below, the same shall not require City approval.

(A) a transfer, assignment, or sale of fee title to Corona Arts District LLC, a California limited liability company, or any other single entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest (herein, the “**City Common Areas Option Property Pre-Approved Transferee**”), and provided that all of the following conditions are satisfied, as applicable:

(i) a single City Common Areas Option Property Pre-Approved Transferee shall hold and maintain fee title to the entire City Common Areas Option Property and the entire Authority North Mall Property during the Anti-Speculation Period; and

(ii) from and after the City Common Areas Option Property Pre-Approved Transferee’s acquisition of the City Common Areas Option Property, a single City Common Areas Option Property Pre-Approved Transferee shall also hold all of Developer’s right, title, and interest in the City Parking Lots pursuant to the City Parking Lots Option Agreement (as those terms are defined in the Disposition and Development Agreement with Lab Holding, LLC (Corona Mall Property) dated May 17, 2017) during the Anti-Speculation Period;

(B) a conveyance of a security interest in the City Common Areas Option Property in connection with any Senior Loan;

(C) a transfer resulting from a foreclosure or conveyance of a deed in lieu of foreclosure by the holder of a Senior Loan, as described in clause (B) above (a “**Holder**”), and any subsequent conveyance by the Holder to a subsequent purchaser for value;

(D) a transfer or assignment in trust by Developer for the benefit of immediate family members of Shaheen Sadeghi, provided that Mr. Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest in said trust;

(E) dedications of portions of the City Common Areas Option Property to a public agency or utility company consistent with the Project; and

(F) recordation of a reciprocal easement agreement, covenants, conditions, and restrictions (CC&Rs), or similar conveyances consistent with Section 3.10.9 of the Development Agreement, including amendments thereto.

Any proposed transfer, assignment, or sale of all or any portion of the City Common Areas Option Property during the Anti-Speculation Period that does not qualify as a Pre-Approved Transfer shall be referred to herein as a “**Discretionary Transfer.**”

3.9.2.3 Procedures Applicable to Pre-Approved Transfers. In the event Developer desires to make a Pre-Approved Transfer pursuant to clause (A), (B), or (D) of Section 3.9.2.2, Developer shall provide written notice to the City Manager of City, as applicable, at least thirty (30) days prior to Developer’s intended date of transfer, assignment or sale. The notice shall specify the name of the intended transferee or assignee and, in addition, Developer shall submit with such notice or as soon as practicable thereafter such supporting information that the City Manager may determine to be necessary to enable him/her to verify that the transfer, assignment or sale in fact qualifies as a Pre-Approved Transfer. The City Manager shall have the authority on behalf of the City, as applicable, to verify that a transfer or assignment is a Pre-Approved Transfer. The City Manager shall not unreasonably withhold, condition, or delay his/her approval and the scope of his/her review shall be limited to verifying whether the transfer or assignment qualifies as a Pre-Approved Transfer. Any disapproval by the City Manager shall be in writing and shall specify the grounds for disapproval in sufficient detail to enable Developer to submit any additional information reasonably requested by the City Manager to resubmit the Pre-Approved Transfer for his/her verification.

3.9.2.4 Procedures Applicable to Discretionary Transfers. In the event Developer desires to make a Discretionary Transfer during the Anti-Speculation Period, Developer shall provide written notice to the City Manager of City at least ninety (90) days prior to Developer’s intended date of transfer, assignment or sale. The notice shall specify the name of the intended transferee or assignee and, in addition, Developer shall submit with such notice or as soon as practicable thereafter such supporting information that the City Manager, as applicable, may determine to be necessary to enable the City Council of City to consider the request on its merits. When the City Manager reasonably determines that Developer has submitted sufficient information to enable the City Council to evaluate and take action upon Developer’s request, the City Manager shall promptly submit the request and supporting information to the City Council, as applicable, for its or their consideration and final decision. The City Council of City shall not unreasonably withhold, condition, or delay its or their approval. Any disapproval shall specify the

grounds for disapproval in sufficient detail to enable Developer to submit any additional or changed information that may be needed for Developer to resubmit its request for further consideration.

3.9.2.5 Assignment Documents. Prior to the effective date of any Pre-Approved Transfer pursuant to clauses (A), (B) and (D) (but not clauses (C), (E), or (F)) of Section 3.9.2.2 and prior to the effective date of any Discretionary Transfer approved by the City, Developer shall be required to deliver to the City Manager an assignment and assumption agreement executed by both the transferor/assignor and transferee/assignee.

The City Manager, as applicable, shall have the right on behalf of the City to approve (or disapprove) the form of the assignment and assumption agreement. The City Manager shall not unreasonably withhold or delay his/her approval. Any disapproval by the City Manager shall be in writing and shall specify the grounds for disapproval in sufficient detail to enable Developer and the transferee/assignee to correct the form of the assignment and assumption agreement and/or the new promissory note(s) and deed(s) of trust, as applicable, and resubmit the same for approval.

3.9.3 Access Covenant. Developer acknowledges and agrees that assessments are imposed and collected through a Business Improvement District (“**BID**”) for the purpose of maintaining parking lots, sidewalks and landscape improvements in an area that includes the City Common Areas Option Property. The BID expires on June 30, 2020 (“**BID Expiration Date**”). Developer acknowledges and agrees that development or use of the City Common Areas Option Property for any purpose other than common area walkways and pedestrian ingress and egress is subject to and expressly contingent upon Developer continuing to provide sufficient pathways for reasonable and direct pedestrian access similar to that which exists as of the Effective Date to serve the parcels that are included within and are subject to the assessments imposed by the BID (“**BID Parcels**”). Developer further acknowledges and agrees to allow public access to and use of the City Common Areas Option Property for the benefit of the BID Parcels. In furtherance thereof, Developer shall not deny, prevent, hinder or obstruct reasonable and direct public access to each of the BID Parcels and use of the City Common Areas Option Property at any time prior to the BID Expiration Date for any reason, or at any time thereafter if in violation of the Corona Municipal Code and/or other applicable laws, rules or regulations. Developer acknowledges and agrees that from and after the BID Expiration Date or the Close of Escrow, whichever occurs first, maintenance of the City Common Areas Option Property shall be the sole responsibility of Developer. The obligations and limitations set forth in this Section 3.9.3 shall be collectively referred to as the “**Access Covenant**” and shall survive expiration or termination of this Option Agreement. The record owners of the BID Parcels, individually and collectively, shall be third party beneficiaries of the Access Covenant.

3.9.4 City’s Reversionary Interest in the City Common Areas Option Property. In the event Developer fails to fully and timely satisfy the Development Covenant and/or breaches or violates the Anti-Speculation Covenant or the Access Covenant, the City Common Areas Option Property will revert to the City solely upon payment to Developer of the Purchase Price without interest.

3.9.5 Prevailing Wages. Since the Project is part of an applicable “public works” project, as defined by Chapter 1 (beginning at Section 1720 et seq.) of Part 7 of Division 2 of the California Labor Code, as well as Title 8, Section 16000 et seq. of the California Code of Regulations (“**Prevailing Wage Laws**”), Developer shall fully comply with the Prevailing Wage Laws for their contractors and any others to whom such laws are applicable. Developer shall also be responsible for any and all violations and fines imposed on them pursuant to the Prevailing Wage Laws. Pursuant to SB 854, which amended the Prevailing Wage Laws, the Project would also be subject to compliance monitoring and enforcement by the California Department of Industrial Relations (“**DIR**”). Beginning April 1, 2015, no contractor may engage in the performance of any public work contract unless registered with the DIR pursuant to Labor Code Section 1725.5. City/Authority will report all necessary agreements to the DIR as required by the Prevailing Wage Laws. Developer shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to develop the Project available to interested parties upon request, and shall post copies at Developer’s principal place of business and at the Project site. Developer shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.10 City Covenants Regarding Maintenance of City Common Areas Option Property. City covenants and agrees with the Developer that throughout the Option Term:

3.10.1 City shall not modify or amend any lease respecting the City Common Areas Option Property, or enter into any new lease respecting the City Common Areas Option Property, without the Developer's prior written approval; provided that Developer hereby expressly consents to the City entering into that certain City of Corona License Agreement for Use of City Facilities (City Option Property – Corona Mall) with ****INSERT DEVELOPER’S NAME**** dated ****INSERT DATE****;

3.10.2 Except as provided in the Development Agreement, which imposes certain maintenance obligations upon Developer from and after the BID Expiration Date, and unless Developer has exercised its option on the City Common Areas Option Property, in which case Developer shall be solely responsible for all obligations related to such property, as provided in the Development Agreement, City shall maintain the City Common Areas Option Property in accordance with the same standards City has customarily observed in its ownership and management of the City Common Areas Option Property;

3.10.3 City shall maintain in force all insurance policies currently maintained by City with respect to the City Common Areas Option Property;

3.10.4 City shall not cause, permit, allow or suffer any additional exception to the title of the City Common Areas Option Property.

3.11 City Representations and Warranties. As of the Effective Date, City makes the following representations and warranties:

[3.11.1](#) The entering into and performance of this Option Agreement by City will not constitute a violation of any court order or decree or result in City's default under any other contract by which City or the City Common Areas Option Property are bound.

[3.11.2](#) To City's knowledge, there are no sale agreements or lease agreements with respect to the City Common Areas Option Property that would prevent City from conveying title to the City Common Areas Option Property, as required by this Option Agreement or the Development Agreement, if Developer exercises the Option.

[3.11.3](#) There is no pending or threatened private or governmental litigation by any Government or Person against City relating to the City Common Areas Option Property that might, if it and all other pending and threatened litigation were adversely determined, result in a material adverse change in the City Common Areas Option Property or its operation or that challenges the validity of or otherwise materially adversely affects the transactions contemplated by this Option Agreement.

[3.11.4](#) No attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization, or other proceedings are pending or threatened against City or City's interest in the City Common Areas Option Property, nor are any such proceedings contemplated by City.

[3.11.5](#) City has received no Notice of any presently pending or contemplated special assessments or proceedings to condemn or demolish the City Common Areas Option Property or any part of it or any proceedings to declare the City Common Areas Option Property or any part of it a nuisance.

[3.11.6](#) City has good and marketable title to the City Common Areas Option Property. Except as provided in Section 3.9.3 of this Option Agreement, City has no actual knowledge of any unrecorded or undisclosed legal or equitable interest in the City Common Areas Option Property owned or claimed by anyone other than City. City has no knowledge that anyone claims any right to possession of the City Common Areas Option Property, except as disclosed by this Option Agreement or otherwise in writing by City to the Developer. There are no unsatisfied mechanics' or materialmen's lien rights on the City Common Areas Option Property.

[3.12](#) General Provisions.

[3.12.1](#) Execution of this Option Agreement. Notwithstanding any other provision of this Option Agreement, this Option Agreement shall only become binding on the Parties or either of them, upon the occurrence of the Effective Date. Any approval or execution of this Option Agreement by either Party shall be of no force or effect, unless and until the Effective Date.

[3.12.2](#) Incorporation of Recitals. The recitals of fact set forth preceding this Option Agreement are true and correct and are incorporated into this Option Agreement in their entirety by this reference.

[3.12.3](#) Notices, Demands and Communications between the Parties. All notices or other communications required or permitted between the Parties hereunder shall be in writing, and shall be (i) personally delivered, (ii) sent by United States registered or certified mail, postage

prepaid, return receipt requested, (iii) sent by facsimile transmission with confirmation of receipt, or (iv) sent by nationally recognized overnight courier service (e.g., Federal Express or United Parcel Service), addressed to the Party to whom the notice is given at the addresses provided below, subject to the right of any Party to designate a different address for itself by notice similarly given. Any notice so given by registered or certified United States mail shall be deemed to have been given on the third business day after the same is deposited in the United States mail. Any notice not so given by registered or certified mail, such as notices delivered by personal delivery, facsimile transmission or courier service, shall be deemed given upon receipt, rejection or refusal of the same by the Party to whom the notice is given. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice or other communication sent.

To City: City of Corona
400 South Vicentia Avenue
Corona, CA 92882

Attn: City Manager
Telephone: (951) 736-2371

To Developer: ****INSERT ENTITY NAME****
****INSERT ADDRESS****
Attn: ****INSERT NAME****
Telephone: ****INSERT NUMBER****

3.12.4 Relationship of Parties. The Parties each intend and agree that the Developer and City are independent contracting entities and do not intend by this Option Agreement to create any partnership, joint venture, or similar business arrangement, relationship or association between them.

3.12.5 Survival of Option Agreement. Section 3.9 and all terms and conditions of this Option Agreement relating to principles of interpretation, dispute resolution and limitations on damages or remedies, including, without limitation, Section 3.12.6, shall survive any expiration or termination of this Option Agreement.

3.12.6 Limitation of Developer's Remedies and Release. Developer acknowledges and agrees that City would not have entered into this Option Agreement, if it were to individually or jointly, be liable to Developer for any monetary damages, monetary recovery or any remedy following a default under this Option Agreement by City, other than: (i) termination of this Option Agreement pursuant to Section 3.7 or any other provision of this Option Agreement; (ii) specific performance; or (iii) injunctive relief (collectively, "**Developer Remedies**"). Accordingly, the Parties agree that the Developer Remedies shall be Developer's sole and exclusive rights and remedies following a default under this Option Agreement by City. Developer hereby waives any right to pursue any remedy or damages based upon a default by City under this Option Agreement other than the Developer Remedies. It is the intention of Developer to be bound by the limitations on damages and remedies set forth in this Section 3.14.6, and Developer hereby

releases any and all claims against City for monetary damages, monetary recovery or other legal or equitable relief related to any default under this Option Agreement by City, except as specifically provided in this Section 3.12.6, whether or not any such released claims were known or unknown to Developer as of the Effective Date of this Option Agreement. Except for the Developer Remedies, Developer hereby releases City, and its officials, officers, employees and agents from any and all claims arising out of a default by City under this Option Agreement.

Without limiting the generality of anything in this Section 3.12.6, with respect to the waivers, releases and limitations on remedies contained in this Section 3.12.6, Developer hereby expressly waives the benefit of and any protections provided by California Civil Code Section 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

In addition to waiving the provisions of California Civil Code Section 1542, Developer hereby waives, releases and foregoes the provisions of any other federal or state statute or judicial decision of similar effect with respect to the waivers, releases and limitations contained in this Section 3.12.6.

Initials of Authorized
Developer Representative

The obligations described above will be for the benefit of the City and binding upon Developer, its successors and assigns, officers, employees and representatives, and will survive termination of this Option Agreement, close of escrow on the City Common Areas Option Property and the recordation of a grant deed conveying the City Common Areas Option Property.

3.12.7 Calculation of Time Periods. Unless otherwise specified, all references to time periods in this Option Agreement measured in days shall be to consecutive calendar days, all references to time periods in this Option Agreement measured in months shall be to consecutive calendar months and all references to time periods in this Option Agreement measured in years shall be to consecutive calendar years. Any reference to business days in this Option Agreement shall mean consecutive business days of the Developer.

3.12.8 Principles of Interpretation. No inference in favor of or against any Party shall be drawn from the fact that such Party has drafted any part of this Option Agreement. The Parties have both participated substantially in the negotiation, drafting, and revision of this Option Agreement, with advice from legal and other counsel and advisers of their own selection. A word, term or phrase defined in the singular in this Option Agreement may be used in the plural, and vice versa, all in accordance with ordinary principles of English grammar, which shall govern all

language in this Option Agreement. The words “include” and “including” in this Option Agreement shall be construed to be followed by the words: “without limitation.” Each collective noun in this Option Agreement shall be interpreted as if followed by the words “(or any part of it),” except where the context clearly requires otherwise. Every reference to any document, including this Option Agreement, refers to such document, as modified from time to time (excepting any modification that violates this Option Agreement), and includes all exhibits, schedules, addenda and riders to such document. The word “or” in this Option Agreement includes the word “and.” Every reference to a law, statute, regulation, order, form or similar governmental requirement refers to each such requirement as amended, modified, renumbered, superseded or succeeded, from time to time.

3.12.9 Governing Law. The Laws of the State of California shall govern the interpretation and enforcement of this Option Agreement, without application of conflicts of laws principles. The Parties acknowledge and agree that this Option Agreement is entered into, is to be fully performed in and relates to real property located in the City of Corona, County of Riverside, State of California. All legal actions arising from this Option Agreement shall be filed in the Superior Court of California in and for the County of Riverside or in the United States District Court with jurisdiction in the County of Riverside.

3.12.10 Unavoidable Delay; Extension of Time of Performance. Subject to any specific provisions of this Option Agreement stating that they are not subject to Unavoidable Delay or otherwise limiting or restricting the effects of an Unavoidable Delay, performance by either Party under this Option Agreement shall not be deemed, or considered to be in Default, where any such Default is due to the occurrence of an Unavoidable Delay. Any Party claiming an Unavoidable Delay shall give Notice to the other Party: (i) within ten (10) days after such Party knows of any such Unavoidable Delay; and (ii) within five (5) days after such Unavoidable Delay ceases to exist. To be effective, any Notice of an Unavoidable Delay must describe the Unavoidable Delay in reasonable detail. The extension of time for an Unavoidable Delay shall commence on the date of receipt of written Notice of the occurrence of the Unavoidable Delay by the Party not claiming an extension of time to perform due to such Unavoidable Delay and shall continue until the end of the condition causing the Unavoidable Delay. The Party claiming an extension of time to perform due to an Unavoidable Delay shall exercise its commercially reasonable best efforts to cure the condition causing the Unavoidable Delay, within a reasonable time.

3.12.11 City Assignment. City shall not transfer, assign, or delegate any of its rights and obligations set forth in this Option Agreement without the prior written consent of Developer, which consent may be given or withheld in Developer’s sole discretion. Any assignment or delegation in violation of this section shall be void.

3.12.12 Binding on Successors and Assigns. This Option Agreement shall be binding upon and inure to the benefit of the Parties and their respective legal representatives, successors and assigns.

3.12.13 No Other Representations or Warranties. Except as expressly set forth in this Option Agreement, no Party makes any representation or warranty material to this Option Agreement to any other Party.

3.12.14 Execution in Counterparts. This Option Agreement may be executed in multiple counterpart originals, each of which shall be deemed to be an original, but all of which together shall constitute one and the same document.

3.12.15 Entire Option Agreement.

3.12.15.1 Integrated Agreement. This Option Agreement includes **[**INSERT WRITTEN NUMBER**]** (**[**INSERT NUMBER**]**) pages and four (4) exhibits, that constitute the entire understanding and Option Agreement of the Parties regarding the City Common Areas Option Property and the other subjects addressed in this Option Agreement. This Option Agreement integrates all of the terms and conditions mentioned in this Option Agreement or incidental to this Option Agreement, and supersedes all negotiations or previous agreements between the Parties with respect to the City Common Areas Option Property and the other subjects addressed in this Option Agreement.

3.12.15.2 No Merger. None of the terms, covenants, restrictions, agreements or conditions set forth in this Option Agreement shall be deemed to be merged with any deed conveying title to any portion of the City Common Areas Option Property, and this Option Agreement shall continue in full force and effect before and after any such instruments, in accordance with its terms.

3.12.15.3 Waivers Must be in Writing. All waivers of the provisions of this Option Agreement and all amendments to this Option Agreement must be in writing and signed by the authorized representative(s) of both the Developer and City.

3.12.16 Exhibits. All of the Exhibits attached to this Option Agreement are described as follows:

Exhibit “A” - City Common Areas Option Property Legal Description

Exhibit “B” – Authority Mall Property Legal Description

Exhibit “C” - Option Memorandum

Exhibit “D” – Schedule of Performance

3.12.17 Time Declared to be of the Essence. As to the performance of any obligation under this Option Agreement of which time is a component, the performance of such obligation within the time specified is of the essence.

3.12.18 No Waiver. Failure to insist on any one occasion upon strict compliance with any term, covenant, condition, restriction or agreement contained in this Option Agreement shall not be deemed a waiver of such term, covenant, condition, restriction or agreement, nor shall any waiver or relinquishment of any rights or powers under this Option Agreement, at any one time or more times, be deemed a waiver or relinquishment of such right or power at any other time or times.

[SIGNATURES ON FOLLOWING 2 PAGES]

CITY'S SIGNATURE PAGE FOR

**CITY OF CORONA
OPTION TO PURCHASE AGREEMENT
(CITY COMMON AREAS – CORONA MALL)**

IN WITNESS WHEREOF, the City has executed this Option Agreement as of the date set forth below.

CITY OF CORONA
a California municipal corporation

By: _____
Mitchell Lansdell, Acting City Manager

May __, 2019

Attest:

By: _____
Sylvia Edwards, City Clerk

Approved as to Form:

By: _____
Dean Derleth, City Attorney

DEVELOPER'S SIGNATURE PAGE FOR
CITY OF CORONA
OPTION TO PURCHASE AGREEMENT
(CITY COMMON AREAS – CORONA MALL)

IN WITNESS WHEREOF, the Developer has executed this Option Agreement as of the latest date set forth below.

[INSERT NAME OF DEVELOPER**]**
a **[**INSERT STATE AND TYPE OF ENTITY**]**

By:

[INSERT NAME**]**
[INSERT TITLE**]**

Date

EXHIBIT "A"

TO OPTION AGREEMENT

**LEGAL DESCRIPTION AND
DEPICTION OF CITY COMMON AREAS OPTION PROPERTY**

The real property situated in the City of Corona, County of Riverside, State of California and identified as follows:

Assessor Parcel Numbers

- 117-143-015
- 117-143-026
- 117-143-030
- 117-143-034
- 117-143-035
- 117-151-012
- 117-151-013
- 117-151-014

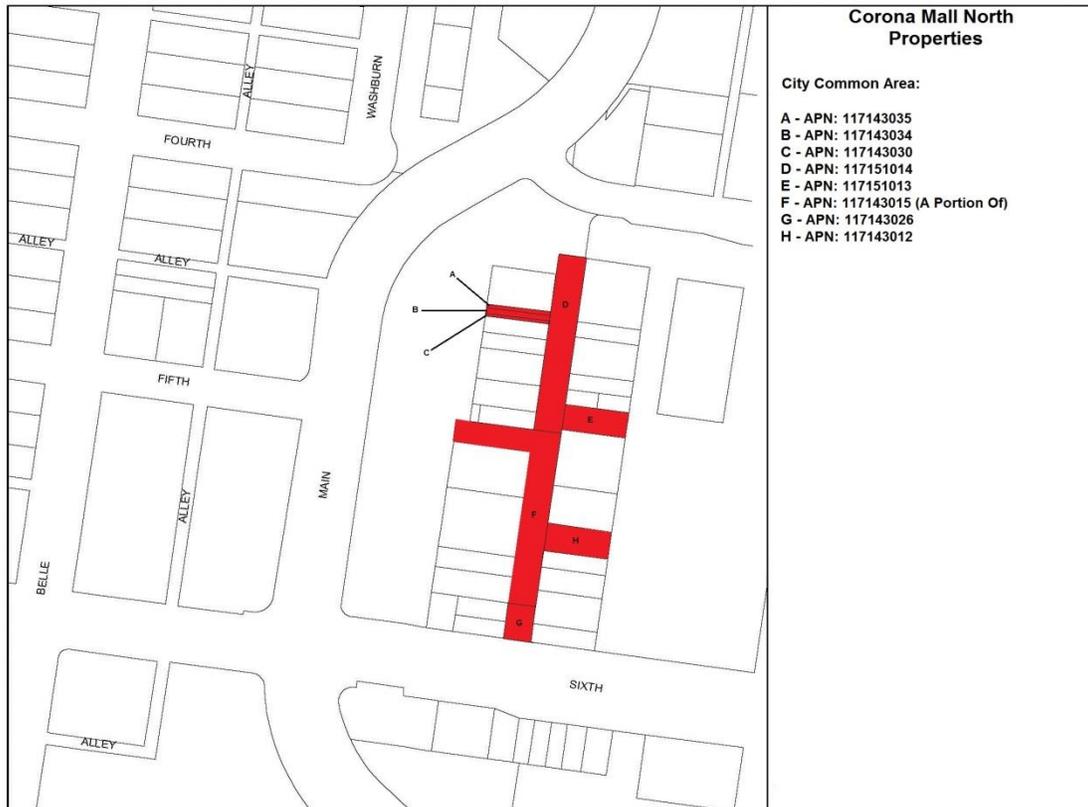


EXHIBIT "B"

TO OPTION AGREEMENT

**LEGAL DESCRIPTION AND
DEPICTION OF AUTHORITY NORTH MALL PROPERTY**

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

PARCEL 1

ASSESSOR PARCEL NUMBER 117-143-031

THAT PORTION OF LOTS 5 AND 6 OF BLOCK 155 OF THE SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 9, PAGES 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, ALSO SHOWN ON RECORD OF SURVEY AS A PORTION OF PARCEL C-2 ON FILE IN BOOK 61, PAGE 24 OF RECORDS OF SURVEY, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: "BEGINNING AT A POINT ON THE EASTERLY LINE OF SAID BLOCK 155, WHICH BEARS NORTH 07° 06' 53" EAST, A DISTANCE OF 116.00 FEET FROM THE SOUTHEAST CORNER OF LOT 1 SAID BLOCK 155 TO THE TRUE POINT OF BEGINNING; THENCE NORTH 82° 42' 02" WEST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 100.00 FEET; THENCE NORTH 07° 16' 53" EAST, PARALLEL WITH THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET; THENCE SOUTH 82° 42' 02" EAST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 100.00 FEET TO THE EASTERLY LINE OF SAID BLOCK 155; THENCE SOUTH 07° 16' 53" WEST ALONG THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET TO THE TRUE POINT OF BEGINNING."

AN EASEMENT APPURTENANT TO THE ABOVE DESCRIBED PARCEL DESCRIBED AS FOLLOWS:

AN EASEMENT OVER, UNDER, ABOVE, BELOW AND ACROSS THE NORTHERLY FIVE FEET SIX INCHES OF THE REAL PROPERTY LYING IMMEDIATELY ADJACENT TO THE SOUTHERLY PROPERTY LINE OF THE ABOVE DESCRIBED PARCEL 1 FOR THE PURPOSE OF FOOTING AND FOUNDATIONS FOR BUILDINGS AND STRUCTURES ON THE ABOVE DESCRIBED PARCEL 1 AND FOR THE PURPOSE OF CONSTRUCTING ROOF OVERHANGS AND BUILDING SURFACE OVERHANGING, SAID OVERHANGS TO CONFORM ARCHITECTURALLY WITH ANY BUILDING AND STRUCTURES IMMEDIATELY ADJACENT TO THE SOUTHERLY PROPERTY LINE OF THE ABOVE DESCRIBED PROPERTY SO AS NOT TO INTERFERE WITH PEDESTRIAN TRAFFIC THERETO; TOGETHER WITH THE RIGHT TO CONSTRUCT OR CONNECT TO A

COMMON OR PARTY WALL, INCLUDING FOOTINGS AND FOUNDATIONS THEREFOR, ALONG THE SOUTHERLY LINES OF THE ABOVE DESCRIBED PARCEL 1 IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THAT CERTAIN AGREEMENT AND GRANT OF EASEMENTS DATED JANUARY 17, 1977 AND RECORDED JANUARY 27, 1977 AS INSTRUMENT NO. 14690 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 2

ASSESSOR PARCEL NUMBER 117-143-032

THAT PORTION OF LOTS 4 AND 5 OF BLOCK 155 OF THE SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 9, PAGES 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, ALSO SHOWN ON RECORDS OF SURVEY AS A PORTION OF PARCEL C-2 ON FILE IN BOOK 61, PAGE 24, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: "BEGINNING AT A POINT ON THE EASTERLY LINE OF SAID BLOCK 155, WHICH BEARS NORTH 07° 16' 53" EAST, A DISTANCE OF 90.00 FEET FROM THE SOUTHEAST CORNER OF LOT 1 IN SAID BLOCK 155 TO THE TRUE POINT OF BEGINNING; THENCE NORTH 82° 42' 02" WEST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1 A DISTANCE OF 100.00 FEET; THENCE NORTH 07° 16' 53" EAST, PARALLEL WITH THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET; THENCE SOUTH 82° 42' 02" EAST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 100.00 FEET TO THE EASTERLY LINE OF SAID BLOCK 155; THENCE SOUTH 07° 16' 53" WEST ALONG THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET, TO THE TRUE POINT BEGINNING."

PARCEL 3 AND 4

ASSESSOR PARCEL NUMBER: 117-143-038 and ASSESSOR PARCEL NUMBER: 117-143-039

THOSE PORTIONS OF BLOCK 144 OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9 PAGE 8 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WESTERLY PROLONGATION OF THE SOUTH LINE OF LOT 6 IN SAID BLOCK 144, WITH THE CENTER LINE OF THE 16.00 FEET WIDE ALLEYWAY ABUTTING LOTS 6, 7, 8 AND 9 ON THE WEST, THENCE SOUTH 82° 45' 00" EAST, 178.05 FEET ON SAID WESTERLY PROLONGATION, THE SOUTH LINE OF SAID LOT 6 AND ITS EASTERLY PROLONGATION TO THE CENTER LINE OF MAIN STREET AS SHOWN ON SAID MAP THENCE NORTH 7° 15' 00" EAST 116.00 FEET ON SAID CENTER LINE TO THE INTERSECTION OF THE EASTERLY PROLONGATION OF THE NORTH LINE OF LOT 9 IN SAID BLOCK 144; THENCE NORTH 82° 45' 00" WEST 178.05 FEET ON LAST SAID PROLONGATION, THE NORTH LINE OF SAID LOT 9 AND ITS

WESTERLY PROLONGATION, TO SAID CENTER LINE OF SAID ALLEY ABUTTING ON THE WEST; THENCE SOUTH 7° 15' 00" WEST 116.00 FEET ON SAID CENTER LINE TO THE POINT OF BEGINNING. EXCEPT THE EAST 10.00 FEET AS CONVEYED TO THE REDEVELOPMENT AGENCY OF THE CITY OF CORONA BY DEED RECORDED APRIL 15, 1969, AS INSTRUMENT NO. 36744 OF OFFICIAL RECORDS.

PARCEL 5

ASSESSOR PARCEL NUMBER 117-143-040

THOSE PORTIONS OF BLOCK 144 OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9 PAGE 8 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WESTERLY PROLONGATION OF THE NORTH LINE OF LOT 5 IN SAID BLOCK 144, WITH THE CENTERLINE OF THE 16.00 FEET WIDE ALLEY ABUTTING LOTS 4 AND 5 IN SAID BLOCK, ON THE WEST; THENCE SOUTH 82° 45' 00" EAST, 178.05 FEET ON SAID PROLONGATION, THE NORTH LINE OF SAID LOT 5 AND ITS EASTERLY PROLONGATION TO THE CENTER LINE OF MAIN STREET, AS SHOWN ON SAID MAP; THENCE SOUTH 7° 15' 00" WEST, 50.00 FEET ON LAST SAID CENTER LINE TO THE INTERSECTION OF THE EASTERLY PROLONGATION OF THE SOUTH LINE OF SAID LOT 4; HENCE NORTH 82° 45' 00" WEST, 178.05 FEET ON SAID EASTERLY PROLONGATION, THE SOUTH LINE OF SAID LOT 4 AND ITS WESTERLY PROLONGATION TO SAID CENTER LINE OF SAID ALLEY ABUTTING ON THE WEST; THENCE NORTH 7° 15' 00" EAST 50.00 FEET ON LAST SAID CENTER LINE TO THE POINT OF BEGINNING. EXCEPT THE EAST 10.00 FEET AS CONVEYED TO THE REDEVELOPMENT AGENCY OF THE CITY OF CORONA BY DEED RECORDED APRIL 15, 1969, AS INSTRUMENT NO. 36744 OF OFFICIAL RECORDS.

PARCEL 6

ASSESSOR PARCEL NUMBER 117-151-007

ALL THAT PORTION OF LOTS 16, 17 AND 18 IN BLOCK 143 AND ALL THAT PORTION OF MAIN STREET LYING BETWEEN FIFTH STREET AND SIXTH STREET, AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016, RIVERSIDE COUNTY RECORDS, ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 PAGE 8 OF MAPS, SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: BEGINNING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60 FEET NORTHERLY, MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82° 43' 52" WEST, ALONG SAID PARALLEL LINE, 10 FEET TO A LINE PARALLEL WITH AND 10 FEET

WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE OF MAIN STREET; THENCE NORTH 07° 16' 53" EAST, ALONG SAID LINE PARALLEL WITH THE CENTERLINE OF MAIN STREET, 30 FEET; THENCE SOUTH 82° 43' 07" EAST, AT RIGHT ANGLES TO SAID CENTERLINE OF MAIN STREET, 100 FEET; THENCE SOUTH 07° 16' 53" WEST, PARALLEL WITH SAID CENTERLINE OF MAIN STREET, 29.98 FEET TO SAID LINE PARALLEL WITH THE CENTERLINE OF SIXTH STREET; THENCE NORTH 82° 43' 07" WEST, ALONG SAID PARALLEL LINE, 90 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 7

ASSESSOR PARCEL NUMBER 117-151-016

THOSE PORTIONS OF LOTS 14, 15, AND 16 IN BLOCK 143, ALL THAT PORTION OF MAIN STREET LYING BETWEEN FIFTH STREET AND SIXTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969, AS INSTRUMENT NO. 98016, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE, TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE N. 82°43'52" W, ALONG SAID PARALLEL LINE, A DISTANCE OF 10.00 FEET TO A LINE PARALLEL WITH AND 10.00 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE OF MAIN STREET; THENCE N. 07°16'53" E., ALONG SAID LINE PARALLEL WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 30.00 FEET TO THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE CONTINUING N. 07°16'53" E., ALONG SAID LINE, PARALLEL WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 50.00 FEET; THENCE S. 82°43'07" E., AT RIGHT ANGLES TO SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 100.00 FEET; THENCE S. 07°16'53" W., PARALLEL WITH SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 50.00 FEET TO A POINT THAT BEARS S. 82°43'07" E., A DISTANCE OF 100.00 FEET FROM THE POINT OF BEGINNING. THENCE N. 82°43'07" W., A DISTANCE OF 100.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 8

ASSESSOR PARCEL NUMBER 117-151-015

THAT PORTION OF LOTS 13 AND 14 IN BLOCK 143, ALL THAT PORTION OF THE MAIN STREET LYING BETWEEN FIFTH AND SIXTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON SEPTEMBER 15, 1969, A

CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969, AS INSTRUMENT NO. 98016, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA , COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA. DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE N. 82°43'52" W., ALONG SAID PARALLEL LINE, A DISTANCE OF 10.00 FEET TO A LINE PARALLEL WITH AND 10.00 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE OF MAIN STREET; THENCE N. 07°16'53" E., ALONG SAID PARALLEL LINE WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 80.00 FEET TO THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE CONTINUING N. 07°16'53" E., ALONG SAID LINE PARALLEL WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 32.00 FEET; THENCE S. 82°43'07" E., AT RIGHT ANGLES TO SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 100.00 FEET. THENCE S. 07°16'53" W., PARALLEL WITH SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 32.00 FEET; THENCE N. 82°43'07" W., A DISTANCE OF 100.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 9

ASSESSOR PARCEL NUMBER 117-151-005

THOSE PORTIONS OF LOTS 8, 9, 10 AND 11 IN BLOCK 143 AND A PORTION OF MAIN STREET (VACATED), AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9, PAGE 8 OF MAPS, AS PER SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE CENTER LINE OF MAIN STREET (VACATED)WHICH BEARS NORTH 07°16'53" EAST, 245 FEET FROM ITS INTERSECTION WITH THE CENTER LINE OF SIXTH STREET, AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82°43'07" WEST, AT RIGHT ANGLES TO THE CENTER LINE OF MAIN STREET (VACATED), 10 FEET; THENCE NORTH 07°16'53" EAST, ALONG A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTER LINE OF MAIN STREET (VACATED), 62 FEET; THENCE SOUTH 82°43'07" EAST, 100 FEET; THENCE SOUTH 07°16'53" WEST, 62 FEET; THENCE NORTH 82°43'07" WEST, 90 FEET TO THE POINT OF BEGINNING. SAID MAIN STREET HAVING BEEN VACATED BY RESOLUTION OF THE CITY COUNCIL OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION BEING RECORD SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016, OFFICIALRECORDS.

PARCEL 10

ASSESSOR PARCEL NUMBER: 117-151-004

THOSE PORTIONS OF LOTS 7 AND 8 IN BLOCK 143 AND THOSE PORTIONS OF MAIN STREET (VACATED) AND FIFTH STREET (VACATED), AS SHOWN BY MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9, PAGE 8 OF MAPS, AS PER SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE CENTER LINE OF MAIN STREET (VACATED) WHICH BEARS NORTH 07°16' 53" EAST 245 FEET FROM ITS INTERSECTION WITH THE CENTER LINE OF SIXTH STREET, AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82°43'07" WEST, AT RIGHT ANGLES TO THE CENTER LINE OF MAIN STREET (VACATED), 10 FEET; THENCE NORTH 07° 16' 53" EAST, ALONG A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTER LINE OF MAIN STREET (VACATED), 62 FEET, FOR THE TRUE POINT OF BEGINNING; THENCE NORTH 07°16' 53" EAST, CONTINUING ALONG SAID PARALLEL LINE, 88 FEET; THENCE SOUTH 82°43'07" EAST 100 FEET; THENCE SOUTH 07°16'53" WEST 88 FEET; THENCE NORTH 82°43'07" WEST 100 FEET, TO THE TRUE POINT OF BEGINNING. SAID PORTIONS OF MAIN STREET AND FIFTH HAVE BEEN VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON AUGUST 18, 1969, A CERTIFIED COPY OF SAID RESOLUTION BEING RECORDED SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016, OFFICIAL RECORDS. SAID LAND BEING A PORTION OF THE LAND AS SHOWN ON A RECORD OF SURVEY MAP ON FILE IN BOOK 61, PAGES 22 THROUGH 26, INCLUSIVE OF RECORDS OF SURVEYS, RIVERSIDE COUNTY RECORDS.

THOSE CERTAIN EASEMENTS, RIGHTS, AND RIGHTS OF WAY CONTAINED IN THAT CERTAIN AGREEMENT AND GRANT OF EASEMENTS DATED JANUARY 23, 1970, EXECUTED BY AND BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF CORONA, A BODY POLITIC, PUBLIC AND CORPORATE, AND VASELS, A CALIFORNIA CORPORATION, AND NICHOLS VASELS, RECORD JANUARY 29, 1970 AS INSTRUMENT NO. 8882, OFFICIAL RECORDS.

PARCEL 11

ASSESSOR PARCEL NUMBER 117-151-021

THAT PORTION OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 8, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, SHOWN AS THAT PORTION OF PARCEL D-3 OF THE CORONA DOWNTOWN REDEVELOPMENT PROJECT, AS SHOWN ON THAT RECORD OF SURVEY RECORDED IN MAP BOOK 61 AT PAGE 22 OF THE OFFICIAL RECORDS OF THE RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS

FOLLOWS: ALL OF PARCEL D-3 EXCEPTING THEREFROM THE NORTH 26.00 FEET AND THE SOUTH 30.00 FEET.

PARCEL 12

ASSESSOR PARCEL NUMBER: 117-151-002

THAT PORTION OF LOTS 9 THROUGH 12 IN BLOCK 156; THAT PORTION OF MAIN STREET LYING BETWEEN FOURTH STREET AND FIFTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016; AND THAT PORTION OF THE EAST-WEST ALLEY IN SAID BLOCK 156; AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON JULY 7, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED JULY 11, 1969 AS INSTRUMENT NO. 70713; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE ON FILE IN BOOK 9 PAGE 8 OF MAPS, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE CENTER LINE OF SAID MAIN STREET WHICH BEARS NORTH 07° 16' 53" EAST, 435 FEET FROM ITS INTERSECTION WITH THE CENTERLINE OF SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82° 43' 07" WEST, AT RIGHT ANGLES TO SAID CENTER LINE OF MAIN STREET, 10 FEET TO A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTER LINE OF MAIN STREET; THENCE NORTH 07° 16' 53" EAST, ALONG SAID PARALLEL LINE, 132 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH 07° 16' 53" EAST, ALONG SAID PARALLEL LINE, 100 FEET; THENCE SOUTH 82° 43' 07" EAST, 100 FEET; THENCE SOUTH 07° 16' 53" WEST, PARALLEL WITH SAID CENTER LINE OF MAIN STREET, 100 FEET; THENCE NORTH 82° 43' 07" WEST, 100 FEET TO THE TRUE POINT OF BEGINNING.



Exhibit A - Corona Mall North Properties



| | | | | | |
|---|---------------------------------|---|---------------------------------|----|-------------------------------|
| 1 | 117-143-031 (422 Corona Mall) | 5 | 117-143-040 (518 S Main Street) | 9 | 117-151-005 (525 Corona Mall) |
| 2 | 117-143-032 (442 Corona Mall) | 6 | 117-151-007 (591 Corona Mall) | 10 | 117-151-004 (505 Corona Mall) |
| 3 | 117-143-038 (508 S Main Street) | 7 | 117-151-016 (579 Corona Mall) | 11 | 117-151-021 (415 Corona Mall) |
| 4 | 117-143-039 (514 S Main Street) | 8 | 117-151-015 (577 Corona Mall) | 12 | 117-151-002 (405 Corona Mall) |

Date 04/10/2015

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EXHIBIT “C”
TO OPTION AGREEMENT
OPTION MEMORANDUM

[SEE ATTACHED SIX (6) PAGES]

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

[INSERT DEVELOPER'S NAME
AND ADDRESS**]**

APN: 117-143-013, 117-143-015, 117-143-026,
117-143-030, 117-143-034, 117-143-035,
117-151-012, 117-151-014, 117-151-022

(SPACE ABOVE FOR RECORDER'S USE)

**MEMORANDUM
OF
OPTION TO PURCHASE AGREEMENT
(CITY COMMON AREAS OPTION PROPERTY – CORONA MALL)**

This Memorandum of Option to Purchase Agreement (“**Memorandum**”) is dated as of [**INSERT DATE**] between [**INSERT DEVELOPER'S NAME**], a [**INSERT STATE AND TYPE OF ENTITY**] (“**Developer**”) and THE CITY OF CORONA, a California municipal corporation (“**City**”).

RECITALS

WHEREAS, Developer and City have executed that certain Option to Purchase Agreement dated as of [***INSERT DATE***] (“**Option Agreement**”), concerning certain real property located in the County of Riverside, State of California, and more particularly described in **Exhibit “1”** attached hereto and incorporated herein by this reference that is described and depicted as the City Common Areas Option Property in the Option Agreement (“**Option Property**”); and

WHEREAS, the Option Agreement is a public record available for inspection and copying during normal business hours in the office of the City Clerk of the City of Corona, whose address is 400 S. Vicentia Avenue, Corona, CA 92882; and

WHEREAS, Developer and City desire to record this Memorandum to provide notice of the Option Agreement in the Official Records of Riverside County, California;

NOW, THEREFORE, in consideration of the foregoing, Developer and City hereby declare as follows:

1. Grant of Option. City has granted to Developer, in accordance with the Option Agreement, the option to purchase the Option Property.

2. Option Term. The term of the Option Agreement terminates no later than 5:00 p.m. Pacific Time on June 5, 2028, as more particularly set forth therein.

3. Covenants; Power of Termination/Reversion. The Option Agreement contains various covenants, including without limitation a “Development Covenant” (in Section 3.9.1), an “Anti-Speculation Covenant” (Section 3.9.2), and an “Access Covenant” (Section 3.9.3), which covenants are binding upon Developer for the periods of time and subject to the terms and conditions more particularly set forth therein. In the event Developer fails to fully and timely satisfy the Development Covenant and/or breaches or violates the Anti-Speculation Covenant or the Access Covenant, the Option Property will revert to the City solely upon payment to Developer of the Purchase Price (the sum of One Dollar [\$1]), without interest. Reference is hereby made to the Option Agreement for particulars.

4. This Memorandum is prepared for the purpose of providing record notice of the Option Agreement and shall not alter or affect in any way the rights and obligations of Developer or City under the Option Agreement. In the event of any inconsistency between this Memorandum and the Option Agreement, the terms of the Option Agreement shall control.

5. The meaning of defined terms, indicated by initial capitalization, used in this Memorandum shall be the same as the meaning ascribed to such terms in the Option Agreement.

Developer and City have signed this Memorandum by and through the signatures of their authorized representatives, as set forth below:

CITY:

DEVELOPER:

CITY OF CORONA, a California
municipal corporation

[INSERT DEVELOPER’S NAME AND
TYPE OF ENTITY**]**

By: _____
Mitchell Lansdell, Acting City
Manager

By: _____
Name: _____
Its: _____

Attest:

By: _____
Sylvia Edwards, City Clerk

By: _____
Name: _____
Its: _____

[SIGNATURE(S) MUST BE NOTARY ACKNOWLEDGED]

**EXHIBIT 1
TO
MEMORANDUM OF
OPTION AGREEMENT**

OPTION PROPERTY LEGAL DESCRIPTION

TO BE ATTACHED PRIOR TO RECORDATION

EXHIBIT “D”

TO OPTION AGREEMENT

SCHEDULE OF PERFORMANCE

| ITEM | MILESTONE | RESPONSIBLE PARTY | COMPLIANCE DATE(S) | ESTIMATED TIMELINE |
|-------------|---|--------------------------|--|---------------------------|
| 1 | Effective Date of City Common Areas Property Option Agreement | City and Developer | Within 14 days following approval by City Council and subject to satisfaction of conditions set forth in Section 3.1.8 of Option Agreement | TBD |
| 2 | Opening of Escrow | City and Developer | Within 14 days following execution of the Development Agreement by parties | TBD |
| 3 | Close of Escrow | City and Developer | 45 Days after open of Escrow | TBD |
| 4 | Submittal of Preliminary Project design and submittal to the City Infrastructure Committee for portion of Project to be constructed on City Common Areas Option Property (substantially consistent with the conceptual master plan prepared pursuant to Exhibit “K” to the Disposition and Development Agreement with LAB Holding LLC (Corona Mall Property)) | Developer | 180 days following Close of Escrow | TBD |
| 5 | Submittal of Precise Plan application to Community Development for portion of Project to be constructed on City Common Areas Option Property (consistent with Project design approved by Infrastructure Committee) | Developer | Within 90 days following approval by Infrastructure Committee | TBD |
| 6 | Planning Commission Review and City Council action on Precise Plan application. | City and Developer | Within 65 days after submittal of PP application | TBD |
| 7 | Public Works, Planning, & Building review of construction documents. | City and Developer | Within 60 days of PC/CC approval of PP application | TBD |
| 8 | Obtain building permits for construction of portion of Project to be constructed on City Common Areas Option Property. | Developer | Within 18 Months following Close of Escrow | TBD |

| | | | | |
|----|---|-----------|--|-----|
| 9 | Commence and diligently pursue construction of portion of Project to be constructed on City Common Areas Option Property (consistent with approved construction documents). | Developer | Within 24 months following Close of Escrow | TBD |
| 10 | Complete construction of portion of Project to be constructed on City Common Areas Option Property (consistent with approved construction documents) | Developer | Within 30 Months of approval of construction documents | TBD |

**EXHIBIT L-1 TO FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT
AGREEMENT**

**CITY OF CORONA
OPTION TO PURCHASE AGREEMENT
(CITY PARKING LOTS – CORONA MALL)**

1. PARTIES AND DATE.

THIS OPTION TO PURCHASE AGREEMENT (“**Option Agreement**”) is entered into as of **[**INSERT DATE**]**, for reference purposes only, by and between THE CITY OF CORONA, a California municipal corporation (“**City**”), and **[**INSERT DEVELOPER’S NAME**]**, a **[**INSERT STATE AND TYPE OF ENTITY**]** (“**Developer**”). Developer and City are sometimes individually referred to herein as “Party” and collectively as “Parties” throughout this Option Agreement.

2. RECITALS.

2.1 City is the owner of that certain real property located at the northeast corner of South Main Street and East Sixth Street, Corona, County of Riverside, California consisting of approximately 5.56 acres (242,194 square feet), as more specifically described and depicted in **Exhibit “A”** attached to this Option Agreement (“**City Parking Lots Option Property**”).

2.2 Developer desires to acquire the exclusive right to purchase the City Parking Lots Option Property at an agreed price and upon specified terms and conditions, without any obligation to purchase the City Parking Lots Option Property, and City is willing to grant such right to Developer.

NOW, THEREFORE, in consideration of the above facts and for the covenants and agreements contained herein, the Parties hereto agree as follows:

3. TERMS.

3.1 Definitions. In addition to the definitions ascribed to certain words, phrases or terms in the Preamble or Recitals to this Option Agreement, the following words, phrases or terms shall have the following definitions:

3.1.1 Authority North Mall Property. That certain real property generally located at the northeast corner of South Main Street and East Sixth Street, Corona, County of Riverside, California consisting of approximately 1.55 acres (67,732 square feet), as more specifically described and depicted in **Exhibit “B”** attached to this Option Agreement.

3.1.2 Developer. **[**INSERT DEVELOPER’S NAME**]**, a **[**INSERT STATE AND TYPE OF ENTITY**]**.

3.1.3 City. The City of Corona, California, a municipal corporation.

3.1.4 City Parking Lots Option Property. That certain real property specifically described in the legal description set forth in **Exhibit “A”** attached to this Option Agreement, including all appurtenant rights and interests.

3.1.5 County. The County of Riverside, California.

3.1.6 Default. Any Monetary Default or Non-Monetary Default.

3.1.7 Development Agreement. A Disposition and Development Agreement in substantially the same form as that certain Disposition and Development Agreement (Corona Mall Property) entered into by and among with LAB Holding, LLC, City, and the City of Corona Housing Authority dated as of May 17, 2017, as amended by that certain First Amendment to Disposition and Development Agreement dated as of May 15, 2019, including all exhibits thereto, with terms and conditions consistent with this Option Agreement.

3.1.8 Effective Date. The first date on which all of the following have occurred: (i) the Developer has received two (2) counterpart originals of this Option Agreement signed by the authorized representative(s) of City; (ii) this Option Agreement is signed by the authorized representative(s) of the Developer; (iii) one (1) original of this Option Agreement signed by the authorized representative(s) of the Developer has been delivered by the Developer to City; and (iv) the City has received the Option Consideration Payment from Developer.

3.1.9 Escrow. An escrow, as defined in Civil Code Section 1057 and Financial Code Section 17003(a), that is conducted by the Escrow Agent with respect to the conveyance of the City Parking Lots Option Property from City to the Developer, pursuant to this Option Agreement.

3.1.10 Escrow Agent. First American Title Company, 18500 Von Karman Avenue, Suite 600, Irvine California, 92612 (C/o Nathan Thompson Escrow Officer).

3.1.11 Event of Default. The occurrence of any one or more of the following:

3.1.11.1 *Monetary Default*. A Monetary Default that continues for seven (7) days after Notice from the non-defaulting Party, specifying in reasonable detail the amount of money not paid and the nature and calculation of each such payment; or

3.1.11.2 *Non-Monetary Default*. Any Non-Monetary Default that is not cured within thirty (30) days after Notice to the Party alleged to be in Default describing the Non-Monetary Default in reasonable detail, or, in the case of a Non-Monetary Default that cannot with reasonable diligence be cured within thirty (30) days after such Notice, if the Party alleged to be in Default does not do all of the following: (i) within thirty (30) days after Notice of such Non-Monetary Default, advise the other Party of the intention of the Party alleged to be in Default to take all reasonable steps to cure such Non-Monetary Default; (ii) duly commence such cure within such period, and then diligently prosecute such cure to completion; and (iii) complete such cure within a reasonable time under the circumstances.

3.1.12 Government. Each and every governmental agency, authority, bureau, department, quasi-governmental body, or other entity or instrumentality having or claiming jurisdiction over the City Parking Lots Option Property (or any activity this Option Agreement allows), including the government of the United States of America, the State and County governments and their subdivisions and municipalities, including the City, and all other applicable governmental agencies, authorities, and subdivisions thereof, including any planning commission, board of standards and appeals, department of buildings, city council, zoning board of appeals, design review board or committee or similar body having or claiming jurisdiction over the City Parking Lots Option Property or any activities on or at the City Parking Lots Option Property.

3.1.13 Law. Every law, ordinance, requirement, order, proclamation, directive, rule, and regulation of any Government applicable to the City Parking Lots Option Property, in any way, including any development, use, maintenance, taxation, operation, or occupancy of, or environmental conditions affecting the City Parking Lots Option Property, or relating to any taxes, or otherwise relating to this Option Agreement or any Party's rights or remedies under this Option Agreement, or any transfer of any of the foregoing, whether in force on the Effective Date or passed, enacted, modified, amended or imposed at some later time, subject in all cases, however, to any applicable waiver, variance, or exemption.

3.1.14 Monetary Default. Any failure by either Party to pay or deposit, when and as this Option Agreement requires, any amount of money.

3.1.15 Non-Monetary Default. The occurrence of any of the following, except to the extent constituting a Monetary Default: (i) any failure of a Party to perform any of its obligations under this Option Agreement; (ii) a Party's failure to comply with any material restriction or prohibition in this Option Agreement; or (iii) any other event or circumstance that, with passage of time or giving of Notice, or both, or neither, would constitute a breach of this Option Agreement.

3.1.16 Notice. Any consent, demand, designation, election, Notice, or request relating to this Option Agreement, including any Notice of Default. All Notices must be in writing.

3.1.17 Notice of Default. Any Notice claiming or giving Notice of a Default.

3.1.18 Option. The exclusive right to purchase the City Parking Lots Option Property, without obligation, granted by the City to the Developer in Section 3.2 of this Option Agreement.

3.1.19 Option Consideration Payment. The non-refundable sum of Five Hundred Dollars (\$500) to be paid to City by Developer for the right to acquire the City Parking Lots Option Property.

3.1.20 Option Memorandum. A memorandum of this Option Agreement in substantially the form of **Exhibit "C"** attached to this Option Agreement.

3.1.21 Option Term. The period of time commencing on the Closing Date for the Authority North Mall Property and ending at 5:00 p.m. Pacific Time on June 5, 2028 (120 months after the Closing Date for the Authority North Mall Property).

3.1.22 Person. Any association, corporation, governmental entity or agency, individual, joint venture, joint-stock company, limited liability company, partnership, trust, unincorporated organization, or other entity of any kind.

3.1.23 Project. The development on the City Parking Lots Option Property of parking lot, driveway, landscaping, and other improvements that are physically and functionally integrated with the commercial and mixed-use development project on the Authority North Mall Property.

3.1.24 Purchase Price. The amount of One Six Million Dollars (\$6,000,000), less all reasonable and documented expenses incurred by Developer prior to the Opening Date (defined below) for improvements made to the Authority Mall Property and acquisition of fee title interest in any of the privately owned real property specifically described in **Exhibit “E”** attached to this Option Agreement

3.1.25 Senior Loan. The lien of a first deed of trust against the City Parking Lots Option Property by any of the following: (a) a bank (State, Federal or foreign), trust company (in its individual or trust capacity), insurance company, credit union, savings bank (State or Federal), pension, welfare or retirement fund or system, real estate investment trust (or an umbrella partnership or other entity of which a real estate investment trust is the majority owner), Federal or State agency regularly making or guaranteeing mortgage loans, investment bank or a subsidiary of a Fortune 500 company, real estate mortgage brokers and bankers, real estate mortgage and investment trusts, real estate bond dealers, venture capital firms or funds; (b) any entity that is an affiliate of or is a combination of any one or more of the entities described in subsection (a) of this Section; or (c) any other lender that is reasonably acceptable to the City’s City Manager, but only on condition that all of the proceeds of the proposed Senior Loan, less any transaction costs, must be used to provide financing for the the commercial and mixed-use development project on the Authority North Mall Property.

3.1.26 Unavoidable Delay. A delay in either Party performing any obligation under this Option Agreement, except payment of money, arising from or on account of any cause whatsoever beyond the Party’s reasonable control, despite such Party’s reasonable diligent efforts, including industry-wide strikes, labor troubles or other union activities (but only to the extent such actions do not result from the willful misconduct or negligence of the Party), casualty, war, acts of terrorism, riots, litigation, Government action or refusal to act when or as required by Law or inability to obtain materials. Unavoidable Delay shall not include delay caused by a Party’s financial condition, illiquidity, or insolvency.

3.2 Grant of Option. In exchange for payment of the Option Consideration Payment and other valuable consideration described in this Option Agreement, City grants to Developer the exclusive right and option to purchase the City Parking Lots Option Property at the Purchase Price and upon the terms and conditions set forth in this Option Agreement and the Development Agreement. Any defined terms used, but not defined, in this Option Agreement shall have the meaning ascribed to the same terms in the Development Agreement.

3.3 Term. The term of the Option shall be the Option Term.

3.4 Consideration. As consideration for the granting of the Option for the Option Term, Developer shall pay the Option Consideration Payment to City prior to the Effective Date. The Option Consideration Payment is given solely in consideration of the grant of the Option and shall not be refundable, except in the event of City's default under this Option Agreement. The Option Consideration Payment shall not be applicable to the Purchase Price at the close of Escrow under the Development Agreement.

3.5 Memorandum of Option. On or before the Effective Date, City and Developer shall execute the Option Memorandum. Developer shall file the Option Memorandum with the office of the Recorder of the County for recordation in the official records of the County and pay any associated recording expenses.

3.6 Exercise of Option; Execution of Development Agreement. If, during the Option Term, Developer is not in Default under this Option Agreement, it may exercise the Option by delivering Notice of such exercise to City prior to the expiration of the Option Term. Within fifteen (15) days following delivery of such Notice, City shall prepare the Development Agreement and deliver two (2) originals of the Development Agreement signed by the City to Developer. Developer shall counter-sign such originals of the Development Agreement and deliver one (1) fully executed original of the Development Agreement to Escrow Agent. The Development Agreement shall constitute the joint instructions of City and Developer to Escrow Agent regarding the purchase and sale transaction for the City Parking Lots Option Property between City and Developer. Upon Escrow Agent's request, City and Developer shall execute such additional escrow instructions consistent with this Option Agreement as may be required by Escrow Agent to perform its duties hereunder.

3.7 Termination. The Option shall automatically and immediately terminate, without further Notice, if either: (a) prior to the expiration of the Option Term, Developer fails to exercise the Option; or (b) Developer, at any time during the Option Term, gives written Notice to City of its election to terminate the Option. Upon any such termination of the Option, City shall retain the Option Consideration Payment.

3.8 Escrow Terms.

3.8.1 Opening and Close of Escrow. City and Developer shall open Escrow for the conveyance of the City Parking Lots Option Property within ten (10) days following the date that the Development Agreement has been signed by all Parties ("**Opening Date**"). Escrow shall close within forty-five days following the Opening Date ("**Close of Escrow**").

3.8.2 Earnest Money Deposit. On or before the Opening Date, Developer shall deposit into Escrow ten percent (10%) of the Purchase Price, as an earnest money deposit ("**Deposit**"), which Deposit shall be applicable to the Purchase Price at Close of Escrow.

3.8.3 City Financing of Purchase Price. In the event Developer exercises the Option pursuant to Section 3.6, City shall finance the balance of the Purchase Price, less the Deposit provided for in Section 3.8.2, ("**City Financed Amount**"), which shall be evidenced by a promissory note and the deed of trust. The terms of the promissory note and deed of trust shall include the principal of the City Financed Amount and interest at two and one-half percent (2.5%)

per annum. Developer shall make interest only monthly payments for a period of fifty-nine (59) months commencing on the first date of the month following the Close of Escrow with one (1) final “balloon” payment due and payable in the sixtieth (60th) month.

3.8.4 Escrow Costs. All costs of the title policy for the City Parking Lots Option Property shall be paid by the Developer, and all Escrow fees and normal closing costs attributable to the conveyance of the City Parking Lots Option Property shall be split 50/50 between the City and the Developer.

3.8.5 Subordination. The promissory note and deed of trust for the City Financed Amount may be subordinated only to the lien of a first deed of trust against the City Parking Lots Option Property by a Qualified Lender, as defined below (“**Senior Loan**”), but only on condition that all of the proceeds of the proposed Senior Loan, less any transaction costs, must be used to provide financing for the Project. Upon a determination by the City Manager that the conditions in this Section have been reasonably satisfied, the City Manager or his/her designee on behalf of the City will be authorized to execute subordination agreement(s) that are reasonably satisfactory to the City Attorney without the necessity of any further action or approval by the City. For purposes of this Section, a “**Qualified Lender**” shall mean any of the following: (a) a bank (State, Federal or foreign), trust company (in its individual or trust capacity), insurance company, credit union, savings bank (State or Federal), pension, welfare or retirement fund or system, real estate investment trust (or an umbrella partnership or other entity of which a real estate investment trust is the majority owner), Federal or State agency regularly making or guaranteeing mortgage loans, investment bank or a subsidiary of a Fortune 500 company, real estate mortgage brokers and bankers, real estate mortgage and investment trusts, real estate bond dealers, venture capital firms or funds; (b) any entity that is an affiliate of or is a combination of any one or more of the entities described in subsection (a) of this Section; or (c) any other lender that is reasonably acceptable to the City Manager.

3.9 Development of City Parking Lots Option Property; Covenants. The Development Agreement shall contain at least the following provisions without revision or amendment unless approved by the City in its sole and absolute discretion:

3.9.1 Development Covenant. If Developer exercises the Option pursuant to Section 3.6, Developer shall diligently pursue development of the Project pursuant to the Schedule of Performance set forth in **Exhibit “D”** (Schedule of Performance), attached hereto and incorporated herein by reference (“**Development Covenant**”). The City’s City Manager shall have the authority to approve adjustments, deemed by the City Manager to be reasonable, to the schedule set forth in the Development Covenant.

3.9.2 Anti-Speculation.

3.9.2.1 Anti-Speculation Covenant. Except as set forth in Section 3.9.2.2 below, Developer shall not transfer, assign, or sell any portion of the City Parking Lots Option Property or any of its rights and obligations set forth in this Option Agreement without the prior written consent or approval of City until the earlier of: (i) June 5, 2028 (120 months after the Closing Date for the Authority Mall Property) or (ii) the date this Option Agreement is terminated pursuant to Section 3.7. (as applicable, the “**Anti-Speculation Period**”). To the extent that Developer has acquired the City Parking Lots Option Property pursuant to this Option Agreement,

there shall be no restriction on Developer's right to transfer, assign, or sell any portion of the City Parking Lots Option Property after the termination or expiration of the Anti-Speculation Period. Any transfer or assignment occurring during the Anti-Speculation Period in violation of the Anti-Speculation Covenant set forth in this Section 3.9.2 shall be null and void.

3.9.2.2 Pre-Approved Transfers. Notwithstanding Section 3.9.2.1, during the Anti-Speculation Period, Developer shall have the right to transfer, assign, or sell any portion of the City Parking Lots Option Property as provided in the following clauses (A)-(F), inclusive (each, a "**Pre-Approved Transfer**") and, except to the limited extent set forth in Section 3.9.2.3 below, the same shall not require Authority or City approval.

(A) a transfer, assignment, or sale of fee title to Corona Arts District LLC, a California limited liability company, or any other single entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest (herein, the "**City Parking Lots Option Property Pre-Approved Transferee**"), and provided that all of the following conditions are satisfied, as applicable:

(i) a single City Parking Lots Option Property Pre-Approved Transferee shall hold and maintain fee title to the entire City Parking Lots Option Property and the entire Authority North Mall Property during the Anti-Speculation Period; and

(ii) from and after the City Parking Lots Option Property Pre-Approved Transferee's acquisition of the City Parking Lots Option Property, a single City Parking Lots Option Property Pre-Approved Transferee shall also hold all of Developer's right, title, and interest in the City Common Area Option Property pursuant to the City Common Areas Option Agreement (as those terms are defined in the Disposition and Development Agreement with Lab Holding, LLC (Corona Mall Property) dated May 17, 2017) during the Anti-Speculation Period;

(B) a conveyance of a security interest in the City Parking Lots Option Property in connection with any Senior Loan;

(C) a transfer resulting from a foreclosure or conveyance of a deed in lieu of foreclosure by the holder of a Senior Loan, as described in clause (B) above (a "**Holder**"), and any subsequent conveyance by the Holder to a subsequent purchaser for value;

(D) a transfer or assignment in trust by Developer for the benefit of immediate family members of Shaheen Sadeghi, provided that Mr. Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest in said trust;

(E) dedications of portions of the City Parking Lots Option Property to a public agency or utility company consistent with the Project; and

(F) recordation of a reciprocal easement agreement, covenants, conditions, and restrictions (CC&Rs), or similar conveyances consistent with Section 3.10.9 of the Development Agreement, including amendments thereto.

Any proposed transfer, assignment, or sale of all or any portion of the City Parking Lots Option Property during the Anti-Speculation Period that does not qualify as a Pre-Approved Transfer shall be referred to herein as a “**Discretionary Transfer.**”

3.9.2.3 Procedures Applicable to Pre-Approved Transfers. In the event Developer desires to make a Pre-Approved Transfer pursuant to clause (A), (B), or (D) of Section 3.9.2.2, Developer shall provide written notice to the City Manager of City at least thirty (30) days prior to Developer’s intended date of transfer, assignment or sale. The notice shall specify the name of the intended transferee or assignee and, in addition, Developer shall submit with such notice or as soon as practicable thereafter such supporting information that the City Manager may determine to be necessary to enable him/her to verify that the transfer, assignment or sale in fact qualifies as a Pre-Approved Transfer. The City Manager shall have the authority on behalf of the City, as applicable, to verify that a transfer or assignment is a Pre-Approved Transfer. The City Manager shall not unreasonably withhold, condition, or delay his/her approval and the scope of his/her review shall be limited to verifying whether the transfer or assignment qualifies as a Pre-Approved Transfer. Any disapproval by the City Manager shall be in writing and shall specify the grounds for disapproval in sufficient detail to enable Developer to submit any additional information reasonably requested by the City Manager to resubmit the Pre-Approved Transfer for his/her verification.

3.9.2.4 Procedures Applicable to Discretionary Transfers. In the event Developer desires to make a Discretionary Transfer during the Anti-Speculation Period, Developer shall provide written notice to the City Manager of City at least ninety (90) days prior to Developer’s intended date of transfer, assignment or sale. The notice shall specify the name of the intended transferee or assignee and, in addition, Developer shall submit with such notice or as soon as practicable thereafter such supporting information that the City Manager may determine to be necessary to enable the City Council of City to consider the request on its merits. When the City Manager reasonably determines that Developer has submitted sufficient information to enable the City Council to evaluate and take action upon Developer’s request, the City Manager shall promptly submit the request and supporting information to the City Council, as applicable, for its or their consideration and final decision. The City Council of City shall not unreasonably withhold, condition, or delay its or their approval. Any disapproval shall specify the grounds for disapproval in sufficient detail to enable Developer to submit any additional or changed information that may be needed for Developer to resubmit its request for further consideration.

3.9.2.5 Assignment Documents. Prior to the effective date of any Pre-Approved Transfer pursuant to clauses (A), (B) and (D) (but not clauses (C), (E), or (F)) of Section 3.9.2.2 and prior to the effective date of any Discretionary Transfer approved by the City, Developer shall be required to deliver to the City Manager the following documents:

(A) an assignment and assumption agreement executed by both the transferor/assignor and transferee/assignee;

(B) a new Authority North Mall Property Promissory Note executed by the transferee/assignee to replace the Authority North Mall Property Promissory Note previously executed by Developer, provided that the entire Authority North Mall Property Promissory Note

must be transferred to and assumed by a single entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest; and

(C) a new Authority North Mall Property Deed of Trust executed by the transferee/assignee (and acknowledged to permit recordation of same) to replace the Authority North Mall Property Deed of Trust previously executed by Developer and recorded on June 5, 2018, in the Official Records of Riverside County as Document #2018-0227898 (“**Original Authority North Mall Property Deed of Trust**”), provided that the new Authority North Mall Property Deed of Trust shall provide the same security and shall encumber the same real property as the Original Authority North Mall Property Deed of Trust. and

(D) if, at the time of the transfer/assignment of the City Parking Lots Option Property, Developer has exercised the option and acquired fee title to the City Parking Lots Option Property pursuant to this Option Agreement and has executed a promissory note for all or a portion of the purchase price of the City Parking Lots Option Property pursuant to Section 3.8.3 of this Option Agreement and the amounts owing under that promissory note have not been fully paid, a new promissory note for the then-unpaid portion of the City Parking Lots promissory note executed by the transferee/assignee to replace the promissory note previously executed by Developer and a new deed of trust securing the obligation to pay same (and acknowledged to permit recordation); provided that the entire promissory note must be transferred to and assumed by a single entity in which Shaheen Sadeghi maintains a minimum fifty and one-tenths percent (50.1%) ownership interest.

The City Manager shall have the right on behalf of the City to approve (or disapprove) the form of the assignment and assumption agreement and the new promissory note(s) and deed(s) of trust referred to above. The City Manager shall not unreasonably withhold or delay his/her approval. Any disapproval by the City Manager shall be in writing and shall specify the grounds for disapproval in sufficient detail to enable Developer and the transferee/assignee to correct the form of the assignment and assumption agreement and/or the new promissory note(s) and deed(s) of trust, as applicable, and resubmit the same for approval.

3.9.2.6 No Acceleration of Amounts Due Under Promissory Note(s) for Pre-Approved Transfers and Approved Discretionary Transfers; Release of Transferor/Assignor. Notwithstanding any other provision set forth in this Agreement, including any of the exhibits hereto, no acceleration of any amounts that may be due at the time of a Pre-Approved Transfer or at the time a Discretionary Transfer is approved by the City Council of City under the promissory note for the City Parking Lots pursuant to Section 3.8.3 of this Option Agreement shall occur in conjunction with such a transfer or assignment.

Upon the effective date of any Pre-Approved Transfer described in clause (A), (B) and (D) (but not clauses (C), (E) or (F) of Section 3.9.2.2, as applicable, or the effective date of a Discretionary Transfer that has been approved by the City but no earlier than the date that Developer and/or the transferee/assignee deliver to the City Manager, as applicable, the fully executed documents required pursuant to Section 3.9.2.5 in the approved forms therefor, City, as applicable, shall (i) promptly return to the transferor/assignor the original promissory note that is being superseded by the new promissory note, with the original promissory note(s) marked cancelled, (ii) reconvey the original deed of trust that is being superseded by the new deed of trust, (iii) cooperate with Developer in causing to be recorded the new deed of trust (including, if

required, executing and acknowledging the same), and (iv) take all other actions consistent with this Agreement, including the execution of documents as appropriate, to accomplish the purposes of said transfer/assignment. Developer covenants that the new deed(s) of trust shall have priority over all other monetary liens that may have attached subsequent to the recordation of the new deed(s) of trust with the exception of non-delinquent property taxes and assessments, but Developer shall not be responsible for providing or paying for a new or updated lender's policy of title insurance with respect to same. City may elect to obtain such a title policy, provided that the issuance of same shall not be a condition to the closing of the transaction nor delay the same. Upon the effective date of any Pre-Approved Transfer described in clause (A), (B) and (D) (but not clauses (C), (E) or (F) of Section 3.9.2.2, as applicable, or the effective date of a Discretionary Transfer that has been approved by the City and satisfaction of all requirements in this Section 3.9.2.6, the Developer shall be released from any further obligations under this Agreement with respect to the rights and obligations so transferred and assigned, including without limitation any obligation under the new promissory note and deed of trust.

3.9.3 Parking Covenant. Developer acknowledges and agrees that assessments are imposed and collected through a Business Improvement District (“**BID**”) for the purpose of maintaining parking lots, sidewalks and landscape improvements in an area that includes the City Parking Lots Option Property. The BID expires on June 30, 2020 (“**BID Expiration Date**”). Developer acknowledges and agrees that development or use of the City Parking Lots Option Property for any purpose other than parking and vehicular and pedestrian ingress and egress is subject to and expressly contingent upon Developer providing sufficient parking, as required by the Corona Municipal Code and/or other applicable laws, rules or regulations, and pathways for reasonable and direct vehicular and pedestrian access similar to that which exists as of the Effective Date to serve the parcels that are included within and are subject to the assessments imposed by the BID (“**BID Parcels**”). Sufficient parking for the BID Parcels may be provided through a variety of methods subject to and contingent upon the discretionary land use and police power authority of the City, including, without limitation, reconfiguring current parking fields on the City Parking Lots Option Property, development of a parking structure on the City Parking Lots Option Property and/or the Authority Mall Property, approval of an urban parking standard, or a combination of the foregoing and/or other options. Developer further acknowledges and agrees to allow public access to and use of the City Parking Lots Option Property for the benefit of the BID Parcels. In furtherance thereof, Developer shall not deny, prevent, hinder or obstruct reasonable and direct public access to each of the BID Parcels and use of the City Parking Lots Option Property at any time prior to the BID Expiration Date for any reason, or at any time thereafter if in violation of the Corona Municipal Code and/or other applicable laws, rules or regulations. Developer acknowledges and agrees that parking on the City Parking Lots Option Property is provided free of charge on a first-come, first-serve basis, notwithstanding the fact that there is no reciprocal parking agreement, easement or similar documentation regulating such parking, and that the availability of such parking free of charge on a first-come, first-serve basis shall be maintained. Developer acknowledges and agrees that from and after the BID Expiration Date or the Close of Escrow, whichever occurs first, maintenance of the City Parking Lots Option Property shall be the sole responsibility of Developer. The obligations and limitations set forth in this Section 3.9.3 shall be collectively referred to as the “**Parking Covenant**” and shall survive expiration or termination of this Option Agreement. The record owners of the BID Parcels, individually and collectively, shall be third party beneficiaries of the Parking Covenant. Developer acknowledges and agrees that from and after the Close of Escrow, maintenance of the City Parking

Lots Option Property shall be the sole responsibility of Developer. The obligations and limitations set forth in this Section 3.9.3 shall be collectively referred to as the “**Parking Covenant**” and shall survive expiration or termination of this Option Agreement. The record owners of the BID Parcels, individually and collectively, shall be third party beneficiaries of the Parking Covenant.

3.9.4 City’s Reversionary Interest in the City Parking Lots Option Property. In the event Developer fails to fully and timely satisfy the Development Covenant and/or breaches or violates the Anti-Speculation Covenant or the Parking Covenant, the City Parking Lots Option Property will revert to the City solely upon payment to Developer of the Purchase Price without interest.

3.9.5 Prevailing Wages. Since the Project is part of an applicable “public works” project, as defined by Chapter 1 (beginning at Section 1720 et seq.) of Part 7 of Division 2 of the California Labor Code, as well as Title 8, Section 16000 et seq. of the California Code of Regulations (“**Prevailing Wage Laws**”), Developer shall fully comply with the Prevailing Wage Laws for their contractors and any others to whom such laws are applicable. Developer shall also be responsible for any and all violations and fines imposed on them pursuant to the Prevailing Wage Laws. Pursuant to SB 854, which amended the Prevailing Wage Laws, the Project would also be subject to compliance monitoring and enforcement by the California Department of Industrial Relations (“**DIR**”). Beginning April 1, 2015, no contractor may engage in the performance of any public work contract unless registered with the DIR pursuant to Labor Code Section 1725.5. City/Authority will report all necessary agreements to the DIR as required by the Prevailing Wage Laws. Developer shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to develop the Project available to interested parties upon request, and shall post copies at Developer’s principal place of business and at the Project site. Developer shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

3.10 City Covenants Regarding Maintenance of City Parking Lots Option Property. City covenants and agrees with the Developer that throughout the Option Term:

3.10.1 City shall not modify or amend any lease respecting the City Parking Lots Option Property, or enter into any new lease respecting the City Parking Lots Option Property, without the Developer's prior written approval; provided that Developer hereby expressly consents to the City entering into that certain City of Corona License Agreement for Use of City Facilities (City Option Property – Corona Mall) with ****INSERT DEVELOPER’S NAME**** dated ****INSERT DATE****;

3.10.2 Except as provided in the Development Agreement, which imposes certain maintenance obligations upon Developer from and after the BID Expiration Date, and unless Developer has exercised its option on the City Parking Lots Option Property, in which case Developer shall be solely responsible for all obligations related to such property, as provided in the Development Agreement, City shall maintain the City Parking Lots Option Property in accordance with the same standards City has customarily observed in its ownership and management of the City Parking Lots Option Property;

3.10.3 City shall maintain in force all insurance policies currently maintained by City with respect to the City Parking Lots Option Property;

3.10.4 City shall not cause, permit, allow or suffer any additional exception to the title of the City Parking Lots Option Property.

3.11 City Representations and Warranties. As of the Effective Date, City makes the following representations and warranties:

3.11.1 The entering into and performance of this Option Agreement by City will not constitute a violation of any court order or decree or result in City's default under any other contract by which City or the City Parking Lots Option Property are bound.

3.11.2 To City's knowledge, there are no sale agreements or lease agreements with respect to the City Parking Lots Option Property that would prevent City from conveying title to the City Parking Lots Option Property, as required by this Option Agreement or the Development Agreement, if Developer exercises the Option.

3.11.3 There is no pending or threatened private or governmental litigation by any Government or Person against City relating to the City Parking Lots Option Property that might, if it and all other pending and threatened litigation were adversely determined, result in a material adverse change in the City Parking Lots Option Property or its operation or that challenges the validity of or otherwise materially adversely affects the transactions contemplated by this Option Agreement.

3.11.4 No attachments, execution proceedings, assignments for the benefit of creditors, insolvency, bankruptcy, reorganization, or other proceedings are pending or threatened against City or City's interest in the City Parking Lots Option Property, nor are any such proceedings contemplated by City.

3.11.5 City has received no Notice of any presently pending or contemplated special assessments or proceedings to condemn or demolish the City Parking Lots Option Property or any part of it or any proceedings to declare the Option Property or any part of it a nuisance.

3.11.6 City has good and marketable title to the City Parking Lots Option Property. Except as provided in Section 3.9.3 of this Option Agreement, City has no actual knowledge of any unrecorded or undisclosed legal or equitable interest in the City Parking Lots Option Property owned or claimed by anyone other than City. City has no knowledge that anyone claims any right to possession of the City Parking Lots Option Property, except as disclosed by this Option Agreement or otherwise in writing by City to the Developer. There are no unsatisfied mechanics' or materialmen's lien rights on the City Parking Lots Option Property.

3.12 General Provisions.

3.12.1 Execution of this Option Agreement. Notwithstanding any other provision of this Option Agreement, this Option Agreement shall only become binding on the Parties or either of them, upon the occurrence of the Effective Date. Any approval or execution of this Option Agreement by either Party shall be of no force or effect, unless and until the Effective Date.

3.12.2 Incorporation of Recitals. The recitals of fact set forth preceding this Option Agreement are true and correct and are incorporated into this Option Agreement in their entirety by this reference.

3.12.3 Notices, Demands and Communications between the Parties. All notices or other communications required or permitted between the Parties hereunder shall be in writing, and shall be (i) personally delivered, (ii) sent by United States registered or certified mail, postage prepaid, return receipt requested, (iii) sent by facsimile transmission with confirmation of receipt, or (iv) sent by nationally recognized overnight courier service (e.g., Federal Express or United Parcel Service), addressed to the Party to whom the notice is given at the addresses provided below, subject to the right of any Party to designate a different address for itself by notice similarly given. Any notice so given by registered or certified United States mail shall be deemed to have been given on the third business day after the same is deposited in the United States mail. Any notice not so given by registered or certified mail, such as notices delivered by personal delivery, facsimile transmission or courier service, shall be deemed given upon receipt, rejection or refusal of the same by the Party to whom the notice is given. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice or other communication sent.

To City: City of Corona
400 South Vicentia Avenue
Corona, CA 92882

Attn: City Manager
Phone: (951) 736-2371

To Developer: **[**INSERT ENTITY NAME**]**
[INSERT ADDRESS**]**
Attn: **[**INSERT NAME**]**
Telephone: **[**INSERT NUMBER**]**

3.12.4 Relationship of Parties. The Parties each intend and agree that the Developer and City are independent contracting entities and do not intend by this Option Agreement to create any partnership, joint venture, or similar business arrangement, relationship or association between them.

3.12.5 Survival of Option Agreement. Section 3.9 and all terms and conditions of this Option Agreement relating to principles of interpretation, dispute resolution and limitations on damages or remedies, including, without limitation, Section 3.12.6, shall survive any expiration or termination of this Option Agreement.

3.12.6 Limitation of Developer's Remedies and Release. Developer acknowledges and agrees that City would not have entered into this Option Agreement, if it were to individually or jointly, be liable to Developer for any monetary damages, monetary recovery or any remedy following a default under this Option Agreement by City, other than: (i) termination

of this Option Agreement pursuant to Section 3.7 or any other provision of this Option Agreement; (ii) specific performance; or (iii) injunctive relief (collectively, “**Developer Remedies**”). Accordingly, the Parties agree that the Developer Remedies shall be Developer’s sole and exclusive rights and remedies following a default under this Option Agreement by City. Developer hereby waives any right to pursue any remedy or damages based upon a default by City under this Option Agreement other than the Developer Remedies. It is the intention of Developer to be bound by the limitations on damages and remedies set forth in this Section 3.14.6, and Developer hereby releases any and all claims against City for monetary damages, monetary recovery or other legal or equitable relief related to any default under this Option Agreement by City, except as specifically provided in this Section 3.12.6, whether or not any such released claims were known or unknown to Developer as of the Effective Date of this Option Agreement. Except for the Developer Remedies, Developer hereby releases City, and its officials, officers, employees and agents from any and all claims arising out of a default by City under this Option Agreement.

Without limiting the generality of anything in this Section 3.12.6, with respect to the waivers, releases and limitations on remedies contained in this Section 3.12.6, Developer hereby expressly waives the benefit of and any protections provided by California Civil Code Section 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

In addition to waiving the provisions of California Civil Code Section 1542, Developer hereby waives, releases and foregoes the provisions of any other federal or state statute or judicial decision of similar effect with respect to the waivers, releases and limitations contained in this Section 3.12.6.

Initials of Authorized
Developer Representative

The obligations described above will be for the benefit of the City and binding upon Developer, its successors and assigns, officers, employees and representatives, and will survive termination of this Option Agreement, close of escrow on the City Parking Lots Option Property and the recordation of a grant deed conveying the City Parking Lots Option Property.

3.12.7 Calculation of Time Periods. Unless otherwise specified, all references to time periods in this Option Agreement measured in days shall be to consecutive calendar days, all references to time periods in this Option Agreement measured in months shall be to consecutive calendar months and all references to time periods in this Option Agreement measured in years shall be to consecutive calendar years. Any reference to business days in this Option Agreement shall mean consecutive business days of the Developer.

3.12.8 Principles of Interpretation. No inference in favor of or against any Party shall be drawn from the fact that such Party has drafted any part of this Option Agreement. The Parties have both participated substantially in the negotiation, drafting, and revision of this Option Agreement, with advice from legal and other counsel and advisers of their own selection. A word, term or phrase defined in the singular in this Option Agreement may be used in the plural, and vice versa, all in accordance with ordinary principles of English grammar, which shall govern all language in this Option Agreement. The words “include” and “including” in this Option Agreement shall be construed to be followed by the words: “without limitation.” Each collective noun in this Option Agreement shall be interpreted as if followed by the words “(or any part of it),” except where the context clearly requires otherwise. Every reference to any document, including this Option Agreement, refers to such document, as modified from time to time (excepting any modification that violates this Option Agreement), and includes all exhibits, schedules, addenda and riders to such document. The word “or” in this Option Agreement includes the word “and.” Every reference to a law, statute, regulation, order, form or similar governmental requirement refers to each such requirement as amended, modified, renumbered, superseded or succeeded, from time to time.

3.12.9 Governing Law. The Laws of the State of California shall govern the interpretation and enforcement of this Option Agreement, without application of conflicts of laws principles. The Parties acknowledge and agree that this Option Agreement is entered into, is to be fully performed in and relates to real property located in the City of Corona, County of Riverside, State of California. All legal actions arising from this Option Agreement shall be filed in the Superior Court of California in and for the County of Riverside or in the United States District Court with jurisdiction in the County of Riverside.

3.12.10 Unavoidable Delay; Extension of Time of Performance. Subject to any specific provisions of this Option Agreement stating that they are not subject to Unavoidable Delay or otherwise limiting or restricting the effects of an Unavoidable Delay, performance by either Party under this Option Agreement shall not be deemed, or considered to be in Default, where any such Default is due to the occurrence of an Unavoidable Delay. Any Party claiming an Unavoidable Delay shall give Notice to the other Party: (i) within ten (10) days after such Party knows of any such Unavoidable Delay; and (ii) within five (5) days after such Unavoidable Delay ceases to exist. To be effective, any Notice of an Unavoidable Delay must describe the Unavoidable Delay in reasonable detail. The extension of time for an Unavoidable Delay shall commence on the date of receipt of written Notice of the occurrence of the Unavoidable Delay by the Party not claiming an extension of time to perform due to such Unavoidable Delay and shall continue until the end of the condition causing the Unavoidable Delay. The Party claiming an extension of time to perform due to an Unavoidable Delay shall exercise its commercially reasonable best efforts to cure the condition causing the Unavoidable Delay, within a reasonable time.

3.12.11 City Assignment. City shall not transfer, assign, or delegate any of its rights and obligations set forth in this Option Agreement without the prior written consent of Developer, which consent may be given or withheld in Developer’s sole discretion. Any assignment or delegation in violation of this section shall be void.

3.12.12 Binding on Successors and Assigns. This Option Agreement shall be binding upon and inure to the benefit of the Parties and their respective legal representatives, successors and assigns.

3.12.13 No Other Representations or Warranties. Except as expressly set forth in this Option Agreement, no Party makes any representation or warranty material to this Option Agreement to any other Party.

3.12.14 Execution in Counterparts. This Option Agreement may be executed in multiple counterpart originals, each of which shall be deemed to be an original, but all of which together shall constitute one and the same document.

3.12.15 Entire Option Agreement.

3.12.15.1 Integrated Agreement. This Option Agreement includes ****INSERT WRITTEN NUMBER**** (****INSERT NUMBER****) pages and five (5) exhibits, that constitute the entire understanding and Option Agreement of the Parties regarding the City Parking Lots Option Property and the other subjects addressed in this Option Agreement. This Option Agreement integrates all of the terms and conditions mentioned in this Option Agreement or incidental to this Option Agreement, and supersedes all negotiations or previous agreements between the Parties with respect to the City Parking Lots Option Property and the other subjects addressed in this Option Agreement.

3.12.15.2 No Merger. None of the terms, covenants, restrictions, agreements or conditions set forth in this Option Agreement shall be deemed to be merged with any deed conveying title to any portion of the City Parking Lots Option Property, and this Option Agreement shall continue in full force and effect before and after any such instruments, in accordance with its terms.

3.12.15.3 Waivers Must be in Writing. All waivers of the provisions of this Option Agreement and all amendments to this Option Agreement must be in writing and signed by the authorized representative(s) of both the Developer and City.

3.12.16 Exhibits. All of the Exhibits attached to this Option Agreement are described as follows:

Exhibit “A” - City Parking Lots Option Property Legal Description

Exhibit “B” – Authority Mall Property Legal Description

Exhibit “C” - Option Memorandum

Exhibit “D” – Schedule of Performance

Exhibit “E” – Privately Owned Property

3.12.17 Time Declared to be of the Essence. As to the performance of any obligation under this Option Agreement of which time is a component, the performance of such obligation within the time specified is of the essence.

3.12.18 No Waiver. Failure to insist on any one occasion upon strict compliance with any term, covenant, condition, restriction or agreement contained in this Option Agreement shall not be deemed a waiver of such term, covenant, condition, restriction or agreement, nor shall any waiver or relinquishment of any rights or powers under this Option Agreement, at any one time or more times, be deemed a waiver or relinquishment of such right or power at any other time or times.

[SIGNATURES ON FOLLOWING 2 PAGES]

CITY'S SIGNATURE PAGE FOR
CITY OF CORONA
OPTION TO PURCHASE AGREEMENT
(CITY PARKING LOTS- CORONA MALL)

IN WITNESS WHEREOF, the City has executed this Option Agreement as of the date set forth below.

CITY OF CORONA
a California municipal corporation

By: _____
Mitchell Lansdell, Acting City Manager

May __, 2019

Attest:

By: _____
Sylvia Edwards, City Clerk

Approved as to Form:

Dean Derleth
City Attorney

DEVELOPER'S SIGNATURE PAGE FOR
CITY OF CORONA
OPTION TO PURCHASE AGREEMENT
(CITY PARKING LOTS- CORONA MALL)

IN WITNESS WHEREOF, the Developer has executed this Option Agreement as of the latest date set forth below.

[INSERT NAME OF DEVELOPER**]**
a **[**INSERT STATE AND TYPE OF ENTITY**]**

By: _____ Date _____
[INSERT NAME**]**
[INSERT TITLE**]**

EXHIBIT "A"

TO OPTION AGREEMENT

**LEGAL DESCRIPTION AND
DEPICTION OF CITY PARKING LOTS OPTION PROPERTY**

The real property situated in the City of Corona, County of Riverside, State of California and identified as follows:

Assessor Parcel Numbers

117-143-015

117-151-022

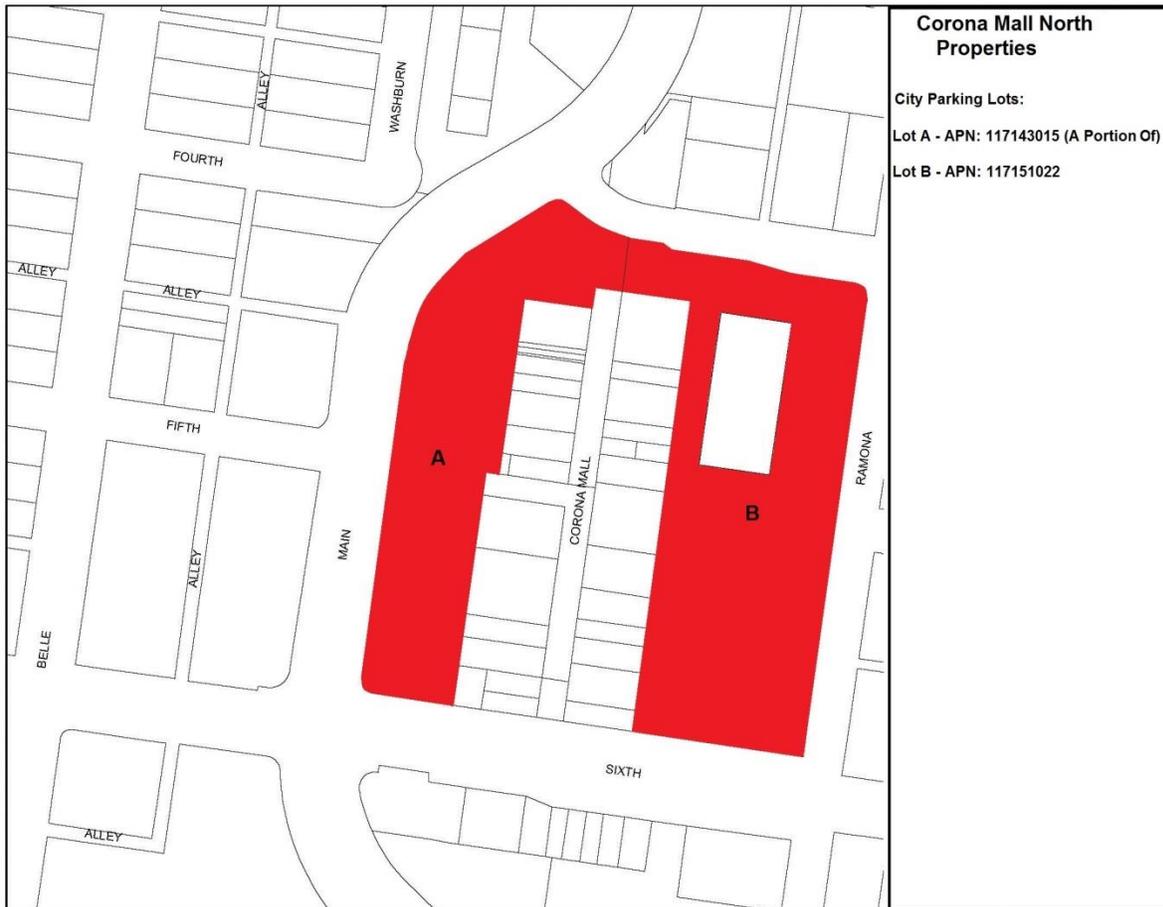


EXHIBIT "B"

TO OPTION AGREEMENT

**LEGAL DESCRIPTION AND
DEPICTION OF AUTHORITY NORTH MALL PROPERTY**

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

PARCEL 1

ASSESSOR PARCEL NUMBER 117-143-031

THAT PORTION OF LOTS 5 AND 6 OF BLOCK 155 OF THE SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 9, PAGES 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, ALSO SHOWN ON RECORD OF SURVEY AS A PORTION OF PARCEL C-2 ON FILE IN BOOK 61, PAGE 24 OF RECORDS OF SURVEY, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: "BEGINNING AT A POINT ON THE EASTERLY LINE OF SAID BLOCK 155, WHICH BEARS NORTH 07° 06' 53" EAST, A DISTANCE OF 116.00 FEET FROM THE SOUTHEAST CORNER OF LOT 1 SAID BLOCK 155 TO THE TRUE POINT OF BEGINNING; THENCE NORTH 82° 42' 02" WEST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 100.00 FEET; THENCE NORTH 07° 16' 53" EAST, PARALLEL WITH THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET; THENCE SOUTH 82° 42' 02" EAST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 100.00 FEET TO THE EASTERLY LINE OF SAID BLOCK 155; THENCE SOUTH 07° 16' 53" WEST ALONG THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET TO THE TRUE POINT OF BEGINNING."

AN EASEMENT APPURTENANT TO THE ABOVE DESCRIBED PARCEL DESCRIBED AS FOLLOWS:

AN EASEMENT OVER, UNDER, ABOVE, BELOW AND ACROSS THE NORTHERLY FIVE FEET SIX INCHES OF THE REAL PROPERTY LYING IMMEDIATELY ADJACENT TO THE SOUTHERLY PROPERTY LINE OF THE ABOVE DESCRIBED PARCEL 1 FOR THE PURPOSE OF FOOTING AND FOUNDATIONS FOR BUILDINGS AND STRUCTURES ON THE ABOVE DESCRIBED PARCEL 1 AND FOR THE PURPOSE OF CONSTRUCTING ROOF OVERHANGS AND BUILDING SURFACE OVERHANGING, SAID OVERHANGS TO CONFORM ARCHITECTURALLY WITH ANY BUILDING AND STRUCTURES IMMEDIATELY ADJACENT TO THE SOUTHERLY PROPERTY LINE OF THE ABOVE DESCRIBED PROPERTY SO AS NOT TO INTERFERE WITH PEDESTRIAN TRAFFIC THERETO; TOGETHER WITH THE RIGHT TO CONSTRUCT OR CONNECT TO A COMMON OR PARTY WALL, INCLUDING FOOTINGS AND FOUNDATIONS

THEREFOR, ALONG THE SOUTHERLY LINES OF THE ABOVE DESCRIBED PARCEL 1 IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THAT CERTAIN AGREEMENT AND GRANT OF EASEMENTS DATED JANUARY 17, 1977 AND RECORDED JANUARY 27, 1977 AS INSTRUMENT NO. 14690 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL 2

ASSESSOR PARCEL NUMBER 117-143-032

THAT PORTION OF LOTS 4 AND 5 OF BLOCK 155 OF THE SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 9, PAGES 8 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, ALSO SHOWN ON RECORDS OF SURVEY AS A PORTION OF PARCEL C-2 ON FILE IN BOOK 61, PAGE 24, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: "BEGINNING AT A POINT ON THE EASTERLY LINE OF SAID BLOCK 155, WHICH BEARS NORTH 07° 16' 53" EAST, A DISTANCE OF 90.00 FEET FROM THE SOUTHEAST CORNER OF LOT 1 IN SAID BLOCK 155 TO THE TRUE POINT OF BEGINNING; THENCE NORTH 82° 42' 02" WEST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1 A DISTANCE OF 100.00 FEET; THENCE NORTH 07° 16' 53" EAST, PARALLEL WITH THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET; THENCE SOUTH 82° 42' 02" EAST, PARALLEL WITH THE SOUTHERLY LINE OF SAID LOT 1, A DISTANCE OF 100.00 FEET TO THE EASTERLY LINE OF SAID BLOCK 155; THENCE SOUTH 07° 16' 53" WEST ALONG THE EASTERLY LINE OF SAID BLOCK 155, A DISTANCE OF 26.00 FEET, TO THE TRUE POINT BEGINNING."

PARCEL 3 AND 4

ASSESSOR PARCEL NUMBER: 117-143-038 and ASSESSOR PARCEL NUMBER: 117-143-039

THOSE PORTIONS OF BLOCK 144 OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9 PAGE 8 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WESTERLY PROLONGATION OF THE SOUTH LINE OF LOT 6 IN SAID BLOCK 144, WITH THE CENTER LINE OF THE 16.00 FEET WIDE ALLEYWAY ABUTTING LOTS 6, 7, 8 AND 9 ON THE WEST, THENCE SOUTH 82° 45' 00" EAST, 178.05 FEET ON SAID WESTERLY PROLONGATION, THE SOUTH LINE OF SAID LOT 6 AND ITS EASTERLY PROLONGATION TO THE CENTER LINE OF MAIN STREET AS SHOWN ON SAID MAP THENCE NORTH 7° 15' 00" EAST 116.00 FEET ON SAID CENTER LINE TO THE INTERSECTION OF THE EASTERLY PROLONGATION OF THE NORTH LINE OF LOT 9 IN SAID BLOCK 144; THENCE NORTH 82° 45' 00" WEST 178.05 FEET ON LAST SAID PROLONGATION, THE NORTH LINE OF SAID LOT 9 AND ITS WESTERLY PROLONGATION, TO SAID CENTER LINE OF SAID ALLEY ABUTTING ON

THE WEST; THENCE SOUTH 7° 15' 00" WEST 116.00 FEET ON SAID CENTER LINE TO THE POINT OF BEGINNING. EXCEPT THE EAST 10.00 FEET AS CONVEYED TO THE REDEVELOPMENT AGENCY OF THE CITY OF CORONA BY DEED RECORDED APRIL 15, 1969, AS INSTRUMENT NO. 36744 OF OFFICIAL RECORDS.

PARCEL 5

ASSESSOR PARCEL NUMBER 117-143-040

THOSE PORTIONS OF BLOCK 144 OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9 PAGE 8 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE WESTERLY PROLONGATION OF THE NORTH LINE OF LOT 5 IN SAID BLOCK 144, WITH THE CENTERLINE OF THE 16.00 FEET WIDE ALLEY ABUTTING LOTS 4 AND 5 IN SAID BLOCK, ON THE WEST; THENCE SOUTH 82° 45' 00" EAST, 178.05 FEET ON SAID PROLONGATION, THE NORTH LINE OF SAID LOT 5 AND ITS EASTERLY PROLONGATION TO THE CENTER LINE OF MAIN STREET, AS SHOWN ON SAID MAP; THENCE SOUTH 7° 15' 00" WEST, 50.00 FEET ON LAST SAID CENTER LINE TO THE INTERSECTION OF THE EASTERLY PROLONGATION OF THE SOUTH LINE OF SAID LOT 4; HENCE NORTH 82° 45' 00" WEST, 178.05 FEET ON SAID EASTERLY PROLONGATION, THE SOUTH LINE OF SAID LOT 4 AND ITS WESTERLY PROLONGATION TO SAID CENTER LINE OF SAID ALLEY ABUTTING ON THE WEST; THENCE NORTH 7° 15' 00" EAST 50.00 FEET ON LAST SAID CENTER LINE TO THE POINT OF BEGINNING. EXCEPT THE EAST 10.00 FEET AS CONVEYED TO THE REDEVELOPMENT AGENCY OF THE CITY OF CORONA BY DEED RECORDED APRIL 15, 1969, AS INSTRUMENT NO. 36744 OF OFFICIAL RECORDS.

PARCEL 6

ASSESSOR PARCEL NUMBER 117-151-007

ALL THAT PORTION OF LOTS 16, 17 AND 18 IN BLOCK 143 AND ALL THAT PORTION OF MAIN STREET LYING BETWEEN FIFTH STREET AND SIXTH STREET, AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016, RIVERSIDE COUNTY RECORDS, ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 PAGE 8 OF MAPS, SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: BEGINNING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60 FEET NORTHERLY, MEASURED AT RIGHT ANGLES FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82° 43' 52" WEST, ALONG SAID PARALLEL LINE, 10 FEET TO A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE OF MAIN

STREET; THENCE NORTH 07° 16' 53" EAST, ALONG SAID LINE PARALLEL WITH THE CENTERLINE OF MAIN STREET, 30 FEET; THENCE SOUTH 82° 43' 07" EAST, AT RIGHT ANGLES TO SAID CENTERLINE OF MAIN STREET, 100 FEET; THENCE SOUTH 07° 16' 53" WEST, PARALLEL WITH SAID CENTERLINE OF MAIN STREET, 29.98 FEET TO SAID LINE PARALLEL WITH THE CENTERLINE OF SIXTH STREET; THENCE NORTH 82° 43' 07" WEST, ALONG SAID PARALLEL LINE, 90 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 7

ASSESSOR PARCEL NUMBER 117-151-016

THOSE PORTIONS OF LOTS 14, 15, AND 16 IN BLOCK 143, ALL THAT PORTION OF MAIN STREET LYING BETWEEN FIFTH STREET AND SIXTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969, AS INSTRUMENT NO. 98016, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE, TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE N. 82°43'52" W, ALONG SAID PARALLEL LINE, A DISTANCE OF 10.00 FEET TO A LINE PARALLEL WITH AND 10.00 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE OF MAIN STREET; THENCE N .07°16'53" E., ALONG SAID LINE PARALLEL WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 30.00 FEET TO THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE CONTINUING N. 07°16'53" E., ALONG SAID LINE, PARALLEL WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 50.00 FEET; THENCE S. 82°43'07" E., AT RIGHT ANGLES TO SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 100.00 FEET; THENCE S. 07°16'53" W., PARALLEL WITH SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 50.00 FEET TO A POINT THAT BEARS S. 82°43'07" E., A DISTANCE OF 100.00 FEET FROM THE POINT OF BEGINNING. THENCE N. 82°43'07" W., A DISTANCE OF 100.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 8

ASSESSOR PARCEL NUMBER 117-151-015

THAT PORTION OF LOTS 13 AND 14 IN BLOCK 143, ALL THAT PORTION OF THE MAIN STREET LYING BETWEEN FIFTH AND SIXTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24,

1969, AS INSTRUMENT NO. 98016, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA , COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9 OF MAPS, AT PAGE 8 THEREOF, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA. DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE CENTERLINE OF SAID MAIN STREET AND A LINE PARALLEL WITH AND 60.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTERLINE OF SAID SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE N. 82°43'52" W., ALONG SAID PARALLEL LINE, A DISTANCE OF 10.00 FEET TO A LINE PARALLEL WITH AND 10.00 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTERLINE OF MAIN STREET; THENCE N. 07°16'53" E., ALONG SAID PARALLEL LINE WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 80.00 FEET TO THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; THENCE CONTINUING N. 07°16'53" E., ALONG SAID LINE PARALLEL WITH THE CENTERLINE OF MAIN STREET, A DISTANCE OF 32.00 FEET; THENCE S. 82°43'07" E., AT RIGHT ANGLES TO SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 100.00 FEET. THENCE S. 07°16'53" W., PARALLEL WITH SAID CENTERLINE OF MAIN STREET, A DISTANCE OF 32.00 FEET; THENCE N. 82°43'07" W., A DISTANCE OF 100.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 9

ASSESSOR PARCEL NUMBER 117-151-005

THOSE PORTIONS OF LOTS 8, 9, 10 AND 11 IN BLOCK 143 AND A PORTION OF MAIN STREET (VACATED), AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9, PAGE 8 OF MAPS, AS PER SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE CENTER LINE OF MAIN STREET (VACATED)WHICH BEARS NORTH 07°16'53" EAST, 245 FEET FROM ITS INTERSECTION WITH THE CENTER LINE OF SIXTH STREET, AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82°43'07" WEST, AT RIGHT ANGLES TO THE CENTER LINE OF MAIN STREET (VACATED), 10 FEET; THENCE NORTH 07°16'53" EAST, ALONG A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTER LINE OF MAIN STREET (VACATED), 62 FEET; THENCE SOUTH 82°43'07" EAST, 100 FEET; THENCE SOUTH 07°16'53" WEST, 62 FEET; THENCE NORTH 82°43'07" WEST, 90 FEET TO THE POINT OF BEGINNING. SAID MAIN STREET HAVING BEEN VACATED BY RESOLUTION OF THE CITY COUNCIL OF CORONA ON SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION BEING RECORD SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016, OFFICIALRECORDS.

PARCEL 10

ASSESSOR PARCEL NUMBER: 117-151-004

THOSE PORTIONS OF LOTS 7 AND 8 IN BLOCK 143 AND THOSE PORTIONS OF MAIN STREET (VACATED) AND FIFTH STREET (VACATED), AS SHOWN BY MAP OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON FILE IN BOOK 9, PAGE 8 OF MAPS, AS PER SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE CENTER LINE OF MAIN STREET (VACATED) WHICH BEARS NORTH 07°16' 53" EAST 245 FEET FROM ITS INTERSECTION WITH THE CENTER LINE OF SIXTH STREET, AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82°43'07" WEST, AT RIGHT ANGLES TO THE CENTER LINE OF MAIN STREET (VACATED), 10 FEET; THENCE NORTH 07° 16' 53" EAST, ALONG A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM THE CENTER LINE OF MAIN STREET (VACATED), 62 FEET, FOR THE TRUE POINT OF BEGINNING; THENCE NORTH 07°16' 53" EAST, CONTINUING ALONG SAID PARALLEL LINE, 88 FEET; THENCE SOUTH 82°43'07" EAST 100 FEET; THENCE SOUTH 07°16'53" WEST 88 FEET; THENCE NORTH 82°43'07" WEST 100 FEET, TO THE TRUE POINT OF BEGINNING. SAID PORTIONS OF MAIN STREET AND FIFTH HAVE BEEN VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON AUGUST 18, 1969, A CERTIFIED COPY OF SAID RESOLUTION BEING RECORDED SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016, OFFICIAL RECORDS. SAID LAND BEING A PORTION OF THE LAND AS SHOWN ON A RECORD OF SURVEY MAP ON FILE IN BOOK 61, PAGES 22 THROUGH 26, INCLUSIVE OF RECORDS OF SURVEYS, RIVERSIDE COUNTY RECORDS.

THOSE CERTAIN EASEMENTS, RIGHTS, AND RIGHTS OF WAY CONTAINED IN THAT CERTAIN AGREEMENT AND GRANT OF EASEMENTS DATED JANUARY 23, 1970, EXECUTED BY AND BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF CORONA, A BODY POLITIC, PUBLIC AND CORPORATE, AND VASELS, A CALIFORNIA CORPORATION, AND NICHOLS VASELS, RECORD JANUARY 29, 1970 AS INSTRUMENT NO. 8882, OFFICIAL RECORDS.

PARCEL 11

ASSESSOR PARCEL NUMBER 117-151-021

THAT PORTION OF SOUTH RIVERSIDE TOWNSITE, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 9, PAGE 8, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, SHOWN AS THAT PORTION OF PARCEL D-3 OF THE CORONA DOWNTOWN REDEVELOPMENT PROJECT, AS SHOWN ON THAT RECORD OF SURVEY RECORDED IN MAP BOOK 61 AT PAGE 22 OF THE OFFICIAL RECORDS OF THE RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS

FOLLOWS: ALL OF PARCEL D-3 EXCEPTING THEREFROM THE NORTH 26.00 FEET AND THE SOUTH 30.00 FEET.

PARCEL 12

ASSESSOR PARCEL NUMBER: 117-151-002

THAT PORTION OF LOTS 9 THROUGH 12 IN BLOCK 156; THAT PORTION OF MAIN STREET LYING BETWEEN FOURTH STREET AND FIFTH STREET AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA SEPTEMBER 15, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED SEPTEMBER 24, 1969 AS INSTRUMENT NO. 98016; AND THAT PORTION OF THE EAST-WEST ALLEY IN SAID BLOCK 156; AS VACATED BY RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA ON JULY 7, 1969, A CERTIFIED COPY OF SAID RESOLUTION HAVING BEEN RECORDED JULY 11, 1969 AS INSTRUMENT NO. 70713; ALL AS SHOWN ON MAP OF SOUTH RIVERSIDE TOWNSITE ON FILE IN BOOK 9 PAGE 8 OF MAPS, IN THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, SAN BERNARDINO COUNTY RECORDS, DESCRIBED AS FOLLOWS: COMMENCING AT A POINT ON THE CENTER LINE OF SAID MAIN STREET WHICH BEARS NORTH 07° 16' 53" EAST, 435 FEET FROM ITS INTERSECTION WITH THE CENTERLINE OF SIXTH STREET AS SHOWN ON SAID MAP OF SOUTH RIVERSIDE TOWNSITE; THENCE NORTH 82° 43' 07" WEST, AT RIGHT ANGLES TO SAID CENTER LINE OF MAIN STREET, 10 FEET TO A LINE PARALLEL WITH AND 10 FEET WESTERLY, MEASURED AT RIGHT ANGLES, FROM SAID CENTER LINE OF MAIN STREET; THENCE NORTH 07° 16' 53" EAST, ALONG SAID PARALLEL LINE, 132 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH 07° 16' 53" EAST, ALONG SAID PARALLEL LINE, 100 FEET; THENCE SOUTH 82° 43' 07" EAST, 100 FEET; THENCE SOUTH 07° 16' 53" WEST, PARALLEL WITH SAID CENTER LINE OF MAIN STREET, 100 FEET; THENCE NORTH 82° 43' 07" WEST, 100 FEET TO THE TRUE POINT OF BEGINNING.



Exhibit A - Corona Mall North Properties



| | | | | | |
|---|---------------------------------|---|---------------------------------|----|-------------------------------|
| 1 | 117-143-031 (422 Corona Mall) | 5 | 117-143-040 (518 S Main Street) | 9 | 117-151-005 (525 Corona Mall) |
| 2 | 117-143-032 (442 Corona Mall) | 6 | 117-151-007 (591 Corona Mall) | 10 | 117-151-004 (505 Corona Mall) |
| 3 | 117-143-038 (508 S Main Street) | 7 | 117-151-016 (579 Corona Mall) | 11 | 117-151-021 (415 Corona Mall) |
| 4 | 117-143-039 (514 S Main Street) | 8 | 117-151-015 (577 Corona Mall) | 12 | 117-151-002 (405 Corona Mall) |

Date 04/10/2015

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EXHIBIT "C"
TO OPTION AGREEMENT
OPTION MEMORANDUM

[SEE ATTACHED FIVE (5) PAGES]

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

[INSERT DEVELOPER’S NAME
AND ADDRESS**]**

APN: 117-143-015
117-151-022

**MEMORANDUM
OF
OPTION TO PURCHASE AGREEMENT
(CITY PARKING LOTS OPTION PROPERTY – CORONA MALL)**

This Memorandum of Option to Purchase Agreement (“**Memorandum**”) is dated as of [**INSERT DATE**] between [**INSERT DEVELOPER’S NAME**], a [**INSERT STATE AND TYPE OF ENTITY**] (“**Developer**”) and THE CITY OF CORONA, a California municipal corporation (“**City**”).

RECITALS

WHEREAS, Developer and City have executed that certain Option to Purchase Agreement dated as of [***INSERT DATE***] (“**Option Agreement**”), concerning certain real property located in the County of Riverside, State of California, and more particularly described in **Exhibit “1”** attached hereto and incorporated herein by this reference that is described and depicted as the City Parking Lots Option Property in the Option Agreement (“**Option Property**”); and

WHEREAS, the Option Agreement is a public record available for inspection and copying during normal business hours in the office of the City Clerk of the City of Corona, whose address is 400 S. Vicentia Avenue, Corona, CA 92882; and

WHEREAS, Developer and City desire to record this Memorandum to provide notice of the Option Agreement in the Official Records of Riverside County, California;

NOW, THEREFORE, in consideration of the foregoing, Developer and City hereby declare as follows:

1. Grant of Option. City has granted to Developer, in accordance with the Option Agreement, the option to purchase the Option Property.

2. Option Term. The term of the Option Agreement terminates no later than 5:00 p.m. Pacific Time on June 5, 2028, as more particularly set forth therein.

3. Covenants; Power of Termination/Reversion. The Option Agreement contains various covenants, including without limitation a “Development Covenant” (in Section 3.9.1), an “Anti-Speculation Covenant” (Section 3.9.2), and an “Parking Covenant” (Section 3.9.3), which covenants are binding upon Developer for the periods of time and subject to the terms and conditions more particularly set forth therein. In the event Developer fails to fully and timely satisfy the Development Covenant and/or breaches or violates the Anti-Speculation Covenant or the Parking Covenant, the Option Property will revert to the City solely upon payment to Developer of the Purchase Price (the sum of One Dollar [\$1]), without interest. Reference is hereby made to the Option Agreement for particulars.

4. This Memorandum is prepared for the purpose of providing record notice of the option and shall not alter or affect in any way the rights and obligations of Developer or City under the Option Agreement. In the event of any inconsistency between this Memorandum and the Option Agreement, the terms of the Option Agreement shall control.

5. The meaning of defined terms, indicated by initial capitalization, used in this Memorandum shall be the same as the meaning ascribed to such terms in the Option Agreement.

Developer and City have signed this Memorandum by and through the signatures of their authorized representatives, as set forth below.

[SIGNATURES ON FOLLOWING 2 PAGES]

SIGNATURE PAGE
MEMORANDUM
OF
OPTION TO PURCHASE AGREEMENT
(CITY PARKING LOTS OPTION PROPERTY – CORONA MALL)

CITY:

CITY OF CORONA, a California municipal corporation

By: _____
Mitchell Lansdell, Acting City Manager

Attest:

By: _____
Sylvia Edwards, City Clerk

DEVELOPER:

****INSERT DEVELOPER'S NAME AND TYPE OF ENTITY****

By: _____
Name: _____
Its: _____

By: _____
Name: _____
Its: _____

[SIGNATURE(S) MUST BE NOTARY ACKNOWLEDGED]

**EXHIBIT 1
TO
MEMORANDUM OF
OPTION AGREEMENT**

OPTION PROPERTY LEGAL DESCRIPTION

TO BE ATTACHED PRIOR TO RECORDATION

EXHIBIT “D”

TO OPTION AGREEMENT

SCHEDULE OF PERFORMANCE

| ITEM | MILESTONE | RESPONSIBLE PARTY | COMPLIANCE DATE(S) | ESTIMATED TIMELINE |
|-------------|---|--------------------------|--|---------------------------|
| 1 | Effective Date of City Parking Lots Option Agreement | City and Developer | Within 14 days following approval by City Council and subject to satisfaction of conditions set forth in Section 3.1.8 of Option Agreement | TBD |
| 2 | Opening of Escrow | City and Developer | Within 14 days following execution of the Development Agreement by parties | TBD |
| 3 | Close of Escrow | City and Developer | 45 Days after open of Escrow | TBD |
| 4 | Submittal of Preliminary Project design and submittal to the City Infrastructure Committee for portion of Project to be constructed on City Parking Lots Option Property (substantially consistent with the conceptual master plan prepared pursuant to Exhibit “K” to the Disposition and Development Agreement with LAB Holding LLC (Corona Mall Property)) | Developer | 180 days following Close of Escrow | TBD |
| 5 | Submittal of Precise Plan application to Community Development for portion of Project to be constructed on City Parking Lots Option Property (consistent with Project design approved by Infrastructure Committee) | Developer | Within 90 days following approval by Infrastructure Committee | TBD |
| 6 | Planning Commission Review and City Council action on Precise Plan application. | City and Developer | Within 65 days after submittal of PP application | TBD |
| 7 | Public Works, Planning, & Building review of construction documents. | City and Developer | Within 60 days of PC/CC approval of PP application | TBD |
| 8 | Obtain building permits for construction of portion of Project to be constructed on City Parking Lots Option Property. | Developer | Within 18 Months following Close of Escrow | TBD |

| | | | | |
|----|---|-----------|--|-----|
| 9 | Commence and diligently pursue construction of portion of Project to be constructed on City Parking Lots Option Property (consistent with approved construction documents). | Developer | Within 24 months following Close of Escrow | TBD |
| 10 | Complete construction of portion of Project to be constructed on City Parking Lots Option Property (consistent with approved construction documents) | Developer | Within 30 Months of approval of construction documents | TBD |

EXHIBIT "E"
TO OPTION AGREEMENT
PRIVATELY OWNED PROPERTY

| Address | APN | Acreage |
|---------|-----|---------|
|---------|-----|---------|

| | | |
|--------------------|-------------|------|
| 402 Corona Mall | 117-143-033 | 0.14 |
| 400 S. Ramona Ave. | 117-151-023 | 0.50 |
| 425 Corona Mall | 117-151-019 | 0.06 |
| 462 Corona Mall | 117-143-017 | 0.11 |
| 474 Corona Mall | 117-151-020 | 0.06 |
| 482 Corona Mall | 117-143-018 | 0.09 |
| 487 Corona Mall | 117-151-003 | 0.03 |
| 131 Corona Mall | 117-151-018 | 0.03 |
| 141 Corona Mall | 117-143-009 | 0.01 |
| 496 Corona Mall | 117-143-036 | 0.06 |
| 500 Corona Mall | 117-143-037 | 0.20 |
| 555 Corona Mall | 117-151-006 | 0.06 |
| 113 E. Sixth St. | 117-143-002 | 0.05 |
| 580 Corona Mall | 117-143-024 | 0.05 |
| 588 Corona Mall | 117-143-025 | 0.05 |

**EXHIBIT O-1 TO FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT
AGREEMENT**

CITY OF CORONA

**LICENSE AGREEMENT
FOR USE OF CITY FACILITIES (UCFLA)**

(INSERT NAME OF CUSTOMER**)
(CITY OPTION PROPERTY – CORONA MALL)**

1. PARTIES AND DATE.

This License Agreement for Use of City Facilities (“**Agreement**”) is entered into this ****INSERT DAY**** day of ****INSERT MONTH****, ****INSERT YEAR**** (“**Effective Date**”), by and between the City of Corona, a municipal corporation organized under the laws of the State of California with its principal place of business at 400 South Vicentia Avenue, Corona, California 92882 (“**City**”), and ****INSERT NAME****, a ****[INSERT TYPE OF ENTITY - CORPORATION, PARTNERSHIP, SOLE PROPRIETORSHIP, INDIVIDUAL OR OTHER LEGAL ENTITY]**** with its principal place of business at ****INSERT ADDRESS**** (“**Customer**”). City and Customer are sometimes individually referred to as “Party” and collectively as “Parties” in this Agreement.

2. RECITALS.

2.1 Development Agreement. City, the City of Corona Housing Authority (“**Housing Authority**”) and Customer and/or Customer’s predecessor in interest have previously entered into that certain Disposition and Development Agreement with Lab Holding LLC (Corona Mall Property) dated as of May 17, 2017, as amended by that certain First Amendment to Disposition and Development Agreement dated as of May 15, 2019 (“**Development Agreement**”) for the acquisition and development by Lab Holding LLC of certain real property owned by the Housing Authority generally located at the northeast corner of South Main Street and East Sixth Street and the southwest corner of East Sixth Street and South Ramona Avenue in the City of Corona.

2.2 City Facilities. As part of the Development Agreement, Customer and/or Customer’s predecessor in interest also acquired, subject to the satisfaction of certain conditions precedent as set forth in the Development Agreement, an option to purchase certain real property owned by the City generally located at the northeast corner of South Main Street and East Sixth Street, Corona, County of Riverside, California (Assessor Parcel Numbers 117-143-015, 117-143-026, 117-143-030, 117-143-034, 117-143-035, 117-151-012, 117-151-013, 117-151-014, and 117-151-022) in the City of Corona, California, identified as the City Option Property in the Development Agreement (“**City Option Property**”). The City Option Property consists of approximately 5.56 acres (242,194 square feet) that is currently used for parking and vehicular ingress/egress purposes (“**City Parking Lots**”), as depicted in **Exhibit “A”** attached to this Agreement and incorporated herein by this reference, and approximately 1.13 acres (49,223 square feet) that is currently used for common area and pedestrian

walkway purposes (“**City Common Areas**”), as depicted in **Exhibit “B”** attached to this Agreement and incorporated herein by this reference.

2.3 Events and Operations. Customer desires to use the City Option Property for a period of time prior to exercising either the option to acquire the City Common Areas or the option to acquire the City Parking Lots granted in the Development Agreement for the purposes of conducting special events, other programmed commercial, community events to promote economic development in the retail establishments surrounding the City Option Property (singularly an “**Event**” and collectively “**Events**”). The date(s) and time(s) of the Event are subject to change pursuant to the mutual agreement of the Parties, and the Events shall also be subject to all terms and conditions of this Agreement and all applicable laws, rules and regulations, including, but not limited to, any special event permit, special use permit or other permit required by the Corona Municipal Code.

2.4 License. City is willing to allow Customer to use the City Option Property pursuant to the terms and conditions set forth in this Agreement.

3. **TERMS.**

3.1 City Option Property. City agrees to allow Customer the non-exclusive use of the City Option Property pursuant to this Agreement. The City Option Property is subject to the needs of the City and, as such, Customer’s use of City Option Property may be cancelled by the City at any time upon thirty (30) days written notice to Customer. In the event City determines, in its sole and absolute discretion, that the City Option Property is needed for any City purposes, Customer shall immediately vacate the City Option Property upon notice by City. In addition to the foregoing, City reserves the exclusive right to use the City Parking Lots every Saturday from 6:00 a.m. to 3:00 p.m.

3.2 Customer Responsibility for Personnel and Invitees. Customer shall be responsible for the use of the City Option Property by Customer and its owners, officers, successors, assigns, employees, agents, attendees, participants, guests, invitees, customers and others who enter the City Option Property on behalf of or in connection with Customer’s presence or activities under this Agreement (“**Customer’s Personnel and Invitees**”). The City retains the discretion to terminate this Agreement and require Customer and Customer’s Personnel and Invitees to immediately vacate the City Option Property if an Event or anyone’s participation in an Event poses any kind of threat or liability to the City, the public, or anyone else. Customer’s Personnel and Invitees are at all times employees, agents and contractors of Customer and shall not be considered an employee or agent of City for any purpose related to the Events.

3.3 Parking Covenant. Customer acknowledges and agrees that assessments are imposed and collected through the Corona Mall Business Improvement District, established pursuant to the Property and Business Improvement District Law of 1994 (Streets & Highways Code §§36600 *et seq.*) (“**BID**”) for the purpose of maintaining parking lots, sidewalks and landscape improvements on the City Option Property. The BID expires on June 30, 2020 (“**BID Expiration Date**”). Customer acknowledges and agrees that development or use of the City Parking Lots for any purpose other than parking and vehicular or pedestrian ingress and egress is subject to and expressly contingent upon Customer’s ability to provide sufficient parking, as required by the Corona Municipal Code and/or other applicable laws, rules or regulations, and pathways for reasonable and direct vehicular and pedestrian access similar to that which exists as of the Effective Date to serve the parcels that are included within and are subject to the assessments imposed by the BID (“**BID Parcels**”). In

furtherance thereof, Customer shall not, for any reason, deny, prevent, hinder or obstruct reasonable and direct public access to each of the BID Parcels and use of the City Option Property at any time prior to the BID Expiration Date, or at any time thereafter if in violation of the Corona Municipal Code and/or other applicable laws, rules or regulations. Customer acknowledges and agrees that parking on the City Option Property is provided free of charge on a first-come, first-serve basis, notwithstanding the fact that there is no reciprocal parking agreement, easement or similar documentation regulating such parking, and that the availability of such parking free of charge on a first-come, first-serve basis shall be maintained during the Term of this Agreement. From and after the BID Expiration Date or the close of escrow for Customer's acquisition of the City Parking Lots, whichever occurs first, maintenance of the City Parking Lots shall be the sole responsibility of Customer.

3.4 Access Covenant. Customer acknowledges and agrees that development or use of the City Common Areas for any purpose other than common area walkways and pedestrian ingress and egress is subject to and expressly contingent upon Customer's ability to provide sufficient pathways for reasonable and direct pedestrian access similar to that which exists as of the Effective Date to serve the BID Parcels. Customer further acknowledges and agrees to allow public access to and use of the City Common Areas for the benefit of the BID Parcels. In furtherance thereof, Customer shall not, for any reason, deny, prevent, hinder or obstruct reasonable and direct public access to each of the BID Parcels and use of the City Common Areas at any time prior to the BID Expiration Date, or at any time thereafter if in violation of the Corona Municipal Code and/or other applicable laws, rules or regulations. Customer acknowledges and agrees that from and after the BID Expiration Date or the close of escrow for Customer's acquisition of the City Common Areas, whichever occurs first, maintenance of the City Common Areas shall be the sole responsibility of Customer.

3.5 Release of Liability. In consideration of City's agreement to allow Customer to use the City Option Property, Customer, on behalf of itself and Customer's Personnel and Invitees, hereby releases and forever discharges the City and each of its officials, officers, employees, contractors, agents, volunteers, successors and assigns from any and all known and unknown, certain or contingent, past, present or future obligations, liabilities, demands, claims, costs, expenses, debts, controversies, damages, actions, and causes of action of every nature, character, or description which they may have against the City, arising from or in any way related to the Events, use of City Option Property or this Agreement.

CUSTOMER HEREBY ACKNOWLEDGES THAT IT HAS READ AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542 ("SECTION 1542"), WHICH IS SET FORTH BELOW:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

BY INITIALING BELOW, CUSTOMER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 IN CONNECTION WITH THE RELEASED MATTERS.

Initials of Customer Representative

3.6 Indemnification. To the fullest extent permitted by law, Customer shall indemnify, defend and hold harmless City, its officials, officers, employees, contractors, agents, volunteers, successors and assigns from and against any and all claims, damages, demands, liability, costs, losses, injuries and expenses, including, without limitation, court costs and reasonable attorneys' fees and costs, in any manner arising out of or incident to any acts, omissions or willful conduct of Customer or Customer's Personnel and Invitees related to this Agreement, including without limitation any actions or inactions in any way related to the use of the City Option Property or participation in the Events, whether or not while using City equipment, supplies and apparatus.

3.7 Insurance. Customer shall, at its sole expense, procure and maintain for the duration of its obligations under this Agreement insurance against claims for injuries to persons or damages to property which may arise from or be in connection with the City Option Property and the Events or activities conducted by Customer and/or Customer's Personnel and Invitees. The insurance shall take the form of a commercial general liability policy, to include bodily injury, personal injury, and property damage coverage, written on an occurrence basis with a company reasonably acceptable to the City, in an amount not less than Two Million Dollars (\$2,000,000) to cover any activities performed by any person under the permission granted herein and any damage or loss suffered or incurred by the City, its elected officials, officers, employees, contractors, agents, and volunteers resulting from such activity. Customer shall maintain workers compensation and employer's liability insurance coverage in the statutorily required amounts, if applicable. Customer shall require its insurer to waive all rights of subrogation against City, its elected officials, officers, employees, contractors, agents, and volunteers, except for any liability resulting from the willful misconduct or grossly negligent acts of City. Customer will provide evidence of such insurance coverage to City's satisfaction prior to any Event. At City's request, Customer shall cause all such policies to be endorsed to add the City, its elected officials, officers, employees, contractors, agents, and volunteers as Additional Insureds.

3.8 City Policies; Laws and Regulations. Customer shall comply with any City written policies related to the City Option Property, as well as any other safety requirements and instructions given to Customer by City personnel. Customer shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of the Events, including all Cal/OSHA requirements, and shall give all notices required by law. Customer shall be liable for all violations of such laws and regulations in connection with this Agreement.

3.9 Governmental Approvals. Customer shall obtain, at Customer's sole cost and expense, any and all necessary and applicable federal, state and local approvals, certifications, and permits, including, but not limited to, any special event permit, special use permit or other permit required by the Corona Municipal Code, to conduct each and every Event prior to use of City Option Property for

such Event. City reserves the right to require Customer to provide proof regarding these approvals, certifications, and permits.

3.10 Term of Agreement. This Agreement shall be in effect as of the Effective Date and shall continue until such time that the Development Agreement expires or terminates or until such time that Customer acquires fee title to some or all of the City Option Property, whichever occurs first (“**Term**”), provided that City may terminate this Agreement at any time for any or no reason. To the extent that Customer acquires fee title to the City Common Areas, this Agreement shall continue to apply to the City Parking Lots. To the extent that Customer acquires fee title to the City Parking Lots, this Agreement shall continue to apply to the City Common Areas.

3.11 Notices. Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this Agreement to be served on or given to either party to this Agreement shall be in writing and shall be deemed duly served or given when personally delivered to the party to whom it is directed or to any managing or executive officer or director of that party in lieu of personal service when deposited in the United States mail, first class postage prepaid, addressed as follows:

Customer:

INSERT COMPANY NAME

INSERT ADDRESS

INSERT ADDRESS

Attn: [INSERT CONTACT NAME***]

City:

City of Corona
400 S. Vicentia Avenue
Corona, CA 92882
Attn: Darrell Talbert, City Manager

3.12 Survival. Customer’s obligations to release, indemnify, defend, and hold harmless the City as set forth in Section 3.4 of this Agreement shall survive expiration or termination of the term of this Agreement and shall remain in effect until there is no risk to the City of liability for any claims or losses due to the use of the City Option Property for the Event.

3.13 Interpretation. The provisions of this Agreement are intended by the parties to be interpreted and construed to provide the fullest protection possible under the law to the City.

3.14 Selection of Counsel. Customer’s obligation to indemnify the City under this Agreement shall include the obligation of Customer to defend City with legal counsel of City’s own choosing. In the event City elects not to select such counsel, the designation of such counsel shall be made by Customer but shall be subject to prior approval by City.

3.15 Attorneys’ Fees and Costs. In the event that any action or proceeding is commenced between the City and Customer to enforce or interpret any term of this Agreement, the prevailing party

in such action or proceeding, in addition to all other relief to which it may be entitled, shall be entitled to recover from the other party the prevailing party's costs of suit and reasonable attorneys' fees and costs. The attorneys' fees and costs recoverable pursuant to this section include, without limitation, attorneys' fees and costs incurred on appeal and those incurred in enforcing any judgment rendered. Attorneys' fees and costs may be recovered as an element of costs in the underlying action or proceeding or in a separate recovery action.

3.16 Entire Agreement. This written document contains the entire agreement of the parties and supersedes any prior oral or written statements or agreements between the parties. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing by the parties.

3.17 Waiver and Severability. No waiver of any default shall constitute a waiver of any other breach or default, whether of the same or of any other covenant or condition. No waiver, benefit, privilege or service voluntarily given or performed by either party shall give the other party any contractual right by custom, estoppel or otherwise. If any provision of this Agreement is invalid or unenforceable with respect to any party, the remainder of this Agreement or the application of such provision to persons other than those as to whom it is held invalid or unenforceable, shall not be affected and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

3.18 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one instrument.

3.19 Authority; Binding on Successors and Assigns. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to enter into this Agreement and bind each respective party. This Agreement shall be binding on and inure to the benefit of the successors and permitted assignees of the respective parties. Customer's rights and obligations set forth in this Agreement shall be transferred and assigned to any transferee or assignee acquiring Customer's rights and obligations in and to the City Option Property pursuant to Section 3.8.2 of the Development Agreement and such transfer and assignment shall be expressly memorialized in the assignment and assumption agreement referred to therein. Otherwise, this Agreement shall not be transferred or assigned by Customer unless City consents in writing to such assignment in City's sole and absolute discretion.

3.20 Governing Law and Venue. This Agreement shall be governed by the laws of the State of California. Any action to interpret or enforce this Agreement shall be brought and maintained exclusively in the courts of and for Riverside County, California.

[SIGNATURES ON NEXT TWO (2) PAGES]

CITY'S SIGNATURE PAGE FOR
CITY OF CORONA
LICENSE AGREEMENT
FOR USE OF CITY FACILITIES
(INSERT NAME OF CUSTOMER**)**
(CITY OPTION PROPERTY – CORONA MALL)

CITY OF CORONA,
a California municipal corporation

By: _____
Mitchell Lansdell, Acting City Manager

May __, 2019

Attest:

By: _____
Sylvia Edwards, City Clerk

Approved as to Form:

Dean Derleth
City Attorney

LICENSEE'S SIGNATURE PAGE FOR
CITY OF CORONA
LICENSE AGREEMENT
FOR USE OF CITY FACILITIES
(INSERT NAME OF CUSTOMER**)**
(CITY OPTION PROPERTY – CORONA MALL)

****INSERT NAME OF CUSTOMER****

a ****INSERT TYPE OF ENTITY****

By: _____
Signature

Name (Print)

Title (Print)

By: _____
Signature

Name (Print)

Title (Print)

EXHIBIT "A"

DEPICTION OF CITY PARKING LOTS

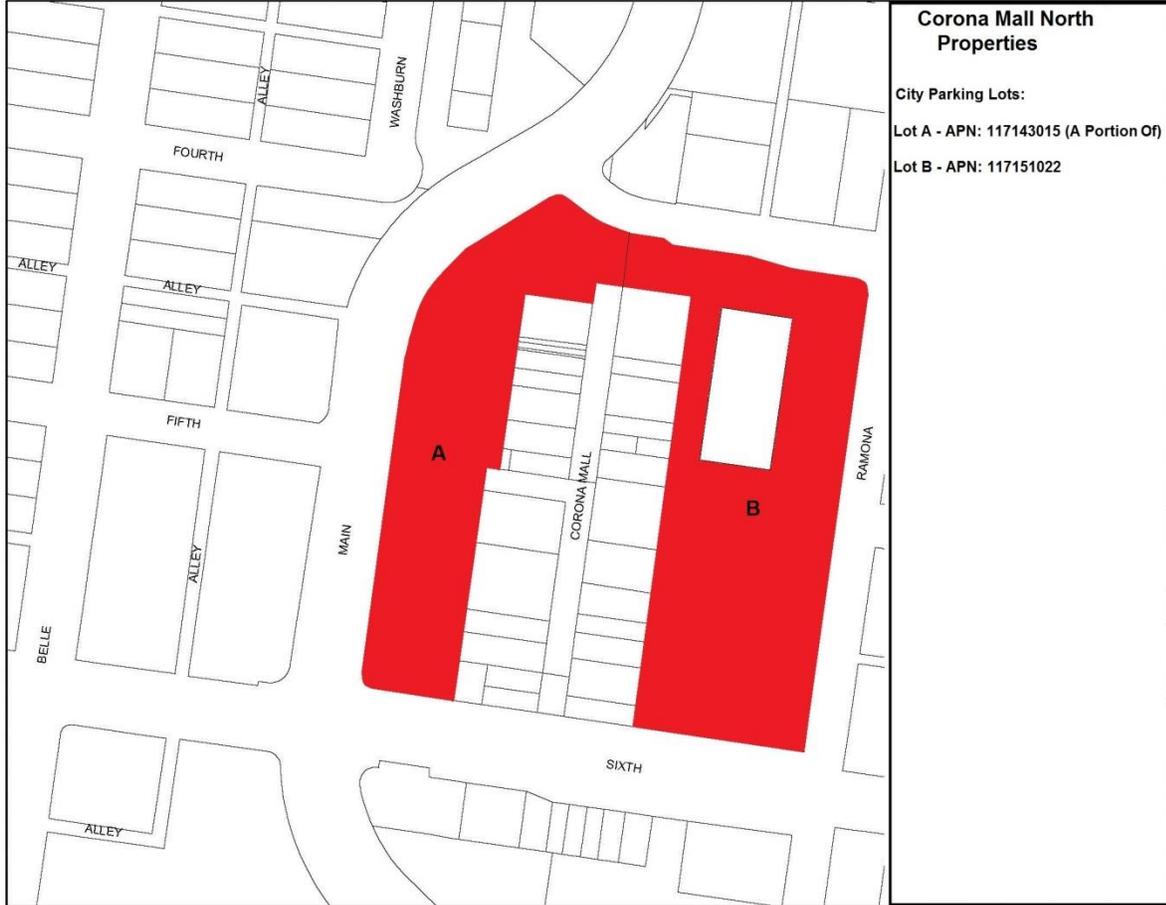
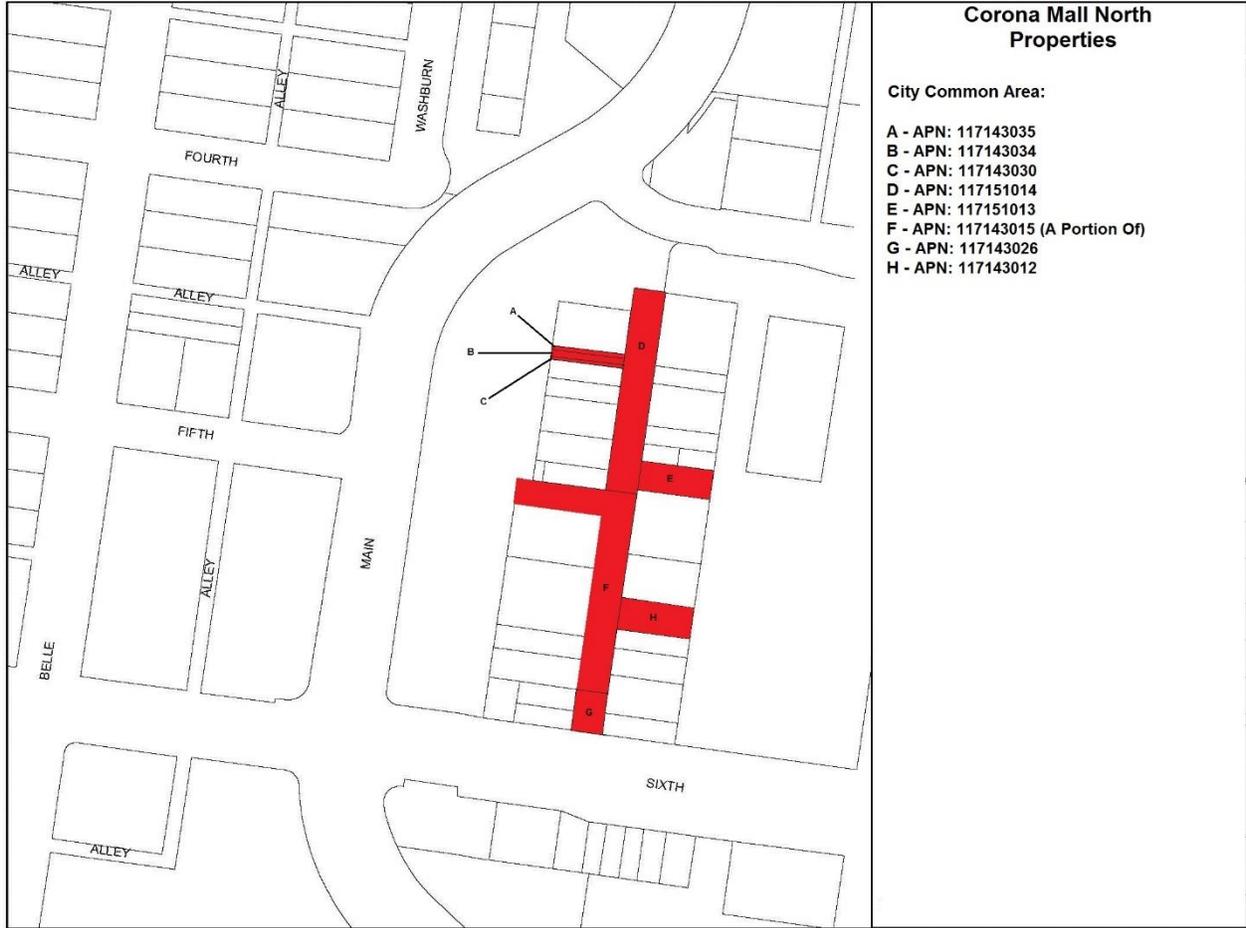


EXHIBIT "B"

DEPICTION OF CITY COMMON AREAS





Minutes - Final

Infrastructure Committee

MAYOR JASON SCOTT
COUNCIL MEMBER WES SPEAKE

ADVISORY MEMBER
PLANNING & HOUSING COMMISSIONER

Wednesday, April 3, 2019

8:00 AM

Council Board Room

1. Call To Order

The meeting was called to order by Mayor Jason Scott at 8:01 a.m. with Vice Mayor Jim Steiner as the alternate for Council Member Wes Speake. In addition to the Committee Members, the following individuals were in attendance:

- Michele Nissen, Acting City Manager
- Kerry Eden, Asst. City Mgr. /Admin Svcs. Dir.
- Nelson Nelson, Public Works Dir.
- Joanne Coletta, Com. Dev. Dir.
- Tom Koper, Asst. Public Works Dir.
- Naomi Ramirez, Management Svcs. Asst.

Others Present:

- Karen Alexander, Planning & Housing Commission
- Brince Lou, Best Investments
- Jacob Rodriguez, United States Forest Service Ranger

2. Public Comments

None.

3. Agenda Items

- A. [19-0325](#) General discussion on the potential use and change of zone from Agriculture to a commercial land use on RCTC surplus property (approximately 20 acres) located on the south side of Cajalco Road and west of Interstate 15.
(Community Development)
Action: Information & Discussion

Ms. Joanne Coletta, Community Development Director, provided a general overview of the Riverside County Transportation Commission (RCTC) surplus property located near Cajalco Road and Interstate 15 and RCTC's

intent to sell the property. Ms. Coletta indicated RCTC issued a notice of intent to sell the property and the current proponent interested in purchasing the property is proposing future office buildings, while inquiring if City officials would support a change of zone on the property. Discussion occurred between staff and the Committee regarding the limited access to the site which is granted by a 24-foot wide access easement across private property that is owned by others. The access easement is designed to support service vehicles that would provide maintenance on the site in the current agricultural (vacant) condition but cannot support an intensified land use such as commercial use. Ms. Coletta explained that additional access points would need to be granted by the adjacent property owner and the reality that both properties need to be designed together. It was explained that due to the mass grading associated with the Arantine Hills project, the RCTC site is located at a much lower elevation than the adjacent property which further complicates the access to the site. Also, staff is unaware of any communication between the potential purchaser of the RCTC surplus property and the adjacent property owner regarding future access points. Mr. Brince Luo, Best Investment, indicated he has not communicated with the adjacent property owner but will contact the owner if changing the zone on the property is supported.

The Committee stated that changing the zoning of the property at this time is premature because the development of the site is partially dependent on the development plans of the adjacent parcel and both owners of the property need to collaborate on how the access will be achieved. The two parcels need to be planned together. At this time there is not enough information to support changing the zoning of the property.

- B.** [19-0328](#) Discussion regarding 2019 Major and Local Pavement Rehabilitation.
(Public Works)
Action: Information & Discussion

Mr. Nelson Nelson, Public Works Director, advised the Committee of the upcoming 2019 Streets Pavement Rehabilitation Project that is expected to be constructed this summer. Senior Engineer and Project Manager, Barry Ghaemi, distributed hard copies of a PowerPoint Presentation to the Committee and interested parties. Mr. Nelson explained that the project will utilize several types of pavement treatment depending on the best option for a particular street section. Streets in good condition will require only a Type II Slurry Seal while those that are more deteriorated will require some localized removal and repair; an Asphalt Rubber Aggregate Membrane (ARAM) or be micro-milled with a thin asphalt-concrete overlay. He explained on each process as the Committee reviewed the information provided in the handouts.

A map of the streets to be rehabilitated was included in the handout and

the step-by-step process for notifying the residents and businesses was discussed. Mr. Nelson noted that additional efforts are made to coordinate with schools and local businesses when the work may affect their entrances or access. He also stated that it was necessary to delay the work anticipated for one neighborhood from this year's project and reschedule that area with next year's pavement rehabilitation project so sufficient funds could be allocated to repairing numerous potholes that developed after this winter's rain storms. A separate contract will be advertised and awarded to repair the potholes before next storm season.

Mr. Nelson then referred to the last exhibit depicting the roads that are proposed for next year's pavement rehabilitation project. He emphasized that there is one relatively small area that will require approximately \$1.5 million to \$2 million because of the very poor condition of the existing roadway. This is why the Public Works Department strives to rehabilitate pavements before they deteriorate too far. It is much more cost effective to keep good roads in good condition than spending all of the funding fixing roads in poor condition.

The Committee did not have any suggestions or modifications to the proposed work. Mr. Joe Morgan, Resident, suggested that the contractor inform residents adjacent to the proposed work if they will be performing any curb cuts, sidewalk or ramp improvements as residents may wish to hire the contractor to perform similar work near their home. Mr. Nelson stated that some residents do pay the contractor to construct similar work on their property since the contractor is working in the area, but it depends on the contractor's ability to complete such work in conjunction with the contract.

- C. [19-0327](#) The creation of public access to the Main Street Trail head in the Cleveland National Forest and its impact on TTMs 32703, 34760, and 32386 extension requests. (Discussion Only)
(Public Works)
Action: Information & Discussion

Mr. Nelson Nelson, Public Works Director, and Mr. Tom Koper, Assistant Public Works Director, presented the item for discussion to the committee. The Committee was provided an exhibit showing several existing trails in the Cleveland National Forest from the areas of Main Street and Lords Canyon.

Mr. Koper explained a concept depicted in one of the exhibits that would provide access to these trails in the National Forest including the Main Street trailhead as represented in the trail inventory report. He further

discussed the exhibits showing preliminary alignments of potential access points that would cross several private properties.

Mr. Jacob Rodriguez, United States Forest Service Ranger, stated that the existing trails shown on the exhibits are not really authorized trails by the forest service. As such, the Forest Service would be hesitant to support the concept of providing dedicated access to these non-authorized trails. However, the Forest Service does not have an issue with the public hiking in the forest but desires them to stay on designated trails as the official trails. The Forest Service committed to continue working with the City and the community to provide access to the forest and the potentially develop additional authorized trails in the future.

Several residents spoke in opposition of providing dedicated access to the National Forest which would result in increased parking in their neighborhoods and the potential for the hikers to create fire dangers in the area. There were also residents who spoke in support of the access to the National Forest for all residents.

In order to provide public access to the Cleveland National Forest across private properties, the developers of TTMs 32703, 34760 and 32386 agreed to add conditions to their maps requiring them to dedicate access easements to the forest. As part of the development in the future, the City will work with the developers, forest service and the community to determine the best way to provide the required access while minimizing the impacts to the new developments and the local community. The Committee voiced their support of this approach.

4. Adjournment

The meeting was adjourned at 9:35 a.m.