

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Exhibit 1

City of Stockton
Economic Development Department
425 North El Dorado Street, Third Floor
Stockton, CA 95202
Attn: Director

NO RECORDING FEE PURSUANT TO
GOVERNMENT CODE SECTION 27383

**FIRST AMENDED AIR SPACE LEASE – LOT K
25 NORTH AMERICAN STREET**

THIS FIRST AMENDED AIR SPACE LEASE ("Lease"), made this _____ day of _____ 2015, by and between the Parking Authority of the City of Stockton, a public body corporate and politic organized and existing under and by virtue of the laws of the State of California, hereinafter referred to as "LESSOR," and Cal Weber Associates LP, a California limited partnership, hereinafter referred to as "LESSEE."

W I T N E S S E T H:

LESSOR is the owner of certain real property consisting of vertical air rights, commonly referred to as Lot K and more particularly described in Exhibit "A" which is attached hereto and incorporated herein by reference.

Lot K is currently improved with a forty-four (44) space parking lot and other improvements. LESSEE desires to lease the air rights above Lot K to allow for the construction of a parking deck.

Now therefore,

1. DESCRIPTION OF PREMISES. LESSOR hereby leases to LESSEE, and LESSEE hires from LESSOR the air space above Lot K, situated in the City of Stockton, County of San Joaquin, State of California, hereinafter referred to as "Premises," more particularly described as follows in Exhibit "B" attached hereto and incorporated herein by this reference.

2. USE. These Premises are leased for the purpose of allowing the LESSEE to construct and operate a parking deck (the "Improvements") for the use of the tenants of 528 East Weber and 36 N. California, Stockton, California. LESSEE agrees to restrict the use of the Premises to such purposes, and not to use or permit the use of the

Premises for any other purpose without first obtaining the consent in writing of the Executive Director of Lessor (the "Executive Director").

3. LESSOR agrees to also provide LESSEE the right to run columns and foundations from the Premises on and into Lot K, as more fully described in the Grant of Easement which shall be executed concurrently with this lease and recorded in the Official Records of the County of San Joaquin along with either a copy of this lease or a memorandum of this lease.

4. TERM. The term of this lease shall be for a period of Sixty Five (65) years commencing on _____ and shall terminate on _____ (the "Term").

5. OPTION TO EXTEND. At the time of the termination of the lease, the LESSEE may request, in writing, that the LESSOR extend the term of the lease for an additional term.

6. RENTAL. Rental of said hereinabove premises shall be at the rate of Three Hundred Thousand Seventy Dollars (\$370,000) for the Term payable in advance (the "Rent").

7. LESSOR OWNED PROPERTY. LESSEE agrees not to materially obstruct or render impassible or unusable in any way or otherwise take or permit any action that would in any way materially interfere with, hinder, or terminate LESSOR's right to the use of Lot K.

LESSEE shall repair, at its cost, any damage to Lot K which may occur during construction or operation of the Improvements. Lessor also agrees to repair, resurface, seal, and restripe the lot prior to the termination of the License Agreement. The LESSOR shall approve the repairs made by LESSEE to Lot K.

8. TAXES; ASSESSMENTS.

A. Personal Property Taxes: LESSEE shall pay before delinquency all taxes, assessments, license fees, and other charges levied and assessed against LESSEE's personal property installed or located in or on the Premises, that become payable during the Term. LESSEE shall furnish LESSOR with satisfactory evidence of these payments. If any taxes on LESSEE's personal property are levied against LESSOR or LESSOR's property that is subject to this lease, LESSEE shall immediately pay the taxes levied. If LESSEE fails to pay said taxes, LESSOR shall have the right to pay these taxes regardless of the validity of the levy and LESSEE shall reimburse LESSOR for said cost.

B. Possessory Interest Taxes: LESSEE recognizes that its interest under this lease may create a possessory interest taxable by other governmental entities. LESSEE shall be solely responsible for payment of any taxes so assessed.

If LESSEE fails to pay any of said taxes when due and LESSEE seeks a reduction or contests said taxes, prior to commencement of the proceeding or contest LESSEE shall furnish to LESSOR a surety bond issued by an insurance company qualified to do business in California in an amount equal to 125% of the total amount of taxes in dispute. The bond shall hold LESSOR and the Premises harmless from any damage arising out of the proceeding or contest and shall insure the payment of any judgment that may be rendered.

9. RIGHT OF ENTRY. During the Term of this lease LESSOR shall have the right to and may at all reasonable times enter upon and inspect the Premises.

10. MAINTENANCE. LESSEE agrees that in no event shall LESSOR perform any maintenance on or make improvements, repairs or alterations to the Premises of any nature whatsoever or to pay or reimburse LESSEE for any part of the cost thereof. LESSEE agrees to keep the Premises in good order and condition at LESSEE's sole cost and expense

11. COMPLIANCE WITH LAWS. LESSEE shall, at LESSEE's sole cost and expense, comply with all requirements of any and all local, state and federal authorities now in force, or which may hereafter be in force pertaining to the Premises and use of the Premises as provided in this lease.

12. ASSIGNMENT. LESSEE shall not assign this lease nor sublet the Premises or any part thereof, without prior written consent of the Executive Director, which consent shall not be unreasonably withheld. In addition to the foregoing, the removal of one or more general partners of the Lessee in accordance with the terms of the Lessee's governing documents by the Investor (as defined in Section 38 below) and the replacement thereof shall not require the consent or approval of the LESSOR nor shall the sale, exchange, transfer or assignment of limited partnership interests in the LESSEE require the consent or approval of the LESSOR.

13. ATTORNEY'S FEES. If suit should be brought for any sum due or the enforcement or declaration of any right or obligation hereunder, by either party, the prevailing party shall be entitled to all costs incurred in connection with such action, including reasonable attorney's fees.

14. HOLD HARMLESS. This lease is made upon the express condition that LESSOR is to be free from all liability and claims for damages by reason of any injury to any person or persons, including LESSEE, its agents, employees, guests, invitees and contractors, or property of any kind whatsoever and to whomsoever belonging, including LESSEE, from any cause or causes whatsoever while in, upon, or in any way connected with Improvements during the Term of this lease or any occupancy hereunder, except where caused by the negligence or willful misconduct of the LESSOR or the City, their officers, officials, employees, and volunteers. LESSEE agrees to defend, indemnify and save harmless LESSOR from all liability, loss, cost or obligation on account of or arising out of any such injury or loss, however occurring. LESSEE further agrees to provide necessary Workers Compensation Insurance, as

specified in Section 17, for all employees of LESSEE upon said Premises at LESSEE's sole cost and expense.

15. **OWNERSHIP OF IMPROVEMENTS.** All Improvements constructed on the Premises by LESSEE as authorized by this lease shall be owned by LESSEE until the expiration of the Term or sooner termination of this lease. At the expiration of the Term, or sooner if terminated, all Improvements on the Premises shall become the property of LESSOR. If this Lease is terminated prior to the expiration of the Term, as may be extended, LESSEE agrees to grant an easement to LESSOR to use the ramp that is located on the property directly west of the Premises, the form of which is attached as Exhibit "B".

16. **MECHANICS' LIENS.** LESSEE shall pay all costs for Improvements as permitted by this lease. LESSEE shall keep the Premises free and clear of all mechanics' liens resulting from construction of the permissible Improvements done by or for LESSEE and shall keep the Premises free from all other liens of any kind.

17. **INSURANCE.** LESSEE shall, during the lease, take out and maintain insurance coverage with an insurance carrier authorized to transact business in the state of California per attached Exhibit "C" as will protect LESSEE or any person, entity or anyone directly or indirectly employed by any of them or by anyone for whose acts any of them may be liable from claims for damages because of bodily injury, sickness, disease, or death of its employees or any other persons, or for damages because of injury to or destruction of tangible property including loss or use resulting therefrom.

Before permitting any contractors or agents to perform any work on the Premises, LESSEE shall require contractors or agents to furnish satisfactory proof that insurance has been issued and is maintained similar to that provided by LESSEE as may be applied to each contractor's or agent's work.

The LESSOR and all officers and employees thereof connected with the lease shall not be answerable or accountable in any manner, for any loss, claim, liability or damage that may happen to any person or property or any part thereof, for any loss or damage to any of the materials or other things used or employed, for injury to or death of any person, either workers, guests, invitees, or others, or the public, or for damage to person or property from any cause.

Application of Insurance Proceeds: Any and all fire or other insurance proceeds that become payable at any time during the Term of this lease because of damage to or destruction of any Improvements on the Premises shall be paid to Lessee and shall be applied by Lessee toward the cost of repairing and restoring the damaged or destroyed Improvements, so long as the then current laws permit reconstruction of the Improvements or other improvements proposed by Lessee. Notwithstanding the foregoing provision, or any other provision set forth herein to the contrary, during any period of time when the Premises are encumbered by a deed of trust or mortgage for the benefit of a Leasehold Mortgagee, all proceeds from any policy of fire insurance, extended coverage and vandalism required under this lease shall be made payable to

the Leasehold Mortgagee and shall be disbursed in accordance with the terms and provisions set forth under separate agreement by and between Lessee and the Leasehold Mortgagee.

18. NON-DISCRIMINATION. LESSEE agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, national origin, sex, age or physical handicap. LESSEE agrees to take affirmative action to ensure that applicants for employment, and that employees during employment, are treated without regard to their race, color, religion, ancestry, national origin, sex, age or physical handicap.

19. LOSS. LESSOR will not be responsible for losses or damage to personal property, equipment or materials of LESSEE and all losses shall be reported to LESSOR immediately upon discovery.

20. CONSTRUCTION/MODIFICATIONS. The Executive Director shall approve any construction or modifications to be made on the Premises. Such approval shall not be unreasonably withheld, conditioned, or delayed. The Executive Director shall have a period of fourteen (14) days (the "Review Period") to review the plans for the proposed construction or alteration (the "Plans"). The Plans shall be deemed to be approved as presented unless on or before the last day of the Review Period the Executive Director has delivered to LESSEE a written notice (the "Response") describing (a) the items in the Plans that are not acceptable; and (b) the specific changes that must be made to the Plans to secure approval. LESSEE shall develop the Improvements in full conformance with the Plans and any modifications thereto approved by Executive Director.

LESSEE agrees that in no event shall LESSOR be required to perform any maintenance on or make repairs or alternations to the leased Premises of any nature whatsoever, as specified in Section 9. LESSEE agrees to keep the Premises in good order and condition at LESSEE's sole cost and expense.

21. SURRENDER OF PREMISES. Upon the termination of this lease in accordance with the terms hereof, all Improvements shall become the property of LESSOR. LESSEE shall remove any and all personal property from the Premises and provide the Premises to the LESSOR in a usable condition within 30 days of any such termination. LESSOR may approve, in writing, any deviation from this requirement.

22. DEBT LIABILITY DISCLAIMER. LESSOR will not be liable for any debts or claims that arise from the operation of this lease.

23. BANKRUPTCY OR INSOLVENCY.

A. Of LESSEE. If this lease is rejected in connection with a bankruptcy proceeding by LESSEE or a trustee in bankruptcy for LESSEE, such rejection shall be deemed an assignment by LESSEE to the Leasehold Mortgagee (or if there is more than one Leasehold Mortgagee, to the one highest in priority) of the Leasehold estate

and all of LESSEE's interest under this lease, in the nature of an assignment in lieu of foreclosure, and this lease shall not terminate and the Leasehold Mortgagee shall have all the rights of the Leasehold Mortgagee under this Section 23(A) as if such bankruptcy proceeding had not occurred unless such Leasehold Mortgagee shall reject such deemed assignment by notice in writing to LESSOR within 30 days following rejection of this lease by LESSEE or LESSEE's trustee in bankruptcy. If any court of competent jurisdiction shall determine that this lease shall have been terminated notwithstanding the terms of the preceding sentence as a result of rejection by LESSEE or the trustee in connection with any such proceeding, the rights of any Leasehold Mortgagee to a new lease from Landlord pursuant to Section 23 hereof shall not be affected thereby. Nothing in this Section 23(A) shall be construed as granting LESSEE a right to reject or terminate this lease that is independent of LESSEE's rights of rejection under the then applicable provisions of the Bankruptcy Code.

B. Of LESSOR. If this lease is rejected by LESSOR or by LESSOR's trustee in bankruptcy:

- (1) LESSEE shall not have the right to treat this lease as terminated except with the prior written consent of all Leasehold Mortgagees; and the right to treat this lease as terminated in such event shall be deemed assigned to each and every Leasehold Mortgagee, whether or not specifically set forth in any such Leasehold Mortgage, so that the concurrence in writing of LESSEE and each Leasehold Mortgagee shall be required as a condition to treating this lease as terminated in connection with such proceeding.
- (2) If this lease is not treated as terminated in accordance with the foregoing Section 23(B)(1), then this lease shall continue in effect upon all of the terms and conditions set forth herein, including rent, but excluding requirements that are not then pertinent to the remainder of the Term hereof. Thereafter, LESSEE or its successors shall be entitled to any offsets against rent payable hereunder for any damages arising from such rejection and any such offset properly made shall not be deemed a default under this lease. The lien of any Leasehold Mortgage then in effect shall extend to the continuing possessory rights of LESSEE following such rejection with the same priority with respect to each such Leasehold Mortgage as it would have enjoyed had such rejection not taken place..

24. NOTICES. Any notice which either party may or is required to give shall be in writing and given by personal delivery or mailing same by certified mail, return receipt requested, postage prepaid, to the other party at the address shown below or at such other place as may be designated by the parties from time to time, and any notice so mailed shall be deemed received on the third day after mailing.

LESSOR's address: Parking Authority of the **City of Stockton**

425 N. El Dorado Street
Stockton, CA 95202
Attn: Executive Director

LESSEE's address:

Cal Weber Associates LP
119 E. Weber Avenue
Stockton, CA 95202

With copies to:

RCC MGP LLC
Managing General Partner, Cal Weber Associates LP
3803 E. Casselle Avenue
Orange, CA 92869
Attn: Ken Robertson

DFA Development LLC
Administrative General Partner, Cal Weber
Associates LP
505A San Marin Drive, Suite 120B
Novato, CA 94945
Attn: Danny Fred

**PNC Real Estate Tax Credit Capital Institutional
Fund 47 Limited Partnership**, its successors and
assigns
Columbia Housing SLP Corporation
c/o PNC Real Estate
121 S.W. Morrison, Suite 1300
Portland, OR 97201

To each Leasehold Mortgagee:

At the address so designated or to such other
address as the applicable Leasehold Mortgagee may
from time to time designate in writing.

Copies of each notice issued with respect to this lease shall be concurrently delivered to
PNC Bank, National Association at the following addresses: PNC Bank, National
Association, 500 West Jefferson Street, Suite 2300, Louisville, Kentucky 40202,
attention: Loan Administration.

25. DEFAULT AND REMEDIES

A. Breach and Default by LESSEE. Should LESSEE fail to pay any
installment of Rent or other sum when due pursuant to this lease and to remedy such
delinquency within thirty (30) days of receipt of a written notice from LESSOR specifying
the rent or other payment to be made or should LESSEE fail to perform or observe any
covenant, condition or agreement to be performed by LESSEE under this lease other
than a failure to pay Rent or any other sum when due, within thirty (30) days after

written notice from LESSOR to LESSEE specifying the nature of such breach, or, if such failure, other than a failure to pay rent or any other sum when due, cannot be cured within thirty (30) days thereafter, if curative action is not commenced within said thirty (30) day period and thereafter prosecuted to completion with due diligence within a reasonable time not to exceed ninety (90) days from the date of the original notice from LESSOR, then, and in any such event, LESSEE shall be in default under this lease.

B. Remedies. In the event of a LESSEE default under this lease, after the expiration of any applicable notice and cure periods, LESSOR may, subject to Section 35 and Section 36 exercise any one or more of the following remedies:

- (1) Bring an action to recover the following from LESSEE:
 - a. The worth at the time of award of the unpaid rent that had been earned at the time of termination of the lease; and
 - b. Any other amount necessary to compensate LESSOR for all detriment proximately caused by LESSEE's failure to perform LESSEE's obligations under this lease.
- (2) Bring an action, in addition to or in lieu of the action described in subparagraph (1) of this Section, to specifically enforce any other term or provisions of this lease.
- (3) Terminate the lease: Upon any termination hereof, LESSEE agrees to quit and surrender possession peaceably, as specified in Section 18, and LESSOR shall have the right to remove LESSEE and all others occupying through or under said LESSEE.

C. Breach and Default by LESSOR. Should LESSOR fail to perform or observe any covenant, condition or agreement to be performed by LESSOR under this lease within thirty (30) days after written notice from LESSEE to LESSOR specifying the nature of such breach, or, if such failure cannot be cured within thirty (30) days thereafter, if curative action is not commenced within said thirty (30) day period and thereafter prosecuted to completion with due diligence, then, and in any such event, LESSOR shall be in default under this lease. In the event that LESSOR is in default under this lease, LESSEE shall have all rights and remedies available at law or in equity.

D. Waiver of Breach. The waiver by either party of any breach of any of the provisions of this lease shall not constitute a continuing waiver or a waiver of any subsequent breach by the defaulting party of either the same or a different provision of this lease.

26. RESTRICTED ACTIVITIES. The following activities are prohibited on the Premises:

A. Use or storage of any "hazardous substance" or "hazardous chemical waste" as those terms are used in CERCLA (42 USC 9601.14), SARA (42 USC 11021(e)) or RCRA (42 USC 6901) or any similar federal or state law, or any pesticide, oil, petroleum products or fuel; except only material packaged and purchased for consumer use in containers not to exceed 1 gallon, or fuel in a vehicle fuel tank. Use of pesticides should be minimized, and will be applied only by authorized personnel and in accordance with all applicable laws, regulations, and label instructions.

B. The installation or use of any above ground or below ground storage tanks is prohibited.

C. Accumulation, storage, treatment, release or disposal of any hazardous substance or waste material.

D. Manufacturing, maintenance of equipment or vehicles; or use, installation or construction of vessels, tanks (stationary or mobile), dikes, sumps, or ponds; or any activity for which a license or permit is required from any government agency for (1) transportation, storage, treatment, or disposal of any waste, (2) discharge of any pollutant including but not limited to discharge to air, water, or a sewer system.

E. Any spill or release of a hazardous substance to the air, soil, surface water, or groundwater will be immediately reported to LESSOR as well as to appropriate government agencies, and shall be promptly and fully cleaned up and the Premises (including soils, surface water and groundwater) restored to its original condition, at LESSEE's sole cost and expense.

F. Should LESSEE desire to use pesticides at the Premises (either herbicides, rodenticides, or insecticides) all applicable Environmental Protection Agency (EPA) standards must be met. No dumping of hazardous materials or wastes (including petroleum) shall be permitted.

27. UTILITIES. LESSEE shall pay all charges for electricity, gas, water, telephone, and other utility service used or furnished upon said premises.

28. WAIVER OF CLAIMS. LESSEE hereby waives any claims against LESSOR for injury to or death of LESSEE's agents, employees, contractors, permittees or invitees, or any person in or about the Premises from any cause whatsoever.

29. ENCUMBRANCES. LESSEE shall not encumber the leased premises in any manner whatsoever except as otherwise provided herein.

30. INTEGRATION; MODIFICATION. This lease represents the entire and integrated agreement between LESSOR and LESSEE and supersedes all prior negotiations, representations, or agreements, either written or oral. This lease may be amended only by written instrument signed by LESSOR and LESSEE, provided that, no

amendments shall become effective without the prior written consent of each Leasehold Mortgagee and LESSEE's Investor, which consent shall not be unreasonably withheld, conditioned or delayed.

31. **HOLDING OVER.** Any holding over after the expiration of the said Term or any extension thereof, with or without the written consent of LESSOR, expressed or implied, shall be deemed a tenancy only from month to month and shall otherwise be on the terms and conditions specified so far as applicable.

A. **AUTHORIZATION.** This lease is subject to final approval of the Executive Director.

B. **BINDING.** This lease shall bind and inure to the benefit of the parties hereto and their respective successors, representatives, and assigns.

C. **SEVERABILITY.** If any provision of this lease, or any Section, sentence or clause, or its application to particular circumstances, is held invalid, this lease shall be construed as if the invalid part were never included or were expressly made inapplicable to such circumstances, as the case may be, and this lease shall remain valid and in force to the fullest extent permitted by law.

D. **AUTHORITY.** The undersigned represent and warrant they are duly authorized to execute this lease and to bind the parties.

E. **QUIET ENJOYMENT.** LESSOR covenants that, subject to the express provisions of this lease, to the interests of LESSEE, its tenants and invitees, and to the terms of the conveyance of the Premises, if and so long as LESSEE pays the Rent and other charges required by this lease, and performs all of its obligations pursuant to the terms, covenants and conditions of this lease, LESSEE shall quietly enjoy the Premises. Notwithstanding the foregoing or any other provision of this lease, LESSOR's covenants and warranty as to title to the Premises are limited to the agreement of LESSOR to warrant and defend such title, subject to the express provisions of this lease, against all Persons lawfully claiming or to claim by, through or under LESSOR, and LESSOR expressly disclaims all other covenants and warranties.

32. **CONDEMNATION.**

A. **Total Condemnation.** If, during the Term of this lease, fee title to all of the Premises or to all of the Improvements, or the entire leasehold estate of Lessee is taken under the power of eminent domain, or should so much of the Premises be taken under the power of eminent domain as will, in Lessee's reasonable judgment, and subject to the approval of the Leasehold Mortgagee holding the senior most Leasehold Mortgage, if applicable, prevent or materially impair the use of the Premises for the use and purposes then being made or proposed to be made by Lessee, by any public or quasi-public agency or entity (a "Total Taking"), this lease shall terminate as of 12:01 A. M. on whichever of the following occurs first: (1) the date legal title becomes vested in the agency or entity exercising the power of eminent domain, or (2) the date actual physical possession is taken by the agency or entity exercising the power of eminent domain.

Thereafter, both LESSOR and LESSEE shall be released from all obligations under this lease, except those specified in Section 34M.

B. Partial Taking-Improvement: If at any time during the Term of this lease a taking occurs that is less than a Total Taking and affects the Improvements, including the recreational facilities and/or parking spaces, all compensation and damages payable for that taking shall be made available to and used, to the extent reasonably needed, by Lessee to provide replacement Improvements or to restore remaining Improvements, provided that such replacement and/or restoration is then permitted by existing law with only such modifications as will not materially reduce the value of the restored Improvements, as compared to the damaged Improvements. Plans and specifications for such replacements and restoration must be compatible, in terms of architecture and quality of construction, with the Improvements not taken. Any material changes to the site plan or elevations of the remaining or replacement Improvements, or any decrease in the quality of construction, must be first approved in writing by Lessor, which approval will not be unreasonably withheld or delayed.

C. Condemnation Award: Any compensation or damages awarded or payable because of the taking of all or any portion of the Premises and/or Improvements by eminent domain shall be allocated between LESSOR and Lessee as follows:

- (1) All compensation or damages that are awarded or payable for the taking by eminent domain of any portion of the Premises or Improvements shall be allocated and paid in the following order (i) to the Leasehold Mortgagees, in order of priority, until their respective mortgages are paid in full, (ii) from any balance, to LESSOR, an amount equal to the value of LESSOR's reversionary interest in the Premises and Improvements taken at the time of taking; and (iii) to Lessee, the balance of the award. Notwithstanding the foregoing, the order of priority shall be as follows: (1) for a partial taking, if permitted by the holder of the most senior Leasehold Mortgage, first to the demolition and removal of Improvements and restoration, repair and replacement by Lessee of the Premises and Improvements that were not taken; (2) from any balance, to the Leasehold Mortgagees, in order of priority, as provided in the relevant loan documents; (3) from any balance, to the payment to Lessee's tax credit investor limited partner of such amount as may be required (if any) to cover any recapture of the tax credits that may result from the lease termination; (4) from any balance, to LESSOR and Lessee, payment for all out of pocket third party costs and expenses, including without limitation reasonable attorneys' fees costs and disbursements, reasonably incurred in collecting the award; from any balance of the award; (5) from any balance, to Lessee that portion of the award attributable to the value of Lessee's leasehold interest in the lease and the Project Improvements, after deducting therefrom all amounts paid to any

Leasehold Mortgagee; (6) from any balance, to LESSOR any severance damages; (7) from any balance, to LESSOR, the residual value, if any, of the Project Improvements valued as of the date the Term was scheduled to expire, and discounted to their present value, plus any other amount that is required, if any, to bring the total amount paid to LESSOR to an amount equal to the then fair market value of the Premises, considered as unimproved, unencumbered by this lease and valued for the use that was assumed in determining the amount of the award; and (8) to Lessee, the entire balance of the award.

The term "time of taking" as used in this subparagraph shall mean 12:01 A.M. of whichever of the following shall first occur: the date that title, or the date that physical possession of the portion of the Premises on which the Improvements are located, is taken by the agency or entity exercising the eminent domain power.

- (2) Any severance damages awarded or payable if only a portion of the Premises is taken by eminent domain shall be paid to Lessee in accordance with Section 32(C)(1) above.

D. Rent Abatement for Partial Taking: If title and possession of only a portion of the Premises is taken under the power of eminent domain by any public or quasi-public agency or entity during the Term of this lease and Lessee does not or cannot terminate this lease, then this lease shall terminate as to the portion of the Premises taken under eminent domain as of 12:01 A.M. on whichever of the following first occurs: the date title is taken, or the date actual physical possession of the portion taken by eminent domain is taken, by the agency or entity exercising the eminent domain power.

E. Voluntary Conveyance in Lieu of Eminent Domain: A voluntary conveyance by LESSOR of title to all or a portion of its interest in the Premises to a public or quasi-public agency or entity in lieu of and under threat by that agency or entity to take it by eminent domain proceedings shall be considered a taking of title to all or such portion of the Premises under the power of eminent domain, provided that any taking of LESSOR's interest in the Premises shall be subject to the lease and Lessee's rights thereunder. Notwithstanding anything to the contrary contained herein, LESSOR shall have no right to voluntarily convey all or a portion of its interest in the Premises without the prior written consent of the Investor prior to the expiration of the Lessee's fifteen year low income housing tax credit compliance period.

F. Leasehold Mortgagee: Notwithstanding any provision set forth in this Section 36 (or any other provision set forth herein) to the contrary, during any period of time when the Premises are encumbered by a deed of trust or mortgage, all proceeds from any condemnation of all or any portion of the Premises payable to the Lessee shall be made payable to the Leasehold Mortgagee holding the senior-most Leasehold Mortgage and shall be disbursed in accordance with the terms and provisions set forth under separate agreement by and between LESSOR and such Leasehold Mortgagee.

Additionally, notwithstanding any provision to the contrary set forth herein, in the event of any condemnation during any period of time when the leasehold estate is encumbered by a deed of trust or mortgage, neither LESSOR nor Lessee shall have the right to terminate the lease by reason of such condemnation without the prior written consent of each Leasehold Mortgagee, unless each Leasehold Mortgagee is repaid all amounts owing to each Leasehold Mortgagee from the condemnation award or otherwise.

33. ENCUMBRANCE OF LEASEHOLD ESTATE

A. Financing: LESSOR hereby acknowledges that LESSEE intends to finance the acquisition, rehabilitation and development of the Improvements with loans that will be secured by LESSEE's leasehold interest in the Premises (the "Approved Financing"). Notwithstanding the foregoing, LESSOR has the right to preapprove all such financing, which approval shall not be unreasonably denied, conditioned or delayed (the "Approved Financing"). LESSOR hereby preapproves of the following as Approved Financing: construction and permanent loans from PNC Bank, National Association; a \$370,000 loan from the LESSOR, a \$2,500,000 loan from the City of Stockton and a \$190,000 loan from the City of Stockton.

B. Hypothecation: LESSEE may, from time to time, without the prior consent of LESSOR, hypothecate, mortgage, pledge, convey in trust or alienate (collectively, a "deed of trust or mortgage") LESSEE's leasehold estate in the Premises and rights hereunder and/or LESSEE's fee estate in the Improvements as security for payment of any indebtedness and/or the performance of any obligation. The holder of any such deed of trust or mortgage upon the leasehold estate of LESSEE under this lease, or any replacement thereof, is herein referred to as a "Leasehold Mortgagee." A Leasehold Mortgagee may enforce such deed of trust or mortgage and acquire title to the leasehold estate in any lawful way and, pending foreclosure of such deed of trust or mortgage, the Leasehold Mortgagee may take possession of and operate the Premises performing all obligations performable by LESSEE, and upon foreclosure of such lien by power of sale, judicial foreclosure, or upon acquisition of the leasehold estate by deed in lieu of foreclosure, the Leasehold Mortgagee may sell and assign the leasehold estate hereby created, provided that a Leasehold Mortgagee shall at all times have the right to assign its rights under the deed of trust or mortgage and any other security instruments and/or documents relating to the deed of trust or mortgage to a nominee for the purpose of taking title to the Premises following a foreclosure of the deed of trust or mortgage or deed-in-lieu thereof. Such nominee shall be entitled to all of the rights and protections afforded a Leasehold Mortgagee in this lease. Any person or entity acquiring such leasehold estate so sold and assigned by the Leasehold Mortgagee shall be liable to perform the obligations imposed on LESSEE by this lease only during the period such person has ownership of said leasehold estate of the Premises. The rights and privileges hereunder of any Leasehold Mortgagee shall be subject to the rights and privileges of any other Leasehold Mortgagee whose lien has priority over the lien of such Leasehold Mortgagee.

C. Notice to and Rights of Leasehold Mortgagee: When giving any notice to LESSEE pursuant to Section 24 with respect to any default hereunder, LESSOR shall also serve a copy of each such notice upon each Leasehold Mortgagee who shall have given CITY a written notice requesting such notice and specifying its name and address. All notices by CITY to any Leasehold Mortgagee shall be given pursuant to Section 24 hereof and shall be deemed effective as set forth in Section 24. No notice to LESSEE under this lease shall be effective until and unless a copy of the same is delivered to each Leasehold Mortgagee. PNC Bank, National Association, together with its successors and assigns including any successor who acquires the leasehold estate of LESSEE after a foreclosure or deed in lieu thereof (collectively, the "Bank") is an approved Leasehold Mortgagee for purposes of this lease.

34. LESSOR Covenant. LESSOR shall not place or create any mortgage, deed of trust, or other lien or encumbrance against LESSOR's fee interest in the Premises or in or under LESSOR's interest in this lease.

35. Notice and Cure: In the event LESSEE shall default in the performance of any of the terms, covenants, agreements and conditions of this lease on LESSEE's part to be performed, each Leasehold Mortgagee shall have the right, but not the obligation, to cure or make good such monetary and/or non-monetary default or to cause the same to be cured or made good whether the same consists of the failure to pay Rent or the failure to perform any other matter or thing, and LESSOR shall accept such performances on the part of any such Leasehold Mortgagee as though the same had been done or performed by LESSEE. In the case of a default by LESSEE in the payment of money, after the expiration of all applicable grace and cure periods, LESSOR will take no action to exercise any remedy by reason thereof unless such default is not cured within sixty (60) days after each Leasehold Mortgagee receives written notice from LESSOR that such default was not timely cured, it being the intent hereof and the understanding of the parties that each such Leasehold Mortgagee entitled to such notice shall be allowed up to but not in excess of sixty (60) days after the service of such notice to cure any default of LESSEE in the payment of Rent or in the making of any other monetary payment required under the terms of this lease. Except as otherwise provided herein, in the case of any other default by LESSEE, LESSOR will take no action to exercise any remedy by reason thereof if, within one hundred eight (180) days after the expiration of all applicable grace and cure periods available to LESSEE for curing said default and LESSOR's delivery of notice thereof to each Leasehold Mortgagee, any Leasehold Mortgagee commences a non-monetary cure and thereafter diligently prosecutes the same to completion within a reasonable period of time. The commencement of judicial or non-judicial foreclosure proceedings by a Leasehold Mortgagee shall be deemed the commencement of such a non-monetary cure provided that: (i) the Leasehold Mortgagee thereafter diligently prosecutes the same (provided, however, that if the Leasehold Mortgagee is prevented or restrained by a court of competent jurisdiction or by reason of any law, regulation, order, stay or rule from so proceeding, the time period set forth above shall be tolled, and provided further that if the default is cured, the Leasehold Mortgagee may discontinue such proceedings and/or possession); and (ii) upon acquisition by either the Leasehold Mortgagee or any other direct purchaser or direct transferee of LESSEE's interest under this lease,

whether at a judicial foreclosure, trustee's sale or by deed or assignment in lieu of foreclosure, such Leasehold Mortgagee, purchaser or transferee commences within one hundred eighty (180) days after acquiring such interest, and thereafter diligently prosecutes to completion, curing all defaults hereunder reasonably capable of being cured by such Leasehold Mortgage or transferee. The time available to any Leasehold Mortgagee entitled to notice to initiate foreclosure proceedings as aforesaid shall be deemed extended by the reasonable number of days of delay occasioned by circumstances beyond the Leasehold Mortgagee's control. During the period that such Leasehold Mortgagee shall be in possession of the Premises and/or during the pendency of any foreclosure proceedings instituted by any Leasehold Mortgagee, the Leasehold Mortgagee shall pay or cause to be paid the Rent (subject to the provisions of the this paragraph) and all other charges of whatsoever nature payable by LESSEE hereunder which have been accrued and are unpaid and which will thereafter accrue during said period (subject to the provisions of the preceding paragraph). Following the acquisition of LESSEE's leasehold estate by the Leasehold Mortgagee, or its designee, either as a result of judicial foreclosure or trustee sale proceedings or acceptance of an assignment in lieu of foreclosure, the Leasehold Mortgagee or party acquiring title to LESSEE's leasehold estate shall, as promptly as reasonably possible, commence the cure of all defaults hereunder reasonably susceptible of being cured by the Leasehold Mortgagee and thereafter diligently process such cure to completion. Any such purchaser, including, without limitation, any Leasehold Mortgagee, shall be liable to perform the obligations imposed on LESSEE by this lease incurred or accrued only during the period such person has ownership of said leasehold estate of the Premises.

A. Leasehold Mortgagee Need Not Cure Specified Defaults. Nothing herein contained shall require any Leasehold Mortgagee or its affiliate as a condition to its exercise of rights hereunder to cure any nonmonetary default of LESSEE not reasonably susceptible of being cured by such Leasehold Mortgagee or its Affiliate in order to comply with the provisions of this Section 35 or as a condition of entering into the New lease provided for by Section 35(G). The financial condition of any Leasehold Mortgagee or successor to LESSEE's interest under this lease or a New lease shall not be a consideration in the determination of the reasonable susceptibility of cure of any default hereunder. No default, the cure of which, and no obligation of LESSEE, the performance of which, requires possession of the Premises or a portion thereof shall be deemed reasonably susceptible of cure or performance by any Leasehold Mortgagee or successor to LESSEE's interest under this lease or a New lease until it has acquired the right to such possession of the Premises or portion thereof or can otherwise effect such cure through the appointment of a receiver (if such receiver can be so appointed), nor shall any Leasehold Mortgagee be required to cure the bankruptcy, insolvency or any similar financial condition of LESSEE. No Leasehold Mortgagee or any person that acquires the Leasehold estate or a portion thereof at foreclosure or deed in lieu thereof shall be deemed in default of any construction obligation under this lease so long as such person is diligently pursuing the completion of construction of the Improvements (taking into account any delays caused by the lease and Loan defaults and the foreclosure) or is diligently pursuing the sale of the lease to a Person who is capable of completing construction of the Improvements.

B. Limits on Indemnification by a Leasehold Mortgagee. Notwithstanding anything to the contrary contained in the lease, upon acquisition of the Leasehold Estate or any portion thereof by a Leasehold Mortgagee as a result of a foreclosure, deed in lieu thereof or an assignment of the Leasehold estate or portion thereof to such Leasehold Mortgagee in lieu of a foreclosure, the obligations set forth in the lease that pertain to indemnification of LESSOR for certain claims or losses contained shall be limited to events, conditions claims or losses that (a) are caused by the Leasehold Mortgagee its officers, employees, agents and representatives; or (b) result from a breach of or failure to perform LESSEE's obligations under this lease occurring while such Leasehold Mortgagee holds the Leasehold estate hereunder as LESSEE (or the portion thereof pertaining to the part of the Premises where or with respect to which the breach or failure occurs); or (c) result from a condition of the Premises created while such Leasehold Mortgagee holds the Leasehold estate hereunder as LESSEE (or the portion thereof pertaining to the part of the Premises where the condition is created).

C. Casualty Loss. A standard mortgagee clause naming each Leasehold Mortgagee may be added to any and all insurance policies required to be carried by LESSEE hereunder.

D. Arbitration or Litigation. LESSOR shall give each Leasehold Mortgagee prompt notice of any arbitration or legal proceedings between LESSOR and LESSEE involving LESSEE's obligations under this lease. Each Leasehold Mortgagee shall have the right to intervene in any such proceedings and be made a party to such proceedings, and the parties do hereby consent to such intervention; provided that no Leasehold Mortgagee which intervenes shall be entitled to an award of any costs or attorneys' fees from LESSOR

E. Not an Assignment. The making of a Leasehold Mortgage as permitted by this lease shall not be deemed to constitute an assignment or transfer of this lease or of the Leasehold estate hereby created or any part thereof, nor shall any Leasehold Mortgagee, as such, be deemed to be an assignee or transferee of this lease or of the Leasehold estate hereby created or any part thereof so as to require such Leasehold Mortgagee, as such, to assume the performance of any of the terms, covenants, or conditions on the part of the LESSEE to be performed hereunder. Any Person acquiring this lease and the Leasehold estate hereby created, or an interest therein, by any Foreclosure or deed in lieu thereof shall be deemed to be an assignee or transferee within the meaning of this Section, and shall be deemed to have assumed and agreed to perform all of the terms, covenants, and conditions on the part of the LESSEE to be performed hereunder with respect to the portion of the Premises acquired from and after such acquisition, but only for so long as such Person is the owner of the Leasehold estate and only to the extent of the interest so acquired.

F. Further Assignment. Any Leasehold Mortgagee (or its Affiliate) who acquires the Leasehold estate or a part thereof by foreclosure or deed in lieu thereof or is granted a New lease as herein provided may, with prior written notice to but without further consent of LESSOR, sell and assign the Leasehold estate or such part thereof on such terms and to such persons as are acceptable to such Leasehold Mortgagee or

designee, and upon closing such sale or assignment shall be relieved of all obligations under this lease or the New lease accruing thereafter, provided that any other person that acquires the Leasehold estate or part thereof at or by any Foreclosure or from any Leasehold Mortgagee or its designees, and any assignee of this lease or any New lease, or a part thereof, from any Leasehold Mortgagee or any other person, shall, as a condition to such assignment, deliver to LESSOR its written agreement to be bound by all of the provisions of this lease or the New lease to the same extent as the original LESSEE, to the extent they apply to the part of the Leasehold estate so acquired, including any and all restrictions on the permitted uses of the Premises and upon further assignments, subleases or other transfers of its interests hereunder.

G. New lease: In the event that this lease is terminated for any reason, including, without limitation, any termination or rejection through bankruptcy or chapter proceedings, LESSOR shall give each Leasehold Mortgagee written notice of such termination, each Leasehold Mortgagee shall have the right within one-hundred twenty (120) days of receipt of notice of such termination, to demand a new lease to replace this lease covering the Premises for a term to commence on the date of procurement by LESSOR of possession of the Premises and to expire on the same date as this lease would have expired if it had otherwise continued uninterrupted until its scheduled date of termination, and containing all of the same rights, terms, covenants, considerations and obligations as set forth in this lease; provided however, that should more than one Leasehold Mortgagee make such demand, only the senior-most Leasehold Mortgagee's demand shall be honored. Such new lease shall be executed and delivered by the LESSOR to such Leasehold Mortgagee within one-hundred twenty (120) days after receipt by the LESSOR of written notice from the Leasehold Mortgagee of such election and upon payment by such Leasehold Mortgagee of all sums owing by LESSEE under the provisions of this lease. Any new lease granted any such Leasehold Mortgagee shall be in a form substantially similar to this lease and shall enjoy the same priority in time and in right as this lease over any lien, encumbrance or other interest created by LESSOR before or after the date of such new lease and shall have the benefit of and vest in such Leasehold Mortgagee all right, title, interest, power and privileges of LESSEE hereunder in and to the Premises, including specifically, without written limitation, the assignment of LESSEE's interest in and to all then existing subleases and sublease rentals and, the automatic vesting of title to all buildings, Improvements and appurtenances, as well as to all equipment, fixtures and machinery therein until the expiration or termination of the Term thereof. Such new lease shall provide, with respect to each and every sublease which immediately prior to the termination of the Term of this lease was superior to the lien of the Leasehold Mortgagee executing the new lease as LESSEE, or as to which such Leasehold Mortgagee has executed a non-disturbance agreement, that such LESSEE thereunder shall be deemed to have recognized the sublessee under the sublease, pursuant to the terms of the sublease, as modified by any applicable non-disturbance or attornment agreement, as though the sublease had never terminated but had continued in full force and effect after the termination of the Term of this lease, and to have assumed all of the obligations of the sublessor under the sublease accruing from and after the termination of the Term of this lease, except that the obligation of the new LESSEE, as sublessor, under any covenant of quiet

enjoyment, express or implied, contained in any such sublease, shall be limited to the acts of such LESSEE and those claiming by, under and through such LESSEE.

H. Consent of Leasehold Mortgagee: Without the prior written consent of each Leasehold Mortgagee entitled to notice pursuant to this Section 35, neither this lease nor the leasehold estate created by this lease shall be surrendered, cancelled, terminated or amended and no agreement purporting to surrender, cancel, terminate, or amend this lease without the consent of each Leasehold Mortgagee entitled to receive notice of default under this Section 35 shall be valid or effective. In order to facilitate any financing or refinancing by LESSEE which involves the hypothecation of LESSEE's leasehold estate and rights hereunder, LESSOR, if requested so to do by LESSEE, agrees to join in executing any and all instruments which legal counsel for any lender which is or may become a Leasehold Mortgagee may reasonably require in order to grant to the Leasehold Mortgagee or prospective Leasehold Mortgagee the right to act for LESSEE in enforcing or exercising any of LESSEE's rights, options or remedies under this lease. LESSOR agrees to cause the holder of any deed of trust or mortgage encumbering LESSOR's reversionary interests in and to the Premises, or any portion thereof, to subordinate the lien or charge of its deed of trust or mortgage to any such instrument, amendment and/or supplement executed by LESSOR in order to comply with LESSOR's obligations under this Section, if such subordination is requested by any lender of LESSEE's which is or may become a Leasehold Mortgagee.

I. No Merger: No merger of LESSEE's leasehold estate into LESSOR's fee title shall result or be deemed to result by reason of ownership of LESSOR's or LESSEE's estates by the same party or by reason of any other circumstances, without the prior consent of any and all Leasehold Mortgagees; provided that this provision shall not be deemed to prohibit a termination of LESSEE's leasehold estate by reason of LESSEE's default or otherwise.

J. Estoppel Certificate: At any time and from time to time, within 10 business days after notice of request by either party or any Leasehold Mortgagee or Investor (defined in Section 36, below), the other party shall execute, acknowledge and deliver to the requesting party, or to such other recipient as the notice shall direct, a statement certifying that (a) this lease is unmodified and in full force and effect, or, if there have been modifications, that it is in full force and effect as modified in the manner specified in the statement; (b) to the knowledge of the certifying party, there are no defaults (and no events or circumstances that have occurred, that with the passage of time would, if left unchanged, become a default) in the performance of either party of its obligations under the lease, or if there are defaults or events or circumstances that will constitute a default, specifying the nature of the default and/or event or circumstance that may become a default; and (c) such other information as may be reasonably requested ("Statement"). The Statement shall also state the amount of rent then payable, the dates to which the rent and any other charges have been paid in advance and shall include such assurances of satisfaction of conditions or other matters provided for in the lease as the party seeking the estoppel may reasonably request. The Statement shall be such that it can be relied on by any auditor, creditor, commercial banker, and investment banker of either party and by any prospective purchaser or encumbrancer of

the Premises or Improvements or both or of all or any part or parts of LESSEE's or LESSOR's interests under this lease including, without limitation, a Lender.

Any party's failure to execute, acknowledge, and deliver, on request, a Statement within the specified time shall constitute acknowledgment by such party to all persons entitled to rely on the Statement that either (a) the information contained in the form of Statement, if any, provided with the request is true and accurate in all respects, or (b) if there is no form of Statement provided with the request, that this lease is unmodified and in full force and effect; that there are, to the knowledge of the requesting party, no defaults under the lease (or events or circumstances that with the passage of time will become defaults); or (c) that the rent and other charges have been duly and fully paid to and including the respective due dates immediately preceding the date of the notice of request and shall constitute a waiver, with respect to all persons entitled to rely on the Statement, of any defaults that may exist as of the outside date for return of the requested Statement; provided that said acknowledgment and waiver shall not apply to the extent such acknowledgment or waiver is inconsistent with any statement or information set out in a written notice provided by such party to the requesting party within the specified time.

K. Erroneous Payments. No payments made to LESSOR by a Leasehold Mortgagee shall constitute an agreement that such payment was, in fact, due under the terms of this lease, and a Leasehold Mortgagee having made any payment to LESSOR pursuant to LESSOR's wrongful, improper, or mistaken notice or demand shall be entitled to the return of any such payment or portion thereof provided such Mortgagee shall have made demand therefor not later than one (1) year after the date of such payment.

L. Leasehold Encumbrances and Subsequent Transfers: Notwithstanding the provisions of Section 11 of this lease, (a) LESSEE may without the prior written consent of LESSOR transfer and assign all of LESSEE's interest under this lease and LESSEE's leasehold estate created under this lease to a Leasehold Mortgagee, and (b) any transfer, conveyance, or assignment resulting from a foreclosure or acceptance of a deed in lieu of foreclosure by any Leasehold Mortgagee shall not require the prior consent of LESSOR. No transfer, conveyance, or assignment by any Leasehold Mortgagee (or its nominee that acquires title to the leasehold estate under this lease) following its acquisition of this lease and the leasehold estate of LESSEE created by this lease as a result of foreclosure or acceptance of a deed in lieu of foreclosure shall be subject to the provisions of Section 11 hereof.

M. Notwithstanding anything to the contrary contained in this lease, LESSOR's right to receive any payments or insurance or condemnation proceeds hereunder is subordinate to the right of Leasehold Mortgagees to receive all payments due pursuant to the terms of their respective leasehold mortgagee loan documents.

N. Notwithstanding anything to the contrary set forth in this lease, a leasehold mortgagee shall be deemed a third party beneficiary of this lease.

36. RIGHTS OF INVESTOR.

A portion of the financing for the rehabilitation of the Improvements will come from PNC Real Estate Tax Credit Capital Institutional Fund 47 Limited Partnership, a Delaware limited partnership, and Columbia Housing SLP Corporation, an Oregon corporation, together with their respective successors and assigns.(the "Investor"), which is motivated by the federal low-income housing tax credit and other tax considerations. The Investor shall have the same notice and cure rights as any Leasehold Mortgagee, which rights shall run concurrently with those of the Leasehold Mortgagee for so long as an Investor is a limited partner of the LESSEE (but which notice and cure rights shall be subject and subordinate to the rights of each Leasehold Mortgagee hereunder).

Notwithstanding any other provisions in this lease:

A. if a monetary event of default occurs under the terms of the lease, prior to exercising any remedies hereunder, the LESSOR shall provide written notice of such default to the Investor and the Investor shall have a period of ninety (90) days after such notice is given within which to cure the default prior to exercise of remedies by the LESSOR; or

B. if a nonmonetary event of default occurs under the terms of the lease, prior to exercising any remedies hereunder, the LESSOR shall provide written notice of such default to the Investor and the investor shall have a period of one hundred and twenty (120) days after such notice is given within which to cure the default prior to exercise of remedies by the LESSOR.

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C. Investor is a third party beneficiary under this lease.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first herein above written.

LESSEE

CAL WEBER ASSOCIATES LP, a California limited partnership

By: RCC MGP LLC, a California limited liability company, its managing general partner

By: Riverside Charitable Corporation, Inc., a California nonprofit public benefit corporation, its Manager

By: _____
Kenneth S. Robertson, President

By: DFA Development LLC, a California limited liability company, its administrative general partner

By: _____
Daniel Fred, Managing Member

PARKING AUTHORITY OF THE CITY OF STOCKTON, a public body corporate and politic organized and existing under and by virtue of the laws of the State of California

By: _____
Laurie Montes
Deputy City Manager

ATTEST:

BONNIE PAIGE
CITY CLERK

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY

By: _____
::ODMA\GRPWISE\COS.HRD.HRD_Library:117756.1

EXHIBIT A

Legal Description of Vertical Air Space

THAT CERTAIN VERTICAL SPACE LYING WITH THE FOLLOWING DESCRIBED PARCEL AND BEGINNING 9.00 FEET ABOVE THE EXISTING GROUND SURFACE AND ENDING 69.00 FEET ABOVE THE EXISTING GROUND SURFACE OF THE HEREIN DESCRIBED PARCEL.

ALL THAT REAL PROPERTY SITUATE IN THE STATE OF CALIFORNIA, COUNTY OF SAN JOAQUIN, CITY OF STOCKTON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL OF LOTS 15 AND 16, AND THE EAST 50.00 FEET OF LOTS 13 AND 14 IN BLOCK 6, "EAST OF CENTER STREET", IN SAID CITY OF STOCKTON ACCORDING TO THE MAP OR PLAT THEREOF, SAN JOAQUIN COUNTY RECORDS.

EXHIBIT B

Legal Description for APN 149-170-22

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

Parcel 1:

The East 50.50 feet of the North one-half of Lot 14 in Block 6, East of Center Street, in the City of Stockton, County of San Joaquin, State of California, according to the Official Map or Plat thereof, San Joaquin County Records.

Parcel 2:

The East 50.50 feet of the South one-half of Lot 14 in Block 6, East of Center Street, in the City of Stockton, County of San Joaquin, State of California, according to the Official Map or Plat thereof, San Joaquin County Records.

Parcel 3:

All of Lots 15 and 16 and the East 50.50 feet of Lot 13 in Block 6, East of Center Street, in the City of Stockton, County of San Joaquin, State of California, according to the Official Map or Plat thereof, San Joaquin County Records.

APN: 149-170-22

ACKNOWLEDGMENT

STATE OF CALIFORNIA)
)
COUNTY OF)

On _____, 2015, before me, the undersigned, a Notary Public, personally appeared _____ who proved to me on the basis of satisfactory evidence to the persons(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.

STATE OF CALIFORNIA)
)
COUNTY OF)

On _____, 2015, before me, the undersigned, a Notary Public, personally appeared _____ who proved to me on the basis of satisfactory evidence to the persons(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.

ACKNOWLEDGMENT

STATE OF CALIFORNIA)
)
COUNTY OF)

On _____, 2015, before me, the undersigned, a Notary Public, personally appeared _____ who proved to me on the basis of satisfactory evidence to the persons(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.
