

FIDELITY NATIONAL TITLE COMPANY
SUBDIVISION DEPARTMENT
RECORDING REQUESTED BY:

FIDELITY NATIONAL TITLE INSURANCE CO.

WHEN RECORDED MAIL TO:

CALIFORNIA STATE LANDS COMMISSION
100 HOWE AVENUE, SUITE 100 - SOUTH
SACRAMENTO, CA 95825-8202
ATTN: TITLE UNIT

Certified to be a true and correct
copy of Settlement Agreement
Recorded 12-27-04
As Instrument No. 2004-1217006
of Official Records of San Diego
County, California
By [Signature]
FIDELITY NATIONAL TITLE CO.

ORDER NO. ACCOMMODATION-JMG

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

File No. : AD 454

RENAISSANCE TERRACE TITLE SETTLEMENT AGREEMENT
(SAN LUIS REY RIVER)

THIS PAGE ADDED TO PROVIDE ADEQUATE SPACE FOR RECORDING INFORMATION
(ADDITIONAL RECORDING FEE APPLIES)

FIDELITY NATIONAL TITLE INSURANCE COMPANY
HAS RECORDED THIS INSTRUMENT BY REQUEST AS
AN ACCOMMODATION ONLY AND HAS NOT EXAMINED
IT FOR REGULARITY AND SUFFICIENCY OR AS TO ITS
EFFECT UPON THE TITLE TO ANY REAL PROPERTY
THAT MAY BE DESCRIBED THEREIN.

**RENAISSANCE TERRACE TITLE SETTLEMENT AGREEMENT
(SAN LUIS REY RIVER)**

This Title Settlement Agreement (AGREEMENT), dated the 30th day of June 2003, is made and entered into among the City of Oceanside (CITY), as trustee of sovereign property rights pursuant to Chapter 846, Statutes of 1979, the State of California (STATE), acting by and through the California State Lands Commission (CSLC), and CH Oceanside, LLC, a Delaware limited liability company, (CONCORDIA) collectively referred to as the PARTIES.

RECITALS:

- A. The land involved in this AGREEMENT, which is more particularly described in its entirety in Exhibit "A" and includes the land described in both Exhibits "C" and "D", is referred to as SUBJECT PROPERTY and is situated in the City of Oceanside, San Diego County.
- B. The STATE, upon being admitted to the Union in 1850, and by virtue of its sovereignty, received fee title to all lands lying within its navigable and tidal waterways to their ordinary high water mark (OHWM).
- C. The California Legislature by Chapter 846, Statutes of 1979 granted certain sovereign property rights including "the sovereign interests of the State of California in lagoons, estuaries and rivers within the city limits of the City of Oceanside."

- D. Section 13 of Chapter 846 authorizes the CITY to (a) establish the boundaries of the sovereign interests by agreement or (b) exchange certain sovereign interests under certain limited circumstances, both subject to the approval of the CSLC.
- E. The CITY and STATE contend that the San Luis Rey River, as it flows along or through the SUBJECT PROPERTY, was at times a tidal and at other times a navigable non-tidal waterway, subject to the public trust for commerce, navigation, fisheries, recreation and conservation of natural resources.
- F. CONCORDIA contends that the San Luis Rey River, as it flows along or through the SUBJECT PROPERTY, is not now and never was a tidal or navigable waterway, for land title purposes.
- G. The staff of the CSLC has conducted an extensive study and investigation of the area within and adjacent to the SUBJECT PROPERTY and has examined historical maps, aerial photos, hydrological data, and other evidence concerning such area, in an effort to determine the location of the OHWM of the bed of the San Luis Rey River.
- H. The staff of the CSLC has reviewed surveys and maps prepared by CONCORDIA of the San Luis Rey River along or through the SUBJECT PROPERTY.
- I. On the basis of the CSLC staff study, examination, and analysis the STATE and CITY assert a claim of sovereign fee title ownership in and to lands which include portions of the SUBJECT PROPERTY and assert that such lands are subject to the public trust for commerce, navigation, fisheries, recreation and conservation of natural resources.

- J. In the area involved in this AGREEMENT, the San Luis Rey River has been affected by human activities which had a direct impact upon, among other characteristics, the River's location, velocity and volume of flow, seasonal flow patterns, and sediment transport and deposition. An example of the direct artificial influences is the impoundment and diversion of water for the construction of Interstate 5. Consequently the OHWM in this area along or through the SUBJECT PROPERTY is no longer reflective of the natural conditions.
- K. Uncertainty exists as to the precise location of the OHWM of the San Luis Rey riverbed before the flows were controlled and artificial influences affected the river.
- L. There is a *bona fide* dispute between the CITY and STATE, on the one hand, and CONCORDIA, on the other, as to the existence, extent, nature and location of their respective rights, titles and interests in the SUBJECT PROPERTY.
- M. A judicial resolution of the PARTIES' rights, titles and interests in the SUBJECT PROPERTY would require costly, protracted, and vigorously disputed litigation with uncertain results.
- N. The PARTIES consider it expedient and necessary and in the best interests of the CITY, STATE, the public, and CONCORDIA to resolve this title dispute by compromise settlement, thereby avoiding the anticipated substantial costs, time requirements, and uncertainties of litigation.
- O. Pursuant to Government Code Section 66412(e), provisions of the Subdivision Map Act do not apply to title settlement agreements to which the CSLC is a party.

- P. This AGREEMENT provides for resolution of property interest claims by the PARTIES in the SUBJECT PROPERTY by an exchange of interest claims on either side of an Agreed Common Boundary (as described in Exhibit "E"), pursuant to which (1) CITY, as trustee for the State and STATE will convey to CONCORDIA any and all of their right title and interest, including claims of any public trust interest in those lands described in Exhibit "C" and (2) CONCORDIA convey to CITY as trustee for the STATE, all of Concordia's right, title and interest in those lands described in Exhibit "D".

AGREEMENT EXHIBITS

- A. Description of SUBJECT PROPERTY.
- B. Map of the area -- depicting the location of the parcels involved in this AGREEMENT.
- C. Description of Upland Parcel to be quitclaimed by CITY and STATE to CONCORDIA.
- D. Description of River Parcel to be quitclaimed by CONCORDIA to CITY as trustee for the STATE.
- E. Description of Agreed Common Boundary Line.

AGREEMENT

NOW, THEREFORE in consideration of the covenants, conditions, and terms contained in this AGREEMENT, and other consideration, and adequacy and receipt of which are acknowledged, the PARTIES mutually agree as follows:

Article 1. CONVEYANCES

1.1 Upon the recordation of this AGREEMENT, the line described in Exhibit "E" shall constitute a fixed boundary separating the upland ownership of CONCORDIA free and clear of any sovereign interest of the CITY or STATE

1.2 CITY and STATE remise, release and quitclaim any and all of their right title and interest, including public trust interests, in the lands described in Exhibit "C" (UPLAND PARCEL) to CONCORDIA.

1.3 CONCORDIA remises, releases and quitclaims any and all of its right, title and interest to those lands described in Exhibit "D" (RIVER PARCEL) to CITY, as trustee for the STATE, to be held pursuant to Chapter 846, Statutes of 1979.

Article 2. SETTLEMENT AND TRUST TERMINATION

2.1 This AGREEMENT is a settlement of and is intended to settle all differences among the PARTIES relating to their respective title interests in the SUBJECT PROPERTY. It is intended as a settlement of any and all sovereign interests

or claims, known or unknown, which the CITY and STATE may have against CONCORDIA concerning the SUBJECT PROPERTY. This AGREEMENT is also a settlement of any and all rights, interests, or claims, known or unknown, which CONCORDIA may have against the STATE concerning the San Luis Rey River at the SUBJECT PROPERTY.

2.2 STATE AND CONCORDIA acknowledge that they are familiar with and expressly waive any and all rights that might be claimed with respect to title issues in the SUBJECT PROPERTY, by reason of section 1542 of the Civil Code of California or any similar law of the United States or any other state. California Civil Code section 1542 provides:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

2.3 The provisions of this AGREEMENT and the exchange of interests by the parties represent compromise and settlement of the respective claims of the PARTIES regarding the SUBJECT PROPERTY. In the event that this AGREEMENT fails to become effective or is determined to be null and void or invalid, nothing in this AGREEMENT shall constitute, be deemed to be, or be used by any of the PARTIES as an admission in any proceeding, whether judicial or otherwise, to evidence the location, character, condition, or legal status of any of the lands covered under this AGREEMENT or any interest in the lands which are the subject of this AGREEMENT, or the belief, knowledge, or intents of any of the PARTIES with respect thereto.

2.4 Nothing contained in this AGREEMENT shall constitute, be deemed to be, or be used by any of the PARTIES or any third party as an admission of the location of the San Luis Rey River abutting any other lands of any party. The execution of this AGREEMENT, and any related documents, shall not prejudice in any way nor have any effect upon the rights or interests of any party as to any lands not covered by this AGREEMENT.

2.5 The California State Lands Commission, effective upon execution and recordation of this AGREEMENT, finds and declares that:

a) The lands to be conveyed to the CITY, as trustee for the STATE, are to be accepted as public trust lands for the benefit of the people of the State of California and any land so acquired shall have the same status regarding their administration, control, and disposition as the lands for which they were exchanged;

b) Those portions of the SUBJECT PROPERTY referred to herein as the Upland Parcel and described in Exhibit "C":

[1] Have never been or no longer are within the active channels of the San Luis Rey River;

[2] Have been filled and reclaimed;

[3] No longer are available or useful or susceptible of being used for navigation and fishing;

[4] No longer are in fact tidelands or submerged lands; and

[5] Are free from the public trust for commerce, navigation and fisheries.

c) This AGREEMENT is in the best interest of the STATE for protection and preservation of the sovereign public trust lands in the San Luis Rey River.

d) The value of sovereign interests in the portion of the SUBJECT PROPERTY referred to as the Upland Parcel and described in Exhibit "C" is less than or equal to the value of the private property interests acquired in the River Parcel described in Exhibit "D".

e) This AGREEMENT is in the best interest of the people of California.

f) This AGREEMENT is in settlement of a title dispute and therefore is exempt from the California Environmental Quality Act pursuant to Public Resources Code Section 21080.11 and the Subdivision Map Act pursuant to Government Code Section 66412 (e).

Article 3. ESCROW

3.1 The PARTIES agree to open an escrow with Fidelity National Title Company (Escrow Agent) for the purpose of consummating this transaction. The escrow fee shall be paid by CONCORDIA. The PARTIES agree to deposit fully executed counterparts of this Agreement as the opening of escrow as soon as possible following signature. The PARTIES shall each bear their own costs of title insurance.

3.2 Additional supplementary or amendatory escrow instructions may be provided as agreed upon in writing by the PARTIES.

3.3 Upon receipt of this AGREEMENT executed by the PARTIES, Escrow Agent is authorized to detach the signature pages and certificates of acknowledgment

or attestations from any counterpart of this AGREEMENT without impairing the legal effect of any signatures and to attach them to other counterparts of this AGREEMENT identical in form, thus forming complete copies.

3.4 Upon opening of escrow, Escrow Agent shall immediately provide preliminary title reports (with copies of all recorded exceptions and plotted easements) to the parties and a separate draft "proforma" policy for the Upland Parcel and the River Parcel.

3.5 Closing for this AGREEMENT shall not occur until the PARTIES or their counsel deposit in escrow an approval of the provisions and form of their respective title insurance policies, which is anticipated to be accomplished within twenty (20) days of receipt of the preliminary title reports and "proforma" policies.

3.6 When all of the deposits and other conditions set forth in the preceding sections have occurred, the Escrow Agent shall forthwith notify CITY, STATE and CONCORDIA of its intention to record this AGREEMENT and related documents and its setting of a date certain (Recordation Date). At 8:00 a.m., or at the earliest time possible, on the Recordation Date, Escrow Agent shall record this AGREEMENT and the deeds, if any, provided for in this AGREEMENT in the Official Records of the County of San Diego, California.

3.7 If closing has not occurred on or before ninety (90) days from the date escrow is opened, the escrow shall be terminated and the provisions of this AGREEMENT shall be null and void. One of the PARTIES to this AGREEMENT shall have the right to extend the closing of this escrow for a period of up to ninety (90) days

by giving written notice to the other PARTIES. Any extensions beyond this single extension shall only be by agreement of all PARTIES in writing.

Article 4. **MISCELLANEOUS PROVISIONS**

4.1 There is reserved by CONCORDIA, as part of the property rights attached to their lands, any and all riparian rights and surface drainage rights enjoyed on the SUBJECT PROPERTY which existed prior to this AGREEMENT, it being the express intention of the PARTIES that any and all such riparian rights which may exist shall be preserved to CONCORDIA, and shall not be lost to the UPLAND PARCEL, notwithstanding the fact that the physical contiguity of the UPLAND PARCEL to the source of water may be severed as a result of the conveyance effected by this AGREEMENT.

4.2 Each of the PARTIES will do such further acts and execute, acknowledge, and deliver such further documents as may be necessary to effect the provisions of this AGREEMENT.

4.3 This AGREEMENT may be executed in any number of counterparts, and each executed counterpart shall have the same force and effect as an original instrument and as if all of the PARTIES to the aggregate counterparts had signed the same instrument. Signature pages and certificates of acknowledgment or attestations may be detached from any counterpart of this AGREEMENT without impairing the legal effect of any signatures and may be attached to other counterparts of this AGREEMENT identical in form, thus forming complete copies.

4.4 The terms, provisions, and conditions of this AGREEMENT shall be binding upon and inure to the benefit of the PARTIES and their heirs, transferees, successors, and assigns.

4.5 This AGREEMENT and all actions required to effectuate this AGREEMENT are exempt from the provisions of the Subdivision Map Act (Gov. Code Section 66412 (e) and the California Environmental Quality Act (Public Resources Code Section 2108.11).

4.6 The following Exhibits to this AGREEMENT are incorporated herein by reference:

- A. Description of SUBJECT PROPERTY
- B. Map of the area -- depicting the location of the parcels involved in this AGREEMENT.
- C. Description of Upland Parcel to be quitclaimed by CITY and STATE to CONCORDIA.
- D. Description of River Parcel to be quitclaimed by CONCORDIA to CITY as trustee for the STATE.
- E. Description of Agreed Common Boundary Line.

4.7 This AGREEMENT shall become effective upon its execution by the PARTIES and its recordation, as provided herein.

4.8 The PARTIES shall bear their own attorneys' fees and costs with respect to this AGREEMENT, except that should an action be instituted to interpret or enforce the provisions of this AGREEMENT, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs of such litigation.

4.9 This AGREEMENT shall be governed by, and interpreted according to, the laws of the State of California.

4.10 Any action to interpret or enforce this AGREEMENT shall be brought in the County of San Diego, California.

4.11 No amendment, modification or alteration of this AGREEMENT shall be valid unless it is in writing and signed by all the PARTIES.

4.12 All notices required or permitted to be given to a party by the provisions of this AGREEMENT shall be deemed to have been given forty-eight (48) hours after the notice is deposited in the United States mail as registered or certified mail, with postage thereon fully prepaid, addressed to that party at its address set forth below. Any notice given in any other fashion shall be deemed to have been given when actually received by the addressee. Any party may change its address by giving written notice to all other parties in the above manner. The addresses of the PARTIES are as follows:

(1) The STATE:

California State Lands Commission
100 Howe Avenue, Suite 100 - South
Sacramento, CA 95825 - 8202
Attn: Curtis L. Fossum
Senior Staff Counsel

With copy to:

Office of Attorney General
300 South Spring Street
Los Angeles, CA 90013
Attn: Alan Hager
Deputy Attorney General

(2) The CITY

City of Oceanside
300 N. Coast Highway
Oceanside, CA 92054
Attn: City Manager

With Copy to:

Oceanside City Attorney
300 N. Coast Highway
Oceanside, CA 92054
Attn: Pam Walls

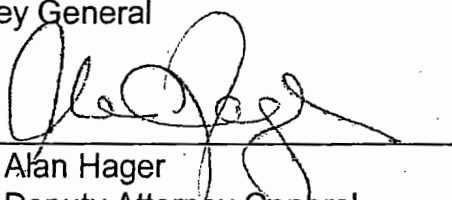
(3) CONCORDIA:

Concordia Homes
c/o CH Oceanside, LLC
1903 Wright Place, Suite 120
Carlsbad, CA 92008

With copy to:

Ronald W. Rouse, Esq.
Luce, Forward, Hamilton & Scripps LLP
11988 El Camino Real, Suite 200
San Diego, CA 92130

Approved as to form:
BILL LOCKYER
Attorney General

By: 

Alan Hager
Deputy Attorney General

IN WITNESS WHEREOF, the PARTIES to this Agreement have caused it to be executed

DATED: Nov 17, 04

STATE OF CALIFORNIA
Acting by and through the
CALIFORNIA STATE LANDS COMMISSION

By: 

Paul D. Thayer
Executive Officer

PLEASE ATTACH ACKNOWLEDGEMENT OF SIGNATURE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

State of California)
)
County of Sacramento) ss.

On November 16, 2004, before me, Grace M. Kato, Notary Public,
personally appeared Paul D. Thayer,

- ☒ 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.



Grace M. Kato
Signature of Notary Public

(SEAL)

OPTIONAL

Though law does not require the information below, 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:

Instructions to the County Recorder of San Diego County

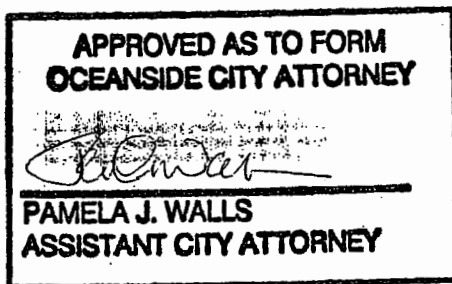
Document Date: November 12, 2004

Number of Pages: 29

DATED: 10-28-04

CITY OF OCEANSIDE
as trustee of sovereign property
rights pursuant to Chapter 846,
Statutes of 1979

By: Larry W. Johnson



PLEASE ATTACH ACKNOWLEDGEMENT OF SIGNATURE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of

San Diego } ss.

On October 28, 2004 before me,

Date

Name and Title of Officer (e.g., "Jane Doe, Notary Public")

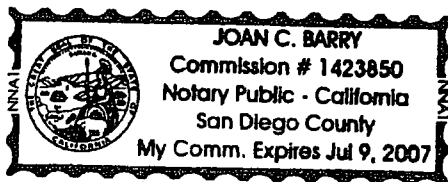
personally appeared

Terry W. Johnson
Name(s) of Signer(s)

☒ personally known to me

☐ 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.

Joan C. Barry
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:

Renaissance Terrace Title Settlement

Document Date:

Agreement 10-28-04

Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

☐ Individual

☒ Corporate Officer — Title(s):

Mayor

☐ Partner — ☐ Limited ☐ General

☐ Attorney-in-Fact

☐ Trustee

☐ Guardian or Conservator

☐ Other: _____

Signer Is Representing:

City of Oceanside, CA

RIGHT THUMBPRINT
OF SIGNER

Top of thumb here

CH Oceanside, LLC, a Delaware limited
liability company

DATED: July 26, 2004

By: Concordia Communities, LLC

Its: Manager

By: 
Don P. Underwood

Its: Manager

PLEASE ATTACH ACKNOWLEDGEMENTS OF SIGNATURES

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California)
)ss
County of San Diego)

On July 26, 2004, before me, Cathlynn E. Aguirre, personally appeared Don P. Underwood, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Cathleen E. Aguirre
Signature of Notary Public

OPTIONAL

Description of Documents:	Title Settlement and Exchange Agreement
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Document Date: July 26, 2004

Signer(s) Other Than Named Above: N/A

Signer is Representing: CH Oceanside, LLC
Concordia Communities, LLC

IN APPROVAL WHEREOF, I, ARNOLD SCHWARZENEGGER, Governor of the State of California, have set my hand and cause the Seal of the State of California to be hereunto affixed pursuant to Section 6107 of the Public Resources Code of the State of California. Given under my hand at the City of Sacramento, this 14th day of December, in the year of our Lord Two Thousand four.


ARNOLD SCHWARZENEGGER, Governor
STATE OF CALIFORNIA



Attest:

SECRETARY OF STATE

By Kevin Shelley

CERTIFICATE OF ACCEPTANCE AND CONSENT TO RECORDING
Government Code 27281

This is to certify that the CITY OF OCEANSIDE, as trustee of sovereign property interests of the State, pursuant to Chapter 846, Statutes of 1979 (CITY), hereby accepts the right, title and interest in real property conveyed by, and consents to the recording of the conveyances found on page 6 (paragraph 1.3) of the attached RENAISSANCE TERRACE TITLE SETTLEMENT AND EXCHANGE AGREEMENT AD 454, dated June 30, 2003.

The said interests in real property are accepted by the CITY in its TRUSTEE capacity on behalf of the People of California, as real property of the legal character of tidelands and submerged lands.

This acceptance and consent to recording is executed by and on behalf of the CITY, as trustee of the State, acting pursuant to law, as approved and authorized by the City of Oceanside Community Dev. Comm. of its public meeting on August 4, 2004, (26) by its duly authorized undersigned officer.

Dated: Oct. 18, 2004

CITY OF OCEANSIDE, Trustee

Pursuant to Chapter 846, Statutes of 1979.

By: Paula Siegel Wayne
City Clerk - City of Oceanside

PLEASE ATTACH ACKNOWLEDGEMENT OF SIGNATURE

EXHIBIT A
SUBJECT PROPERTY LEGAL DESCRIPTION

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

PARCEL 1:

THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 11 SOUTH, RANGE 5 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF OCEANSIDE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER; THENCE WEST ALONG THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER 370.00 FEET, MORE OR LESS, TO A POINT IN THE WEST RIGHT OF WAY LINE OF HILL STREET; THENCE NORTH ALONG SAID WEST RIGHT OF WAY LINE 710.48 FEET, MORE OR LESS, TO THE SOUTHEAST CORNER OF THE LANDS CONVEYED TO THE CALIFORNIA PETROLEUM CORPORATION, A CORPORATION, BY DEED DATED DECEMBER 20, 1926 AND RECORDED DECEMBER 20, 1926 AND RECORDED DECEMBER 23, 1926 IN BOOK 1315, PAGE 15 OF DEEDS; THENCE WEST ALONG THE SOUTH LINE OF THE LANDS SO CONVEYED 100.00 FEET; THENCE NORTH ALONG THE WEST LINE OF THE LANDS SO CONVEYED 90.72 FEET TO THE NORTHWEST CORNER OF THE LAND SO CONVEYED BEING THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH ALONG THE NORTHERLY PROLONGATION OF THE LAND SO CONVEYED 70.00 FEET; THENCE WEST ON A LINE PARALLEL WITH SAID SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER 400.0 FEET; THENCE SOUTH PARALLEL WITH SAID WESTERLY RIGHT OF WAY LINE OF HILL STREET 291.36 FEET; THENCE EAST PARALLEL WITH SAID SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER 175.00 FEET; THENCE NORTH PARALLEL WITH SAID WESTERLY LINE OF HILL STREET 221.36 FEET; THENCE EAST PARALLEL WITH SAID SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER 225.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 2:

THAT PORTION OF LOT 4 IN SECTION 22, TOWNSHIP 11 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE MERIDIAN, IN THE CITY OF OCEANSIDE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO UNITED STATE GOVERNMENT SURVEY APPROVED APRIL 5, 1881, LYING EASTERLY OF THE EASTERLY LINE OF THE 200 FOOT RIGHT OF WAY OF THE MAIN LINE OF THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY.

EXCEPTING THEREFROM THAT PORTION LYING WITHIN THE 100 FOOT STRIP CONVEYED TO THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, BY DEED RECORDED IN BOOK 594, PAGE 413 OF DEEDS.

ALSO EXCEPTING THEREFROM ALL THAT PORTION THEREOF INCLUDED WITHIN THE BOUNDARIES OF THE FOLLOWING DESCRIBED PROPERTY:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF RIVERSIDE DRIVE, AS SHOWN ON MAP NO. 1632 OF NORTH OCEANSIDE, WITH THE EASTERLY LINE OF THE 200 FOOT RIGHT OF WAY OF THE MAIN LINE OF THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, SAID INTERSECTION BEING ALSO THE BEGINNING OF A 1040.00 FOOT RADIUS CURVE CONCAVE NORTHERLY ON THE SOUTHERLY LINES OF SAID RIVERSIDE DRIVE, A RADIAL LINE TO SAID POINT BEARS SOUTH 23°48'00" WEST; THENCE SOUTHERLY AND EASTERLY 401.75 FEET ALONG SAID SOUTHERLY LINE AND ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22°08'00"; THENCE TANGENT TO SAID CURVE SOUTH 88°20'00" EAST 86.67 FEET; THENCE LEAVING SAID SOUTHERLY LINE SOUTH 12°35'45" EAST 240.98 FEET; THENCE SOUTH 53°32'12" WEST 487.67 FEET, MORE OR LESS, TO THE EASTERLY LINE OF SAID ATCHISON, TOPEKA AND SANTA FE RAILWAY; THENCE ALONG SAID EASTERLY LINE NORTH 12°30'00" WEST TO THE POINT OF BEGINNING.

EXHIBIT A
SUBJECT PROPERTY LEGAL DESCRIPTION

EXCEPTING THEREFROM THAT PORTION THEREOF CONDEMNED TO THE CITY OF OCEANSIDE IN FINAL ORDER OF CONDEMNATION RECORDED MAY 24, 1991 AS FILE NO. 91-02462 84 OF OFFICIAL RECORDS.

PARCEL 3:

THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 11 SOUTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF OCEANSIDE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO UNITED STATES GOVERNMENT SURVEY APPROVED APRIL 5, 1881, LYING WEST OF A LINE DRAWN PARALLEL WITH AND 870 FEET WEST, MEASURED AT RIGHT ANGLES, TO THE EAST LINE OF SAID NORTHEAST QUARTER OF THE SOUTHEAST QUARTER.

EXCEPTING THEREFROM THAT PORTION LYING WITHIN THE 100 FOOT STRIP CONVEYED TO THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, BY DEED RECORDED IN BOOK 594, PAGE 413 OF DEEDS.

ALSO EXCEPTING THEREFROM THAT PORTION THEREOF CONVEYED TO GEORGE J. SMITH AND PEARL SMITH, HUSBAND AND WIFE, BY DEED RECORDED APRIL 26, 1951 IN BOOK 4074, PAGE 107 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL THAT PORTION THEREOF INCLUDED WITHIN THE BOUNDARIES OF THE FOLLOWING DESCRIBED PROPERTY:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF RIVERSIDE DRIVE, AS SHOWN ON MAP NO. 1632 OF NORTH OCEANSIDE, WITH THE EASTERLY LINE OF THE 200 FOOT RIGHT OF WAY OF THE MAIN LINE OF THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, SAID INTERSECTION BEING ALSO THE BEGINNING OF A 1040.00 FOOT RADIUS CURVE CONCAVE NORTHERLY ON THE SOUTHERLY LINES OF SAID RIVERSIDE DRIVE, A RADIAL LINE TO SAID POINT BEARS SOUTH 23°48'00" WEST; THENCE SOUTHERLY AND EASTERLY 401.75 FEET ALONG SAID SOUTHERLY LINE AND ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 22°08'00"; THENCE TANGENT TO SAID CURVE SOUTH 88°20'00" EAST 86.67 FEET; THENCE LEAVING SAID SOUTHERLY LINE SOUTH 12°35'45" EAST 240.98 FEET; THENCE SOUTH 53°32'12" WEST 487.67 FEET, MORE OR LESS, TO THE EASTERLY LINE OF SAID ATCHISON, TOPEKA AND SANTA FE RAILWAY; THENCE ALONG SAID EASTERLY LINE NORTH 12°30'00" WEST TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION THEREOF CONDEMNED TO THE CITY OF OCEANSIDE IN FINAL ORDER OF CONDEMNATION RECORDED MAY 24, 1991 AS FILE NO. 91-0246284 OF OFFICIAL RECORDS.

PARCEL 4:

THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 22, TOWNSHIP 11 SOUTH, RANGE 5 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF OCEANSIDE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO OFFICIAL PLAT THEREOF AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 22, DISTANT 503.04 FEET WEST OF THE NORTHEAST CORNER OF SAID QUARTER SECTION; THENCE SOUTH 48°26'00" WEST 128.30 FEET; THENCE SOUTHWESTERLY 360.36 FEET ON A CURVE TANGENT TO THE LAST COURSE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 1860.08 FEET; THENCE ON A TANGENT TO SAID CURVE SOUTH 37°20'00" WEST 466.78 FEET; THENCE SOUTHERLY 575.63 FEET ON A CURVE TANGENT TO LAST COURSE CONCAVE TO THE EAST WITH A RADIUS OF 666.78 FEET TO THE EASTERLY LINE OF THE ATCHISON, TOPEKA AND SANTA FE RAIL WAY COMPANY'S 200.00 FOOT RIGHT OF WAY; THENCE NORTHERLY ALONG SAID EASTERLY RIGHT OF WAY LINE 283.86 FEET ON A

EXHIBIT A
SUBJECT PROPERTY LEGAL DESCRIPTION

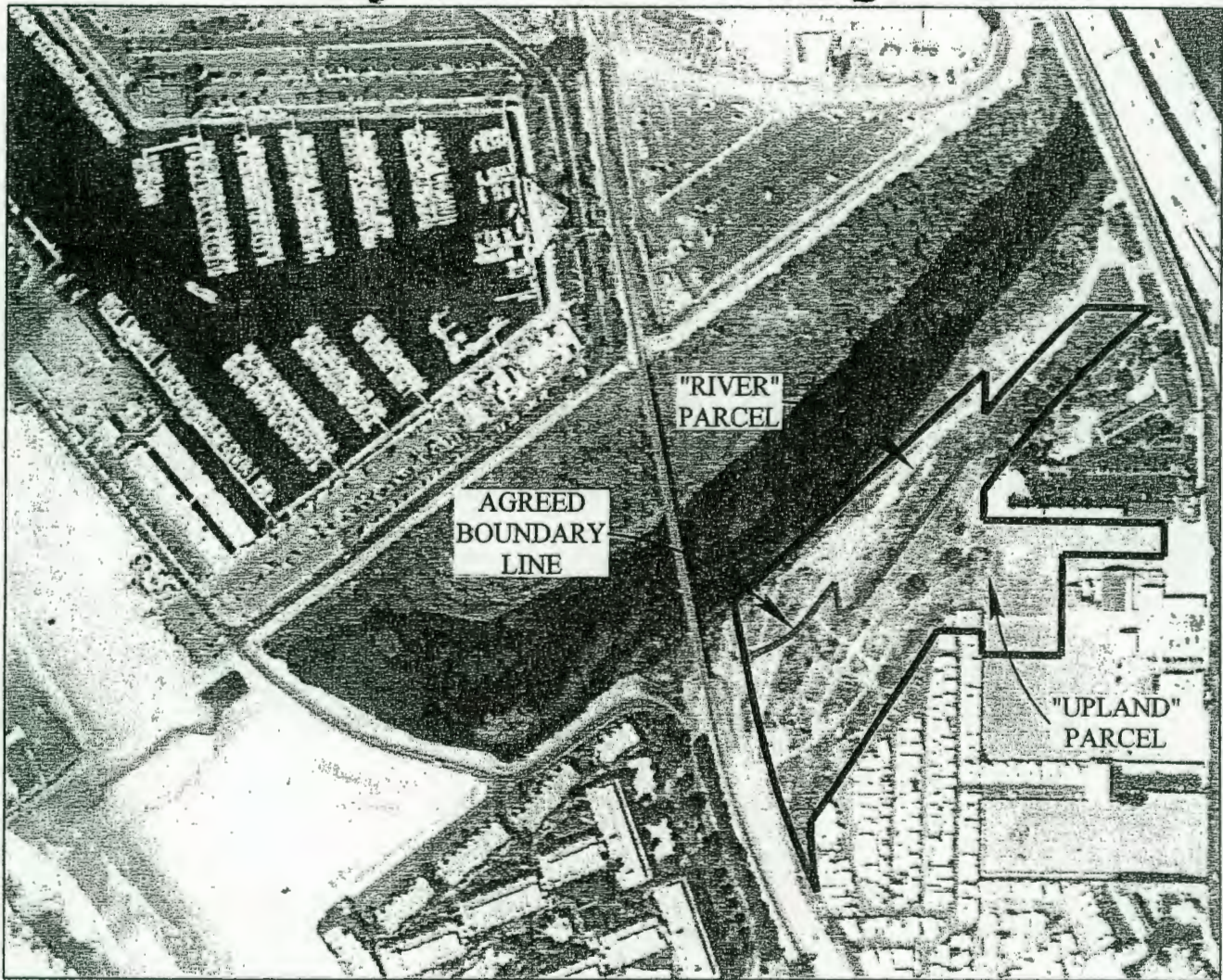
CURVE CONCAVE TO THE EAST WITH A RADIUS OF 1810.08 FEET TO A POINT THAT IS 100.00 FEET NORTHWESTERLY AND RADIAL FROM SAID CURVE HAVING A RADIUS OF 666.78 FEET; THENCE NORTHEASTERLY 375.74 FEET ON A CURVE CONCENTRIC WITH AND 100.00 FEET FROM THE LAST MENTIONED CURVE AND HAVING A RADIUS OF 766.78 FEET; THENCE ON A TANGENT TO SAID CURVE NORTH 37°20'00" EAST 466.78 FEET; THENCE NORTHEASTERLY 379.73 FEET ON A CURVE TANGENT TO LAST COURSE CONCAVE TO THE SOUTHEAST WITH A RADIUS OF 1960.08 FEET; THENCE ON A TANGENT TO LAST COURSE NORTH 48°26'00" EAST 19.30 FEET TO THE NORTH LINE OF SAID QUARTER SECTION; THENCE ALONG SAID NORTH LINE OF QUARTER SECTION SOUTH 89°02'00" EAST 147.92 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON AND MINERAL SUBSTANCES (EXCEPT WATER LYING NOT LESS THAN 100.00 FEET BELOW THE SURFACE OF SAID LAND) AS RESERVED BY THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, IN DEED RECORDED MAY 8, 1947 IN BOOK 2391, PAGE 311 OF OFFICIAL RECORDS.

SCALE 1" = 400'

SITE

8/4/04 (26)



CH OCEANSIDE, LLC

APN 143-010-23 & 143-040-21, 23, and 43

NO SCALE

LOCATION



MAP SOURCE: USGS 7.5' Quadrangle - OCEANSIDE

This Exhibit is for the general purpose of depicting the location of the settlement area, and is not intended to be, nor shall it be construed as a waiver or limitation of any state interest in the subject or any other property.

Exhibit B

G-10-06/AD 454
TITLE SETTLEMENT
AND EXCHANGE
AGREEMENT
CITY OF OCEANSIDE
SAN DIEGO COUNTY



JED 06/24/03

"UPLAND" PARCEL**G-10-06/AD454****LAND DESCRIPTION**

All that certain real property situate in Lot 4 and the Northeast Quarter of the Southeast Quarter of Section 22, T11S, R5W, SBM, according to the U.S. Government Plat approved April 5, 1881, in the City of Oceanside, County of San Diego, State of California, being all of Parcel 1 and portions of Parcels 2, 3 and 4 per Grant Deed recorded in the Official Records of the San Diego County Recorder's Office on June 1, 2001 as Document Number 2001-0357819, described as follows:

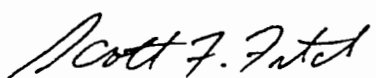
BEGINNING at the most southerly corner of Parcel C as described in Grant of Easement for Public Non-motorized Transportation and Pedestrian Purposes to the City of Oceanside recorded March 9, 1999, as Document Number 1999-0150419, Official Records of said County, from which a 2½" Brass Disk stamped "NCTD CP1 RCE 27648" per Record of Survey 16709 filed September 15, 2000 as file number 2000-0496471 in Official Records of said County, having CCS83 Zone 6 coordinates of Northing = 2,016,325.3440 feet, Easting = 6,215,422.3960 feet, bears S29° 43' 54"E 3575.57 feet, said southerly corner being on a 78.00 foot radius curve concave southeasterly, to which a radial line bears N53° 43' 29"W (cited in said Grant of Easement as N53° 29' 47"W); thence northeasterly 44.75 feet along said curve and the southerly line of said Parcel C through a central angle of 32° 52' 19" (cited in said Grant of Easement as arc length 44.67 feet, delta 32° 48' 54") to the southerly line of Parcel B of said Grant of Easement; thence along said southerly line N69° 08' 50"E 12.29 feet (bearing cited in said Grant of Easement as N69° 19' 07"E) to the beginning of a curve concave northwesterly having a radius of 206.00 feet; thence northeasterly 117.21 feet along said curve and said southerly line of Parcel B through a central angle of 32° 36' 01"; thence continuing along said southerly line N36° 32' 49"E 60.84 feet (bearing cited in said grant as N36° 43' 06"E); thence leaving said southerly line the following five (5) courses:

1. S76° 50' 15"E 26.43 feet;
2. S10° 20' 43"E 40.44 feet;
3. N56° 35' 51"E 63.41 feet;
4. N37° 14' 06"E 378.73 feet;
5. N56° 38' 09"E 42.53 feet to the beginning of a non-tangent curve concave southeasterly having a radius of 326.59 feet, a radial line to said beginning of curve bears N49° 10' 47"W; thence northwesterly 25.54 feet along said curve through a central angle of 4° 28' 51" to the beginning of a reverse non-tangent curve concave northwesterly with a radius of 645.00 feet, a radial line to said point bears S48° 03' 39"E; thence northwesterly 63.55 feet along said curve through a central angle of 5° 38' 43"; thence N44° 03' 46"E 16.56 feet; thence S28° 31' 27"E 59.52 feet to the southeasterly boundary of said Parcel 4, being a point on a curve concave southeasterly with a radius of 1,860.08 feet, a radial line to said point on curve bears N49° 47' 11"W; thence southwesterly 93.24 feet along said southeasterly boundary through a central angle of 2° 52' 19"; thence continuing along said southeasterly boundary S37° 20' 30"W 53.83 feet to the west line of the east 870.00 feet of said Northeast Quarter of the Southeast Quarter; thence along

said west line S00° 31' 33"W 64.29 feet to the Northwest Corner of said Parcel 1; thence along the boundary of said Parcel 1 the following five (5) courses:

- (1) S89° 19' 29"E 399.94 feet;
- (2) S00° 30' 34"W 70.72 feet;
- (3) N89° 13' 45"W 224.85 feet;
- (4) S00° 33' 13"W 221.80 feet;
- (5) N89° 13' 43"W 175.00 feet to said west line of the east 870.00 feet; thence along said west line N00° 31' 33"E 50.05 feet to the Northeasterly Corner of Parcel 1 of the land conveyed to George J. Smith and Pearl Smith by deed recorded in the Official Records of said County April 26, 1951 in Book 4074, Page 107; thence along the boundary of said Parcel 1 the following two (2) courses: N89° 19' 23"W 100.00 feet and S34° 30' 27"W 501.65 feet to the easterly boundary of said Parcel 4 per Grant Deed 2001-0357819, being a point on a curve concave easterly with a radius of 666.78 feet, a radial line to said point bears N88° 45' 22"W; thence southerly 152.81 feet along said curve through a central angle of 13° 07' 51" to the easterly line of the Atchison, Topeka and Santa Fe Railway Company's 200 foot right of way, being a salient point on an 1810.00 foot radius curve concave easterly, a radial line to said point bears S64° 04' 06"W; thence northerly 447.24 feet along said easterly line through a central angle of 14° 09' 27"; thence continuing along said easterly line N11° 46' 28"W 73.55 feet to the point of beginning.

The Basis of Bearing for this description is the California Coordinate System of 1983, Zone 6 as determined by the bearing between monuments "NCTD CP1 RCE 27648" and "NCTD CP2 RCE 27648" said bearing being S34° 45' 07"E as shown on said Record of Survey 16709. Distances described are ground; to obtain grid distances multiply by 0.999954809.



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END OF DESCRIPTION

EXHIBIT D

"RIVER" PARCEL

G-10-06/AD454

LAND DESCRIPTION

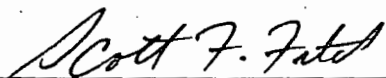
All that certain real property situate in Lot 4 and the Northeast Quarter of the Southeast Quarter of Section 22, T11S, R5W, SBM, according to the U.S. Government Plat approved April 5, 1881, in the City of Oceanside, County of San Diego, State of California, being portions of Parcels 2, 3 and 4 per Grant Deed recorded in the Official Records of the San Diego County Recorder's Office on June 1, 2001 as Document Number 2001-0357819, described as follows:

BEGINNING at the most southerly corner of Parcel C as described in Grant of Easement for Public Non-motorized Transportation and Pedestrian Purposes to the City of Oceanside recorded March 9, 1999, as Document Number 1999-0150419, Official Records of said County, from which a 2½" Brass Disk stamped "NCTD CP1 RCE 27648" per Record of Survey 16709 filed September 15, 2000 as file number 2000-0496471 in Official Records of said County, having CCS83 Zone 6 coordinates of Northing = 2,016,325.3440 feet, Easting = 6,215,422.3960 feet, bears S29° 43' 54"E 3575.57 feet, said southerly corner being on a 78.00 foot radius curve concave southeasterly, to which a radial line bears N53° 43' 29"W (cited in said Grant of Easement as N53° 29' 47"W); thence northeasterly 44.75 feet along said curve and the southerly line of said Parcel C through a central angle of 32° 52' 19" (cited in said Grant of Easement as arc length 44.67 feet, delta 32° 48' 54") to the southerly line of Parcel B of said Grant of Easement; thence along said southerly line N69° 08' 50"E 12.29 feet (bearing cited in said Grant of Easement as N69° 19' 07"E) to the beginning of a curve concave northwesterly having a radius of 206.00 feet; thence northeasterly 117.21 feet along said curve and said southerly line of Parcel B through a central angle of 32° 36' 01"; thence continuing along said southerly line N36° 32' 49"E 60.84 feet (bearing cited in said grant as N36° 43' 06"E); thence leaving said southerly line the following five (5) courses:

1. S76° 50' 15"E 26.43 feet;
2. S10° 20' 43"E 40.44 feet;
3. N56° 35' 51"E 63.41 feet;
4. N37° 14' 06"E 378.73 feet;
5. N56° 38' 09"E 42.53 feet to the beginning of a non-tangent curve concave southeasterly having a radius of 326.59 feet, a radial line to said beginning of curve bears N49° 10' 47"W; thence northwesterly 25.54 feet along said curve through a central angle of 4° 28' 51" to the beginning of a reverse non-tangent curve concave northwesterly with a radius of 645.00 feet, a radial line to said point bears S48° 03' 39"E; thence northwesterly 63.55 feet along said curve through a central angle of 5° 38' 43"; thence N44° 03' 46"E 16.56 feet; thence S28° 31' 27"E 59.52 feet to the southeasterly boundary of said Parcel 4, being a point on a curve concave southeasterly with a radius of 1,860.08 feet, a radial line to said point on curve bears N49° 47' 11"W; thence northeasterly 262.68 feet along said southeasterly boundary through a central angle of 8° 05' 28"; thence continuing along said southeasterly boundary N48° 18' 18"E 128.99 feet to the northeast corner of said Parcel 4; thence along the boundary of said Parcel 4 the following

two (2) courses: N89° 05' 19"W 147.72 feet and S48° 18' 18"W 20.26 feet to the beginning of a curve concave southeasterly having a radius of 1960.08 feet, a radial line to said beginning of curve bears N41° 41' 42"W; thence southwesterly 297.32 feet along said curve through a central angle of 8° 41' 28" to the west line of the east 870.00 feet of said Northeast Quarter of the Southeast Quarter of Section 22; thence along said west line N00° 31' 33"E 89.33 feet to the southerly boundary of that certain parcel of land described in Exhibit "A" of the Final Order of Condemnation of the Superior Court of the State of California, in and for the County of San Diego, recorded May 24, 1991 as Document Number 1991-0246284 in Official Records of said County; thence along said southeasterly boundary S48° 46' 21"W 748.28 feet (cited in said Exhibit "A" as S48° 14' 48"W 775.05 feet) to the easterly line of the Atchison, Topeka and Santa Fe Railway Company's 200 foot right of way; thence along said easterly line S11° 46' 28"E 139.34 feet to the point of beginning.

The Basis of Bearing for this description is the California Coordinate System of 1983, Zone 6 as determined by the bearing between monuments "NCTD CP1 RCE 27648" and "NCTD CP2 RCE 27648" said bearing being S34° 45' 07"E as shown on said Record of Survey 16709. Distances described are ground; to obtain grid distances multiply by 0.999954809.



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END OF DESCRIPTION

EXHIBIT E
AGREED COMMON BOUNDARY LINE

Document No. 04-D526-3
8/4/04 (26)

G-10-06/AD454

LAND DESCRIPTION

A line situate in Lot 4 and the Northeast Quarter of the Southeast Quarter of Section 22, T11S, R5W, SBM, according to the U.S. Government Plat approved April 5, 1881, in the City of Oceanside, County of San Diego, State of California, lying within portions of Parcels 2, 3 and 4 per Grant Deed recorded in the Official Records of the San Diego County Recorder's Office on June 1, 2001 as Document Number 2001-0357819, described as follows:

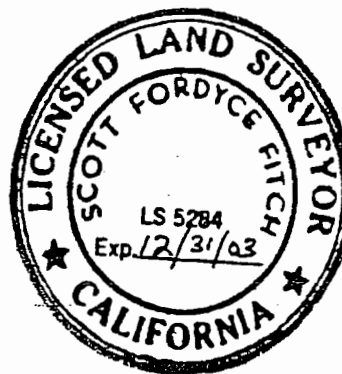
BEGINNING at the most southerly corner of Parcel C as described in Grant of Easement for Public Non-motorized Transportation and Pedestrian Purposes to the City of Oceanside recorded March 9, 1999, as Document Number 1999-0150419, Official Records of said County, from which a 2½" Brass Disk stamped "NCTD CPI RCE 27648" per Record of Survey 16709 filed September 15, 2000 as file number 2000-0496471 in Official Records of said County, having CCS83 Zone 6 coordinates of Northing = 2,016,325.3440 feet, Easting = 6,215,422.3960 feet, bears S29° 43' 54"E 3575.57 feet, said southerly corner being on a 78.00 foot radius curve concave southeasterly, to which a radial line bears N53° 43' 29"W (cited in said Grant of Easement as N53° 29' 47"W); thence northeasterly 44.75 feet along said curve and the southerly line of said Parcel C through a central angle of 32° 52' 19" (cited in said Grant of Easement as arc length 44.67 feet, delta 32° 48' 54") to the southerly line of Parcel B of said Grant of Easement; thence along said southerly line N69° 08' 50"E 12.29 feet (bearing cited in said Grant of Easement as N69° 19' 07"E) to the beginning of a curve concave northwesterly having a radius of 206.00 feet; thence northeasterly 117.21 feet along said curve and said southerly line of said Parcel B through a central angle of 32° 36' 01"; thence continuing along said southerly line N36° 32' 49"E 60.84 feet (bearing cited in said grant as N36° 43' 06"E); thence leaving said southerly line the following five (5) courses:

1. S76° 50' 15"E 26.43 feet;
2. S10° 20' 43"E 40.44 feet;
3. N56° 35' 51"E 63.41 feet;
4. N37° 14' 06"E 378.73 feet;

5. N56° 38' 09"E 42.53 feet to the beginning of a non-tangent curve concave southeasterly having a radius of 326.59 feet, a radial line to said beginning of curve bears N49° 10' 47"W; thence northwesterly 25.54 feet along said curve through a central angle of 4° 28' 51" to the beginning of a reverse non-tangent curve concave northwesterly with a radius of 645.00 feet, a radial line to said point bears S48° 03' 39"E; thence northwesterly 63.55 feet along said curve through a central angle of 5° 38' 43"; thence N44° 03' 46"E 16.56 feet; thence S28° 31' 27"E 59.52 feet to the southeasterly boundary of said Parcel 4.

The Basis of Bearing for this description is the California Coordinate System of 1983, Zone 6 as determined by the bearing between monuments "NCTD CPI RCE 27648" and "NCTD CP2 RCE 27648" said bearing being S34° 45' 07"E as shown on said Record of Survey 16709. Distances described are ground; to obtain grid distances multiply by 0.999954809.

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License Expires 12/31/2003



END OF DESCRIPTION