

## SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release ("Agreement") is made and entered into this 2nd day of August, 2016 by and among the City of El Paso de Robles, a municipal corporation, and the City Council of the City of El Paso de Robles (City of El Paso de Robles and City Council of the City of El Paso de Robles are referred to collectively herein as "City"), Quorum Realty Fund IV, LLC, a Delaware limited liability company, Quorum Properties, Inc., a Colorado corporation and Furlotti Family Ranch Company, an unincorporated association (Quorum Realty Fund IV, LLC, Quorum Properties, Inc. and Furlotti Family Ranch Company are referred to collectively herein as "Quorum"), and CENCO Investments LLC, a California limited liability company ("CENCO"). City, Quorum, and CENCO are sometimes referred to herein individually as a "party" and collectively as the "parties."

### RECITALS

Whereas, Quorum Realty Fund IV, LLC is the owner of that certain real property of approximately 179 acres situated in the unincorporated territory of the County of San Luis Obispo adjacent to the City, which real property is particularly described and depicted in Exhibits "A-1" and "A-2," attached hereto and by this reference incorporated herein ("Quorum Property"); and

Whereas, CENCO is the owner of that certain real property situated within the boundaries of the City, which real property is particularly described and depicted in Exhibits "B-1" and "B-2," attached hereto and by this reference incorporated herein ("CENCO Property"); and

Whereas, CENCO is included as a party to this Agreement in order to bind CENCO in connection with the applicable terms, conditions and provisions of this Agreement that require conveyance of interests in the CENCO Property to Quorum Real Property Fund IV, LLC and benefit CENCO in connection with conveyance of certain real property to CENCO by Quorum Real Property Fund IV, LLC in accordance with the applicable terms, conditions and provisions of this Agreement; and

Whereas, a realignment of Vine Street in the vicinity of both CENCO and Quorum's properties was originally proposed by Caltrans in 2009 and analyzed in a Project Approval Environmental Document (PAED) and Initial Study and Mitigated Negative Declaration (SCH #2008051102) for the Highway 101/State Route 46 West Interchange Modification Project, which was approved in 2009;

Whereas, the City identified the improvements described in the Highway 101/State Route 46 West Interchange Modification Project that are in the City's jurisdiction in the City's Development Impact Fee program adopted in Resolution 14-035;

Whereas, City approved on June 17, 2014 a mitigated negative declaration and certain land use entitlement permits for development of a hotel and ancillary facilities on the CENCO Property, to wit: a Planned Development 13-005; Tentative Parcel Map PR 13-0109, and Oak Tree Removal Permit OTR 13-008 ("CENCO Property Land Use Entitlement Approvals"); and

Whereas, Quorum timely filed a petition for writ of mandate and complaint against the City challenging approval of the CENCO Property Land Use Entitlement Approvals, which case is styled *Quorum Realty Fund IV, LLC, a California limited liability company v. City of El Paso de Robles, a California municipality and City Council of the City of El Paso de Robles, its governing body* (San Luis Obispo County Superior Court Case No. 14CVP-0174) ("Quorum v. City Case"); and

Whereas, on August 25, 2015, the court rendered a decision in the Quorum v. City Case which, if judgment is entered thereon, would nullify the Excel Land Use Entitlement Approvals and order the City to prepare a focused EIR on certain traffic impacts associated with the CENCO Property Land Use Entitlement Approvals; and

Whereas, the court has withheld entry of judgment on the aforementioned decision pending settlement of the Quorum v. City Case by the parties thereto; and

Whereas, Quorum applied to the City for approval of certain land use entitlements for the Quorum Property on November 11, 2011 ("Quorum Land Use Entitlement Applications") predicated on approval of annexation of the Quorum Property and additional property owned by Quorum to the City by the San Luis Obispo County Local Agency Formation Commission ("LAFCO"); and

Whereas, in connection with the Quorum Land Use Entitlement Applications, Quorum and the City entered into that certain agreement entitled "Agreement for Advance of Funds," dated April 26, 2011, ("City/Quorum Agreement") which required, among other things, that Quorum pay the cost of processing the Quorum Land Use Entitlement Applications and preparation of an environmental impact report ("EIR") in compliance with the California Environmental Quality Act (Gov. Code sec. 21000, et seq.) ("CEQA"); and

Whereas, upon presentation of an invoice by City for reimbursement of certain costs incurred by City under the City/Quorum Agreement, Quorum informed City that it would not pay said invoice, alleging that the administrative draft EIR produced by the City's consultant was not CEQA compliant; and

Whereas, City filed a complaint against Quorum alleging breach of the City/Quorum Agreement for Quorum's refusal to pay the aforementioned invoice and Quorum subsequently filed a cross complaint against City alleging, among other things, breach of the City/Quorum Agreement for failure of the City to prepare or cause to be prepared a CEQA compliant EIR. The City's complaint and Quorum's cross-complaint are styled *City of El Paso de Robles v. Quorum Realty*

*Fund IV, LLC, a Delaware limited liability Company, Quorum Properties, Inc., a Colorado corporation and Furlotti Family Ranch Company and Quorum Realty Fund IV, LLC, a Delaware limited liability company, Quorum Properties, Inc., a Colorado limited liability company and Furlotti Family Ranch Company v. City of El Paso de Robles, respectively (San Luis Obispo County Superior Court Case No. 14CVP-0125) ("City/Quorum Agreement Case"); and*

Whereas, the parties now agree on the design of a realignment of City's Vine Street from its present intersection with Highway 46 to a route that traverses the Quorum Property and CENCO Property (and certain real property owned by City) in accordance with the plans attached as Exhibit "C" hereto and by this reference incorporated herein and agreement regarding dedication of the right-of-way and apportionment of the cost to construct the road and ancillary improvements on and through such right-of-way that will resolve the primary issues raised by Quorum in the Quorum v. City Case and provide the further specificity regarding the timing, cost and precise realignment of Vine Street that addresses the deficiency identified by the court in the Quorum v. City Case decision; and

Whereas, Quorum intends to submit a revised development plan and Quorum and City agree that the EIR prepared for the revised project will use, to the extent possible, the information contained in the administrative draft EIR prepared for Quorum's earlier project application; and

Whereas, because the Quorum Property and the CENCO Property are located at a major and prominent entryway to the City, the parties hereto acknowledge and agree that the development of such properties must be of the highest quality to enhance the City; and

WHEREAS, Quorum agrees that it will pay the amount owed under the City/Quorum Agreement.

NOW, THEREFORE, in consideration of the premises and mutual covenants hereinafter set forth and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, City, Quorum, and CENCO hereby agree as follows:

#### **AGREEMENTS**

1. **Recitals Are True and Correct.** The parties hereto agree that all of the above recitals are true and correct and are hereby incorporated into this Agreement.

2. **Dismissal of Quorum v. City Case; Mutual Releases.** Within ten (10) calendar days of execution of this Agreement by all parties, Quorum shall dismiss with prejudice the entirety of the Quorum v. City Case. Quorum, City and CENCO further agree that each party shall bear its own attorneys' fees and costs associated with the Quorum v. City Case and each party hereby releases the others in accordance with the following terms:

a. **Mutual Releases.** City, Quorum and CENCO, on behalf of themselves and their respective successors and assigns, hereby release one another and their respective employees,

partners, officers, officials, directors, shareholders, members, agents, heirs, predecessors, successors, assigns, beneficiaries, trustees and attorneys from and against any and all liabilities, claims, demands, causes of action and obligations, known and unknown, latent or patent, which they now have against the others arising out of any and all facts and circumstances involving the Quorum v. City Case. In connection with this release, City, Quorum and Excel hereby acknowledge that they have been fully advised of and understand and hereby waive any and all rights they may have under the provisions of Civil Code section 1542, which provides as follows: "A general release does not extend to claims which a 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."

b. Voluntary Releases. The releases set forth in this Section 2 are freely and voluntarily given by City, Quorum and CENCO after consultation with their respective attorneys. City, Quorum and CENCO hereby acknowledge that they have not relied on any inducements, promises or representations made by or to one another or their respective employees, agents or attorneys except as expressly set forth in this Agreement.

### 3. Covenants Not to Sue.

a. In consideration of dismissal of the Quorum v. City Case in accordance with Section 2 of this Agreement, Excel and CENCO hereby covenant and agree not to sue Quorum, its successors and assigns and the governmental agencies to which land use entitlement applications for development of the Quorum Property, or any portion thereof, are submitted including, but not limited to, the City, County of San Luis Obispo and LAFCO in connection with consideration and approval of such applications. This covenant not to sue shall extend to applications for and approvals and certifications thereof granted by such governmental agencies and documents prepared in accordance with CEQA that may be required for approval of the aforementioned land use entitlement applications and annexation of the Quorum Property, or any portion thereof, to City.

b. In consideration of CENCO's commitments in Sections 10 and 12 of this Agreement, Quorum, its successors and assigns hereby covenant and agree not to sue CENCO, its successors and assigns, and the government agencies to which land use entitlement applications for development of the remainder of the CENCO Property, or any portion thereof, are submitted including, but not limited to, the City, County of San Luis Obispo and LAFCO in connection with consideration and approval of such applications. This covenant not to sue shall extend to applications for and approvals and certifications thereof granted by such governmental agencies and documents prepared in accordance with CEQA that may be required for approval of the aforementioned land use entitlement applications and annexation of any portion of the CENCO Property depicted in Exhibit B or the 1.8-acre property depicted as the CENCO Acquired Property in Exhibit D hereto and by this reference incorporated herein, to City. Quorum's covenant not to sue is binding and valid regardless of the ultimate disposition of Quorum's land use development applications to the City, County of San Luis Obispo, and LAFCO, or its obligations and contingencies set forth in this Agreement.

**4. Dismissal of City/Quorum Agreement Case.** Within ten (10) calendar days of execution of this Agreement by all parties, City shall dismiss with prejudice the City/Quorum Agreement Case and Quorum shall dismiss with prejudice the cross-complaint filed in the City/Quorum Agreement Case. City and Quorum hereby agree that each party shall bear its own attorneys' fees and costs associated with the City/Quorum Agreement Case and each party hereby releases the other in accordance with the following terms:

a. **Mutual Releases.** City and Quorum, on behalf of themselves and their respective successors and assigns, hereby release each other and their employees, partners, officers, officials, directors, shareholders, members, agents, heirs, predecessors, successors, assigns, beneficiaries, trustees and attorneys from and against any and all liabilities, claims, demands, causes of action and obligations, known and unknown, latent or patent, which they now have against each other arising out of any and all facts and circumstances involving the City/Quorum Agreement Case. In connection with this release, City and Quorum hereby acknowledge that they have been fully advised of and understand and hereby waive any and all rights they may have under the provisions of Civil Code section 1542, which provides as follows: "A general release does not extend to claims which a creditor does not know of 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."

b. **Voluntary Releases.** The releases set forth in this Section 4 are freely and voluntarily given by City and Quorum after consultation with their respective counsel. City and Quorum have not relied on any inducements, promises or representations made by or to one another or their respective employees or agents except as expressly set forth in this Agreement.

**5. Payment of City/Quorum Agreement Invoice; Status of City/Quorum Agreement.** Within ten (10) calendar days of dismissal of the City/Quorum Case in accordance with Section 4 of this Agreement, Quorum shall pay to City the full amount of the City/Quorum Agreement invoice of One Hundred Ten Thousand Forty-Five Dollars and Sixty-Four Cents (\$110,045.64). City and Quorum hereby agree that following payment of said invoice, the City/Quorum Agreement shall be terminated and no longer in force and effect and the parties shall promptly execute a new Reimbursement Agreement as set forth in Section 6.

**6. Processing of Revised Quorum Property Land Use Entitlement Applications; Additional Land Use Entitlement Applications.** Following payment of the City/Quorum Agreement invoice in accordance with Section 5 of this Agreement, Quorum shall submit to City a revised land use plan for the Quorum Property consistent with the Conceptual Development Plan attached hereto as Exhibit "E." To the extent the revised land use plan requires the filing of applications for land use entitlements in addition to the Quorum Land Use Entitlement Applications, Quorum shall file such additional applications and pay the City's standard published fees therefor; provided, however, City and Quorum shall first meet and confer on the extent to which additional land use entitlement may be required and City shall, to the maximum extent

possible, utilize the Quorum Land Use Entitlement Applications for the revised land use plan. Following a determination by City regarding the need for additional land use entitlement applications, if any, and submission of such applications and payment of the required fees therefor by Quorum, City shall commence processing the Quorum Land Use Entitlement Applications and additional land use entitlement applications, if any, in accordance with the Reimbursement Agreement, as defined below. City shall use its reasonable good faith efforts to expeditiously process the Quorum Land Use Entitlement Applications and additional land use entitlement applications, if any, for consideration and approval by City's Planning Commission and City Council. Concurrently with Quorum's payment of the City/Quorum Agreement invoice, as set forth in Section 6 hereof, City and Quorum shall negotiate and execute a new reimbursement agreement ("Reimbursement Agreement") pursuant to which Quorum shall agree to pay for all costs incurred by City, including staff costs and time and any costs paid by City to third parties in connection with the processing of Quorum's Land Use Applications, including any revisions thereto and additional land use entitled applications, if any, and related applications to LAFCO to amend the City's sphere of influence and annexation of the Quorum Property.

**7. Disposition of Administrative Draft EIR Prepared in Connection with Quorum Land Use Entitlement Applications.** In connection with the requirement that City and Quorum meet and confer in accordance with Section 6 of this Agreement and based on the proposed realignment of Vine Street described in this Agreement, the administrative draft EIR prepared in connection with the Quorum's original project application shall be revised to reflect the revised land use plan and additional land use entitlement applications, if any, submitted to City by Quorum in accordance with Section 6 of this Agreement. Quorum shall bear the entire cost and expense of processing the revised land use applications, including the environmental documentation associated therewith. With regard to environmental documentation for the realignment of Vine Street, to the extent possible, the City shall rely upon the applicable portions of the Environmental Assessment with Finding of No Significant Impact ("FONSI"), prepared by the California Department of Transportation ("Caltrans") for the U.S. Highway 101/State Route 46 West Interchange and dated December 2009, that address the realignment of Vine Street for purposes of satisfying the requirements of CEQA. Thereafter, City shall cause to be prepared the draft EIR and final EIR and shall consider certification of the final EIR in accordance with the requirements of CEQA.

**8. Amendment of City's Sphere of Influence and Annexation of the Quorum Property.** Within thirty (30) days of City's approval of Quorum's revised land use applications, or at such earlier time as City and Quorum may agree, City shall take all required steps to petition LAFCO for an amendment of City's Sphere of Influence and annexation of the Quorum Property to the City. The applications for such amendment of the City's Sphere of Influence and annexation shall be made in the name of the City, and Quorum and the City shall work cooperatively to support such applications in all proceedings of LAFCO at which such applications are considered. In addition, the City and Quorum shall mutually agree that the applications for amendment of the Sphere of Influence and annexation will either be submitted concurrently or separately to LAFCO. Pursuant to provisions that shall be incorporated into the Reimbursement Agreement

described in Section 6 hereof, Quorum will reimburse all costs incurred by the City in connection with the amendment of the Sphere of Influence and annexation of the Quorum Property.

9. Quorum Property Development Agreement. Concurrent with processing of the Quorum Land Use Entitlement Applications and additional land use entitlement applications, if any, in accordance with Section 6 of this Agreement, City and Quorum shall meet, confer and negotiate a development agreement as set forth in Government Code section 65864, et seq., for the Quorum Property to be included in City's applications to LAFCO for amendment of City's Sphere of Influence and annexation to City. City hereby agrees to calendar such development agreement for consideration by City's Planning Commission and City Council at the same meetings at which the Quorum Land Use Entitlement Applications and additional land use entitlement applications, if any, are considered for approval.

10. Quorum and CENCO Property Conveyances. Within ten (10) calendar days of satisfaction of the contingencies set forth in Section 13 of this Agreement, or at such time thereafter as City has approved a lot line adjustment, parcel map or taken such other action that may be required in order to satisfy the applicable provisions of the Subdivision Map Act (Gov. Code sec. 66410, et seq.) ("Map Act"), the following conveyances of property shall occur concurrently:

a. CENCO shall convey to Quorum that portion of the CENCO Property described and depicted as the "Quorum Acquired Property, on Exhibit "D," attached hereto and by this reference incorporated herein. Such conveyance shall be free of all liens and encumbrances except for the perpetual lien for payment of property taxes and assessments, all of which shall be current at the time of conveyance.

b. Quorum shall convey to CENCO that approximately 1.8-acre portion of the Quorum Property described and depicted as the "CENCO Acquired Property", on Exhibit "D," attached hereto and by this reference incorporated herein. Such conveyance shall be free of all liens and encumbrances except for the perpetual lien for payment of property taxes and assessments, all of which shall be current at the time of conveyance. City and Quorum hereby agree to use their best efforts to apply for, consider and approve a lot line adjustment, parcel map or take such other action that may be required to authorize such conveyance concurrent with processing of the Quorum Land Use Entitlement Applications and additional land use entitlement applications, if any, in accordance with Section 6 of this Agreement.

11. Dedication of Vine Street Realignment Right-of-Way and Open Space. Within ten (10) calendar days of the date agreed upon by Quorum and City that the contingencies set forth in Section 13 of this Agreement have been met, Quorum shall execute or cause to be executed and City shall record or cause to be recorded with the County Recorder, County of San Luis Obispo, an irrevocable offer to dedicate that portion of the right-of-way for realignment and construction of Vine Street that traverses the (i) Quorum Property and (ii) the Quorum Acquired Property, as depicted on Exhibit "D," in the form attached as Exhibit "F" hereto. City may record its acceptance of such offer of dedication at any time, in City's discretion.

In addition, City hereby agrees to concurrently accept conveyance to City, at no cost to City, for use as parks or open space, that portion of the Quorum Property and the Quorum Acquired Property as depicted on Exhibit "D." City hereby acknowledges that this conveyance by Quorum is voluntary, not in consideration of this Agreement, any land use entitlement approvals, or any other consideration and constitutes a donation.

**12. Apportionment of Utilities and Vine Street Construction Costs.**

a. **Utilities.** Quorum and CENCO understand and agree that all costs of installing utilities, including, but not limited to, water, sewer, storm water, conduits for gas, electricity, fiber optic cable, etc., to serve development on their respective properties, shall be solely their responsibility. In order to avoid any disruption or delay in the construction of the realigned Vine Street, any required design, engineering, preparatory site work and installation for such utilities shall be coordinated with City and completed by Quorum and CENCO or any successors-in-interest prior to the installation of the road improvements by the City within the realigned Vine Street right-of-way. CENCO does not currently need any utilities in the realigned Vine Street right-of-way, as CENCO has access to utilities to service the CENCO Property. If it is determined and agreed by CENCO and the City that CENCO will need access to new utilities to be constructed in realigned Vine Street to serve the CENCO Property, then CENCO agrees that CENCO or any successors-in-interest will pay the full cost of the design and construction of any such utilities as well as its pro rata share of the necessary road improvements to install utilities in the realigned Vine Street right-of-way.

b. **Vine Street Design and Construction.** The parties hereto agree that the City shall be responsible for designing and constructing the road improvements within the realigned Vine Street right-of-way, including the bridge and appurtenant traffic control facilities connecting Vine Street to Highway 46 West. Quorum agrees that it shall pay to City, in advance, all of the City's costs of designing and constructing the Vine Street road improvements, excluding the bridge and appurtenant traffic control facilities, located in the portion of the right-of-way dedicated to City ("Quorum's Vine Street Share"), as shown in Exhibit "C." Quorum shall receive a credit against traffic mitigation fees owed by Quorum for development on the Quorum Property up to the amount advanced as Quorum's Vine Street Share. The development agreement described in Section 9 hereof, or such other agreement as Quorum and the City may mutually agree, shall set forth the process by which Quorum shall ensure that City shall receive payment in advance of City incurring any such costs for that portion of the Vine Street work to be advanced by Quorum. The City shall be responsible for paying for the costs of design and construction of the remaining portion of Vine Street. The respective responsibilities of Quorum and the City with respect to the costs of designing and construction Vine Street are shown in Exhibit "C" of this Agreement.

City hereby agrees to use its best efforts to construct, or cause to be constructed, the road, bridge, traffic control and other improvements to the realigned Vine Street within seven (7) years of annexation of that portion of the Quorum Property to be annexed to City in

accordance with Sections 8 and 13 of this Agreement. All of the parties to this Agreement acknowledge that some of the steps necessary to construct these road improvements are beyond the control of the City, and that the continued collaboration and good faith cooperation among all the parties is both desirable and necessary.

Nothing in this Agreement shall be construed to limit or otherwise affect any traffic or other mitigation measures that are included in the final EIR or conditions of approval addressing the annexation, Quorum's revised land use plan and proposed development of the Quorum Property or CENCO Acquired Property, as defined in Section 10, above.

**13. Contingent Obligations.** The obligations of Quorum and CENCO set forth in Sections 10 and 12 of this Agreement and Quorum's and CENCO's obligations to undertake and perform such obligations are entirely contingent upon satisfaction of all of the following: (i) final approval of the Quorum Land Use Entitlement Applications and additional land use entitlement applications, if any, by City in accordance with Section 6 of this Agreement and in a manner satisfactory to Quorum; (ii) certification of a Final EIR in accordance with Section 7 of this Agreement; (iii) annexation of that portion of the Quorum Property to City in accordance with Section 8 of this Agreement; and (iv) approval by Quorum and City of a final development agreement as described in Section 9. The contingencies set forth in this Section 13 shall not be deemed satisfied unless and until all applicable statutes of limitation governing third-party challenges to each of the approvals and certification set forth in this Section 13 have lapsed without challenge to such approvals and certification; provided, however, if one or more of such approvals or certification are challenged by a third party and Quorum, in the exercise of its sole and absolute discretion, determines to defend or participate in the defense of such challenge(s), such contingencies shall not be deemed satisfied unless and until such approvals have been upheld and sustained in a final judgment by a court of competent jurisdiction. .

**14. Time of the Essence.** Time is of the essence in the performance of each and every obligation, term, provision and condition of this Agreement.

**15. Inurement.** This Agreement and each of the obligations, terms, provisions and conditions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

**16. Entire Agreement.** This Agreement, including Exhibits A through F, constitutes the entire understanding and agreement of the parties hereto and supersedes all previous negotiations, discussions and agreements among the parties or between any two of them with respect to all or any part of the subject matter herein. No parol evidence of any prior or other agreement shall be permitted to contradict or vary the terms of this Agreement.

**17. Legal Expenses.** In any judicial proceeding, arbitration or mediation among the parties or between any two of them seeking enforcement of any of the obligations, terms, provisions or conditions of this Agreement or seeking to cure, correct or remedy a default or enjoin any threatened or attempted violation hereof, or seeking to enforce by specific performance the

obligation(s) of any party or parties to this Agreement (collectively, "Action"), the prevailing party shall be awarded all of its actual and reasonable costs and expenses (whether or not the same would be recoverable pursuant to Code of Civil Procedure sections 1033.5 or 1717 in the absence of this Agreement) including, but not limited to, attorney's fees, expert witness fees and costs of investigation and preparation prior to commencement of the Action.

18. **Waiver.** Failure by a party to insist upon the strict performance of any of the obligations, terms, provisions or conditions of this Agreement by another party or parties, or the failure of a party to exercise its rights upon the default of another party, shall not constitute a waiver of such party's right to demand and enforce strict compliance by the other parties with the obligations, terms, provisions and conditions of this Agreement.

19. **Further Actions and Instruments.** Each of the parties shall cooperate with and provide reasonable assistance to the other parties to the extent necessary to implement this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgement or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary to implement this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

20. **Venue.** Consent to Jurisdiction and Venue. This Agreement shall be construed in accordance with and governed by the laws of the State of California. Any legal action or proceeding brought to interpret or enforce this Agreement, or which in any way arises out of the Parties' activities undertaken pursuant to this Agreement, shall be filed and prosecuted in the appropriate California State Court in the County of San Luis Obispo, California. Each Party waives the benefit of any provision of state or federal law providing for a change of venue to any other court or jurisdiction including, without limitation, a change of venue based on the fact that a governmental entity is a party to the action or proceeding, or that a federal right or question is involved or alleged to be involved in the action or proceeding. Without limiting the generality of the foregoing waiver, Permittee expressly waives any right to have venue transferred pursuant to California Code of Civil Procedure Section 394.

21. **Construction.** As used in this Agreement, and as the context may require, the singular includes the plural and vice-versa and the masculine gender includes the feminine gender and vice versa.

22. **Notices.** Any notice or communication required by this Agreement among the parties or between any two of them shall be in writing and may be given either personally or by registered or certified mail, return receipt requested. If given by registered or certified mail, the same shall be deemed to have been given and received on the date of actual receipt by the addressee designated below as the party to whom notice is to be sent. If personally delivered, notice shall be deemed to have been given when delivered to the party to whom it is addressed. A party may, at any time by giving ten (10) days written notice to the other parties designate any other address in substitution of the address to which such notice or

communication shall be given. Such notices or communications shall be given to the parties at their addresses set forth below:

**To City:**

1000 Spring Street  
Paso Robles, CA 93446  
Attn: Thomas Frutchey, City Manager  
Tel: (805) 237-3888  
Fax: (805) 237-4032

**With a copy to:**

Iris P. Yang  
Best Best & Krieger LLP  
500 Capitol Mall, Suite 1700  
Sacramento, CA 95814  
Tel: (916) 551-2826  
Fax: (916) 325-4010  
Email: iris.yang@bbklaw.com

**To Quorum:**

Quorum Realty Funds IV, LLC  
c/o Michael Furlotti  
P.O. Box 862  
Ross, CA 94957  
Tel: (415) 992-5945  
Fax: (415) 992-5947  
Email: mf@qfunds.net

**With a copy to:**

Gregory W. Sanders  
Nossaman LLP  
18101 Von Karman Ave., Ste. 1800  
Irvine, CA 92612  
Tel: (949) 833-7800  
Fax: (949) 833-7878  
Email: gsanders@nossaman.com

**To CENCO:**

**Stephen Sahadi**  
800 Pollard Road, Bldg. C., Ste. 36  
Los Gatos, CA 95032  
Tel: (805) 441-2531  
Fax: (408) 866-1009  
Email: [sahadi@earthlink.net](mailto:sahadi@earthlink.net)

**With a copy to:**

**Sabrina V. Teller**  
Remy Moose Manley, LLP  
555 Capitol Mall, Suite 800  
Sacramento, CA 95814  
Tel: (916) 443-2745  
Fax: (916) 443-9017  
Email: [Steller@rmmenvirolaw.com](mailto:Steller@rmmenvirolaw.com)

*{signatures on following page}*

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

**City**

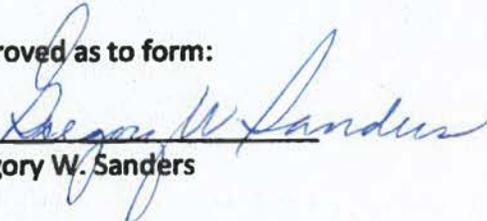
City of El Paso de Robles, a municipal corporation	City Council of the City of El Paso de Robles, its governing body
By: <u>Howard French</u> 8-9-16	By: <u>Steven Martin</u> Steven Martin, Mayor
	By: <u>[Signature]</u> Steve Gregory, Council member
Attest: By: <u>Kristen Buxkempes</u>	By: <u>John Hamon</u> John Hamon, Council member
Approved as to Form: By: <u>Iris P. Yang</u> Iris P. Yang, City Attorney	By: <u>Jim Reed</u> Jim Reed, Council member
	By: <u>Fred Strong</u> Fred Strong, Council member

-and-

**Quorum**

Quorum Realty Fund IV LLC, a Delaware limited liability company	Quorum Properties, Inc., a Colorado corporation	Furlotti Family Ranch Company, an unincorporated association
By:  Michael Furlotti, Its Managing Member	By:  Michael Furlotti, Its President	By:  Michael Furlotti, Its Owner

Approved as to form:

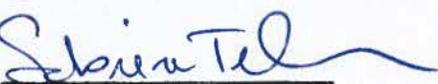
By:   
Gregory W. Sanders

**CENCO**

CENCO LLC,  
a California limited liability company

  
By: Stephen Sahadi  
Its: Managing Member

Approved as to Form:

By:   
Sabrina Teller

**EXHIBIT A-1**  
Legal Description

**For APN/Parcel ID(s): 040-031-020, 040-031-001 (portion), 040-031-001 (portion), 040-031-001 (portion), 040-091-039, 040-091-041, 040-031-019 and 040-031-017**

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THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE UNINCORPORATED AREA OF THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

**PARCEL 1: APN 040-031-020**

All that portion of Lot 20 of the Subdivision of the Rancho Paso de Robles, made by R.R. Harris and Geo. Story, in 1886, according to map recorded October 22, 1886 in Book A Page 164 of Maps, in the office of the County Recorder of said County, described as follows:

Beginning at stake "P.R. 121" at the Northeast corner of said Lot 20; thence South 22° West, along the Easterly line of said lot, 15.50 chains to stake "P.R. 120" at the Southeast corner of said lot; thence West, along the South line of said lot, 32.79 chains to point from which stake "P.R. 165" at Southwest corner of said lot bears West 249 feet distant; thence North 34° 26' West, 446 feet to a point in the West line of said lot; thence North 0° 30' West, along said West line, 591.6 feet to the Northwest corner thereof; thence South 89° 50' East along the North line of said lot, to the point of beginning.

Excepting therefrom those portions of said Lot conveyed to the State of California by deed recorded December 15, 1950 in Book 590, Page 120 of Official Records and November 16, 1964 in Book 1324, Page 14 of Official Records.

**PARCEL 2: APN 040-031-001 (portion)**

That portion of Lot 21 of the Subdivisions of a part of the Rancho Paso de Robles, according to map filed for record October 22, 1886 in Book A, page 164 of Maps, in the office of the County Recorder of said County, described as follows:

Beginning at the Southwest corner of said Lot; thence East along the Southerly line of said Lot, 25.39 chains; thence leaving said Southerly line, North and parallel with the Westerly line of said Lot, 16 chains to the Northerly line of said Lot; thence West along said Northerly line, 25.39 chains to the Northwest corner of said Lot; thence South along the Westerly line of said Lot, 16 chains to the point of beginning.

**PARCEL 3: APN 040-031-001 (portion)**

That portion of Lot 20 of the Subdivisions of the Rancho Paso de Robles, according to map filed for record October 22, 1886 in Book A Page 164 of Maps, in the office of the County Recorder of said County, described as follows:

Beginning at the Southwest corner of said Lot 20; thence North 0° 30' West, 370 feet; thence South 34° 26' East, 446 feet to the South line of said Lot 20; thence West, 249 feet to the point of beginning.

**PARCEL 4: APN 040-031-001 (portion) & 040-091-039**

The Westerly 39.68 acres of Lot 22 and the Westerly 26.77 acres of Lot 23 of the Subdivision of a part of the Rancho Paso de Robles, according to map filed for record October 22, 1886 in Book A, Page 164 of Maps, in the office of the County Recorder of said County.

Excepting therefrom said Lot 23 that portion conveyed to the State of California, by deed dated July 15, 1966 and recorded October 4, 1966 in Book 1412, Page 68 of Official Records.

**EXHIBIT A-1**  
Legal Description  
(continued)

Also excepting therefrom said Lot 23 that portion described as follows:

In the County of San Luis Obispo, State of California, being the Westerly portion of Lot 23 of the Rancho Paso de Robles, shown on the Map recorded in Book A, Page 164 of Maps, as described in the Quitclaim Deed recorded in Book 399, Page 106, Official Records of San Luis Obispo County, lying Southerly of State Highway #46 and Westerly of the most Westerly line of Parcel 1 of Parcel Map PRAL 10-0126, recorded in Book 75, Page 35 of Parcel Maps.

**PARCEL 5: APN 040-091-041**

That part of the portion of Lot 23 of the Subdivision of a part of the Rancho Paso de Robles, described in the deed to Kenneth T. Araujo, et ux., recorded August 16, 1955 in Book 814, Page 527 of Official Records, in the office of the County Recorder of said County, lying Northerly of the following described line:

Beginning at a point distant North 57° 43' 20" West, 393.69 feet from monument P-33-1, as said monument is delineated on the maps filed in State Highway Map Book 8, at Pages 702 through 710, records of said County; thence (1), North 82° 00' 37" West, 279.90 feet; thence (2), Westerly, from a tangent that bears South 85° 36' 29" West, along a curve to the left with a radius of 1290 feet through an angle of 23° 28' 06" for a distance of 528.38 feet; thence (3), South 57° 30' 23" West, 229.23 feet to a point distant North 07° 44' 15" West, 641.60 feet from monument 33-E-2 delineated on said filed maps.

**PARCEL 6: APN 040-031-019**

That portion of Lot 21 of the Subdivision of a part of the Rancho Paso de Robles, according to map filed for record October 22, 1886 in Book A Page 164 of Maps, in the office of the County Recorder of said County, described as follows:

Beginning at the Southeast corner of said Lot; thence Westerly along the South line of said Lot, to the Southeast corner of the property conveyed to Alvin H. Wilpar, by deed dated March 19, 1951 in Book 602, Page 558 of Official Records; thence Northerly along the East line of the property so conveyed, 90 feet; thence Easterly and parallel to the South line of said Lot, to a point on the East line thereof; thence Southerly along said Easterly line to the point of beginning.

Excepting therefrom that portion conveyed to the State of California by deed dated September 27, 1950 and recorded November 14, 1950 in Book 586, Page 210 of Official Records.

Also excepting therefrom that portion conveyed to the State of California by deed dated July 10, 1964 and recorded November 13, 1964 in Book 1323, Page 592 of Official Records.

**PARCEL 7: APN 040-031-017**

That portion of Lot 21 of the Subdivisions of a part of the Rancho Paso de Robles, according to the map thereof made by R.R. Harris and George Story, filed for record October 22, 1886, in Book A Page 164 of Maps, in the office of the County Recorder of said County, described as follows:

Beginning at Stake PR 120 and the Northeast corner of Lot 21; thence Westerly along the Northerly line of said Lot 21, 737.88 feet, more or less, to the Northeast corner of a parcel of land conveyed to Alvin H. Wilmar, et ux., by deed dated March 19, 1951, and recorded in Book 602 Page 558 of Official Records; thence Southerly along the Easterly line of said Wilmar property, 966 feet to the Northwest corner of a parcel of land conveyed to Harry A. Harding, et ux., by deed dated June 26, 1952, and recorded in Book 663 Page 402 of Official Records; thence

**EXHIBIT A-1**  
Legal Description  
(continued)

Easterly along the Northerly line of the Harry A. Harding property to the East line of said Lot 21; thence North along the East line of said Lot 989.10 feet, more or less, to the point of beginning.

Excepting therefrom that parcel of land conveyed to the State of California, by deed recorded November 14, 1950, in Book 586 Page 210 of Official Records.

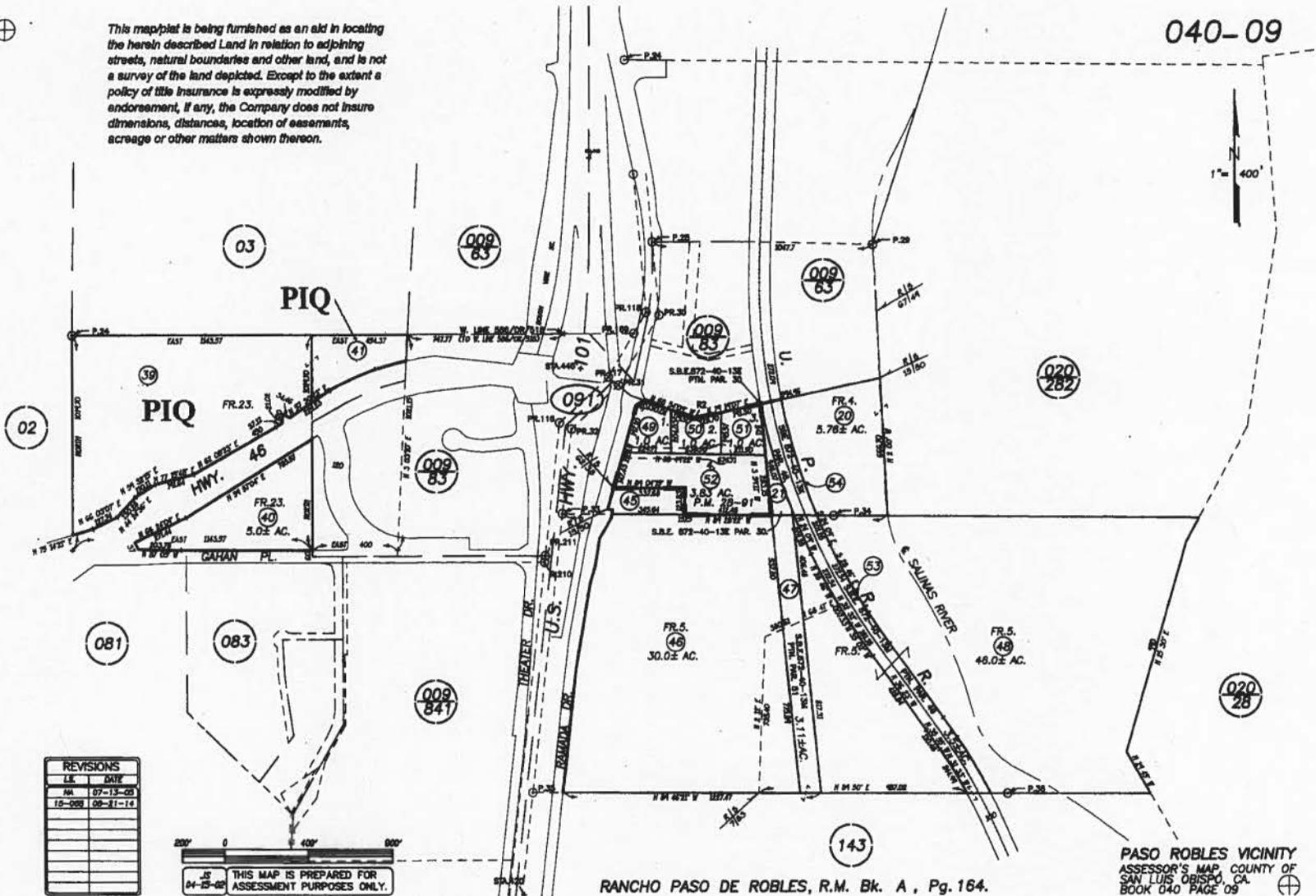
Also excepting therefrom that parcel of land conveyed to the State of California, by deed recorded September 30, 1964 in Book 1317 Page 347 of Official Records.



**EXHIBIT A-2**



This map/plot is being furnished as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, distances, location of easements, acreage or other matters shown thereon.



REVISIONS	
LS	DATE
19	07-13-09
18-088	09-21-14

THIS MAP IS PREPARED FOR ASSESSMENT PURPOSES ONLY.

RANCHO PASO DE ROBLES, R.M. Bk. A, Pg. 164.

PASO ROBLES VICINITY  
ASSESSOR'S MAP, COUNTY OF  
SAN LUIS OBISPO, CA.  
BOOK 040 PAGE 09

EXHIBIT B-1

LEGAL DESCRIPTION OF THE CENCO PROPERTY

Real property in the City of Paso Robles, County of San Luis Obispo, State of California, described as follows:

THAT PART OF THE PORTION OF LOT 22 OF THE SUBDIVISIONS OF A PART OF THE RANCHO PASO DE ROBLES, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, ACCORDING TO MAP RECORDED OCTOBER 22, 1886 IN BOOK A, PAGE 164 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY CONVEYED TO WILLIAM H. WILMAR BY DEED RECORDED AUGUST 16, 1951 IN BOOK 622, PAGE 507 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING WESTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT WHICH BEARS NORTH 81°51'37" WEST, 322.81 FEET FROM ENGINEER'S STATION 436+08.82 P.O.T. ON THE CENTERLINE OF THE DEPARTMENT OF PUBLIC WORKS' SURVEY FOR STATE HIGHWAY, ROAD V-SLO-2-B AS SAID CENTERLINE IS DELINEATED ON THE MAP RECORDED IN STATE HIGHWAY MAP BOOK, PAGES 373 TO 387, INCLUSIVE, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTH 25°29'32" EAST, 159.43 FEET; THENCE NORTH 06°45'58" EAST, 293.23 FEET; THENCE NORTH 11°47'20" EAST, 395.45 FEET; THENCE NORTH 08°26'16" EAST, 320.05 FEET TO THE SOUTHERLY TERMINUS OF COURSE NUMBERED (8) IN THE DEED TO THE STATE OF CALIFORNIA RECORDED NOVEMBER 29, 1950 IN BOOK 588, PAGE 102 OF OFFICIAL RECORDS; THENCE NORTHERLY ALONG SAID COURSE (8) TO THE NORTHERLY TERMINUS THEREOF.

BEARINGS AND DISTANCES USED HEREIN ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM, ZONE 5; MULTIPLY DISTANCES BY 1.00000685 TO OBTAIN GROUND LEVEL DISTANCES.

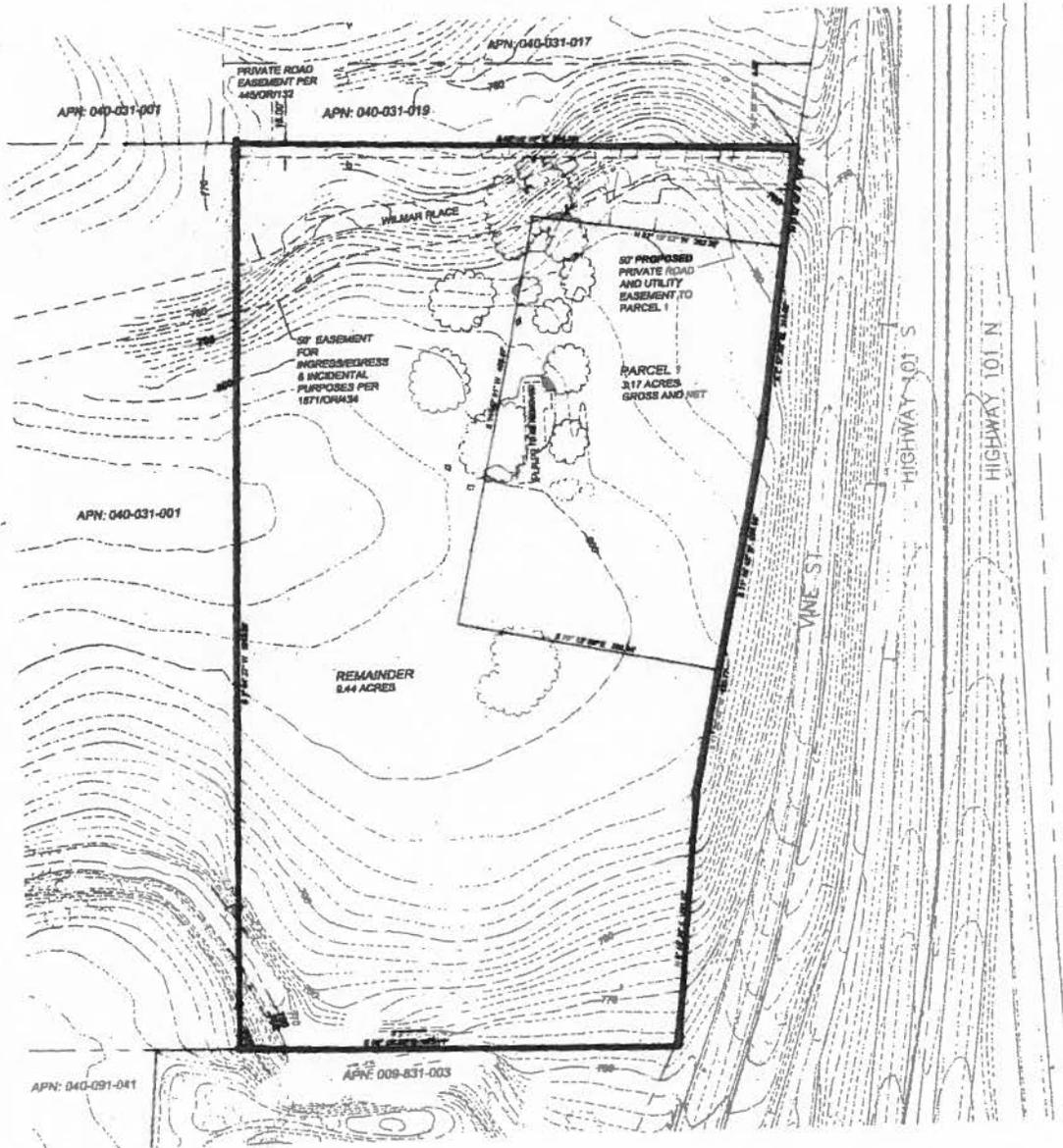
EXCEPTING THEREFROM THAT PORTION OF LOT 22 AS DESCRIBED IN DEED TO ALVIN HILLIS WILMAR ON NOVEMBER 21, 1945 IN BOOK 399, PAGE 106 OF OFFICIAL RECORDS.

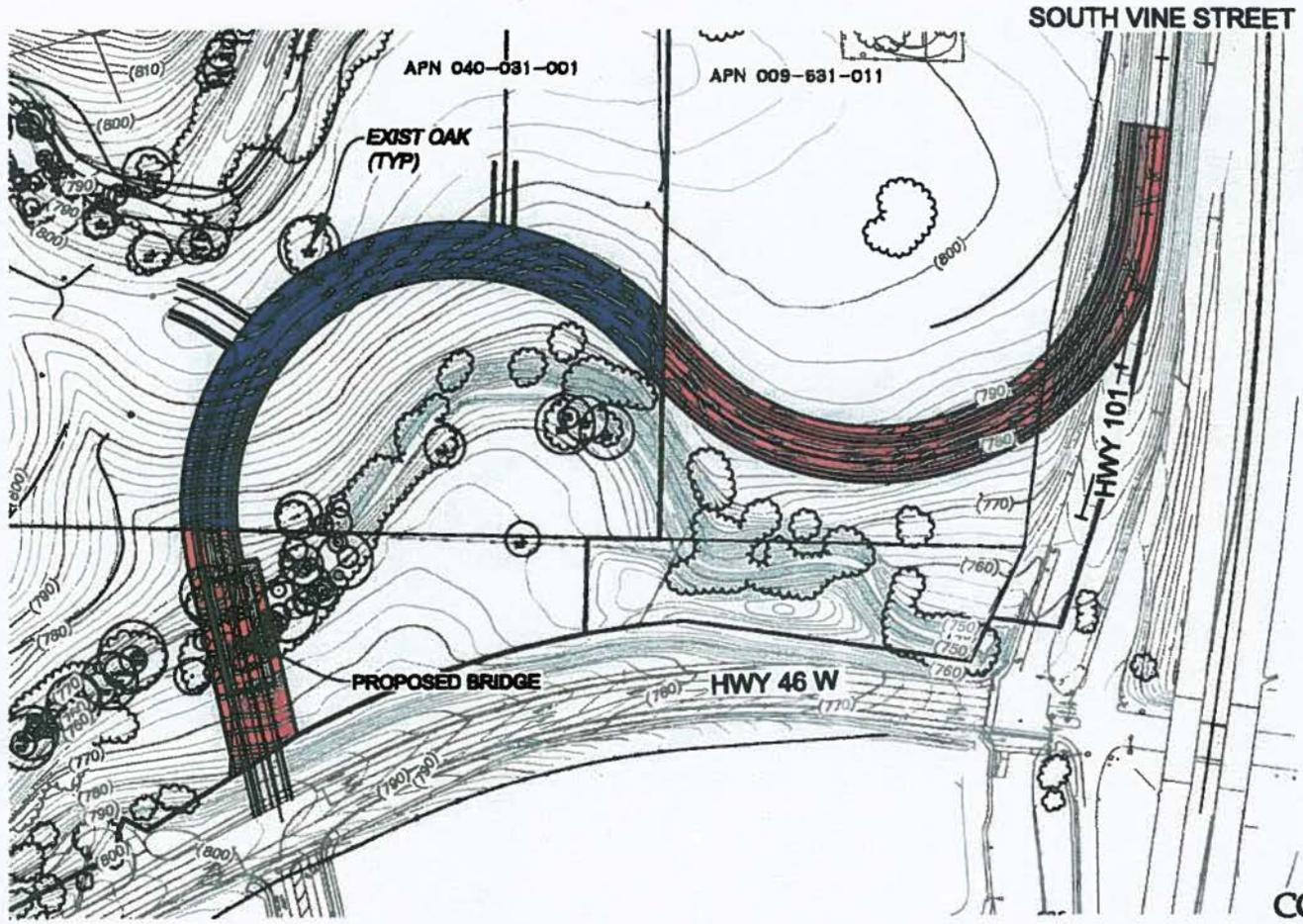
Former APN: 009-631-011

Current APNs: 009-631-024; 009-631-025

# EXHIBIT B-2

## MAP OF THE CENCO PROPERTY

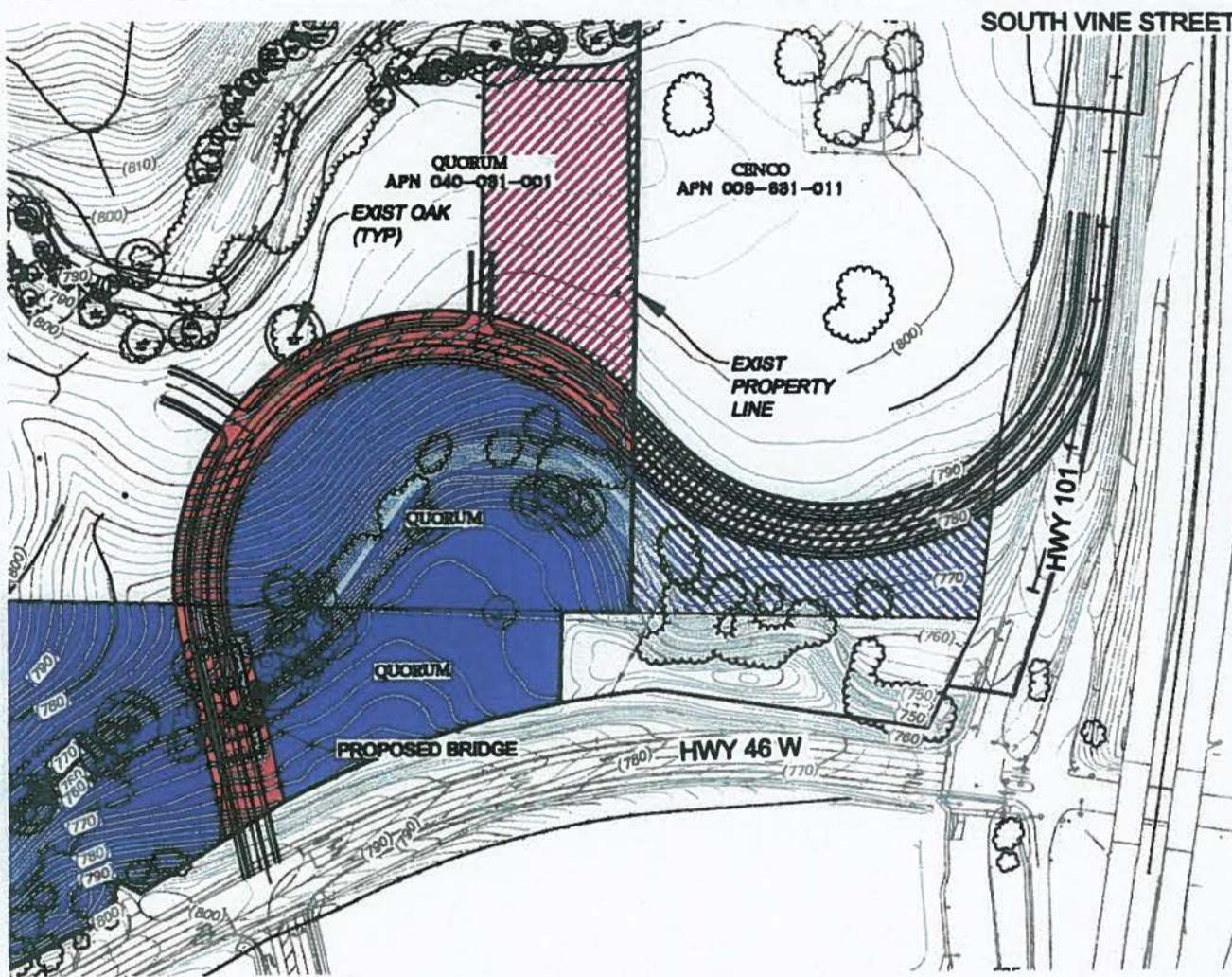




**COST ALLOCATION EXHIBIT  
EXHIBIT C**

**NCE** NORTH COAST ENGINEERING INC.  
725 Creston Rd. Suite B, Paso Robles, 239-3127

JULY 12, 2016



-  AREA OF QUORUM LAND TO BE CONVEYED TO CENCO FOR DEVELOPMENT
-  AREA OF QUORUM LAND TO BE DEDICATED TO CITY FOR ROAD RIGHT OF WAY
-  EXISTING QUORUM LAND TO BE RESERVED FOR CITY PARKS AND OPEN SPACE
-  EXISTING CENCO LAND TO BE ACQUIRED BY QUORUM AND RESERVED FOR CITY PARKS AND OPEN SPACE
-  EXISTING CENCO LAND TO BE ACQUIRED BY QUORUM AND DEDICATED TO CITY FOR ROAD RIGHT OF WAY

**LAND EXCHANGE AND DEDICATION EXHIBIT EXHIBIT D**

**NCE** NORTH COAST ENGINEERING INC.  
 725 Creston Rd. Suite B, Paso Robles, 239-3127

JULY 12, 2016



**MVE**  
PARTNERS

**FURLOTTI FAMILY RANCH**



July 29 2016  
EXHIBIT E



**Exhibit F**

**Form of Offer of Dedication for Portion of Vine Street**

RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:

City of El Paso de Robles  
Attn: Dick McKinley, Public Works Director  
1000 Spring Street  
Paso Robles, California 93446

Exempt from recording fee pursuant to Gov't Code § 27383  
Exempt from documentary transfer tax pursuant to Rev. & Tax. Code § 11922

**IRREVOCABLE OFFER OF DEDICATION**

This IRREVOCABLE OFFER OF DEDICATION ("IOD") dated \_\_\_\_\_, 20\_\_  
("Effective Date"), is made and entered into by and between \_\_\_\_\_  
\_\_\_\_\_. ("Offeror") and the CITY OF EL PASO DE ROBLES ("City") with reference to the  
following:

**RECITALS**

A. California Government Code section 7050 provides that, with the consent of the City, an irrevocable offer of dedication may be granted for any public purpose, and that the dedication may be made by instrument executed, acknowledged and recorded in the same manner as a conveyance of real property.

B. Offeror is the legal owner of the fee estate in that certain real property located in the City of Paso Robles, State of California, as more particularly described in Exhibit A attached to this IOD and made a part of this IOD ("Property").

C. The IOD is subject to the terms and conditions of a Settlement Agreement and Release, dated as of \_\_\_\_\_, 2016, between the City, Offeror, and other parties ("2016 Agreement").

D. Pursuant to the terms and conditions of this IOD, Offeror now desires to make and record this IOD for the irrevocable dedication of fee title to the Property to City.

NOW, THEREFORE, in consideration of the above Recitals, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Offeror hereby irrevocably offers fee title to the Property for dedication to City in accordance with Government Code Section 7050, subject to the following conditions:

**Irrevocable Offer of Dedication.** This offer to dedicate fee title to the Property to City is irrevocable and shall be binding on Offeror, its successors and assigns, and shall continue in effect until City accepts or terminates this IOD in accordance with the provisions of Section 3.

**Conditions of Title:** Offeror warrants that there are no oral or written leases, contracts, agreements, easements or liens on all or any portion of the Property. Offeror agrees to hold City harmless and reimburse City for any and all of its losses and expenses, including attorney's fees, occasioned by reason of any actually known but undisclosed lease, easements, or liens on the Property.

**Time and Manner of Acceptance.**

*City Acceptance.* The offer of dedication of the Property contained in this IOD may be accepted in any manner the City so chooses, in compliance with state and local laws. Such acceptance may be, but is not limited to, acceptance by a person designated by City or through adoption of Resolution of the City Council of City. Any purported acceptance of the offer of dedication of the Property contained in this IOD by or on behalf of City other than the manner the City so chooses shall be null and void and of no force or effect.

*Duration and Termination.* In accordance with Government Code Section 7050, the offer of dedication of the Property contained in this IOD shall remain in effect until accepted by City or terminated in accordance with the provisions of this IOD. This IOD may not be terminated or the right to accept the offer of dedication of the Property contained in this IOD abandoned, except by Resolution of the City Council of City in the same manner as prescribed for vacation of streets or highways by Part 3 (commencing with Section 8300) of Division 9 of the Streets and Highways Code.

*Delivery of Acceptance.* Upon acceptance of the offer of dedication of the Property contained in this IOD, City shall notify the Offeror in accordance with Section 6 of this IOD.

**Use of Property Prior to Acceptance of Offer.**

*No City Liability.* City shall incur no liability with respect to this IOD and shall not assume or incur any responsibility or liability for the Property or any improvements to the Property, until acceptance of the offer of dedication of the Property contained in this IOD.

*Offeror Agreements Regarding Use of Property.* Before City's lawful acceptance of the offer of dedication of the Property contained in this IOD, Offeror agrees that Offeror will not use the Property in any way that will interfere with the future use of the Property by City, including through construction of improvements in, under or upon the Property, except as set forth in the 2016 Agreement.

5. **Notices.** Any notices that either Offeror or City is required or may desire to give to the other regarding this IOD must be in writing and delivered to the address of the recipient as set forth below in this Section either by: (a) personal service; (b) delivery by a reputable delivery service, such as but not limited to, Federal Express, that provides a written record of the date and time of delivery; or (c) mailing through the United States Postal Service, certified mail, postage

prepaid, return receipt requested. City or Offeror may designate any other address for delivery of notices regarding this IOD by written notice in accordance with this Section. As of the date of this IOD the notice addresses for City and Offeror are as follows:

To City: City of Paso Robles  
1000 Spring Street  
Paso Robles, CA 93446  
Attention: City Manager

With a copy to: Iris P. Yang  
Best Best & Krieger LLP  
500 Capitol Mall, Suite 1700  
Sacramento, CA 95814

To Offeror: Quorum Realty Fund IV, LLC  
c/o Michael Furlotti  
P.O. Box 862  
Ross, CA 94957

With a copy to: Gregory W. Sanders  
Nossaman LLP  
18101 Von Karman Ave., Ste. 1800  
Irvine, CA 92612

6. **Offer Runs with Land.** The provisions of this IOD shall run with the land of the Property and inure to the benefit of and be binding upon Offeror and all other current or future owners of the Property and their heirs, successors or assigns, and any other person claiming an interest in the Property through them.

7. **Waiver of Compensation.** Offeror hereby expressly and unconditionally waives any and all right to claim, demand or receive any further compensation for this IOD that Offeror may claim or be eligible to receive under the California Relocation Assistance Act (Government Code §7260, et seq.), Article 1, §19 of the California Constitution, the California Eminent Domain Law (Code of Civil Procedure §1230.010, et seq.), and/or the California Code of Regulations, Title 25, or any other applicable local, state or federal statute, ordinance, regulation, rule, or decisional law (collectively, "**Compensatory Laws**"), including, but not limited to, the fair market value of the Property, severance damages, loss of goodwill, loss of profits, relocation any benefits or assistance, claims for unreasonable pre-condemnation activities or inverse condemnation or any other compensation as a result of City's acceptance of the offer of dedication of the Property contained in this IOD, as Offeror has received adequate and fair compensation for the making and giving of this IOD through the form of development fee credits. Furthermore, Offeror hereby expressly waives all claims against and releases City and its officials, officers, employees, representatives, successors and assigns, from any liability, responsibility or obligation to pay any further compensation to Offeror related to Offeror making this IOD or City's acceptance of the offer of dedication of the Property contained in this IOD that Offeror may claim or be eligible to receive under or pursuant to the Compensatory Laws.

8. **Authority to Execute.** The person or persons executing this Offer on behalf of Offeror warrants and represents that he/she/they has/have the authority to execute this Offer on behalf of his/her/their corporation, partnership, or business entity and warrants and represents that he/she/they has/have the authority to bind Offeror to the performance of its obligations hereunder.

*[Signature(s) on following page]*

**Signature Page  
To  
Irrevocable Offer of Dedication**

IN WITNESS WHEREOF, Offeror has caused this IOD to be signed by its duly authorized representative(s), as of the date first set forth above.

**OFFEROR:**

**QUORUM REALTY FUND IV, LLC.,**  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**CONSENT OF CITY:**

**CITY OF EL PASO DE ROBLES,**  
a municipal corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF CALIFORNIA )  
 )  
COUNTY OF \_\_\_\_\_ ) ss.

On \_\_\_\_\_, 20\_\_ before me, \_\_\_\_\_, 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.

\_\_\_\_\_  
Notary Public

STATE OF CALIFORNIA )  
 )  
COUNTY OF \_\_\_\_\_ ) ss.

On \_\_\_\_\_, 20\_\_ before me, \_\_\_\_\_, 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.

\_\_\_\_\_  
Notary Public

STATE OF CALIFORNIA )  
 )  
COUNTY OF \_\_\_\_\_ ) ss.

On \_\_\_\_\_, 20\_\_ before me, \_\_\_\_\_, 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.

\_\_\_\_\_  
Notary Public

STATE OF CALIFORNIA )  
 )  
COUNTY OF \_\_\_\_\_ ) ss.

On \_\_\_\_\_, 20\_\_ before me, \_\_\_\_\_, 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.

\_\_\_\_\_  
Notary Public

**EXHIBIT A**

**Legal Description of the Property**

**Real property in the City of Paso Robles, County of San Luis Obispo, State of California,  
described as follows:**