

Recording Requested By
First American Title Company
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AND WHEN RECORDED RETURN TO:

DOC # 2004-0870912

11/02/2004 08:00A Fee:NC

Page 1 of 27

Recorded in Official Records

County of Riverside

Gary L. Orso

Assessor, County Clerk & Recorder



City of Riverside
 3900 Main Street
 Riverside, California 92522
 Attn: City Manager

Documentary Transfer Tax: \$ None
 Revenue and Taxation Code 11922

NCS - 121679

Exempt from Recording fee

pursuant to Gov't Code § 27383

APN's 250-24C-018, 022 & 023

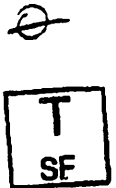
TSA 009-064

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UNIVERSITY VILLAGE CENTER

16176

GRANT OF EASEMENT AGREEMENT
(UNIVERSITY VILLAGE PARKING STRUCTURE)



between

THE CITY OF RIVERSIDE
a California charter law city and municipal corporation

and

UNIVERSITY VILLAGE LLC
a California limited liability company

This Grant of Easement Agreement is made and entered into as of the 27th day of October, 2004, between THE CITY OF RIVERSIDE (the "City"), a California charter law city and municipal corporation, and UNIVERSITY VILLAGE LLC, a California limited liability company, (the "Developer").

This Grant of Easement Agreement will become effective on the date ("Effective Date") it has been recorded in Riverside County Official Records.

RECITALS

WHEREAS, Developer has developed a mixed use commercial/entertainment center known as University Village (the "Center") upon certain real property (the "Property") owned by the Developer and located in the City of Riverside. The current configuration of the Center is approximately as shown on the site map (the "Site Map") attached as Exhibit A-2.

WHEREAS, Developer has constructed a parking structure consisting of six (6) stories and containing approximately 910 parking spaces (the "Parking Structure") on a portion of the Property ("Parking Structure Parcel") more particularly described in the attached Exhibit A-1.

WHEREAS, the six (6) parking levels (individually, a "Parking Level" and collectively, "Parking Levels") are identified as Parking Levels G1 through L6 on the attached Exhibit A-3.

WHEREAS, Developer desires to grant and convey certain rights in the Property and the Parking Structure to City in accordance with the terms and conditions contained herein; and

WHEREAS, City and Developer desire to agree on certain other matters with respect to the Parking Structure.

NOW, THEREFORE, in consideration of the foregoing, the covenants and promises as set forth herein, and other good and valuable consideration (including, but not limited to, the consideration given to Developer, pursuant to that certain "University Village Center - Eighth Implementation and Amendment Agreement Re University Village Development" ("Eighth Implementation Agreement") between Developer, City and Agency reference dated October 5, 2004, Developer and City agree as follows:

1. Grant of Easement/Control Over Parking Structure. Developer hereby grants and conveys to City (i) a non-exclusive easement for ingress and egress over all driveways, approaches, and drive aisles as may exist from time to time on the Property, (ii) a non-exclusive easement for ingress and egress over all driveways, approaches and drive aisles as may exist from time to time in and on the Parking Structure and the Parking Structure Parcel, and (iii) an exclusive easement ("Exclusive Easement") to 385 parking spaces in Parking Levels G1 (space numbers 1 through 68, and 132 through 144, inclusive), G2 (space numbers 69 through 131, 145 through 225, and 290 through 302, inclusive), and L3 (space numbers 226 through 289 and 303 through 385, inclusive) in the Parking Structure for public parking purposes. The real property interests described in (i) through (iii) above shall be collectively referred to hereinafter as the "Easement." For the purposes of this Easement, "public parking" shall mean parking which is

fully accessible to all members of the public, without limitation as to their purpose for parking on the Parking Areas or their destination, except for limitations set forth in that certain Parking Management Plan (the "Parking Management Plan") attached as Exhibit A-4, any modification to the Parking Management Plan that may be implemented by Developer (subject to the City's written approval), and any other limitations, rules and regulations that may be established by Developer, subject to the City's written approval.

2. Character of Easement. The Easement granted herein is an easement in gross, to be held and enjoyed by City and its successors and assigns:

3. Term. The term (the "Term") of this Easement shall commence on the Effective Date and shall expire twenty five (25) years thereafter. Upon the expiration of the Term, this Grant of Easement Agreement shall automatically terminate without further action by the parties hereto, but either party shall, promptly after receiving a request therefor from the other after the expiration of the Term, execute and deliver a termination agreement, in recordable form and otherwise reasonably satisfactory to both parties.

4. City's Right of Assignment. The City may lease, assign, transfer or otherwise convey, whether voluntarily or otherwise, any or all of its rights under this Easement to any person or entity, including the Redevelopment Agency of the City of Riverside, California and its agencies, or any public entity which succeeds the City of Riverside, California, and its agencies. Upon such transfer or conveyance, the transferee shall assume all rights and obligations of the City hereunder.

5. Maintenance of the Parking Structure. During the Term, Developer shall maintain, or cause to be maintained, in good repair the entirety of the Parking Structure and all necessary landscaping, lighting, paving, directional signage and other appurtenances necessary to the maintenance of the Parking Structure, all at no cost or expense to the holder of the Easement. All maintenance of the Parking Structure shall be done in accordance with the Parking Management Plan and all applicable Federal, State and local statutes, ordinances, rules, standards and regulations.

6. License.

(a) During the Term, and subject to the terms and conditions set forth in this Section 6, City agrees to grant to Developer, and its respective employees, agents and subcontractors a revocable, non-exclusive license ("License") to enter upon Parking Levels G1 and G2 for purposes of: (i) operating and maintaining Parking Levels G1 and G2 in accordance with the terms of the Parking Management Plan and all applicable Federal, State and local statutes, ordinances, rules, standards and regulations; and (ii) implementing the Fee Program, as described in Section 3.5.1 of the Parking Management Plan.

(b) Upon thirty (30) days advance written notice, the City may withdraw its permission to enter Parking Levels G1 and G2 at any time and for any reason. No tenancy is created by this License and the City and Developer specifically agree that this License may be terminated by the City at any time and with or without cause, and in any event without liability therefor.

(c) City and Developer release each other and their respective officials, directors, employees, representatives, and agents from any claims for damage or harm to any person or the Exclusive Easement area, or which result from, risks insured under any insurance policy carried by the City and the Developer at the time of such damage or harm. City and Developer shall cause each insurance policy obtained by them to provide the insurance company waives all right of recovery by way of subrogation against the other in connection with any damage or harm covered by such policy.

(d) Developer shall defend, indemnify and hold the City (and its successor(s)), its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liabilities, losses, damages or injuries, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any alleged acts, omissions or willful misconduct of Developer or its officials, officers, employees, volunteers, agents, patrons, customers, invitees, consultants and contractors or arising out of or in connection with their use of the Parking Structure, including the Exclusive Easement area, including, without limitation, the payment of all consequential damages and attorneys' fees and other related costs and expenses.

7. Insurance and Indemnity.

(a) During the Term, Developer shall furnish, or shall cause to be furnished, to City promptly after City's request therefor certificates of the following types of insurance:

(i) Comprehensive general liability (bodily injury and property damage), blanket contractual liability, and personal injury liability, all with limits of not less than \$2,000,000 each and a combined single limit per occurrence basis of no less than \$5,000,000, and workers compensation insurance.

(ii) Endorsements containing the following three provisions shall be obtained for the policies providing the above insurance:

A. Additional named insureds:

"The City of Riverside, the Redevelopment Agency of the City of Riverside and their respective elective and appointive boards, officers, agents, contractors and employees are added as additional named insureds with respect to this subject project and contract with the City."

B. Notice:

"Said policy shall not terminate nor shall it be canceled or the coverage reduced until after thirty (30) days written notice is given to The City if Riverside."

C. Primary coverage:

"Said policy and coverage as is afforded to The City of Riverside and The Redevelopment Agency of the City of Riverside, their respective elective and appointive boards, officers, agents, contractors and employees shall be primary insurance and not contributing with any other insurance maintained by The City of Riverside and The Redevelopment Agency of the City of Riverside."

Developer shall also furnish, or cause to be furnished, to City promptly after City's request therefor certificates of fire and extended insurance coverage with respect to the Parking Structure in an amount at least equal to the replacement cost of the Parking Structure, exclusive of the cost of foundations, excavations and footings. Any and all insurance policies required hereunder shall be obtained and maintained at all times from insurance companies admitted in the State of California and rated at least B+:VIII in Best's Insurance Guide. Any insurance maintained hereunder may be maintained under blanket policies, covering other risks and properties.

(b) Developer agrees to and shall defend, indemnify and hold City and Agency and their respective officers, employees, contractors and agents harmless from and against all liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of the death of any person or any accident, injury, loss, or damage whatsoever caused to any person or to the property of any person which shall be directly or indirectly caused, or alleged to be caused, by any actual or alleged negligent or wrongful errors or omissions of the Developer or its agents, servants, employees, or contractors with respect to the construction, operation and maintenance of the Parking Structure. Developer shall not be responsible for, and such indemnity shall not apply to, any acts, errors, or omissions of City or Agency or their respective agents, servants, employees, or contractors.

8. Restoration After Casualty. In case of a fire or other casualty of the type included within the casualty insurance coverage required to be maintained hereunder resulting in damage or destruction to Parking Structure during the Term, Developer shall restore such Parking Structure as nearly as feasible to its condition prior to the casualty (except that Developer shall have the right to make reasonable alterations). Notwithstanding the foregoing sentence, Developer shall have no obligation to restore the Parking Structure after the twenty second (22nd) year of the Term, and in no event shall the Developer be required to expend any sum greater than the net insurance proceeds received as a result of such damage or destruction to restore the Parking Structure, provided Developer has maintained the insurances of the types and amounts required by Section 7(a). In the event of a casualty which is not of the type included within the casualty insurance cover required to be maintained hereunder (for example, an earthquake) resulting in damage or destruction to Parking Structure, Developer shall not be obligated to restore the Parking Structure; provided, however, that if such casualty also resulted in damage or destruction to retail buildings within the Center and if Developer elects to restore such buildings, Developer shall also restore the Parking Structure.

9. Release of Public Parking Easement in Parking Spaces Located on Parking Level L3. The City agrees to terminate its public parking easement rights to no more than 147 of the

parking spaces located on level L3 which are subject to the City's Exclusive Easement subject to satisfaction of the following conditions precedent: (1) such spaces in the Parking Structure are required to be made available by the City's Planning Department to provide parking for the Building "K" development (after accounting for any on-site parking); (2) the release of the public parking spaces for the benefit of Building "K" will not become effective until the issuance of a final certificate of occupancy for Building "K"; (3) the Developer and the owner of Building "K" shall have reached an agreement providing for the owner of Building "K"'s payment to the Developer of the fair market value rental value of the released spaces. In the event of the inability of such owner and the Developer to agree on the fair market rental or easement value, such fair market value shall be determined by an MAI appraiser agreed upon by the Developer and the owner or, in the event that the owner and the Developer are unable to so agree, appointed by the City.

If it becomes necessary to utilize the services of an MAI appraiser, the appraiser shall be instructed to take into account in reaching its fair market value determination the amount charged for parking accommodations within the Parking Structure to competing University Village users, including, but not limited to, the amount paid for the Student Housing Parking Easement by the developer, of the Student Housing Project.

10. Entire Agreement. This Easement contains the entire agreement between the parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this Easement shall be of no force and effect. This Easement may be amended only by a subsequent document in writing, signed by the party to be charged.

11. Approvals. Approvals and consents required of City hereunder shall not be unreasonably withheld, and City's approval or disapproval shall be given within the times set forth in this Easement, or if no time is given, within thirty (30) days after request therefor. The failure of City to approve or disapprove within such time limits shall be deemed an approval.

12. Attorneys' Fees. In the event of any action or proceeding relating to this Easement or any breach thereof, the prevailing party shall be entitled to recover from the losing party, in addition to all other relief available to it, its reasonable attorneys' fees and costs.

13. Binding Effect. This instrument shall be binding on and shall inure to the benefit of Developer and City, and their respective permitted successors, assigns, heirs, executors and administrators. Notwithstanding the foregoing, no transferee or assignee of the rights and interests of Developer shall have any duty or obligation with respect to matters arising prior to the date of the assignment or transfer, and a transferee or assignee of any of the rights and interests of Developer pursuant to any of the Special Transactions (defined below) shall have no duty or obligation to perform any affirmative covenants of Developer under this Easement, unless such affirmative covenants are expressly assumed in connection with the conveyance of such rights and interests. In the absence of such an assumption, the Developer shall remain fully liable for the performance of such covenants. In the event such affirmative covenants are so assumed by any transferee or assignee (in connection with a Special Transaction or otherwise), no subsequent failure by such transferee or assignee (or any subsequent transferee or assignee) to

perform or comply with such affirmative covenants shall be deemed a default by Developer hereunder and, similarly, no failure of Developer to perform or comply with its affirmative covenants which have not been so assumed shall constitute a default hereunder with respect to such transferee or assignee (or subsequent transferee or assignee). The Special Transactions are the following transactions:

(a) The sale, ground leasing or transfer of any portion of the Property (other than the Parking Structure Parcel) to any purchaser, transferee or tenant, which purchaser, transferee or tenant occupies at least 10,000 square feet of gross leasable area in the Center ("Major"), provided such Major is an experienced retail business operator which generally acquires sites in retail centers for the purposes of erecting, constructing, maintaining and/or operating (or causing to be erected, constructed, maintained and/or operated) a retail business of the type it operates or shall operate in the Center;

(b) The conveyance or dedication of any portion of the Property to the Agency, The City of Riverside, or other appropriate governmental agency, or the granting of easements or permits to facilitate the development of the Property;

(c) The leasing of space for occupancy in the Center;

(d) The sale, ground leasing or leasing of any portion of the Property and improvements thereon for development pads permitted pursuant to plans approved by The City of Riverside.

[Signatures on following pages]

SIGNATURE PAGE
TO
EASEMENT AND LICENSE AGREEMENT
(University Village Parking Structure)

CITY:

THE CITY OF RIVERSIDE
a California charter law city and municipal
corporation

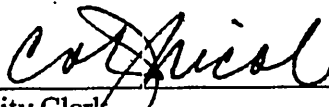
Dated: 10/29/04

By: 

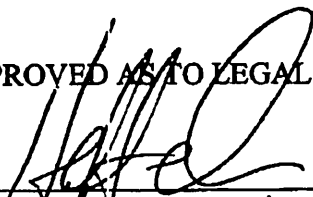
Thomas P. Evans

Michael J. Beck for Interim City Manager

ATTEST:


City Clerk

APPROVED AS TO LEGAL FORM:


City Attorney
Deputy

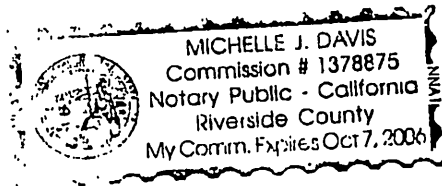
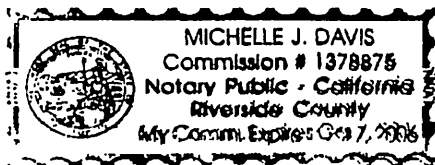
NOTARY ACKNOWLEDGMENT
(California All-Purpose Acknowledgment)

STATE OF CALIFORNIA)
) ss..
COUNTY OF Riverside)

On October 29, 2004, before me, the undersigned notary public, personally appeared Michael J. Peck and Colleen J. Nicol, personally known to me OR 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~~ they executed the same in ~~his~~ their authorized capacity(ies), and that by ~~his~~ their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Michelle J. Davis
Signature of Notary Public



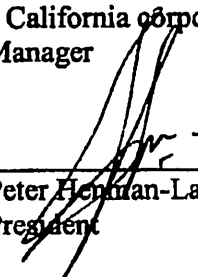
SIGNATURE PAGE
TO
GRANT OF EASEMENT AGREEMENT
(University Village Parking Structure)

UV:

UNIVERSITY VILLAGE LLC,
a California limited liability company

By: Moravan Management, Inc.,
a California corporation
Its: Manager

Date: 10-27-04

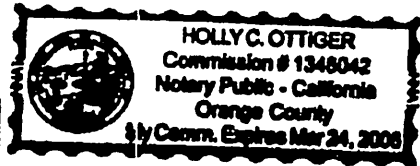
By: 
Peter Henman-Laufer
Its: President

NOTARY ACKNOWLEDGMENT
(California All-Purpose Acknowledgment)

STATE OF CALIFORNIA)
) ss.
COUNTY OF Orange)

On October 27, 2004, ~~2004~~, before me, the undersigned notary public, personally appeared Peter Henman-Lawler, personally known to me OR 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.

WITNESS my hand and official seal.



Holly C. Ottiger
Signature of Notary Public

ATTACHED TO: GRANT OF EASEMENT AGREEMENT
(University Village Parking Structure)

ILLEGIBLE NOTARY SEAL DECLARATION

Government Code Section 27361.7

I certify under penalty of perjury that the notary seal on the document to which this statement attached reads as follows:

Name of Notary: HOLLY C. OTTIGER

Date Commission Expires: MAR. 24, 2008

Notary Identification No:
(for Notaries commissioned at 1/1/92) 1348042

Manufacturer/Vendor Identification No:
(for Notaries commissioned at 1/1/92) NNA1

Place of Execution of this Declaration: ORANGE COUNTY

Date: October 29, 2004

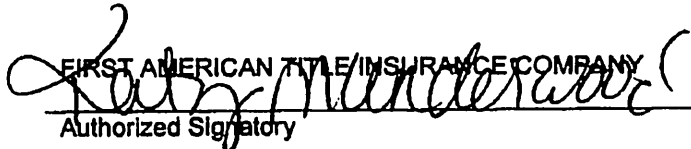

FIRST AMERICAN TITLE INSURANCE COMPANY
Authorized Signatory

EXHIBIT A-1 TO
GRANT OF EASEMENT AGREEMENT
(University Village Parking Structure)
Legal Description of Parking Structure Parcel

REAL PROPERTY IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PARCEL A:

THAT PORTION OF PARCELS 1 AND 2 OF PARCEL MAP, AS SHOWN BY MAP ON FILE IN BOOK 14, PAGE 10, OF PARCEL MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

A PORTION OF PARCEL A TOGETHER WITH A PORTION OF PARCEL D AS SHOWN ON CERTIFICATE OF COMPLIANCE RECORDED DECEMBER 16, 1997 AS INSTRUMENT NO. 460624 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, ALSO BEING WITHIN SECTION 19, TOWNSHIP 2 SOUTH, RANGE 4 WEST, SAN BERNARDINO BASE AND MERIDIAN, PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEASTERLY CORNER OF SAID PARCEL A, SAID CORNER BEING ON THE SOUTHERLY 44.00 FOOT HALF-WIDTH SIDELINE OF LINDEN STREET AND THE SOUTHWESTERLY SIDELINE OF STATE HIGHWAY ROUTE 60/215, AS SHOWN ON SAID CERTIFICATE OF COMPLIANCE;

THENCE ALONG SAID STATE HIGHWAY SIDELINE AND THE NORTHEASTERLY LINE OF SAID PARCEL A, SOUTH 39°03'24" EAST 188.11 FEET TO THE TRUE POINT OF BEGINNING;

THENCE CONTINUING ALONG SAID SIDELINE, SOUTH 39°03'24" EAST, 413.25 FEET TO THE SOUTHEASTERLY LINE OF SAID PARCEL D;

THENCE ALONG SAID LINE SOUTH 50°56'36" WEST, 150.50 FEET;

THENCE NORTH 39°03'24" WEST, 204.42 FEET;

THENCE SOUTH 50°56'36" WEST, 8.47 FEET;

THENCE NORTH 89°16'26" WEST, 9.46 FEET;

THENCE NORTH 39°03'24" WEST, 68.70 FEET;

THENCE NORTH 50°56'36" EAST, 15.75 FEET;

THENCE NORTH 39°03'24" WEST, 134.08 FEET;

THENCE NORTH 50°56'36" EAST, 150.50 FEET TO THE TRUE POINT OF BEGINNING.

SAID PARCEL IS FURTHER DELINEATED AS PARCEL B ON LOT LINE ADJUSTMENT NO. LL-008-001, RECORDED DECEMBER 19, 2001 AS INSTRUMENT NO. 01-630132 OF OFFICIAL RECORDS.

PARCEL A1:

ALL THOSE CERTAIN RIGHTS OF EASEMENT AS SET FORTH IN THAT CERTAIN COVENANTS, CONDITIONS AND RESTRICTIONS AND AGREEMENTS FOR EASEMENTS AND MAINTENANCE RECORDED DECEMBER 16, 1997 AS INSTRUMENT NO. 460629 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

PARCEL A2:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS FOR THE USE AND BENEFIT OF PARCEL A DESCRIBED ABOVE AS DELINEATED IN THAT CERTAIN GRANT OF EASEMENTS RECORDED JUNE 4, 2002, IN OFFICIAL RECORDS, COUNTY OF RIVERSIDE, CALIFORNIA, AS INSTRUMENT NO. 2002-301508, ON, OVER, ACROSS, AND ALONG THAT CERTAIN REAL PROPERTY SITUATED IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, MORE FULLY DESCRIBED AS FOLLOWS:

THAT PORTION OF PARCEL 2, AS SHOWN ON PARCEL MAP, ON FILE IN BOOK 14, PAGE 10 OF PARCEL MAPS AND THAT PORTION OF PARCEL "A", AS SHOWN ON CERTIFICATE OF COMPLIANCE, AS RECORDED DECEMBER 19, 2001, AS INSTRUMENT NUMBER 630132, IN THE OFFICE OF THE RECORDER OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ALSO BEING WITHIN SECTION 19, TOWNSHIP 2 SOUTH, RANGE 4 WEST, SAN BERNARDINO BASE AND MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWESTERLY CORNER OF SAID PARCEL "A";

THENCE, ALONG THE WESTERLY LINE OF SAID PARCEL "A", NORTH 0°47'10" EAST, A DISTANCE OF 314.40 FEET TO THE TRUE POINT OF BEGINNING;

THENCE, CONTINUING ALONG SAID WESTERLY LINE, NORTH 0°47'10" EAST, A DISTANCE OF 62.30 FEET;

THENCE, SOUTH 89°12'50" EAST, A DISTANCE OF 105.95 FEET TO THE NORTHWESTERLY LINE OF PARCEL "B" OF SAID CERTIFICATE OF COMPLIANCE;

THENCE, ALONG SAID NORTHWESTERLY LINE, SOUTH 50°56' 36" WEST, A DISTANCE OF 39.51 FEET TO THE MOST WESTERLY CORNER OF SAID PARCEL "B";

THENCE, ALONG THE SOUTHWESTERLY LINE OF SAID PARCEL "B", SOUTH 39°03'24" EAST, A DISTANCE OF 48.17 FEET;

THENCE, NORTH 89°12'50" WEST, A DISTANCE OF 106.47 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL A3:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS FOR THE USE AND BENEFIT OF PARCEL A DESCRIBED ABOVE AS DELINEATED IN THAT CERTAIN GRANT OF EASEMENT RECORDED JUNE 4, 2002, IN OFFICIAL RECORDS, COUNTY OF RIVERSIDE, CALIFORNIA, AS INSTRUMENT NO. 2002-301509, ON, OVER, ACROSS, AND ALONG THAT CERTAIN REAL PROPERTY SITUATED IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, MORE FULLY DESCRIBED AS FOLLOWS:

THAT PORTION OF PARCEL 1, AS SHOWN ON PARCEL MAP, ON FILE IN BOOK 14, PAGE 10 OF PARCEL MAPS AND THOSE PORTIONS OF PARCELS "A", "C", and "D", AS SHOWN ON CERTIFICATE OF COMPLIANCE, AS RECORDED DECEMBER 19, 2001, AS INSTRUMENT NO. 630132 AND PARCEL "E", AS SHOWN ON CERTIFICATE OF COMPLIANCE, AS RECORDED DECEMBER 19, 2001, AS INSTRUMENT NUMBER 630133, ALL IN THE OFFICE OF THE RECORDER OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ALSO BEING WITHIN SECTION 19, TOWNSHIP 2 SOUTH, RANGE 4 WEST, SAN BERNARDINO MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWESTERLY CORNER OF SAID PARCEL "A";

THENCE, ALONG THE WESTERLY LINE OF SAID PARCEL "A", NORTH $0^{\circ}47'10''$ EAST, A DISTANCE OF 12.88 FEET;

THENCE, SOUTH $89^{\circ}12'50''$ EAST, A DISTANCE OF 76.46 FEET;

THENCE, SOUTH $74^{\circ}10'59''$ EAST, A DISTANCE OF 53.51 FEET TO A POINT THAT IS ONE (1) FOOT, AS MEASURED AT RIGHT ANGLES FROM THE SOUTHERLY LINE OF SAID PARCEL "C";

THENCE, PARALLEL WITH AND DISTANT ONE (1) FOOT SOUTHERLY OF SAID SOUTHERLY LINE OF SAID PARCEL "C", SOUTH $89^{\circ}12'50''$ EAST, A DISTANCE OF 199.01 FEET;

THENCE, NORTH $15^{\circ}23'56''$ EAST, A DISTANCE OF 31.78 FEET TO THE SOUTHEASTERLY LINE OF SAID PARCEL "C";

THENCE, ALONG SAID SOUTHEASTERLY LINE AND THE SOUTHEASTERLY LINE OF PARCEL "B" OF SAID CERTIFICATE OF COMPLIANCE, NORTH $50^{\circ}56'36''$ EAST, A DISTANCE OF 88.01 FEET;

THENCE, SOUTH $39^{\circ}03'24''$ EAST, A DISTANCE OF 20.00 FEET;

THENCE, SOUTH $50^{\circ}56'36''$ WEST, A DISTANCE OF 70.30 FEET;

THENCE, SOUTH $34^{\circ}57'31''$ WEST, A DISTANCE OF 12.46 FEET;

THENCE, SOUTH $5^{\circ}18'16''$ WEST, A DISTANCE OF 27.99 FEET TO THE BEGINNING OF A TANGENT 20.00 FOOT RADIUS CURVE, CONCAVE NORTHWESTERLY;

THENCE, SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF $85^{\circ}28'54''$, A DISTANCE OF 29.84 FEET;

THENCE, NORTH $89^{\circ}12'50''$ WEST, A DISTANCE OF 161.98 FEET;

THENCE, SOUTH $75^{\circ}51'02''$ WEST, A DISTANCE OF 55.57 FEET;

THENCE, NORTH $89^{\circ}12'50''$ WEST, A DISTANCE OF 116.77 FEET;

THENCE, NORTH $0^{\circ}47'10''$ EAST, A DISTANCE OF 45.22 FEET TO THE POINT OF BEGINNING.

EXHIBIT A-2
TO
GRANT OF EASEMENT AGREEMENT
(University Village Parking Structure)

Site Map

[attached behind this page]

Exhibit A-2 Site Map

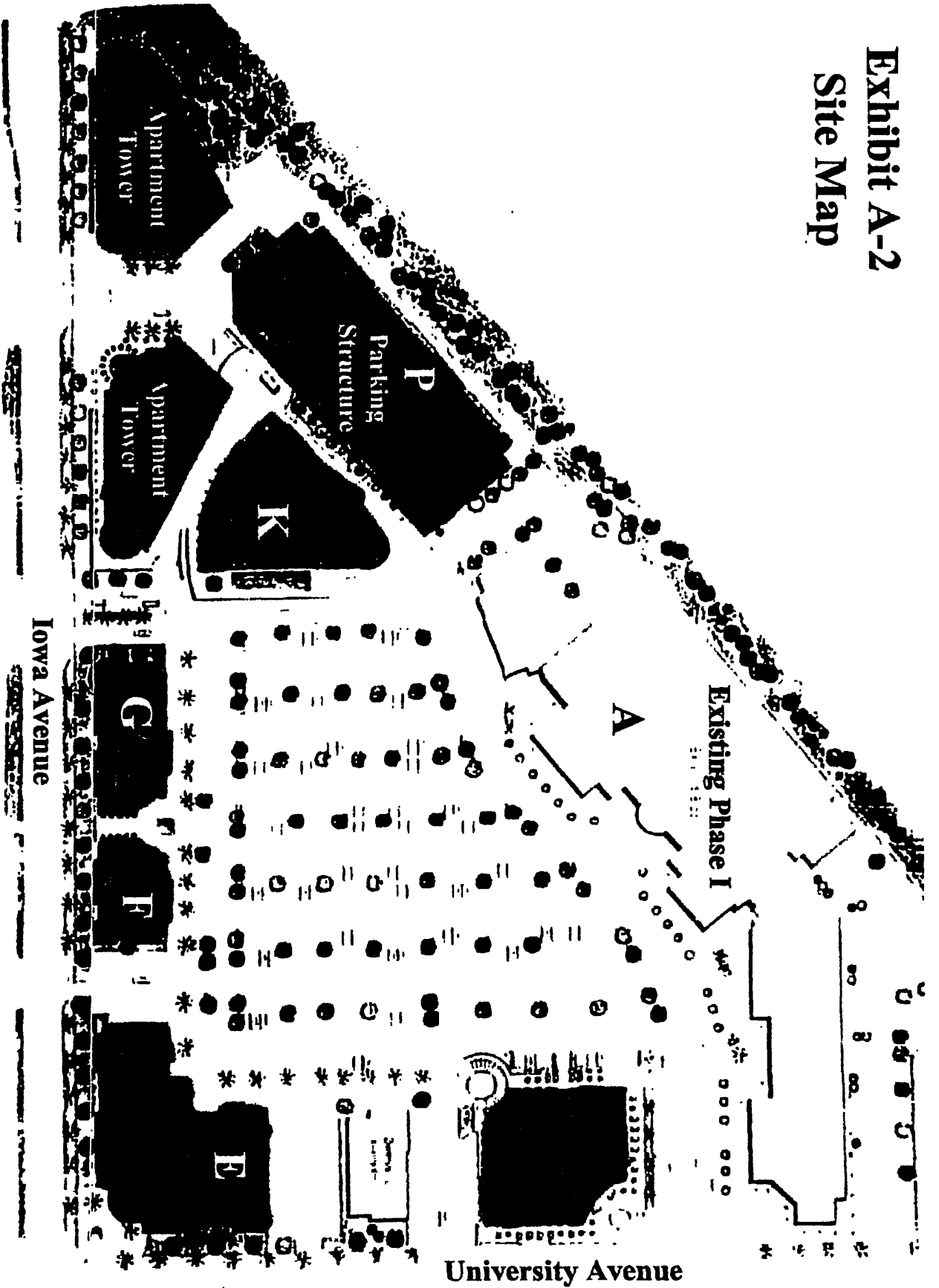


Exhibit A-2

University Image LLC
221 University Avenue Suite 215
Iowa City, IA 52242 (319) 338-1400

16176

EXHIBIT A-3
TO
GRANT OF EASEMENT AGREEMENT
(University Village Parking Structure)

Description of Parking Levels G1 through L6
Parking Structure Level/Space Numbering Description

Level G1 shall consist of spaces 1 through 68 and 132-144, Level G2 shall consist of spaces 69 through 131, 145 through 225 and 290 through 302, Level L3 shall consist of spaces 226 through 289, 303 through 388 and 453 through 465, Level L4 shall consist of spaces 389 through 452, 466 through 551, and 616 through 628, Level L5 shall consist of spaces 552 through 615, 629 through 714, and 779 through 791, Level L6 shall consist of spaces 715 through 778, and 792 through 910.

EXHIBIT A-4
TO
GRANT OF EASEMENT AGREEMENT
(University Village Parking Structure)

Parking Management Plan

[attached behind this page]

PARKING MANAGEMENT PLAN ("PMP") FOR
PARKING STRUCTURE AT UNIVERSITY VILLAGE

ARTICLE 1. DEFINITIONS

1.1 Generally. Unless otherwise provided herein, all capitalized terms shall have the meanings ascribed to such terms in the Grant of Easement Agreement to which this Parking Management Plan ("PMP") is attached. The term of this PMP shall coincide with the Term of this Grant of Easement Agreement. Whenever an approval or consent is required under the terms of this PMP, such approval or consent shall not be unreasonably withheld or delayed.

1.2 "Improvements" shall mean all driveways, aisles, approaches, structures, equipment, improvements constructed within or as part of the Parking Structure or on the Parking Structure Parcel and necessary or convenient to its operation and use.

1.3 The "Parking Site Plan" describes the parking areas and spaces within the Parking Structure (as identified on Exhibit A-3 to the Grant of Easement Agreement).

ARTICLE 2. USE.

2.1 Limitation on Use. Subject to the balance of this Article 2, the Agency and Developer (and its voluntary and involuntary successors and assigns) shall only permit the Improvements to be used to provide parking to members of the general public, affiliates of the University of California, Riverside, and the business invitees and employees of the owners/tenants of the Center, in accordance with the Grant of Easement Agreement and this PMP.

2.2 Prohibited Uses. The Improvements may not be made subject to (i) any permit or validation program except as otherwise provided in the Grant of Easement Agreement, or (ii) any vehicle storage or staging area.

2.3 Agency Rights of Access to the Improvements for Inspection. The Agency shall have the right to enter the Improvements from time to time, during normal business hours for the purpose of inspecting the Improvements for compliance with this PMP, provided that such access and inspection does not unreasonably interfere with the normal use and operation of the same or the Center. Nothing herein shall operate to limit, or abridge the City's regulatory powers concerning the Improvements.

ARTICLE 3. OPERATION AND MANAGEMENT OF THE IMPROVEMENTS

3.1 Operation Standards. Except as otherwise expressly provided in this PMP or any other Agreement between the Agency and the Developer, the Developer shall manage, operate, maintain and repair the Improvements at no cost or expense to City or the Agency or any holder of the Easement and in good order, condition and repair. Notwithstanding the generality of the foregoing, Developer shall maintain, repair and operate the Improvements in

accordance with the practices prevailing in the first-class operation of structured parking within other first-class, mixed use regional shopping centers in Riverside County, and, at a minimum, shall at all times observe and perform the following standards and services as frequently as reasonably necessary for the Improvements to remain in good order, condition and repair:

(a) Clean and maintain all surfaces of the Improvements and keep such surfaces free of potholes and evenly covered with the type of surfacing material originally installed thereon, or such substitute thereof as shall be equal thereto in quality, appearance and durability;

(b) Remove all papers, debris, filth and refuse from the Improvements and wash, steam clean or thoroughly sweep paved areas;

(c) Remove trash from trash receptacles and clean trash receptacles;

(d) Clean, maintain, repair and replace entrance, exit and directional signs, markers and lights into and within the Improvements;

(e) Clean lighting fixtures and relamp and reballast;

(f) Maintain, repair and replace striping (excepting any striping installed by the Agency);

(g) Maintain and repair the structure of the Improvements;

(h) Repaint and refinish all painted and finished surfaces (excepting any surfaces painted or finished by the Agency);

(i) Clean, maintain and repair all stairs, stairwells and stairwell doors within the Improvements;

(j) Maintain and repair all mechanical, electrical and utility facilities and systems that are a part of or serve the Improvements, including, without limitation, sprinkler and fire control systems, lighting and emergency lighting systems, and traffic barriers (excepting any traffic barriers installed by the Agency);

(k) Except to the extent maintained by a utility company, maintain the utility lines which are located within the Improvements;

(l) Obtain and maintain the public liability and other insurance required under the Grant of Easement Agreement, endorsed to name the City of Riverside and the Agency as additional insureds.

(m) Enforce the standard rules and regulations applicable to the Center to the extent they are consistent with the Grant of Easement Agreement and this PMP.

(n) Maintain interior and exterior of elevators in a first class working condition and appearance and obtain and maintain all required operating certificates and permits.

3.2 Minimum Hours of Operation. Developer shall keep the Improvements open for parking by the general public during the following minimum hours of operation: 6:00 a.m. of one day to 2:00 a.m. of the following day, three hundred sixty-five (365) days per year, unless a longer operating time is required by the holder of any other parking easement rights in the Parking Structure.

3.3 Compliance with Americans with Disabilities Act. Developer shall provide handicap accessible parking as required by the Americans with Disabilities Act, and provide parking places accessible in accordance with the Parking Site Plan.

3.4 [Intentionally omitted.]

3.5 Parking Fee Revenue.

3.5.1 Establishment of Parking Fee Revenue Program. The Developer shall institute a parking fee revenue program ("Fee Program") no less than ninety (90) days from the Effective Date of the Grant of Easement Agreement. The Fee Program shall commence on the first day of the calendar quarter which is at least ninety (90) days after the Developer's notice.

For purposes of this Section 3.5, the term "Fee Program" means any program, policy, regulation or protocol enacted and implemented by the Developer consistent with this Section 3.5 which is designed to collect, account for and distribute any type of fee, charge, compensation, or exaction whatsoever for the use and/or occupancy of a parking space within the Parking Structure. The Developer may install/employ such toll gates, booths, attendants, permits, placards, signs, identifying marks and/or insignia, devices (collectively "Installations") and personnel reasonably necessary or desirable in the implementation and administration of the Fee Program; provided, however, that any toll booth(s) and entry gate(s)/barrier(s) shall be located only at the entrance(s) to the Parking Structure on the first and second Parking Levels.

The Agency and the Developer agree that those Parking Levels as to which the Agency holds Exclusive Easement rights shall be made available for inclusion in the Fee Program and, in furtherance of such objective, such Parking Levels shall be made available for parking to the tenants, employees and invitees of the Center.

During the sixty (60) day period following notice of the Developer's election to implement a Fee Program, the Developer and the Agency will meet and confer in good faith regarding certain matters pertaining to the Fee Program, including, without implied limitation, the hours of operation that the Fee Program will be in effect, permit issuance, enforcement, signs and marking, management/operations contracting, and revenue/expense accounting.

The Agency and the Developer shall defend, indemnify and hold the other, and their respective officers, officials, employees, agents, and contractors harmless from and against all claims, demands, judgments, reasonable amounts paid in settlement, attorneys' fees, expert

witness costs and litigation costs and expenses arising out of or related to its own negligence or willful misconduct or that of its respective officers, officials, employees, agents and contractors in connection with the implementation and/or administration of the Fee Program.

3.5.2 Fee Program Expenses. Subject to the distribution of NOI (as described and defined in Section 3.5.4 below), the Developer shall be responsible for all costs and expense associated with the implementation and administration of the Fee Program, including, without implied limitation, the purchase, construction and maintenance of any and all toll booths, toll gates, barriers, signage and other physical and mechanical devices which the Developer deems reasonably necessary or desirable in the implementation and administration of the Fee Program. Without limiting the generality of the foregoing, the Developer shall be responsible for the employment and/or retention of such personnel and/or independent contractors as may be necessary or desirable to implement and administer the Fee Program. The Developer shall be solely responsible for the payment of all incremental costs of Parking Structure operation and maintenance associated with the Fee Program. As an example of such an incremental cost, the Developer shall be solely responsible for the incremental cost of any insurance associated with the implementation and/or administration of the Fee Program in excess of those set forth in Section 7 of the Grant of Easement Agreement to which this PMP is attached.

Nothing herein shall modify the Developer's obligations with respect to Parking Structure operation, maintenance and insurance arising under any other provision of this PMP or the Grant of Easement Agreement.

All such expenses incurred and paid by the Developer with respect to the implementation and/or administration of the Fee Program shall be hereinafter collectively referred to as the "Fee Program Expenses;" provided, however, that the Developer shall solely bear its indirect administrative and management overhead expenses associated with the Fee Program. Such indirect administrative expenses and all other expenses not directly related to the Fee Program and its implementation or administration shall not be considered Fee Program Expenses.

Anything in this Section 3.5.2 to the contrary notwithstanding, as to any Fee Program Expense directly attributable to a capital expenditure which qualifies as a depreciable asset under the Internal Revenue Code, such expenditure shall be amortized over a ten (10) year period and only one-fortieth (1/40th) of such expenditure may be included as a Fee Program Expense in any quarter.

3.5.3 Fee Program Revenues. For purposes of this Section 3.5, the term "Fee Program Revenues" means any fee, charge or compensation of any type or nature received by the Developer from a third party in exchange for the right to the use or occupation of any parking space within the Parking Structure.

The Agency acknowledges that the Developer has the contractual obligation under its leases with tenants of the Center in place as of the Effective Date of the Grant of Easement Agreement to provide parking within the Center, including the Parking Structure, without charge to such tenants and/or their employees. With respect to future leases with tenants

of the Center and unless the Developer elects to require such tenants' employees and invitees to pay a daily fee or monthly fee for parking within the Parking Structure, the Developer shall include in all such leases a commercially reasonable and customary charge for that tenant's, its invitees' or its employees' use of the Parking Structure. All such revenues and charges collected by the Developer, its assignees and successors shall be considered Fee Program Revenues. The Developer may not pledge, hypothecate or encumber any rental or other income which it receives from any tenant or occupant of the Center if such income would constitute Fee Program Revenue as defined above.

Agency acknowledges that Developer may provide in its leases with tenants of the retail commercial buildings that the invitees and customers of such tenants shall be entitled to no more than three (3) hours of no charge parking within the Parking Structure.

3.5.4 Fee Program Net Operating Income. For purposes of this Section 3.5, the term "Fee Program Net Operating Income" or "NOI" shall mean Fee Program Revenues less Fee Program Expenses, calculated on a quarterly basis. To the extent that Fee Program Expenses exceed Fee Program Revenues for a particular quarter, the Developer shall bear any shortfall, subject to reimbursement from any future NOI as more specifically provided below.

The Developer shall certify in writing to the Agency, on or before the 15th day of each month during which the Fee Program is in place, the amount of the Fee Program Revenue collected and the amount of Fee Program Expenses paid by Developer in the previous month. Within thirty (30) days following the end of each calendar quarter during which the Fee Program is in effect, the Developer shall calculate NOI for such quarter and shall determine the "Agency's Portion" of such NOI. The term "Agency's Portion" means the amount which is one-half (½) of the product obtained by multiplying the NOI by .423 (four hundred twenty three thousandths).

After determination of the Agency's Portion, the Developer shall pay the Agency's Portion to the Agency and may retain the balance. If there is no NOI for the quarter, the Developer shall bear such loss; provided, however, that to the extent the Fee Program generates future NOI, the Developer shall, prior to the division and distribution of such future NOI as hereinabove provided, be reimbursed from NOI to the extent of the aggregate of all previous shortfalls.

3.5.5 Audit and Records. The Agency and the Developer agrees to provide to Agency upon written request such reasonable reports, ledgers, receipts, invoices and similar documentation as may be necessary or relevant to the determination of Fee Program Revenue, Fee Program Expenses or Fee Program Net Operating Income. Such records shall be maintained for a period of no less than five (5) years from their creation. The Agency may at any time, and at its initial cost and expense, require the Developer to allow an audit of its books and records concerning Fee Program Revenue, Fee Program Expenses and Fee Program Net Operating Income by a certified public accounting firm of the Agency's choice and shall direct its accountants, attorneys, consultants and others having possession or control of such information and/or documentation to reasonably cooperate with the Agency's auditors; provided, however, that neither Party shall be required to disclose or make available any information or document

subject to a privilege or exemption pursuant to any provision of the California Evidence or Government Codes.

If the conclusion of such audit is that the Developer has understated its Fee Program Revenues by more than ten percent (10%) or overstated its Fee Program Expenses by more than ten percent (10%) in any quarter, the Developer shall bear the entire costs of such audit and in addition shall reimburse the Agency any underpayment of NOI within ten (10) days written demand therefor, together with interest on such sum at the then-prevailing legal rate for judgments, computed from the date that such underpayment was otherwise due.

3.5.8 Acknowledgment of Intent and Materiality. Developer acknowledges that the Agency's entry into the Eighth Implementation Agreement and its undertakings thereunder were predicated and contingent upon the Developer's agreement to impose a Fee Program as to those parking spaces as to which Agency has Exclusive Easement rights and that such agreement is material consideration to the Agency for its entry into the Eighth Implementation Agreement and the performance of its obligations thereunder.

3.6 Other Parking Site Plan Matters. Developer shall provide the fire lanes, one-way and two-way circulation, and loading and unloading zones, shown on the Parking Site Plan. Developer shall comply with all applicable emergency vehicle access requirements.

3.7 Security. Developer shall install surveillance equipment and provide vehicle patrols of the Parking Structure for the purpose of providing security or regulation of parking, including collection of Parking Fees in accordance with Section 3.5. Developer shall implement enforcement procedures, as approved by the Agency, to insure that this PMP is followed.

3.8 Communication Devices. Developer shall install signage (for directional and information purposes to motorists and pedestrians) and a sound system (if required by local building and safety code) for ambient and emergency voice communications to the Improvements. Sound levels and signage program to be monitored and approved by the Agency, which shall not unreasonably withhold or delay such approval.

3.9 Pedestrian Connections. Developer shall maintain adequate, attractive pedestrian connections between the Parking Structure and the Center to encourage equal use of all parking, especially on the upper level of the Improvements.

3.10 Restricted Vehicles. All vehicles whose height exceeds 8 feet 2 inches or whose length exceeds 20 feet, shall be prohibited from the Parking Structure. All vehicles (with the exception of emergency vehicles) whose gross vehicle weight rating exceeds 6,000 pounds shall be prohibited from the second and higher level parking areas within the Parking Structure.

3.11 Modifications of Landscaping, Signage and Graphics. Developer may, from time to time, upgrade, adjust, or modify the landscaping, amenities, banners, signage, graphics, or decorative elements; provided, however, any modification in the landscaping, signage and graphics shall be reviewed and approved by Agency and shall be subject to such other approvals and requirements imposed by the City.

3.12 Delegation of Operation Duties. Developer may, with the consent of the Agency, contract for operation of all or a portion of the Improvements with a property management or parking management company or contractor, but such contract shall not relieve Developer of Developer's obligations hereunder.

3.13 Obstructions. No fence, barrier or other obstruction of any kind which limits access or use of parking shall be placed, kept, permitted or maintained within the Improvements except (i) entry and exit traffic control equipment, (ii) temporary barriers used during the course of repair or improvement work to prevent interference with the work, (iii) barriers used to control and direct traffic as needed for efficient traffic movement, (iv) as provided in Section 3.5, above.

ARTICLE 4. DEFAULT BY DEVELOPER. If Developer fails to operate the Improvements as provided herein, then the Agency shall notify Developer in writing of such default in operation, specifying the respects in which it considers Developer's performance to be in default of this PMP. Developer shall, within 30 days after receipt of the notice, cure such default or, if the default is not curable within a 30 day period, commence to cure such default and thereafter diligently prosecute such cure to completion. Notwithstanding the foregoing, in the event of an emergency situation which threatens injury to persons or damage to property, or material interference with access to any of the Improvements or the parking therein, the Agency may, with such notice to Developer as is reasonable under the circumstances, cure any such matter, and in such case, the Agency shall have the right, upon demand, to reimbursement from Developer for the reasonable costs and expenses incurred by the Agency in effectuating such cure.

ARTICLE 5. ALTERATIONS. During the Term of the Grant of Easement Agreement, Developer shall have the right at its sole cost, expense, and liability, to do any of the following, so long as the utility, use and appearance of the Improvements as parking facilities are not unreasonably interfered with, there is no net loss of Parking Levels, and there is no interference with the use of the Improvements: (i) make any addition to or improvements to the Improvements, (ii) attach fixtures and directional signage or equipment to the Improvements or (iii) place any personal property within the Improvements. There shall be no signage indicating that the Improvements are private property of Developer or any other party.

ARTICLE 6. RULES AND REGULATIONS. Developer shall establish and enforce reasonable and non-discriminatory general policies, rules and regulations for the repair, management, maintenance, operation and use of the Improvements (the "Rules and Regulations") which shall be consistent with the provisions of this PMP. Such Rules and Regulations (and any amendments thereto) shall be subject to the approval of the Agency, which approval shall not unreasonably be withheld or delayed. Developer covenants that it will permit the Improvements to be used only in accordance with the Rules and Regulations, the Grant of Easement Agreement and this PMP. The Rules and Regulations shall not be applied or enforced in any manner which discriminates against the use by the general public of the Improvements in compliance with and subject to the terms of this PMP. The Rules and Regulations shall be subject to change from time to time by Developer, provided such change does not discriminate against the use by the general public of the Improvements in compliance with and subject to the terms of this PMP.

CITY OF RIVERSIDE
CERTIFICATE OF ACCEPTANCE OF
GRANT of EASEMENT AGREEMENT
(UNIVERSITY VILLAGE PARKING STRUCTURE)

This Certificate of Acceptance pertains to the interest in real property conveyed by the Grant of Easement Agreement dated as of October 27, 2004 between:

THE CITY OF RIVERSIDE (the "City"), a California charter law city and municipal corporation

and

UNIVERSITY VILLAGE LLC, a California limited liability company (the "Developer")

Said Grant of Easement Agreement is hereby accepted by the undersigned officer on behalf of the City pursuant to authority conferred by the City's governing body, and the City hereby consents to recordation of such Grant of Easement Agreement.

Dated: 10/29/04

THE CITY OF RIVERSIDE,
a California charter law city and municipal corporation

By: 
Thomas P. Evans
Interim City Manager

Michael J. Beck for -

ATTEST:


City Clerk