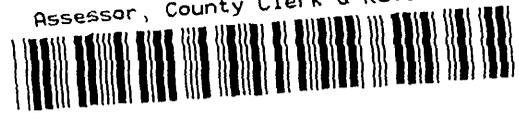


DOC # 2007-0740941
 12/12/2007 08:00A Fee:64.00
 Page 1 of 20
 Recorded in Official Records
 County of Riverside
 Larry W. Ward
 Assessor, County Clerk & Recorder



WHEN RECORDED MAIL TO:

City Clerk
 City of Riverside
 City Hall, 3900 Main Street
 Riverside, California 92522

Project: Birtcher Center at Mt. Vernon
 Highland Corporate Center

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COVENANT AND AGREEMENT
 AND DECLARATION OF RESTRICTIONS

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THIS COVENANT AND AGREEMENT AND DECLARATION OF RESTRICTIONS is made and entered into this 9th day of November, 2007, by BIRTCHEM RIVERSIDE MT. VERNON, LLC, a California limited liability company, HIGHLAND CORPORATE CENTER, LLC, a California limited liability company (collectively, "**Declarant**"), and The City of Riverside, a California charter city and municipal corporation (the "**City**") with reference to the following facts:

A. Declarant is the fee owner of the real property (the "**Property**") situated in the City, County of Riverside, State of California, legally described and depicted on attached Exhibit "A".

B. The Property is encumbered by an easement in favor of the State of California (the "**State**") for the construction, operation, and maintenance of a water pipeline (the "**Pipeline Easement**") recorded in the Official Records of Riverside County as Instrument No. 125187. The State has constructed within the Pipeline Easement area a portion of the Santa Ana Pipeline. The Pipeline Easement reserves to the owner of the Property the right to cross the Pipeline Easement area with streets and roadways, subject to the prior written permission of the State, and to make such other use of the Property not inconsistent with the State's operation of the pipeline facilities located therein.

C. Declarant proposes to construct on the Property a light industrial office park (the "**Project**"), together with associated offsite improvements. In connection with the construction of the Project, Declarant proposes to construct in the Pipeline Easement area a public street (Mt. Vernon Avenue), associated sidewalk, landscaping, and curb and gutter improvements from a northern terminus at the existing Palmyrita Avenue to a southern cul-de-sac terminus within the Project (the "**Roadway**"). Declarant also proposes to construct certain electrical, water, sewer, storm drain, and telecommunications utilities (collectively, the "**Utilities**"), portions of which are to be located within the Pipeline Easement area. Upon their completion, Declarant anticipates and intends that the Roadway and the Utilities will be dedicated to and accepted by the City (or

any applicable franchise utility provider) and subject thereafter to the provisions of California law governing public rights-of-way and utilities.

D. The construction of the Roadway and the Utilities within the Pipeline Easement area requires that Declarant obtain the written consent of the State. The State has agreed to give such consent subject to those certain conditions set forth in that certain Encroachment Permit No. 1417 (the “**Encroachment Permit**”) promulgated by the State Department of Water Resources in favor of Declarant, the City, and AT&T/SBC, a copy of which is attached hereto as Exhibit “B”. The Encroachment Permit sets forth certain rights of and disclaimers by the State with respect to the construction of the Roadway and the Utilities within the Pipeline Easement area, including a disclaimer of any liability for damage to or destruction of the Roadway or Utilities as a result of the State’s operation or maintenance of the pipeline facilities, and the right to revoke or abrogate the Encroachment Permit with respect to the Utilities.

E. As a condition to the execution of the Encroachment Permit, the City is requiring that Declarant execute and record this Covenant and Agreement and Declaration of Restrictions (“**Covenant and Agreement**”) setting forth certain rights and obligations of the City and Declarant in connection with the proposed construction and anticipated dedication to the City of the Roadway and Utilities, as more particularly set forth below.

NOW THEREFORE, for the purposes of complying with the conditions imposed by the City for the execution of the Encroachment Permit, and providing utilities and cost-sharing, Declarant hereby covenants and agrees with the City that the following restrictions shall apply to the Property:

1. If the State, in the lawful exercise of its rights under the Encroachment Permit, damages or destroys all or any part of the Roadway and/or the Utilities, and the State thereafter refuses or fails to repair or reconstruct the Roadway and/or the Utilities, and the City repairs or reconstructs the Roadway and/or the Utilities as soon as reasonably practicable pursuant to its normal procedures, Declarant shall reimburse City for fifty percent (50%) of the actual cost to perform such repairs or reconstruction within sixty (60) days after demand by the City therefor.

2. Following any dedication of the Utilities to the City, Declarant and the City shall cooperate in good faith with one another to defend the right of the City to maintain the Utilities as public or franchise utilities within the Pipeline Easement area. Declarant further agrees that if the State terminates or abrogates the City’s right to maintain the Utilities within the Pipeline Easement area, Declarant shall request that City relocate the Utilities, in accordance with the City’s utilities rules then in effect.

3. In the event Declarant, or its heirs, successors or assigns, fails to undertake the obligations contemplated by this Covenant and Agreement within thirty (30) days of being given written notice by the City, or fails to complete any obligation contemplated by this Covenant and Agreement with reasonable diligence, the City is hereby authorized to cause any obligation necessary to be completed and charge the entire cost and expense to the Declarant or Declarant’s successors or assigns, including administrative costs, reasonable attorneys fees and interest



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thereon at the maximum rate authorized by the Civil Code from the date of the notice of expense until paid in full, including a judicially enforceable lien on the Property.

4. Any person who now or hereafter owns or acquires any right, title or interest in or to all or any part of the Property shall be deemed to have consented and agreed to every covenant, condition, restriction and easement contained herein.

5. In addition, each of the provisions hereof shall operate as covenants running with the land for the benefit of the Property and every part thereof and shall inure to the benefit of all owners of any constituent legal parcel thereof, their successors and assigns in interest, and shall apply to and bind each successive owner of each parcel, their successors and assigns in interest.

6. The terms of this Covenant and Agreement may be enforced by the City, its successors or assigns, and by any owner, lessee or tenant of the Property or any part thereof, and by their respective successors and assigns in interest, including, without limitation, any owner's association established pursuant to the Davis-Stirling Common Interest Development Act, California Civil Code Section 1350 et seq., to which the Property, or any part thereof, belongs. Should the City or any owner, lessee or tenant bring an action to enforce any of the terms of this Covenant and Agreement, the prevailing party shall be entitled to costs of suit including reasonable attorneys' fees.

7. Subject to the prior written approval of the City by its Public Works Director, and subject to the written agreement of Declarant, any provision contained herein may be terminated, modified or amended as to all of the Property or any portion thereof. No such termination, modification or amendment shall be effective until there shall have been executed, acknowledged and recorded in the Office of the Recorder of Riverside County, California, an appropriate instrument evidencing the same including the consent thereto by the City and Declarant.

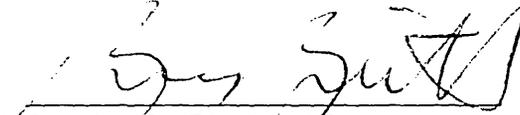


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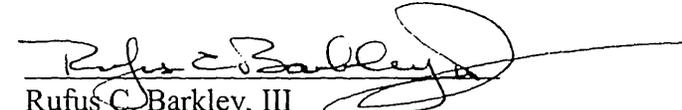
IN WITNESS WHEREOF, Declarant and City have caused this Covenant and Agreement to be executed as of the day and year first written above.

DECLARANT:

BIRTCHE RIVERSIDE MT. VERNON,
LLC, a California limited liability company

By: 
Brandon R. Birtcher, Manager AWH

HIGHLAND CORPORATE CENTER, LLC,
a California limited liability company

By: 
Rufus C. Barkley, III
Its: GENERAL MANAGER

By: 
Darrell Butler
Its: MANAGING MEMBER / GENERAL MANAGER

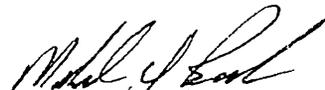
CITY:

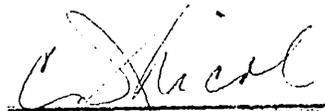
CITY OF RIVERSIDE, a California charter city
and municipal corporation

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:


Name Susan Wilson
Deputy City Attorney


Name Michael J. Beck
City Manager

Attest: 
City Clerk



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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Riverside }

On Dec. 11, 2007 before me, Hannah Dustin, Notary Public,
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Michael J. Beck and Colleen J. Nicol
Name(s) of Signer(s)

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.

Place Notary Seal Above

Signature Hannah Dustin
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Covenant and Agreement and Declaration for Birtcher Center

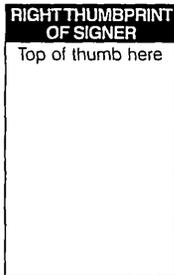
Document Date: November 9, 2007 Number of Pages: 19 including this page

Signer(s) Other Than Named Above: Brandon Birtcher, Rufus Barkley III, Darrell Butler, Susan Wilson

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



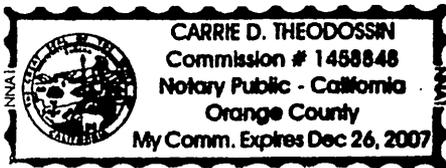
Signer Is Representing: _____



STATE OF CALIFORNIA)
)ss
COUNTY OF RIVERSIDE)

On November 8, 2007, before me, Carrie D. Theodossin, the undersigned, a notary public in and for said State, personally appeared Brandon R. Butler 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.



[Handwritten Signature]
Notary Signature

STATE OF CALIFORNIA)
)ss
COUNTY OF RIVERSIDE)

On November 9, 2007, before me, Melissa Shaw, the undersigned, a notary public in and for said State, personally appeared Rufus C. Backus & Darrell A. Butler 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.



[Handwritten Signature]
Notary Signature



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EXHIBIT "A"

LEGAL DESCRIPTION AND MAP OF PROPERTY

PARCEL "A":

PARCEL "A" OF LOT LINE ADJUSTMENT NO. P05-0776, RECORDED MARCH 3, 2006 AS INSTRUMENT NO. 156950 AND CORRECTED BY DOCUMENT RECORDED MARCH 24, 2006 AS INSTRUMENT NO. 2006-0209524, BOTH OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

THAT PORTION OF LOTS 12 AND 13, OF VIVIENDA RANCH, IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 2, PAGE 39, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A NAIL & WASHER STAMPED "RIVERSIDE SURVEYOR, NW CORNER SEC. 16" AT THE INTERSECTION OF THE CENTERLINE OF PALMYRITA AVENUE WITH THE CENTERLINE OF MOUNT VERNON AVENUE, SAID BEGINNING BEING ACCEPTED AS THE NORTHWEST CORNER OF SECTION 16 TOWNSHIP 2, SOUTH, RANGE 4, WEST, SAN BERNARDINO MERIDIAN, THENCE FROM SAID SECTION CORNER; SOUTH 89°54'44" EAST ALONG THE AFORE MENTIONED CENTERLINE OF PALMYRITA AVENUE, 82.80 FEET; THENCE SOUTH 35°24'16" WEST, 107.69 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 00°08'09" EAST, 561.51 FEET; THENCE SOUTH 89°51'51" WEST, 327.61 FEET; THENCE SOUTH 68°47'10" WEST, 30.46 FEET; THENCE NORTH 21°12'50" WEST, 74.43 FEET TO THE MOST NORTHERLY CORNER OF AFORE MENTIONED LOT 12; THENCE CONTINUING, ALONG WESTERLY LINE OF LOT 13 THE FOLLOWING DESCRIBED COURSES: NORTH 00°13'44" WEST, 170.17 FEET; NORTH 34°04'16" EAST, 97.15 FEET; NORTH 61°34'16" EAST, 248.15 FEET; NORTH 40°06'16" EAST, 135.00 FEET; NORTH 35°24'16" EAST, 39.13 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 3.41 ACRES MORE OR LESS

PARCEL "B":

PARCEL "B" OF LOT LINE ADJUSTMENT NO. P05-0776, RECORDED MARCH 3, 2006 AS INSTRUMENT NO. 156950 AND CORRECTED BY DOCUMENT RECORDED MARCH 24, 2006 AS INSTRUMENT NO. 2006-0209524, BOTH OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

THAT PORTION OF LOTS 11, 12 AND 13, OF VIVIENDA RANCH, IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP FILED IN MAP BOOK 2, PAGE 39, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH AND LOTS 15 & 16 IN SECTION 17, TOWNSHIP 2 SOUTH, RANGE 4 WEST, AS SHOWN ON MAP OF EAST RIVERSIDE LAND COMPANY FILED IN MAP BOOK 6, PAGE 44 IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A NAIL & WASHER STAMPED "RIVERSIDE SURVEYOR, NW CORNER SEC. 16" AT THE INTERSECTION OF THE CENTERLINE OF PALMYRITA AVENUE WITH THE CENTERLINE OF MOUNT VERNON AVENUE, SAID BEGINNING BEING ACCEPTED AS THE NORTHWEST CORNER OF SECTION 16 TOWNSHIP 2, SOUTH, RANGE 4, WEST, SAN BERNARDINO MERIDIAN, THENCE FROM SAID SECTION CORNER; SOUTH 89°54'44" EAST ALONG THE AFORE MENTIONED

CENTERLINE OF PALMYRITA AVENUE, 82.80 FEET; THENCE SOUTH 35°24'16" WEST, 107.69 FEET; THENCE SOUTH 00°08'09" EAST, 561.51 FEET TO THE TRUE POINT OF BEGINNING;



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THENCE SOUTH 89°51'51" WEST, 327.61 FEET; THENCE SOUTH 68°47'10" WEST, 30.46 FEET; THENCE NORTH 21°12'50" WEST, 74.43 FEET TO THE MOST NORTHERLY CORNER OF AFORE MENTIONED LOT 12; THENCE CONTINUING, ALONG WESTERLY LINE OF LOT 12 THE FOLLOWING DESCRIBED COURSES: SOUTH 68°43'16" WEST, 180.00 FEET; NORTH 88°27'44" WEST, 120.00 FEET; SOUTH 56°06'16" WEST, 59.40 FEET; SOUTH 43°45'16" WEST, 137.00 FEET; SOUTH 24°20'16" WEST, 235.00 FEET; SOUTH 32°40'16" WEST, 100.00 FEET; SOUTH 49°31'16" WEST, 290.00 FEET; SOUTH 43°01'16" WEST, 385.00 FEET; SOUTH 27°01'16" WEST, 100.00 FEET; SOUTH 12°20'16" WEST, 100.00 FEET; SOUTH 80°01'44" EAST, 52.00 FEET TO THE MOST SOUTHERLY CORNER OF SAID LOT 12, THENCE CONTINUING ALONG THE SOUTHERLY LINE OF SAID LOT 12 THE FOLLOWING DESCRIBED COURSES: NORTH 36°51'16" EAST, 90.00 FEET; NORTH 64°24'16" EAST, 150.00 FEET; NORTH 22°56'16" EAST, 100.00 FEET; NORTH 40°04'16" EAST, 200.00 FEET; NORTH 56°16'16" EAST, 47.45 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID LOT 15; THENCE ALONG THE SOUTHERLY LINES OF SAID LOTS 15 & 16, SOUTH 89°28'43" EAST, 935.44 FEET TO THE MOST EASTERLY CORNER OF SAID LOT 16; THENCE SOUTH 89°37'08" EAST, 134.16 FEET; THENCE NORTH 00°08'09" WEST, 701.50 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 16.67 ACRES MORE OR LESS

PARCEL "C"

PARCEL "C" OF LOT LINE ADJUSTMENT NO. P05-0778, RECORDED MARCH 3, 2006 AS INSTRUMENT NO. 156952 AND CORRECTED BY DOCUMENT RECORDED MARCH 24, 2006 AS INSTRUMENT NO. 2006-0209526, BOTH OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:
THOSE PORTIONS OF PARCEL "C" OF LOT LINE ADJUSTMENT P05-0776 IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, RECORDED MARCH 24, 2006 AS INSTRUMENT NO. 2006-0209524 IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY AND PARCEL "A" OF LOT LINE ADJUSTMENT P05-0777 RECORDED MARCH 24, 2006 AS INSTRUMENT NO. 2006-0209525 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A NAIL & WASHER STAMPED "RIVERSIDE SURVEYOR, NW CORNER SEC. 16 AT THE INTERSECTION OF THE CENTERLINE OF PALMYRITA AVENUE WITH THE CENTERLINE OF MOUNT VERNON AVENUE, SAID BEGINNING BEING ACCEPTED AS THE NORTHWEST CORNER OF SECTION 16 TOWNSHIP 2, SOUTH, RANGE 4, WEST, SAN BERNARDINO MERIDIAN, THENCE FROM SAID SECTION CORNER; SOUTH 89°54'44" EAST ALONG THE AFORE MENTIONED CENTERLINE OF PALMYRITA AVENUE, 82.80 FEET; THENCE SOUTH 35°24'16" WEST, 107.69 FEET; THENCE SOUTH 00°08'09" EAST, 374.63 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 89°51'51" EAST, 1188.93 FEET; THENCE SOUTH 29°22'38" EAST, 1013.50 FEET; THENCE SOUTH 89°43'35" WEST, 776.68 FEET; THENCE NORTH 29°22'38" WEST, 417.44 FEET TO THE MOST EASTERLY CORNER OF PARCEL D OF SAID LOT LINE ADJUSTMENT P05-0776; THENCE ALONG THE BOUNDARY OF SAID PARCEL D THE FOLLOWING DESCRIBED COURSES: NORTH 29°22'38" WEST, 109.41 FEET; SOUTH 89°51'51" WEST, 575.17 FEET; NORTH 50°28'58" WEST, 97.16 FEET; THENCE LEAVING SAID NORTHERLY BOUNDARY OF PARCEL D, NORTH 00°08'09" WEST, 364.50 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 20.95 ACRES MORE OR LESS

PARCEL "D":

PARCEL "D" OF LOT LINE ADJUSTMENT NO. P05-0778, RECORDED MARCH 3, 2006 AS INSTRUMENT NO. 156952 AND CORRECTED BY DOCUMENT RECORDED MARCH 24, 2006 AS INSTRUMENT NO. 2006-0209526, BOTH OF OFFICIAL RECORDS OF RIVERSIDE COUNTY,

CALIFORNIA, DESCRIBED AS FOLLOWS:



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THOSE PORTIONS OF PARCEL "D" OF LOT LINE ADJUSTMENT P05-0776 IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, RECORDED MARCH 24, 2006 AS INSTRUMENT NO. 2006-0209524 IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY AND PARCEL "A" OF LOT LINE ADJUSTMENT P05-0777 RECORDED MARCH 24, 2006 AS INSTRUMENT NO. 2006-0209525 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A NAIL & WASHER STAMPED "RIVERSIDE SURVEYOR, NW CORNER SEC. 16 AT THE INTERSECTION OF THE CENTERLINE OF PALMYRITA AVENUE WITH THE CENTERLINE OF MOUNT VERNON AVENUE, SAID BEGINNING BEING ACCEPTED AS THE NORTHWEST CORNER OF SECTION 16 TOWNSHIP 2, SOUTH, RANGE 4, WEST, SAN BERNARDINO MERIDIAN, THENCE FROM SAID SECTION CORNER; SOUTH 89°54'44" EAST ALONG THE AFORE MENTIONED CENTERLINE OF PALMYRITA AVENUE, 82.80 FEET; THENCE SOUTH 35°24'16" WEST, 107.69 FEET; THENCE SOUTH 00°08'09" EAST, 739.13 FEET TO THE MOST NORTHERLY CORNER OF AFORE MENTIONED PARCEL "D", SAID CORNER BEING THE TRUE POINT OF BEGINNING; THENCE ALONG THE NORTHERLY LINE OF SAID PARCEL "D" THE FOLLOWING DESCRIBED COURSES: SOUTH 50°28'58" EAST, 97.16 FEET; NORTH 89°51'51" EAST, 575.17 FEET; SOUTH 29°22'38" EAST, 109.41 FEET TO THE MOST EASTERLY CORNER OF SAID PARCEL "D"; THENCE LEAVING SAID PARCEL "D" SOUTH 29°22'38" EAST, 417.44 FEET; THENCE NORTH 89°43'35" EAST, 372.03 FEET; THENCE SOUTH 00°29'40" WEST, 1342.85 FEET; THENCE SOUTH 89°21'32" WEST, 1291.80 FEET; THENCE NORTH 00°00'42" EAST, 768.05 FEET; THENCE NORTH 56°49'44" WEST, 96.18 FEET; THENCE NORTH 00°06'16" EAST, 425.00 FEET TO A POINT ON THE SOUTH LINE OF SAID PARCEL "D"; THENCE ALONG THE WEST LINE OF SAID PARCEL "D" NORTH 16°03'44" WEST, 110.69 FEET; THENCE SOUTH 89°37'08" EAST, 134.16 FEET; THENCE NORTH 00°08'09" WEST, 523.89 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 49.47 ACRES MORE OR LESS

APN: 257-050-003-4 and 257-050-004-5 and 257-050-006-7 and 257-050-008-9 and 257-100-001-6 and 257-100-005-0 and 257-100-006-1 and 257-100-009-4 and 257-100-010-4 and 257-110-001-7

PARCEL 1:

PARCEL B OF LOT LINE ADJUSTMENT NO. LL-P05-0777, RECORDED MARCH 24, 2006 AS INSTRUMENT NO. 2006-0209525 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 16, IN TOWNSHIP 2 SOUTH, RANGE 4 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, LYING NORTHWESTERLY OF LOT 13 OF VIVIENDA RANCH, AS SHOWN BY MAP FILED IN BOOK 2, PAGE 39, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

CONTAINING 0.11 ACRES MORE OR LESS

PARCEL 2:

PARCEL A OF LOT LINE ADJUSTMENT NO. LL-P05-0778, RECORDED MARCH 24, 2006 AS INSTRUMENT NO. 2006-0209526 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

THAT PORTION OF PARCEL "C" OF LOT LINE ADJUSTMENT P05-0776 IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, RECORDED MARCH 24, 2006 AS INSTRUMENT NO. 2006-0209524 IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:



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BEGINNING AT A NAIL AND WASHER STAMPED "RIVERSIDE SURVEYOR, NW CORNER SEC. 16 AT THE INTERSECTION OF THE CENTERLINE OF PALMYRITA AVENUE WITH THE CENTERLINE OF MOUNT VERNON AVENUE, SAID BEGINNING BEING ACCEPTED AS THE NORTHWEST CORNER OF SECTION 16 TOWNSHIP 2 SOUTH, RANGE 4 WEST, SAN BERNARDINO MERIDIAN, THENCE FROM SAID SECTION CORNER; SOUTH 89°54'44" EAST ALONG THE AFOREMENTIONED CENTERLINE OF PALMYRITA AVENUE, 82.80 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG THE AFOREMENTIONED CENTERLINE OF PALMYRITA AVENUE, SAID CENTERLINE ALSO BEING THE NORTH LINE OF SAID PARCEL "C", SOUTH 89°54'44" EAST, 561.06 FEET; THENCE SOUTH 00°05'17" WEST, 460.07 FEET; THENCE SOUTH 89°51'51" WEST, 621.85 FEET; THENCE NORTH 00°08'09" WEST, 374.63 FEET; THENCE NORTH 35°24'16" EAST, 107.69 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 6.53 ACRES MORE OR LESS

PARCEL 3:

PARCEL B OF LOT LINE ADJUSTMENT NO. LL-P05-0778, RECORDED MARCH 24, 2006 AS INSTRUMENT NO. 2006-0209526 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF PARCEL "C" OF LOT LINE ADJUSTMENT P05-0776 IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, RECORDED MARCH 24, 2006 AS INSTRUMENT NO. 2006-0209524 IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, AND PARCEL "A" OF LOT LINE ADJUSTMENT P05-0777 RECORDED MARCH 24, 2006 AS INSTRUMENT NO. 2006-0209525 IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A NAIL AND WASHER STAMPED "RIVERSIDE SURVEYOR, NW CORNER SEC. 16 AT THE INTERSECTION OF THE CENTERLINE OF PALMYRITA AVENUE WITH THE CENTERLINE OF MOUNT VERNON AVENUE, SAID BEGINNING BEING ACCEPTED AS THE NORTHWEST CORNER OF SECTION 16 TOWNSHIP 2 SOUTH, RANGE 4 WEST, SAN BERNARDINO MERIDIAN, THENCE FROM SAID SECTION CORNER; SOUTH 89°54'44" EAST ALONG THE AFOREMENTIONED CENTERLINE OF PALMYRITA AVENUE, 643.86 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG THE AFOREMENTIONED CENTERLINE OF PALMYRITA AVENUE, SAID CENTERLINE ALSO BEING THE NORTH LINE OF SAID PARCEL "C", SOUTH 89°54'44" EAST, 322.83 FEET; THENCE SOUTH 55°00'44" EAST, 174.73 FEET; THENCE SOUTH 79°35'44" EAST, 232.00 FEET; THENCE SOUTH 89°37'44" EAST, 266.00 FEET; THENCE NORTH 43°46'16" EAST, 185.42 FEET; THENCE SOUTH 42°10'44" EAST, 300.98 FEET; THENCE SOUTH 67°25'44" EAST, 177.70 FEET; THENCE NORTH 34°32'16" EAST, 93.50 FEET; THENCE NORTH 76°17'16" EAST, 104.65 FEET; THENCE NORTH 20°44'16" EAST, 210.92 FEET; THENCE SOUTH 89°54'44" EAST, 300.87 FEET; THENCE SOUTH 00°58'59" WEST, 1334.76 FEET; THENCE SOUTH 89°43'35" WEST, 898.40 FEET; THENCE NORTH 29°22'38" WEST, 1013.50 FEET; THENCE SOUTH 89°51'51" WEST, 567.08 FEET; THENCE NORTH 00°05'17" EAST, 460.07 FEET TO THE TRUE POINT OF BEGINNING.

CONTAINING 39.75 ACRES MORE OR LESS



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EXHIBIT "B"
ENCROACHMENT PERMIT



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ENCROACHMENT PERMIT

TO: Birtcher Development, LLC **PERMITTEE**
 18201 Von Karman, Suite 1170
 Irvine, California 92612

ATTN: Mr. Adam Hemmer
 Development Manager

PHONE:

| | |
|---------------------------|-------------------------|
| PERMIT NO.: 1417 | |
| DIVISION: Santa Ana | MILE: 427.6 |
| COUNTY: Los Angeles | R/W MAP NO.: 33-01- C&D |
| FIELD DIVISION: Southern | |
| PARCEL(S): 3-1915, 3-1996 | |

In compliance with your application dated October 12, 2006, and subject to the following, PERMISSION IS HEREBY GRANTED by the Department of Water Resources, **STATE**, for:

Street improvements to include curbs, gutters, storm drains, sewer lines, potable water lines, landscaping and utilities along Mount Vernon Avenue south of Palmyrita Avenue in the city of Riverside.

as shown on and constructed pursuant to the following described plan drawings, which are attached to and made a part of this Encroachment Permit:

See attached list

NOTICE PRIOR TO STARTING WORK: In accordance with standard provisions, provide notice at least 7 days prior to starting work to:

Linus A. Paulus, Senior Land Agent and Southern Field Division
 Department of Water Resources (661) 944-8500
 Division of Engineering
 Real Estate Branch, Encroachment Permits
 (800) 600-4397

CERTIFICATE OF INSURANCE (See Standard Provision No. 4):

- Is not required Is required During construction Continuously until permit is canceled or revoked

THE FOLLOWING ATTACHMENTS ARE INCLUDED AS PART OF THIS PERMIT: (Check applicable)

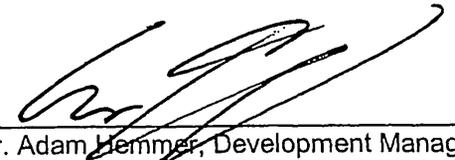
- Yes No Permit drawings listed on attached page
 Yes No Special Provisions (DWR 33B)
 Yes No Standard Provisions (DWR 33C)

State issued environmental clearance for the permitted work on July 18, 2007. This clearance does not alleviate Permittee's responsibilities relative to any environmental law. It is Permittee's legal responsibility to have all environmental permits/approval required to complete the project *prior to the initiation of construction*. Failure to comply with the requirements of CEQA, the State or federal Endangered Species Act, or any regulatory agency will void this clearance.

Environmental clearance expires one year from date of issue. Permittee shall request an extension of this environmental clearance from State sixty (60) days prior to the expiration date if permitted work will not be completed by the expiration date.

This permit is void unless the work is commenced before July 18, 2008.
 This permit is to be strictly construed and no other work other than specifically mentioned is hereby authorized.

Accepted:

Permittee: 
 Mr. Adam Hemmer, Development Manager
 Birtcher Development, LLC

Date: 10/02/07

Approved: State of California
 Department of Water Resources

Richard Sanchez, Chief
 Division of Engineering

Issued Date: _____

ENCROACHMENT PERMIT NO. 1417 PERMITTEES

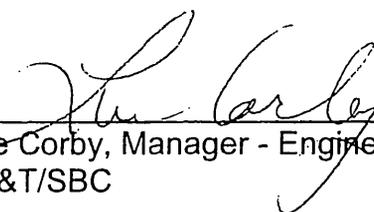


Adam Hemmer
Development Manager
Birtcher Development, LLC

Date: 10/02/07

Tom Boyd, Director - Engineering
Department of Public Works
City of Riverside

Date: _____



Lee Corby, Manager - Engineering
AT&T/SBC

Date: 8/8/07

N/A AWH 10/02/07

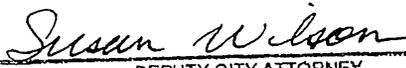
Stuart McKibben
Riverside County Flood Control and
Water Conservation District

Date: _____

Bill Mainord, Senior Electrical Engineer
Riverside Public Utilities
City of Riverside

Date: _____

APPROVED AS TO FORM



DEPUTY CITY ATTORNEY



Encroachment Permit 1417— Construction Drawings

As shown on and constructed pursuant to the following described plan drawings, which are attached to and made a part of this Encroachment Permit:

- Highland Corporation Park Sheet L-T sheet LC1 through LC4, Sheet LI-1 through L1-14, Sheet LP-1 through LP10, Sheet SP-1 and SP-2.
- Birtcher Center Mount Vernon Building A through F Sheet US-1
- Highland Corporation Center Site Plan Sheet FP-1 and Sheet FP1A
- Highland Corporation Center Pre use grading Plan Sheets 1 through 10 of 17
- Highland Corporation Center Erosion Control Plan Sheet 15 through 17 of 17
- Highland Corporation Center Private Storm Drain Plan Sheets 11 through 14 of 17
- Water Improvement Plans Sheets Street improvement Title t 1 through 3 of 3
- Sewer Improvement Plans Sheets 1 through 2 of 2



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SPECIAL PROVISIONS

Encroachment Permit No. 1417

1. An inspector from DWR shall be present during construction activities within DWR's Right of Way.
2. By signing the permit all utility companies are accepting future ownership and maintenance of their respective facilities installed by Birtcher Development, LLC and their contractors after construction.
3. Insurance is only required from Birtcher Development, LLC and their contractors for construction purposes and is therefore not a requirement of Riverside County or any other utility company listed on the attached signature page.
4. The State of California Department of Water Resources (DWR), by issuing Encroachment Permit No. 1417 (EP 1417), approves street improvements for access over future portions of Mount Vernon Avenue to be dedicated to the City of Riverside by Birtcher Riverside Mt. Vernon, LLC, a California limited liability company, and Highland Corporate Center, LLC, a California limited liability company, and their successors and assigns. PERMITTEE and DWR acknowledge that street improvements allowed under EP 1417 are subject to the provisions of the Final Order of Condemnation, Case No. 98 769 in Riverside County, dated September 21, 1971, which reserves "to the owner, their successors or assigns, the right to cross said easement and right of way with streets and roadways, subject, however, to prior written permission from State." Notwithstanding anything to the contrary set forth elsewhere in this EP 1417, the approval set forth herein shall constitute the permission of the State and DWR to construct the aforementioned street improvements, and no future revocation or modification of this EP 1417 shall revoke or modify such permission. PERMITTEE acknowledges that all other utilities and improvements installed within DWR right of way under Encroachment Permit No. 1417, including those beneath Mount Vernon Avenue, are not covered by reservation in the Final Order of Condemnation and are governed by the terms and conditions of EP 1417.



STANDARD PROVISIONS

Encroachment Permit 1417

1. Specific Purpose: This Encroachment Permit is to be strictly construed and no work, other than that specifically described herein, is authorized. Any reconstruction of, or additions or extensions to the permitted facility require an Encroachment Permit from State for such reconstruction of, or additions or extensions to the permitted facility.
2. Acceptance of Provisions: Permittee understands and agrees to acceptance of the provisions and all attachments to this Encroachment Permit, for any work to be performed under this Encroachment Permit.
3. Liability for Damages: The State of California and all officers and employees thereof shall not be answerable or accountable in any manner for injury to or death of any person, including but not limited to Permittee, persons employed by Permittee, or for damage to property from any cause. Permittee is responsible for all liability for personal injury or property damage which may arise out of work herein permitted including its operation, maintenance and use, or which may arise out of failure on Permittee's part to perform its obligations under this Encroachment Permit. In the event any claim of such liability is made against the State of California, or any department, officer or employee thereof, Permittee shall defend, indemnify and hold each of them harmless from such claims, suits or actions of every name, kind and description brought for or on account of injuries to or death of any person, including but not limited to Permittee, persons employed by Permittee, persons acting in behalf of Permittee and the public, or damage to property resulting from the performance of work, use of permitted facilities, or other activity under the Encroachment Permit, or arising out of the failure on Permittee's part to perform its obligations under any permit in respect to maintenance or any other obligations, or resulting from defects or obstructions, or from any cause whatsoever during the progress of the work, or other activity or at any subsequent time work or other activity is being performed under the obligations provided by and contemplated by the Encroachment Permit, except as otherwise provided by statute. The duty of Permittee to indemnify and save harmless includes the duties to defend as set forth in Section 2778 of the Civil Code. Permittee waives any and all rights to any type of expressed or implied indemnity against the State, its officers, employees, and State contractors. It is the intent of the parties that Permittee will indemnify and hold harmless the State, its officers, employees, and State contractors, from any and all claims, suits or actions as set forth above regardless of the existence of degree of fault or negligence, whether active or passive, primary or secondary, on the part of State, Permittee, persons employed by Permittee, or acting on behalf of Permittee.
4. Insurance: If required, Permittee shall furnish to State a Certificate of Insurance, at the time the Encroachment Permit is signed and returned by Permittee, stating that there is liability insurance presently in effect for Permittee with bodily injury and property damage limits of not less than \$1,000,000 per occurrence. The Certificate of Insurance will provide:
 - a. That the insurer will not cancel the insured's coverage without 30 days' prior written notice to State.
 - b. That State, its officers, agents, employees and servants are included as additional insureds, but only insofar as the operations under this Encroachment Permit are concerned.
 - c. That State will not be responsible for any premiums or assessments on the policy.
 - d. That all work under this Encroachment Permit (referenced by Encroachment Permit number) is covered by the policy.

Permittee agrees that the bodily injury liability insurance herein provided for shall be in effect at all times during the period indicated on the cover sheet of this Encroachment Permit. In the event said insurance coverage expires at any time or times during the required period, Permittee agrees to provide at least thirty (30) days prior to said expiration date, a new Certificate of Insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the required period, or for a period of not less than one (1) year. In the event Permittee fails to keep in effect at all times insurance coverage as herein provided, State may, in addition to any other remedies it may have, terminate this Encroachment Permit upon the occurrence of such event.



5. Damage and Water Contamination Avoidance Warranty: Permittee shall exercise reasonable diligence and precaution in the construction, installation, maintenance and use of structures, appurtenances; equipment, and tools on the lands of State to avoid damage or injury to the right of way, facilities, or personnel of State and the public and to preclude interference with operations of State. No material capable of water pollution shall be stored or discharged by Permittee within the drainage areas or waters of State's facilities. Permittee shall use all diligence and caution to prevent contamination or pollution of the waters of the State aqueduct system.
6. Damage Repairs: Permittee will be liable for any damage to State's facilities as a result of the proposed construction and for any other damages, including power, irrigation, municipal and industrial water supply, and communication losses. If Permittee damages, injures or disturbs State's right of way or facilities, State may elect to do its own repairs. Repairs to any of Permittee's facilities covered by this Encroachment Permit which State considers necessary to prevent damage or nuisance to State's facilities may be done by State at Permittee's expense if Permittee fails to make such repairs within 10 days after receiving written notice to do so. In either case, all expenses of such repair including State's administrative costs shall be borne by Permittee, State may require a deposit sufficient to pay the estimated repair cost, and Permittee agrees by acceptance of this Encroachment Permit to furnish such a deposit upon request.
7. Conflicting Encroachments: Permittee shall yield start of work to ongoing prior authorized work. When existing encroachments or installations may conflict with permitted facilities or work, Permittee is responsible for identifying and protecting said encroachments or installations unless other disposition has been authorized by the owning and operating entities.
8. Notice Prior to Starting Work: Before starting work Permittee shall notify State by contacting State's representative as shown on this Encroachment Permit's cover page, form DWR 33A, hereafter referred to as State's representative, and any other departmental employees designated. Such notice shall be given at least seven (7) days in advance of the date the work is to begin.
9. Keep Permit on the Work Site: During any period when any work is being pursued, this Encroachment Permit or a copy of the signed Encroachment Permit and the plans bearing the original DWR stamp with signature and date of DWR staff shall be kept at the site of the work and must be shown to any representative of State or any law enforcement officer on demand. It is a violation of Encroachment Permit conditions and work shall be suspended if the Encroachment Permit Package is not kept and available at the work site.
10. Permits From Other Agencies: This Encroachment Permit shall not obviate the need for any and all permits or approval required by law, whether from the Public Utilities Commission of the State of California (PUC), California Department of Fish and Game, California Occupational Safety and Health Administration (CAL-OSHA), or any other public agency having jurisdiction.
11. Public Safety: Permittee shall furnish, erect and maintain such fences, barriers, lights and signs and provide such flagmen and guards as are necessary to give adequate warning to the public of the construction of the encroachment and of any dangerous condition to be encountered as a result thereof.
12. Access Gates and Fencing: Alteration of State's fencing is permitted only as specifically described in this Encroachment Permit or as directed by State's Representative. All gates installed in State's right of way fencing as a means of access to Permittee's encroachment shall be constructed of materials and to standards at least equal to those of the existing fence. Before cutting the fence, Permittee shall install braces and additional posts, if necessary, on each side of the gate opening and shall anchor the fence to maintain tension in the wires. Such gates shall be kept in good repair by Permittee. Gates shall be kept closed and locked except when in actual use. State will at all times be allowed full use of said gates and, at the request of State's representative, will be allowed to place its locks in the chains securing the gates.
13. Hazardous Substances: Permittee agrees that it will comply with all laws, including Federal, State, or local, existing during the term of this Encroachment Permit pertaining to the use, storage, transportation and disposal of any hazardous substance as that term is defined in such applicable laws. In the event State or any other State agencies, officials, employees, agents or successors should incur any liability, cost or expense, including attorneys' fees and costs, as a result of Permittee's use, storage, transportation or disposal of any hazardous substance, including any



- petroleum derivative, Permittee shall indemnify, defend and hold harmless any of these entities or individuals against such liability. Where Permittee is found to be in breach of this provision due, for example, to the issuance of a government order directing Permittee to cease and desist any illegal action in connection with a hazardous substance, or to remediate a contaminated condition caused by Permittee or any person acting under Permittee's direction, control and authority, Permittee shall be responsible for all costs and expenses of complying with such order including any and all expenses imposed on or incurred by State in connection with or in response to such government order.
14. Public Utilities Commission Orders: All clearances and types of construction shall be in accordance with the applicable orders of the Public Utilities Commission of the State of California, unless otherwise modified herein or unless more restrictive provisions are required by County Ordinance.
 15. Maintenance: Permittee shall operate and maintain properly any encroachment on State's right of way, make certain any encroachment is not damaging State's right of way or facilities, and immediately repair and make good any injury to any of State's improvements which occur as a result of the work done under this Encroachment Permit, including any and all injury to State's facilities which would not have occurred had such work not been done or such encroachment not been placed therein.
 16. Notice to State for Maintenance: Permittee will notify State's representative before entering State's right of way to do maintenance work. When entry is required for routine inspection maintenance activities, adequate notice may be a telephone call or a formal written communication at the discretion of State's representative. Permittee may enter without notice for emergency repair or maintenance purposes, but shall notify State's representative within 24 hours of entry. Maintenance requiring alteration of Permittee's facilities, tunneling or excavation requires State's prior written approval.
 17. Clean Up Right of Way: All trash, including waste food, must be removed from the work site at the end of the work day/night. Upon completion of the work, or maintenance or removal thereof, all waste material and debris shall be entirely removed from the work site and the site left in as presentable a condition as before the work started. All chemical spills must be cleaned up immediately and reported as soon as possible.
 18. Archaeological: Should any archaeological resources be revealed in State's right of way Permittee is responsible for notifying State's Representative immediately, ceasing work and retaining a qualified archaeologist who shall evaluate the archaeological site and make recommendations to State's representative regarding the continuance of work.
 19. Facilities Subject to Damage, Destruction, and Removal Without Compensation: The facilities or structures installed under this Encroachment Permit are subject to interruption, damage, destruction or removal at any time by State without compensation or liability in exercising any and all State's property rights or otherwise responding to public needs, and shall be subsequently reconstructed or restored at Permittee's expense. Permittee agrees to reimburse State for all extra costs of work performed to remove, dismantle, or destroy facilities or structures interfering with the exercise of State's rights. This Encroachment Permit grants no rights or warranty as to the availability or suitability of the land or State's rights therein for the facilities installed under this Encroachment Permit.
 20. Supervision of State: All the work shall be done subject to the supervision of, and to the satisfaction of State, however, neither the supervision nor lack of supervision of the work by State will relieve Permittee of any obligations under the provision above entitled "Liability for Damage." State may, but is not required to; inspect any work performed under this Encroachment Permit. Equipment and Material storage in State right of way shall be at the direction of State's Field Division personnel.
 21. Reimbursement of Costs: Permittee shall pay State for all reasonable time spent in reviewing plans, testing, issuing Encroachment Permits, inspecting Permittee's work performed in, along, under or near State's right of way, or ensuring compliance of the terms and conditions of this Encroachment Permit. On work which requires the presence of an employee of State as inspector, the salary, traveling and per diem expenses and other incidental expense of such inspection during the work shall be paid by Permittee upon presentation of a bill therefore.
 22. Cost of Work: Unless stated in the Encroachment Permit, or separate written agreement, all costs incurred for work within State's rights of way pursuant to this Encroachment Permit shall be borne entirely by Permittee. Permittee hereby waives all claims for indemnification or contribution from State for any such work.



23. Submit As-Built Plans: Upon completion of all work within State's right of way, including any future construction or reconstruction, Permittee shall furnish reproducible as-built drawings to State's representative showing location and details of construction. Failure to submit as-built plans within sixty (60) days of completion may result in written notice of revocation as provided for under Provision 25 of this Encroachment Permit.
24. Future Moving of Installations: Permittee shall, on receipt of notice to do so and within 90 days unless otherwise approved by State, alter or remove at the sole expense of Permittee any property or structures covered by this Encroachment Permit, to such extent as may be necessary to avoid or eliminate interference with any facilities or structures now constructed or to be constructed by State, or with any operations of State, or with any use by State of the land affected hereby. Should Permittee fail to alter or remove the property or structures covered by this Encroachment Permit, and restore State's right of way and facilities to their condition prior to issuance of this Encroachment Permit, State will perform such work or have the work performed, and Permittee agrees to reimburse State for all costs of the work so performed including attorney's fees.
25. Termination, Revocation and Modification of Permit: This Encroachment Permit shall be revocable by State upon ten days' written notice to Permittee unless otherwise stated on the Encroachment Permit, and except as provided by law for public corporations, franchise holders, and utilities. Permittee's joint use agreements, franchise rights, reserved rights, or any other agreements for operating purposes in rights of way are an exception to this revocation. In the event that Permittee abandons the use of said facilities for a period of one year, or fails, neglects or refuses to comply with any of the conditions herein contained, or in the event that this Encroachment Permit is revoked, all rights of Permittee hereunder shall cease and terminate. Encroachment Permit provisions are subject to modification or abrogation at any time.
26. Future Construction or Reconstruction: Plans for any future construction or reconstruction within the permitted area shall be submitted to the State Department of Water Resources for review and approval of the affect of the construction or reconstruction on Permittee's facilities. Such approval may be withheld for any reason.
27. No Precedent Established: This Encroachment Permit is issued with the understanding that it does not establish a precedent.
28. Captions: This Encroachment Permit shall be construed as a whole and, in accordance with its fair meaning, the captions being for the convenience of the parties only, and not intended to describe or define the provisions in the portions of the Encroachment Permit to which they pertain.
29. Permits for Record Purposes Only: When work in rights of way is within an area under a Joint Use Agreement (JUA) or a Consent to Common Use Agreement (CCUA), this Encroachment Permit will be issued to Permittee for the purpose of providing a notice and record of work. All prior rights of Encroachment Permittee shall be preserved, no new or different rights or obligations are intended to be created.
30. Assignments Not Permitted: No right or interest included in said Encroachment Permit shall pass by assignment by Permittee without written permission from State, except upon dedication and/or acceptance for operation and maintenance by a public utility or municipality. No party other than Permittee or Permittee's authorized agent is allowed to work under this Encroachment Permit.
31. No Third Party Beneficiaries: This Encroachment Permit is made solely for the benefit of Permittee and is not made for the benefit of any person, firm, association, corporation or public entity not a party hereto, and no person, firm, association, corporation or public entity other than Permittee shall have any right to enforce this Encroachment Permit under California Civil Code Section 1559 or otherwise.

Upon abandonment or termination, or if required by Encroachment Permit modification, Permittee shall remove all facilities installed pursuant to this Encroachment Permit, or make any alterations required by Encroachment Permit modification, and restore right of way to the condition prior to installation of facilities pursuant to this Encroachment Permit. All work to remove, alter, secure or restore required in this section shall be completed as soon as possible and at the sole expense of Permittee.

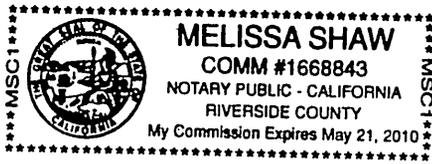


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STATE OF CALIFORNIA)
)ss
COUNTY OF RIVERSIDE)

On November 9, 2007, before me, Melissa Shaw, the undersigned, a notary public in and for said State, personally appeared Rufus C. Barkley & Darrell A. B. B. B. 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.

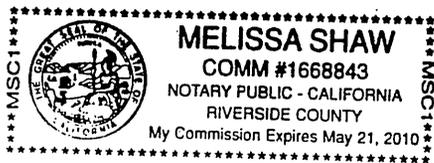


Melissa Shaw
Notary Signature

STATE OF CALIFORNIA)
)ss
COUNTY OF RIVERSIDE)

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WITNESS my hand and official seal.



Melissa Shaw
Notary Signature



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