

1 PR46B-101.3
2 Fairview Park

3
4
5
6 PURCHASE AGREEMENT

7
8 THIS PURCHASE AGREEMENT is made January 16, 1986, by and
9 between the CITY OF COSTA MESA, hereinafter referred to as "CITY," and the ORANGE
10 COUNTY HARBORS, BEACHES, AND PARKS DISTRICT, hereinafter referred to as "DISTRICT,"
11 without regard to number and gender.

12 RECITALS:

- 13 I. DISTRICT and the STATE OF CALIFORNIA, hereinafter referred to as "STATE," en-
14 tered into an agreement dated February 27, 1973, hereinafter referred to as
15 "AGREEMENT" which provided for DISTRICT's purchase of the real property, herein-
16 after referred to as "PROPERTY," which is shown crosshatched on the map attached
17 hereto and made a part hereof as Exhibit "A."
- 18 II. Said AGREEMENT which is attached hereto and made a part hereof as Exhibit "B,"
19 required DISTRICT to develop PROPERTY in accordance with a general development
20 plan to be approved by the STATE (a copy of which is attached hereto and made a
21 part hereof as Exhibit "C") within 10 years from the date of the Grant Deed
22 transferring PROPERTY to DISTRICT.
- 23 III. DISTRICT, pursuant to the terms of the AGREEMENT, paid STATE an initial payment
24 of \$182,500 and executed a note and deed of trust, securing the sum of
25 \$3,467,500 with interest at the rate of 5-1/2% per annum, which sum was to be
26 paid in annual installments of \$290,157. DISTRICT currently has paid to STATE
27 a total sum of \$3,664,384. There is a remaining balance of \$2,321,256 to be
28 paid in eight (8) annual installments of \$290,157.
- IV. The Grant Deed transferring the PROPERTY to DISTRICT, a copy of which is at-
tached hereto and made a part hereof as Exhibit "D" hereto, was executed by the
STATE on March 9, 1973, and recorded on April 3, 1973. This Grant Deed contains
a condition that the PROPERTY must be used for park and recreation purposes for
a period of 25 years or the PROPERTY will revert to the STATE.
- V. PROPERTY is located within the City of Costa Mesa and CITY desired to cooperate
with DISTRICT in development, construction and operation of PROPERTY as a
Regional Park. In order to accomplish joint development CITY and DISTRICT
entered into Agreement No. D-77-005 dated June 28, 1977.
- VI. With cooperative input from CITY and DISTRICT, design plans and construction
documents for the first phase of development were prepared and bids for
construction were requested between September 1977 and June 1978.

- 1 VII. June 6, 1978, Article XIII A of the California State Constitution, commonly
2 referred to as Proposition 13, was adopted by the voters. This article reduced
3 and placed a limit on the amount of real property taxes that could be charged.
4 Due to DISTRICT's reduced income from property taxes, DISTRICT was required to
5 reduce expenditures. As part of this reduction, all bids for construction of
6 PROPERTY were rejected and further development of the PROPERTY was deferred
7 indefinitely.
- 8 VIII. DISTRICT and CITY entered into another cooperative agreement dated May 31, 1983
9 for the development, construction and operation of PROPERTY. This agreement
10 provided for the employment of an architectural and engineering consultant to
11 prepare a revised General Development Plan which would include development of
12 recreational and park concessions that would assist in generating revenues to
13 offset the maintenance and operating costs of PROPERTY. Said revised General
14 Development Plan when prepared was to be approved first by CITY's Council then
15 by DISTRICT's Board of Supervisors.
- 16 IX. October 25, 1983, the Reynolds Environmental Group was hired and did subse-
17 quently prepare, with substantial input from CITY and DISTRICT staff, a revised
18 General Development Plan.
- 19 X. In November, 1984, the CITY Council held a public hearing to consider the re-
20 vised General Development Plan. The Council rejected the plan due to the
21 public concern over the nature and extent of the revenue-producing recreational
22 uses contained therein.
- 23 XI. CITY Council on December 3, 1984, duly adopted a Resolution recommending that
24 PROPERTY be purchased for park, recreation and open space purposes such that
25 DISTRICT does not realize a profit on PROPERTY, and intent of said CITY Council
26 action is that PROPERTY be acquired solely for recreation and open space pur-
27 poses and not for purposes of future financial gain or profit.
- 28 XII. DISTRICT purchased PROPERTY from STATE at 50% of fair market value in
consideration of DISTRICT's long-term commitment to provide for public
recreation.
- XIII. DISTRICT proposes to sell that portion of PROPERTY not required for flood con-
trol and wetlands purposes. Said portion of PROPERTY is generally shown out-
lined on the map attached hereto as Exhibit "E" and shall hereinafter be refer-
red to as "SITE." The purchase price per acre shall be equal to DISTRICT's
original purchase price plus costs per acre. Said price at which SITE is to be
sold bears no relationship to fair market value.
- XIV. The selling price has been determined, not on fair market value, but in
consideration of DISTRICT and CITY's stipulated mutual goals and objectives to
retain SITE as recreational open space in perpetuity for benefit of the public.
- XV. CITY's sole objective in acquiring SITE is to carry out said mutual goals and
objectives and CITY acknowledges that its purpose is not to profit financially
from acquisition and future development or sale of SITE.

1 XVI. December 11, 1984, Board of Supervisors of the Harbors, Beaches and Parks
2 District duly adopted a resolution providing that sale of SITE to CITY should be
conditioned on its use for recreation and open space in perpetuity.

3 XVII. STATE, in acknowledging sale of the SITE from DISTRICT to CITY does not allow
4 DISTRICT to gain financially and DISTRICT recognizes that CITY, in its
5 acquisition of SITE should not profit financially in the future from any similar
6 sale or change of use of PROPERTY.

7 XVIII. DISTRICT is willing to sell SITE to CITY on the conditions a) CITY pay DISTRICT
8 a total consideration of \$1,896,600; b) development and use of SITE is perpetu-
9 ally restricted to public park, recreational, and open space uses as defined in
Section 11011.1 of Government Code, and which are consistent with State-approved
General Development Plan (GDP); and c) CITY assumes and discharges DISTRICT's
remaining contract responsibilities in DISTRICT's AGREEMENT (Exhibit "B") with
STATE, including payment of remaining purchase installments, and assumes
DISTRICT's obligation represented by DISTRICT's Note and Deed of Trust.

10 NOW, THEREFORE, in consideration of which and other considerations herein set forth, it
11 is mutually agreed as follows:

12 A. CITY shall:

- 13 1. Pay to DISTRICT within 45 days after DISTRICT approval of this Agreement One
Million Eight Hundred Ninety Six Thousand Six Hundred Dollars (\$1,896,600).
- 14 2. Assume all responsibilities and liabilities contained in the note and Deed of
15 Trust which documents are attached in Exhibit "F," Assumption and Release
Agreement.
- 16 3. Pay all the following items: recording fees, escrow fees, premiums charged for
17 title insurance, and all fees associated with the transfer of title to CITY.
- 18 4. Execute the appropriate acceptance of the signed grant deed, which deed will be
19 in the form of the attached Exhibit "G," and deliver to DISTRICT concurrent with
delivery of the payment mentioned above.
- 20 5. Execute any and all documents which may be required for transfer of title to
21 SITE and for assumption of DISTRICT's Note and Deed of Trust including but not
limited to the Assumption Agreement attached hereto as Exhibit "F," and deliver
22 to DISTRICT concurrent with the above referenced payment.
- 23 6. Within 36 months after title transfers to CITY construct on SITE public
recreational facilities as approved by the State of California.
- 24 7. Develop, maintain, and use SITE in perpetuity for public park, recreation and
25 open space purposes. For purposes of this Agreement, public park, recreation
and open space is defined as those uses consistent with applicable provisions
26 of Section 11011.1 of Government Code of California and State-approved General
Development Plan (GDP).

1 8. Establish an "Enterprise Fund" accounting system for all recreation concession
2 activities and uses in the park. The Enterprise Fund accounting shall establish
3 a system and procedures consistent with government finance practices whereby
4 CITY shall ensure that all future net revenue (profit) from commercial
5 recreation concession operations within the park which may accrue to CITY in
6 excess of expenditures (if any) for operation and maintenance of said park
7 facility, and all interest that may accrue on such funds deposited in an
8 interest-bearing account, will be retained for Fairview Park improvements,
9 maintenance and operations. Said revenue shall include, but not be limited
10 to, rents and fees paid to CITY by concessionaires, and CITY will document
11 all such revenue paid by concessionaires or otherwise realized by CITY from
12 operation of concessions. CITY also agrees to account for all expenditures
13 by CITY relative to operation and maintenance of said park facility and to
14 provide DISTRICT a DISTRICT-approved financial report annually on all park
15 concession operations.

16 Expenditures to be accounted for pursuant to this agreement as costs applied to
17 Enterprise account shall include only funds spent by CITY for construction of
18 buildings and directly appurtenant facilities and improvements, as well as
19 expenditures, if any, for maintenance and operation of the buildings, facilities
20 and improvements. These expenditures shall be limited to actual monies spent
21 by CITY for park development and infrastructure, but shall not include any
22 expenditures for assumed costs such as "depreciation," general park administra-
23 tion, space utilization, etc. However, fair and reasonable pro rata administra-
24 tive overhead may be included provided such overhead is clearly supported by
25 CITY accounting records.

26 9. Not enter into any agreement to sell, lease, assign, or otherwise dispose of any
27 portion of said SITE purchased from DISTRICT without first obtaining express
28 written consent of DISTRICT, by which DISTRICT shall ensure continued use of
park property for public park and recreational open space purposes.

Any agreement for sale of all or any portion of SITE, with approval of DISTRICT,
shall provide for proceeds of such sale to be paid directly to DISTRICT.
DISTRICT shall pay to CITY all reasonable costs incurred by CITY for acquisition
of said park property.

29 B. DISTRICT shall:

30 Execute and deliver to CITY a signed Grant Deed in the form of Exhibit "G"
31 within 30 days after CITY has delivered all of the following to DISTRICT:
32 CITY's payment referred to in Clause A.1. above and CITY's assumption of
33 DISTRICT's Note and Deed of Trust covering PROPERTY referred to in Clause A.2
34 above.

35 C. It is mutually agreed:

36 1. Records and Accounts

37 A. Records. CITY shall, at all times, keep or cause to be kept true and
38 complete books, records, accounts, and supporting source documents of all
financial transactions in the development and operation of all concessions, of
whatever nature, conducted on site.

1 B. Financial Statements. Within ninety days after the end of each accounting
2 year, CITY shall at its own expense submit to Auditor-Controller, County of
3 Orange, hereinafter referred to as Auditor-Controller, a balance sheet and in-
4 come statements prepared in accordance with generally accepted accounting
5 principles reflecting business transacted on or from the SITE during the pre-
6 ceding accounting year.

7 All CITY's books of account and records and supporting source documents related
8 to this Agreement or to business operations conducted within or from the SITE
9 shall be kept and made available at one location within the limits of the County
10 of Orange. DISTRICT shall, through its duly authorized agents or representa-
11 tives, have the right to examine and audit said books of account and records and
12 supporting source documents at any and all reasonable times for the purpose of
13 determining the accuracy thereof, and of the monthly statements of sales made
14 and monies received.

15 The full cost of said audit, as determined by Auditor-Controller, shall be borne
16 by CITY if either or both of the following conditions exist:

- 17 (1) The audit reveals an underpayment of more than five percent between the
18 concession profits due as reported and paid by CITY in accordance with this
19 Agreement and the concession profits due as determined by said audit;
- 20 (2) CITY has failed to maintain true and complete books, records, accounts,
21 and supporting source documents in accordance with Section "A. Records"
22 above. The adequacy of records shall be determined at the sole discretion
23 of Auditor-Controller.

24 Otherwise, DISTRICT shall bear the cost of said audit.

- 25 2. That SITE is being sold "as is" and that DISTRICT makes no representations or
26 guarantees as to the condition of title.
- 27 3. That this Agreement shall terminate and supersede any prior agreements between
28 the parties hereto covering all or any portion of PROPERTY. All such prior
agreements are null and void.
4. The various headings in this Agreement, the numbers thereof, and the organiza-
tion of the Agreement into separate sections and paragraphs are for purposes of
convenience only and shall not be considered otherwise.
5. Unless otherwise provided in this Agreement, the terms, covenants, and condi-
tions contained herein shall apply to and bind the heirs, successors, executors,
administrators, and assigns of all the parties hereto, all of whom shall be
jointly and severally liable hereunder.
6. In the event either DISTRICT or CITY commences legal action against the other
claiming a breach or default of this Agreement, the prevailing party in such
litigation shall be entitled to recover from the other costs of sustaining such
action, including reasonable attorney fees, as may be fixed by the Court.

- 1 7. If either party hereto shall be delayed or prevented from the performance of
2 any act required hereunder by reason of acts of God, restrictive governmental
3 laws or regulations, or other cause without fault and beyond the control of
4 the party obligated (financial inability excepted), performance of such act
5 shall be excused for the period of the delay; and the period for the performance
6 of any such act shall be extended for a period equivalent to the period of
7 such delay.
- 8 8. This Agreement sets forth the entire agreement between DISTRICT and CITY and any
9 modification must be in the form of a written amendment.
- 10 9. If any term, covenant, condition, or provision of this Agreement is held by a
11 court of competent jurisdiction to be invalid, void, or unenforceable, the
12 remainder of the provisions hereof shall remain in full force and effect and
13 shall in no way be affected, impaired, or invalidated thereby.
- 14 10. The failure of DISTRICT or CITY to insist upon strict performance of any of the
15 terms, conditions, and covenants in this Agreement shall not be deemed a waiver
16 of any right or remedy that DISTRICT or CITY may have, and shall not be deemed a
17 waiver of any right or remedy for a subsequent breach or default of the terms,
18 conditions, and covenants herein contained.
- 19 11. Time is of the essence of this Agreement, and all requirements set forth herein
20 for transfer of title shall be completed by CITY and DISTRICT no later than
21 March 31, 1986. Should title not transfer to CITY by March 31, 1986, this
22 Agreement shall become null and void.
- 23 12. That DISTRICT may in the future require access to construct and maintain a
24 water supply system across CITY's Fairview Park property to supply water to the
25 portion of PROPERTY retained by DISTRICT for wetlands purposes.
- 26 CITY and DISTRICT recognize that CITY's development plans within some areas of
27 the proposed park are presently uncertain. Accordingly, CITY agrees to provide,
28 and DISTRICT reserves the right to obtain, the necessary water supply access at
a future date, at no cost to DISTRICT. DISTRICT with cooperation and agreement
of CITY will select an access and water supply system which least affects
CITY's development plans, yet is adequate to provide sufficient water supply to
establish and maintain a viable, functioning wetland habitat area as may be
determined by the State of California Department of Fish and Game, or other
appropriate agency. Plans and specifications for capacity and design of system
shall be provided by and any changes thereto approved by DISTRICT's Director of
EMA.
13. That DISTRICT shall grant a permit to CITY to provide for bike trail access
across the portions of PROPERTY retained by DISTRICT. At the time CITY desires
to obtain said permit, CITY shall make application to the Public Property
Permits Division of the Environmental Management Agency of the County of Orange.
All fees normally required to be paid for the issuance of said permit shall be
waived by DISTRICT.

1 14. CITY shall have a first right of refusal to purchase remaining portions of
2 PROPERTY should DISTRICT decide to sell said portions at some time in the future.
3 The terms and conditions of any sale shall be determined by DISTRICT at the time
4 of said sale. This clause is in no way intended to imply a willingness to sell
5 said portions of PROPERTY at less than fair market value.

6 15. All notices pursuant to this Agreement shall be addressed as set forth below
7 or as either party may hereafter designate by written notice and shall be sent
8 through the United States mail.

9 TO: DISTRICT

10 TO: CITY

11 Orange County Harbors, Beaches
12 and Parks District
13 EMA/Parks and Recreation

14 City of Costa Mesa
15 P. O. Box 1200
16 Costa Mesa, CA 92626

17 P. O. Box 4048
18 Santa Ana, CA 92702

19 Attn: City Manager

20 and

21 County of Orange
22 GSA/Real Estate Division
23 P. O. Box 4106
24 Santa Ana, CA 92702-4106

25 16. This Agreement includes the following, which are attached hereto and made a
26 part hereof:

27 Exhibit A - Map

28 Exhibit B - Agreement between STATE and DISTRICT

Exhibit C - General Development Plan

Exhibit D - Grant Deed (STATE to DISTRICT)

Exhibit E - Map of SITE

Exhibit F - Assumption and Release Agreement

Exhibit G - Grant Deed (DISTRICT to CITY)

1 IN WITNESS WHEREOF, the parties have executed this agreement the day and year first
2 above written.

3 CITY

4 CITY OF COSTA MESA

5 By Norma Hertzog
6

7 APPROVED AS TO FORM:
8 County Counsel

9 By [Signature]
10 1-8-86

11 RECOMMENDED FOR APPROVAL
12 Environmental Management Agency

13 By MURRAY STORM

14 RECOMMENDED FOR APPROVAL
15 General Services Agency
16 Facilities & Real Property
17 Real Estate Division

18 By Donna Garza

19 DISTRICT

20 ORANGE COUNTY HARBORS, BEACHES AND
21 PARKS DISTRICT

22 SIGNED AND CERTIFIED THAT A COPY OF
23 THIS DOCUMENT HAS BEEN DELIVERED TO
24 THE CHAIRMAN OF THE BOARD.

25 [Signature]
26 LINDA D. ROBERTS 1-16-86
27 Clerk of the Board of Supervisors
28 of Orange County, California
85-1772

By [Signature]
Chairman, Board of Supervisors

(NO OBLIGATIONS OTHER THAN THOSE SET FORTH HEREIN WILL BE RECOGNIZED.)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

GA 551-1.01
Fairview Regional Park

AGREEMENT

THIS AGREEMENT is made this 27th day of February, 1973, between the STATE OF CALIFORNIA, acting through its Director of General Services, hereinafter referred to as "STATE", and the ORANGE COUNTY HARBORS, BEACHES AND PARKS DISTRICT, hereinafter referred to as "DISTRICT".

W I T N E S S E T H

WHEREAS, STATE owns approximately 257 acres of land in Costa Mesa, California, which is shown on a map attached hereto and labeled Exhibit A; and

WHEREAS, such property is presently excess to the STATE'S needs and is desired by DISTRICT as an addition to the Orange County Regional Parks System; and

WHEREAS, DISTRICT has complied with the provisions of subsection (a) of Section 11011.1 of the Government Code; and

WHEREAS, STATE desires to cooperate with DISTRICT and is willing to sell said 257 acres to DISTRICT on terms of fifty percent of fair market value, pursuant to Government Code Section 11011.1.

NOW THEREFORE, the parties hereto agree as follows:

1. STATE shall deliver to DISTRICT a properly executed original of the Grant Deed, attached hereto and labeled "Exhibit B", within thirty days after the date hereof.

2. DISTRICT shall:

A. Pay to the order of the STATE the sum of \$182,500 after fee title to said parcel has vested in the DISTRICT free and clear of all liens, encumbrances, assessments, easements, leases and taxes except:

(1) A right of way for ditch of Talbert Drainage District as recorded in Book 139, page 260 of Deeds and as plotted on map filed in Book 53, page 36, of Record of Surveys.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

(2) Easement for drainage ditch or pipe line as recorded in Book 956, page 591, of Official Records and as plotted on map filed in Book 53, pages 35 and 36, of Record of Surveys.

(3) Right of way and easement as recorded in Book 1089, page 405 and as plotted in Book 53, page 36 of Record of Surveys.

(4) Easement for ingress and egress, pipes, poles, and utilities as reserved in Final Order of Condemnation recorded in Book 2063, page 534 and as shown in map filed in Book 60, page 15, of Record of Surveys.

(5) The right of United California Bank and others to construct derricks, pumps, etc., as reserved in Final Order of Condemnation recorded in Book 2063, page 534.

(6) Terms and conditions of agreement recorded in Book 4152, page 223, of Official Records.

(7) Easement for storm drain as recorded in Book 4761, page 550 and as plotted in Book 53, pages 35 and 36 of Record of Surveys.

(8) Easement as shown on a map filed in Book 53, page 36, of Record of Surveys.

(9) Easement as recorded in Book 6350, page 60, of Official Records.

(10) Easement as recorded in Book 6497, page 931, of Official Records.

(11) Easement as recorded in Book 6894, page 198, and Book 7060, page 308.

(12) Easement as recorded in Book 7347, pages 880 and 883; Book 7449, page 229; Book 7474, page 831; Book 8575, page 832; Book 8580, page 819; and Book 9294, page 113, of Official Records.

(13) Easement as recorded in Book 9830, page 314, of Official Records.

B. Record the Grant Deed concurrently with the payment of \$182,500.

C. Deliver a properly executed original of the note attached hereto and labeled "Exhibit C" and a properly executed original of the Deed of Trust, attached hereto and labeled "Exhibit D" concurrently with the \$182,500 payment and recordation of the Grant Deed.

D. In the event the Grant Deed has not been recorded within 90 days of the date of this Agreement then this Agreement shall terminate and be of no force or effect and the Grant Deed shall be returned to the State.

3. DISTRICT agrees to develop the property conveyed in accordance with the general development plan as approved by the State Department of Parks and Recreation pursuant to subdivision (a) of Section 11011.1 of the Government Code within ten years from the date of the Grant Deed.

82.03

1 4. It is understood that this transaction shall not be handled through
2 an escrow and if title insurance is desired by DISTRICT, is shall be
3 obtained at the sole expense of DISTRICT.
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

82.05

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES

By *Lawrence H. Robinson, Jr.*
Lawrence H. Robinson, Jr., Director

APPROVED:

STATE PUBLIC WORKS BOARD

By *Thomas F. Sherry*
Administrative Secretary

ATTEST:

ORANGE COUNTY HARBORS, BEACHES AND
PARKS DISTRICT

W. E. ST JOHN, County Clerk
of the County of Orange and
ex officio Clerk of the
Board of Supervisors

By *Ronald W. Cooper*
Chairman, Board of Supervisors of
Orange County acting as the governing
board of Orange County Harbors, Beaches
and Parks District

By *Jane Alexander*
Deputy

APPROVED AS TO FORM:

Adrian Kuyper
County Counsel

By Original signed by Victor T. Bellerue

RECOMMENDED FOR APPROVAL:

Kenneth Sampson, Director of
Orange County Harbors, Beaches
and Parks District

By KENNETH SAMPSON

J. J. Smisek, Director
Building Services

By JOSEPH J. SMISEK

Stanley E. Krause, Director
Dept. of Property Services

By *Stanley E. Krause*

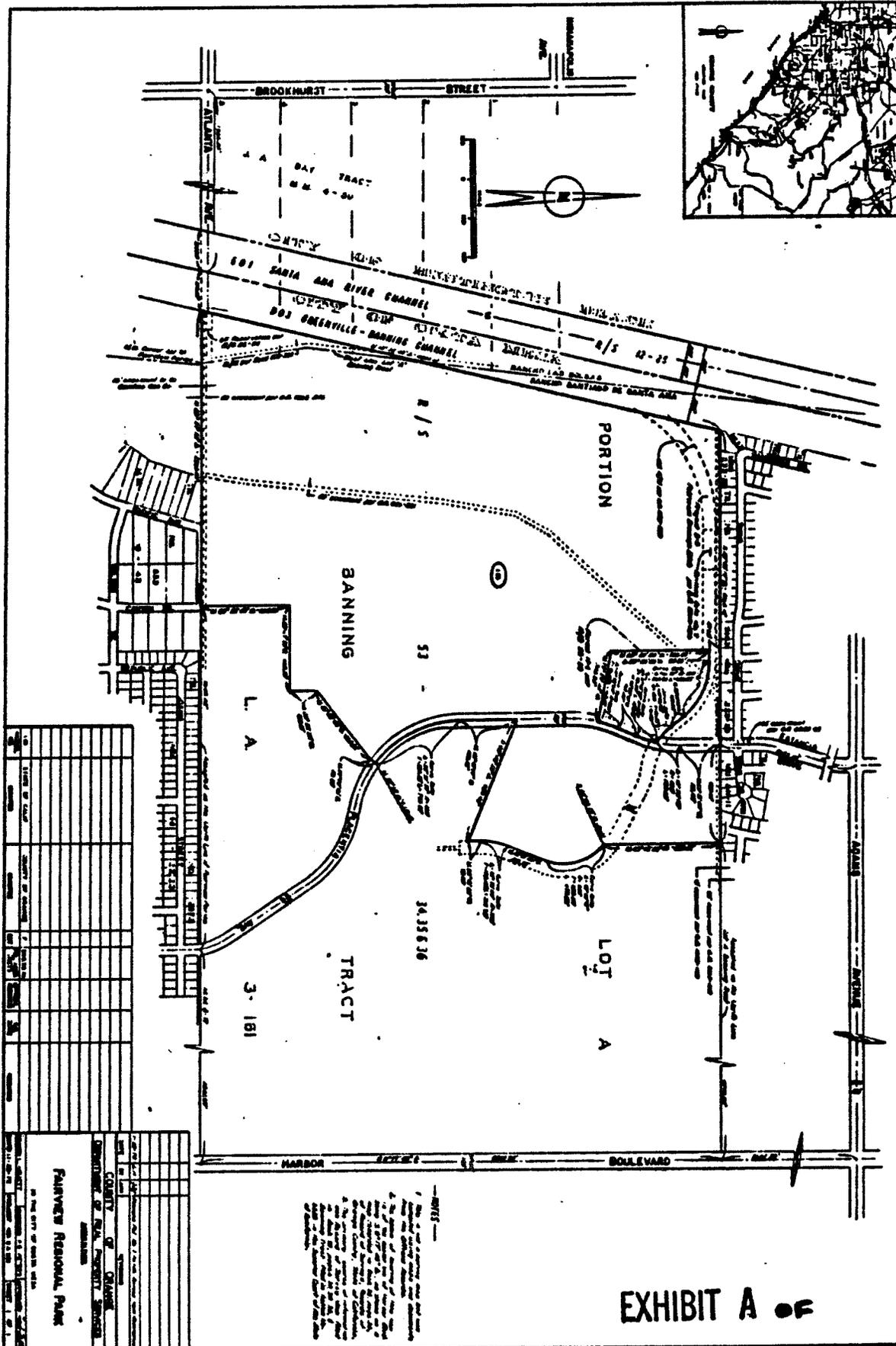


EXHIBIT A OF

EXHIBIT B

A.P. Nos. Ptn. 139-371-04
Ptn. 139-371-23
139-371-24.
139-372-01
139-372-02

Project No. GA 551
Project: FAIRVIEW REGIONAL PARK
Parcel No. 1.01

GRANT DEED

Pursuant to the provisions of Chapter 1940, Statutes of 1959, the STATE OF CALIFORNIA, through its duly appointed, qualified and acting Director of General Services, hereby grants to ORANGE COUNTY HARBORS, BEACHES AND PARKS DISTRICT, the following described property in the State of California, County of Orange:

GA 551-1.01

That portion of Lot A of the Banning Tract, in the Rancho Santiago de Santa Ana, City of Costa Mesa, County of Orange, State of California, as shown on a map of said tract filed in Action No. 6385 in the Superior Court of the State of California, in and for the County of Los Angeles, being an action for partition entitled Hancock Banning, et al., vs. Mary H. Banning, and also that portion of Lots 3, 4, and 5 of the J. A. Day Tract, recorded in Book 4, Page 50 of Miscellaneous Maps, in the office of the County Recorder of Orange County, and more particularly shown on a map filed in Book 53, Pages 34 through 36 of Records of Surveys in the office of the County Recorder of said Orange County, described as follows:

Beginning at the intersection of the northerly line of Fairview Farms, as shown on a map recorded in Book 8, Page 71 of Miscellaneous Maps, records of Orange County, and the center line of Placentia Avenue, as said center line is shown on the map of Tract 2215, recorded in Book 106, Page 34 of Miscellaneous Maps, records of said Orange County; thence along the northerly line of said Fairview Farms, S 89° 27' 30" W 2,640.02 feet to the TRUE POINT OF BEGINNING; thence N 0° 32' 30" W 660.00 feet; thence N 89° 27' 30" E 660.14 feet; thence N 0° 32' 30" W 209.11 feet; thence N 51° 50' 47" E 662.84 feet; thence N 37° 15' 16" E 40.00 feet to a point on a curve, concave Northeasterly, said point being on the center line of Placentia Avenue, having a

EXHIBIT B

radius of 800.00 feet; a radial line from said point bears N 37° 15' 16" E, thence Northwesterly along said curve through a central angle of 52° 31' 27", an arc distance of 733.38 feet; thence N 0° 13' 17" W 426.91 feet to the northwest corner of Parcel "F" as shown on said Record of Surveys; thence S 68° 48' 33" E 997.43 feet along the northerly boundary of said Parcel "F" to the southeasterly corner of Parcel "E" as shown on said Record of Surveys; thence along the easterly line of said Parcel "E" N 0° 12' 30" W 98.24 feet to the beginning of a curve concave Easterly and having a radius of 550.00 feet; thence Northerly along said curve through a central angle of 22° 30' 00", an arc distance of 215.98 feet; thence N 22° 17' 30" E 317.12 feet to the beginning of a curve concave Westerly and having a radius of 350.00 feet; thence Northerly along said curve through a central angle of 78° 13' 11", an arc distance of 477.82 feet to a point; a radial line from said point bears S 34° 04' 19" W, thence N 0° 12' 30" W 890.81 feet to a point on the northerly line of said Lot A of the Banning Tract; thence along the northerly line of said Lot A, S 89° 28' 13" W 3,164.10 feet to a point on a line parallel with and distant Easterly 455.00 feet, measured at right angles, from the center line of the Santa Ana River Channel, as said center line is shown on a map filed in Book 12, page 25 of Record of Surveys in the office of the County Recorder of Orange County, California; thence S 13° 24' 49" W along said parallel line 4,034.61 feet to the northerly line of said Fairview Farms; thence N 89° 27' 30" E 2,260.02 feet along the northerly line of said Fairview Farms to the TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM Parcel H-1 as shown on a map filed in Book 53, Pages 34 through 36 of Records of Surveys in the office of the County Recorder of said Orange County.

ALSO EXCEPTING THEREFROM all oil, oil rights, minerals, mineral rights, natural gas and natural gas rights, and other hydrocarbons by whatever name known that may be within or under said land, as reserved in a Decree which was recorded August 29, 1950, in Book 2063, Page 534 of Official Records.

Together with all of grantor's right, title, and interest in and to such easement or easements as are shown on Record of Survey map filed in Book 53, pages 35 and 36 of Record of Surveys and acquired by grantor under that certain agreement recorded in Book 4152, page 223 of Official Records and deed recorded in Book 6799, page 513 of Official Records as it affects subject property.

This conveyance is subject to the express condition subsequent that the real property conveyed shall be used only for park and recreation purposes for a period of 25 years. Should said express

condition be violated, the State of California shall have the right to reenter and take possession of the real property and upon such reentry title thereto shall thereupon revert to the State of California.

IN WITNESS WHEREOF, the State has caused this Grant Deed to be executed this day of , 1973.

STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES
LAWRENCE R. ROBINSON, JR., DIRECTOR

By

VAUGHN W. MILLER
Chief Land Agent

APPROVED:

STATE PUBLIC WORKS BOARD

Administrative Secretary

Note Secured by Deed of Trust
(Installment - Interest Included)

\$3,467,500

_____, 1973

For value received, ORANGE COUNTY HARBORS, BEACHES AND PARKS DISTRICT promises to pay to the STATE OF CALIFORNIA (c/o Department of General Services, Comptroller's Office, 915 Capitol Mall, Sacramento, California 95814) the principal sum of Three Million Four Hundred Sixty Seven Thousand Five Hundred Dollars (\$3,467,500) with interest from the date hereof on unpaid principal at the rate of 5 1/2 percent per annum; principal and interest payable in annual installments of \$290,157 dollars or more. The first payment to be due on the first anniversary date hereof and continuing until said principal and interest have been paid. Each payment shall be credited first on interest then due; and the remainder on principal; and the interest shall thereupon cease upon the principal so credited. This note is secured by a Deed of Trust bearing even date herewith. If action be instituted on this note, the undersigned shall pay such sum as a court may adjudge as attorney fees.

ATTEST:

W. E. ST JOHN, County Clerk of the County of Orange, and ex-officio Clerk of the Board of Supervisors of Orange County

By _____
Deputy

ORANGE COUNTY HARBORS, BEACHES AND PARKS DISTRICT

By _____
Chairman, Board of Supervisors, as governing board of Harbors, Beaches and Parks

EXHIBIT C

EXHIBIT B

WHEN RECORDED MAIL TO:

STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES
REAL ESTATE SERVICES DIVISION

DEED OF TRUST

This DEED OF TRUST, made this _____ day of _____, 19____, between Orange County Harbors, Beaches and Parks District, herein called Trustor, First American Title Insurance Company, a corporation, herein called Trustee, and THE STATE OF CALIFORNIA, acting through its Director, Department of General Services, Beneficiary,

TRUSTOR IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS to Trustee, in Trust with power of sale, the real property located in the County of Orange, described as follows:

Parcel GA 551-1 .01

That portion of Lot A of the Banning Tract, in the Rancho Santiago de Santa Ana, City of Costa Mesa, County of Orange, State of California, as shown on a map of said tract filed in Action No. 6385 in the Superior Court of the State of California, in and for the County of Los Angeles, being an action for partition entitled Hancock Banning, et al., vs. Mary H. Banning, and also that portion of Lots 3, 4, and 5 of the J. A. Day Tract, recorded in Book 4, Page 50 of Miscellaneous Maps, in the office of the County Recorder of Orange County, and more particularly shown on a map filed in Book 53, Pages 34 through 36 of Records of Surveys in the office of the County Recorder of said Orange County, described as follows:

Beginning at the intersection of the northerly line of Fairview Farms, as shown on a map recorded in Book 8, Page 71 of Miscellaneous Maps, records of Orange County, and the center line of Placentia Avenue, as said center line is shown on the map of Tract 2215, recorded in Book 106, Page 34 of Miscellaneous Maps, records of said Orange County; thence along the northerly line of said Fairview Farms, S 89° 27' 30" W 2,640.02 feet to the TRUE POINT OF BEGINNING: thence N 0° 32' 30" W 660.00 feet; thence N 89° 27' 30" E 660.14 feet; thence N 0° 32' 30" W 209.11 feet; thence N 51° 50' 47" E 662.84 feet; thence N 37° 15' 16" E 40.00 feet to a point on a curve, concave Northeasterly, said point being on the center line of Placentia Avenue, having a radius of 800.00 feet; a radial line from said point bears N 37° 15' 16" E, thence Northwesterly along said curve through

EXHIBIT D

EXHIBIT B

a central angle of $52^{\circ} 31' 27''$, an arc distance of 733.38 feet; thence $N 0^{\circ} 13' 17'' W$ 426.91 feet to the northwest corner of Parcel "F" as shown on said Record of Surveys; thence $S 68^{\circ} 48' 33'' E$ 997.43 feet along the northerly boundary of said Parcel "F" to the southeasterly corner of Parcel "E" as shown on said Record of Surveys; thence along the easterly line of said Parcel "E" $N 0^{\circ} 12' 30'' W$ 98.24 feet to the beginning of a curve concave Easterly and having a radius of 550.00 feet; thence Northerly along said curve through a central angle of $22^{\circ} 30' 00''$, an arc distance of 215.98 feet; thence $N 22^{\circ} 17' 30'' E$ 317.12 feet to the beginning of a curve concave Westerly and having a radius of 350.00 feet; thence Northerly along said curve through a central angle of $78^{\circ} 13' 11''$, an arc distance of 477.82 feet to a point; a radial line from said point bears $S 34^{\circ} 04' 19'' W$, thence $N 0^{\circ} 12' 30'' W$ 890.81 feet to a point on the northerly line of said Lot A of the Banning Tract; thence along the northerly line of said Lot A, $S 89^{\circ} 28' 13'' W$ 3,164.10 feet to a point on a line parallel with and distant Easterly 455.00 feet, measured at right angles, from the center line of the Santa Ana River Channel, as said center line is shown on a map filed in Book 12, page 25 of Record of Surveys in the office of the County Recorder of Orange County, California; thence $S 13^{\circ} 24' 49'' W$ along said parallel line 4,034.61 feet to the northerly line of said Fairview Farms; thence $N 89^{\circ} 27' 30'' E$ 2,260.02 feet along the northerly line of said Fairview Farms to the TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM Parcel H-1 as shown on a map filed in Book 53, Pages 34 through 36 of Records of Surveys in the office of the County Recorder of said Orange County.

ALSO EXCEPTING THEREFROM all oil, oil rights, minerals, mineral rights, natural gas and natural gas rights, and other hydrocarbons by whatever name known that may be within or under said land, as reserved in a Decree which was recorded August 29, 1950, in Book 2063, Page 534 of Official Records.

TOGETHER with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rent issues and profits.

FOR THE PURPOSES OF SECURING payment of Three Million Four Hundred Sixty Seven Thousand Five Hundred Dollars (\$3,467,500), with interest thereon, according to the terms of a promissory note, of even date herewith, executed by Trustor to Beneficiary, and the performance of each agreement herein contained.

EXHIBIT B

A. To protect the security of this Deed of Trust, Trustor agrees:

1. To keep said property in good condition and repair; not to remove or demolish any building which may be constructed, damaged or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefor; to comments to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to do all other acts which form the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

2. To appear in and defend any action or proceeding purporting to affect the security hereof, or the rights of powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

3. To pay: at least ten (10) days before delinquency all taxes and assessments affecting said property; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

4. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, with interest from date of expenditure at the rate of seven percent (7%) per annum.

5. Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary, but without obligation so to do, and without notice to or demand upon Trustor, and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as it may deem necessary to protect the security hereof, Beneficiary being authorized to enter upon said property for such purpose appear in and defend any action or proceeding purporting to affect the security hereof or the rights of powers of Beneficiary or Trustee, pay, purchase, contest or compromise any encumbrance, charge or lien which in its judgment appears to be prior or superior hereto, and in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

B. It is mutually agreed that:

1. Any award of damages in connection with any condemnation for public use of, or injury to, said property or any part thereof is hereby assigned and shall be paid to Beneficiary, who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

3. At any time or from time to time, without liability therefor, and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and said notice for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may reconvey all or any part of said property, consent to the making of any map or plat thereof, join in granting any easement thereon, or join in any extension agreement or any agreement subordinating the lien or charge hereof.

4. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said note to Trustee for cancellation and retention, and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in any reconveyance executed under this Deed of Trust of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

5. As additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

6. Upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable, at the option of Beneficiary. In the event of default, Beneficiary shall execute, or cause the Trustee to execute, a written notice of such default and of his election to cause to be sold the herein described property to satisfy the obligations hereof, and shall cause such notice to be recorded in the office of the recorder of the county wherein said real property is situated.

EXHIBIT B

After the lapse of such time as may be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said property at the time and place of sale fixed by it in said notice of sale, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by preceding postponement. Trustee shall deliver to the purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals of such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title and reasonable counsel fees in connection with sale, Trustee shall apply the proceeds of sale to payment of all sums then secured hereby, with accrued interest, in such order and manner as may be required by Beneficiary, the remainder, if any, to be paid to the person or persons legally entitled thereto.

7. This Deed of Trust applied to, inures to the benefit of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be party, unless brought by Trustee.

8. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party, unless brought by Trustee.

9. Beneficiary may, from time to time, substitute another Trustee in the place of Trustee herein named, to execute this trust. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all the title, powers and duties conferred upon Trustee herein named. Each such appointment and substitution shall be made by written instrument executed by Beneficiary, containing reference to this Deed of Trust sufficient to identify it, which, when recorded in the office of the county recorder of the county in which the property is situated, shall be conclusive proof of the property appointment of the successor trustee.

C. In the event the herein described property, or any part thereof or any interest therein, is sold, agreed to be sold, conveyed or alienated by Trustor, or by the operation of law or otherwise, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, at the option of the Beneficiary and without demand or notice, shall immediately become due and payable.

EXHIBIT B

D. Any notice of default and any notice of sale hereunder shall be mailed to Trustor at the following address: State of California, Department of General Services, Real Estate Services Division, 915 Capitol Mall, Room 110, Sacramento, California 95814.

ATTEST:

W. E. ST JOHN, County Clerk of the County of Orange, and ex-officio Clerk of the Board of Supervisors of Orange County

By _____
Deputy

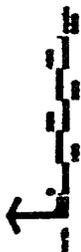
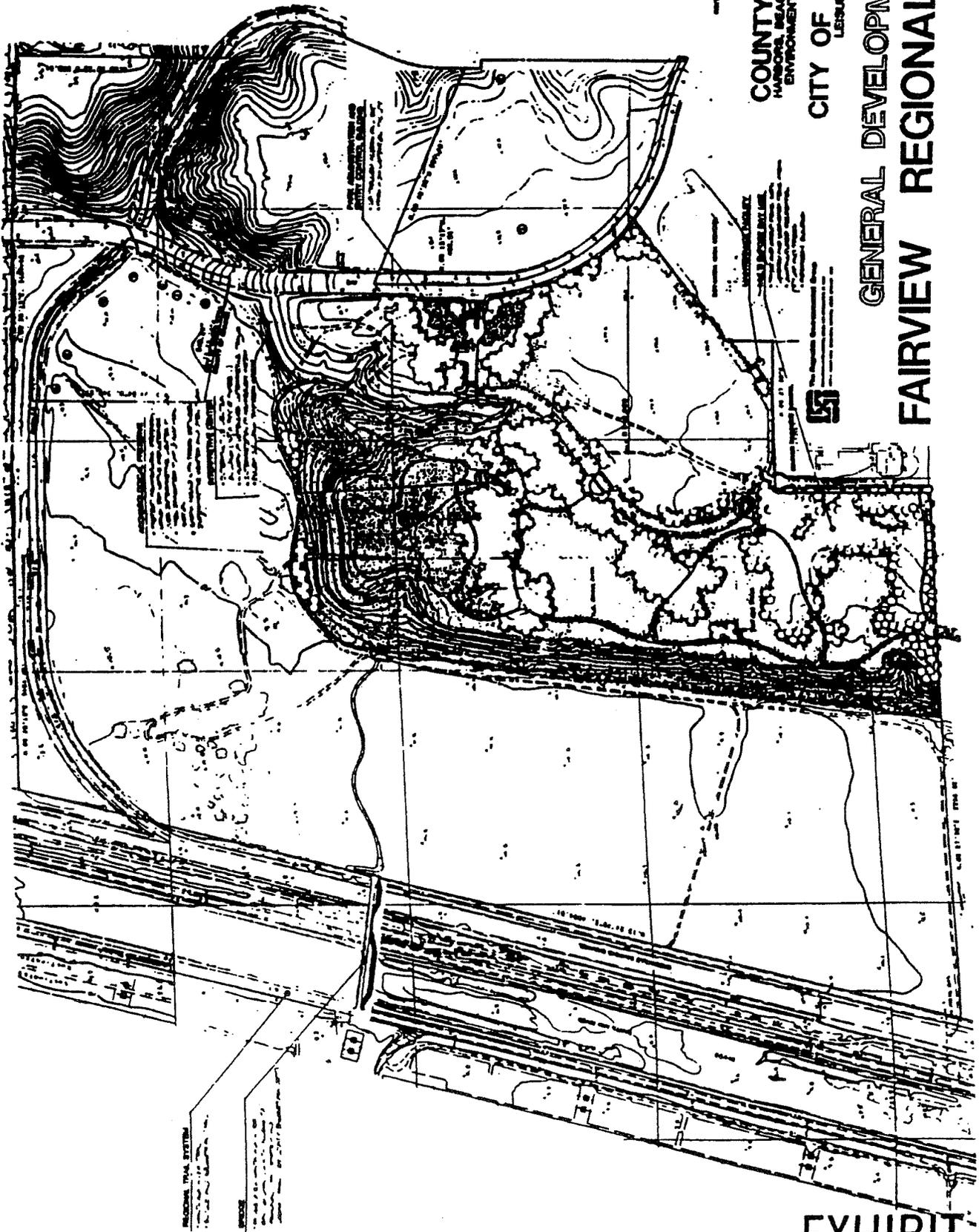
ORANGE COUNTY HARBORS, BEACHES AND PARKS DISTRICT

By _____
Chairman, Board of Supervisors, as governing board of Harbors, Beaches and Parks
-- TRUSTOR

STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES
LAWRENCE R. ROBINSON, JR., DIRECTOR

By _____
Vaughn W. Miller -- BENEFICIARY
Chief Land Agent

EXHIBIT B



COUNTY OF ORANGE
HARBOR, BEACHES AND PARKS DISTRICT
ENVIRONMENTAL MANAGEMENT AGENCY

CITY OF COSTA MESA
LEISURE SERVICES DEPARTMENT

GENERAL DEVELOPMENT PLAN
FOR THE
FAIRVIEW REGIONAL PARK

ORIGINAL

1487

FREE

RECORDED AT REQUEST OF
FIRST AMER. TITLE INS. CO.
IN OFFICIAL RECORDS OF
ORANGE COUNTY, CALIF.
8:00AM APR 8 1973
A WYLLIE EARLY, County Recorder

REC 10625 PAGE 278

Recorded at the request of,
and return to:

County of Orange
Department of
Real Property Services
400 Civic Center Drive West
Santa Ana, California 92701

A.P. Nos. Ptn. 139-371-04
Ptn. 139-371-23
139-371-24.
139-372-01
139-372-02

Project No. GA 551
Project: FAIRVIEW REGIONAL PARK
Parcel No. 1.01

DOCUMENTARY TRANSFER TAX \$ waived
Computed on full value
of property conveyed.

GRANT DEED Charles S. Sargent, Esq. Clerk

Pursuant to the provisions of Chapter 1940, Statutes of 1959, the
STATE OF CALIFORNIA, through its duly appointed, qualified and
acting Director of General Services, hereby grants to ORANGE COUNTY
HARBORS, BEACHES AND PARKS DISTRICT, the following described property
in the State of California, County of Orange:

GA 551-1.01

That portion of Lot A of the Banning Tract, in the Rancho Santiago
de Santa Ana, City of Costa Mesa, County of Orange, State of
California, as shown on a map of said tract filed in Action
No. 6385 in the Superior Court of the State of California, in and
for the County of Los Angeles, being an action for partition
entitled Hancock Banning, et al., vs. Mary H. Banning, and also
that portion of Lots 3, 4, and 5 of the J. A. Day Tract, recorded
in Book 4, Page 50 of Miscellaneous Maps, in the office of the
County Recorder of Orange County, and more particularly shown on
a map filed in Book 53, Pages 34 through 36 of Records of Surveys
in the office of the County Recorder of said Orange County,
described as follows:

Beginning at the intersection of the northerly line of Fairview
Farms, as shown on a map recorded in Book 8, Page 71 of Miscel-
laneous Maps, records of Orange County, and the center line of
Placentia Avenue, as said center line is shown on the map of
Tract 2215, recorded in Book 106, Page 34 of Miscellaneous Maps,
records of said Orange County; thence along the northerly line
of said Fairview Farms, S 89° 27' 30" W 2,640.02 feet to the
TRUE POINT OF BEGINNING; thence N 0° 32' 30" W 660.00 feet;
thence N 89° 27' 30" E 660.14 feet; thence N 0° 32' 30" W 209.11
feet; thence N 51° 50' 47" E 662.84 feet; thence N 37° 15' 16" E
40.00 feet to a point on a curve, concave Northeasterly, said
point being on the center line of Placentia Avenue, having a

Mail Tax Statement to Return Address Above

1122239 P.D.

At: A/B-221 P.F. #10/D-5

EXHIBIT D

radius of 800.00 feet; a radial line from said point bears N 37° 15' 16" E, thence Northwesterly along said curve through a central angle of 52° 31' 27", an arc distance of 733.38 feet; thence N 0° 13' 17" W 426.91 feet to the northwest corner of Parcel "F" as shown on said Record of Surveys; thence S 68° 48' 33" E 997.43 feet along the northerly boundary of said Parcel "F" to the southeasterly corner of Parcel "E" as shown on said Record of Surveys; thence along the easterly line of said Parcel "E" N 0° 12' 30" W 98.24 feet to the beginning of a curve concave Easterly and having a radius of 550.00 feet; thence Northerly along said curve through a central angle of 22° 30' 00", an arc distance of 215.98 feet; thence N 22° 17' 30" E 317.12 feet to the beginning of a curve concave Westerly and having a radius of 350.00 feet; thence Northerly along said curve through a central angle of 78° 13' 11", an arc distance of 477.82 feet to a point; a radial line from said point bears S 34° 04' 19" W, thence N 0° 12' 30" W 890.81 feet to a point on the northerly line of said Lot A of the Banning Tract; thence along the northerly line of said Lot A, S 89° 28' 13" W 3,164.10 feet to a point on a line parallel with and distant Easterly 455.00 feet, measured at right angles, from the center line of the Santa Ana River Channel, as said center line is shown on a map filed in Book 12, page 25 of Record of Surveys in the office of the County Recorder of Orange County, California; thence S 13° 24' 49" W along said parallel line 4,034.61 feet to the northerly line of said Fairview Farms; thence N 89° 27' 30" E 2,260.02 feet along the northerly line of said Fairview Farms to the TRUE POINT OF BEGINNING.

KJ 10625 279

EXCEPTING THEREFROM Parcel H-1 as shown on a map filed in Book 53, Pages 34 through 36 of Records of Surveys in the office of the County Recorder of said Orange County.

ALSO EXCEPTING THEREFROM all oil, oil rights, minerals, mineral rights, natural gas and natural gas rights, and other hydrocarbons by whatever name known that may be within or under said land, as reserved in a Decree which was recorded August 29, 1950, in Book 2063, Page 534 of Official Records.

Together with all of grantor's right, title, and interest in and to such easement or easements as are shown on Record of Survey map filed in Book 53, pages 35 and 36 of Record of Surveys and acquired by grantor under that certain agreement recorded in Book 4152, page 223 of Official Records and deed recorded in Book 6799, page 513 of Official Records as it affects subject property.

This conveyance is subject to the express condition subsequent that the real property conveyed shall be used only for park and recreation purposes for a period of 25 years. Should said express

condition be violated, the State of California shall have the right to reenter and take possession of the real property and upon such reentry title thereto shall thereupon revert to the State of California.

IN WITNESS WHEREOF, the State has caused this Grant Deed to be executed this 9th day of March, 1973.

REC 10625 PAGE 280

STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES
LAWRENCE R. ROBINSON, JR., DIRECTOR

By Vaughn W. Miller
VAUGHN W. MILLER
Chief Land Agent

APPROVED:

STATE PUBLIC WORKS BOARD

Thomas F. Sherman
Administrative Secretary

STATE OF CALIFORNIA }
COUNTY OF SACRAMENTO } ss

REC 10625 PAGE 281

On this 9th day of March, 1973, before me, Constance K. Okino, a Notary Public in and for the County of Sacramento, State of California, personally appeared VAUGHN W. MILLER, Chief Land Agent, Real Estate Service Division, for the Department of General Services, State of California, and known to me to be the person who executed the within instrument on behalf of said State of California and acknowledged to me that he executed the same as the free act and deed of said State of California.

WITNESS my hand and official seal. Constance K. Okino

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the within deed or grant to the Orange County Harbors, Beaches and Parks District, a body corporate and politic, is hereby accepted by the undersigned officer or agent on behalf of the Board of Supervisors of Orange County, California, acting as the governing board of the Orange County Harbors, Beaches and Parks District pursuant to authority conferred by resolution of the said Board of Supervisors adopted on February 16, 1965, and the grantee consents to recordation thereof by its duly authorized officer.

Dated March 23, 1973

By Joseph H. Hemminger
Assistant Director,
Department of Real Property Services

1
2
3 **ASSUMPTION AND RELEASE AGREEMENT**

4 THIS AGREEMENT, made this _____, 19____, by
5 and between HARBORS, BEACHES AND PARKS DISTRICT, hereinafter referred to as "DISTRICT,"
6 the CITY OF COSTA MESA, hereinafter referred to as "CITY," and the STATE OF CALIFORNIA,
hereinafter referred to as "STATE."

7 **WITNESSETH:**

8 WHEREAS, STATE is now the owner and holder of a certain indebtedness evidenced by a
9 promissory note ("Note") dated April 2, 1973, attached as Exhibit "1," in the original
10 amount of \$3,467,500 payable as therein specified, executed by DISTRICT and secured by a
11 Deed of Trust ("Trust Deed") attached as Exhibit "2" of even date therewith, which Deed
of Trust was recorded on April 3, 1973, as Instrument #1488 in Book 10625 at Page 282 of
the Official Records in the office of the County Recorder, County of Orange, State of
California. The Note and Trust Deed are incorporated herein and by this reference made
a part of this Agreement as if set forth in full herein.

12 WHEREAS, CITY has acquired title to the real estate described in the Grant Deed from
13 DISTRICT to CITY attached hereto as Exhibit "3" and CITY desires to assume the obliga-
14 tions described in the Note and Trust Deed as more particularly herein provided and
DISTRICT desires to be released from liability for the payment of said in-
debtedness and that STATE shall look to CITY for such payment.

15 NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties
16 agree as follows:

17 1. CITY hereby assumes and agrees to pay and to perform all of the obligations of
18 DISTRICT under the Note and Trust Deed and CITY further agrees that it shall be
19 bound by all of the terms, provisions and conditions in said Note and Trust Deed
20 and the Deed which transferred title from STATE to DISTRICT as though the same had
been originally made, executed and delivered to STATE by it. DISTRICT shall be
given credit for any principal repaid and any interest paid on said Note by DISTRICT
prior to the date of execution of this Agreement.

21 2. STATE expressly consents to the transfer of title of said real estate to CITY
22 and, as to this transfer, waives any rights it may have against DISTRICT under the
23 note subsequent to the date of transfer of title to CITY. CITY also agrees that
24 within 36 months of the date title transfers to CITY to develop the real estate
25 conveyed to it in accordance with a general development plan approved by the State
26 Department of Parks and Recreation pursuant to subdivision (b) of Section 11011.1
27 of the Government Code. The real estate shall revert to the STATE if not developed
28 within the 36-month period. STATE's consent to this transaction shall not be deemed
to be a waiver of STATE's right to require such consent to future or successive
transactions.

1 IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year
first heretofore written.

2 STATE CITY
3 STATE OF CALIFORNIA CITY OF COSTA MESA
4 DEPARTMENT OF GENERAL SERVICES

5 By _____ By _____
6 Edward R. Miller
Chief Land Agent

7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

SIGNED AND CERTIFIED THAT A COPY OF
THIS DOCUMENT HAS BEEN DELIVERED TO
THE CHAIRMAN OF THE BOARD.

LINDA D. ROBERTS
Clerk of the Board of Supervisors
of Orange County, California

DISTRICT
ORANGE COUNTY HARBORS, BEACHES AND
PARKS DISTRICT

By _____
Chairman, Board of Supervisors

Note Secured by Deed of Trust
(Installment - Interest Included)

\$3,467,500

April 2, 1973

For value received, ORANGE COUNTY HARBORS, BEACHES AND PARKS DISTRICT promises to pay to the STATE OF CALIFORNIA (c/o Department of General Services, Comptroller's Office, 915 Capitol Mall, Sacramento, California 95814) the principal sum of Three Million Four Hundred Sixty Seven Thousand Five Hundred Dollars (\$3,467,500) with interest from the date hereof on unpaid principal at the rate of 5 1/2 percent per annum; principal and interest payable in annual installments of \$290,157 dollars or more. The first payment to be due on the first anniversary date hereof and continuing until said principal and interest have been paid. Each payment shall be credited first on interest then due; and the remainder on principal; and the interest shall thereupon cease upon the principal so credited. This note is secured by a Deed of Trust bearing even date herewith. If action be instituted on this note, the undersigned shall pay such sum as a court may adjudge as attorney fees.

ATTEST:

W. E. ST JOHN, County Clerk of
the County of Orange, and ex-
officio Clerk of the Board of
Supervisors of Orange County

By June Alexander
Deputy

ORANGE COUNTY HARBORS, BEACHES
AND PARKS DISTRICT

By Ronald W. Cooper
Chairman, Board of Supervisors, as
governing board of Harbors, Beaches
and Parks

EXHIBIT 1

1488

10625 282

WHEN RECORDED MAIL TO:

FREE

STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES
REAL ESTATE SERVICES DIVISION

RECORDED AT REQUEST OF
FIRST AMER. TITLE INS. CO.
IN OFFICIAL RECORDS OF
ORANGE COUNTY, CALIF.
8:00 AM APR 8 1973
J. WYLIE CARLYLE, County Recorder

DEED OF TRUST

This DEED OF TRUST, made this 2nd day of April, 1973, between Orange County Harbors, Beaches and Parks District, herein called Trustor, First American Title Insurance Company, a corporation, herein called Trustee, and THE STATE OF CALIFORNIA, acting through its Director, Department of General Services, Beneficiary,

TRUSTOR IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS to Trustee, in Trust with power of sale, the real property located in the County of Orange, described as follows:

Parcel GA 551-1.01

That portion of Lot A of the Banning Tract, in the Rancho Santiago de Santa Ana, City of Costa Mesa, County of Orange, State of California, as shown on a map of said tract filed in Action No. 6385 in the Superior Court of the State of California, in and for the County of Los Angeles, being an action for partition entitled Hancock Banning, et al., vs. Mary H. Banning, and also that portion of Lots 3, 4, and 5 of the J, A, Day Tract, recorded in Book 4, Page 50 of Miscellaneous Maps, in the office of the County Recorder of Orange County, and more particularly shown on a map filed in Book 53, Pages 34 through 36 of Records of Surveys in the office of the County Recorder of said Orange County, described as follows:

Beginning at the intersection of the northerly line of Fairview Farms, as shown on a map recorded in Book 8, Page 71 of Miscellaneous Maps, records of Orange County, and the center line of Placentia Avenue, as said center line is shown on the map of Tract 2215, recorded in Book 106, Page 34 of Miscellaneous Maps, records of said Orange County; thence along the northerly line of said Fairview Farms, S 89° 27' 30" W 2,640.02 feet to the TRUE POINT OF BEGINNING; thence N 0° 32' 30" W 660.00 feet; thence N 89° 27' 30" E 660.14 feet; thence N 0° 32' 30" W 209.11 feet; thence N 51° 50' 47" E 662.84 feet; thence N 37° 15' 16" E 40.00 feet to a point on a curve, concave Northeasterly, said point being on the center line of Placentia Avenue, having a radius of 800.00 feet; a radial line from said point bears N 37° 15' 16" E, thence Northwesterly along said curve through

10625-283

a central angle of 52° 31' 27", an arc distance of 733.38 feet; thence N 0° 13' 17" W 426.91 feet to the northwest corner of Parcel "A" as shown on said Record of Surveys; thence S 68° 48' 33" E 997.43 feet along the northerly boundary of said Parcel "A" to the southeasterly corner of Parcel "E" as shown on said Record of Surveys; thence along the easterly line of said Parcel "E" N 0° 12' 30" W 98.24 feet to the beginning of a curve concave Easterly and having a radius of 550.00 feet; thence Northerly along said curve through a central angle of 22° 30' 00", an arc distance of 215.96 feet; thence N 22° 17' 30" E 317.12 feet to the beginning of a curve concave Westerly and having a radius of 350.00 feet; thence Northerly along said curve through a central angle of 78° 13' 11", an arc distance of 477.82 feet to a point; a radial line from said point bears S 34° 04' 19" W, thence N 0° 12' 30" W 890.81 feet to a point on the northerly line of said Lot A of the Banning Tract; thence along the northerly line of said Lot A, S 89° 28' 13" W 3,164.10 feet to a point on a line parallel with and distant Easterly 455.00 feet, measured at right angles, from the center line of the Santa Ana River Channel, as said center line is shown on a map filed in Book 12, page 25 of Record of Surveys in the office of the County Recorder of Orange County, California; thence S 13° 24' 49" W along said parallel line 4,034.61 feet to the northerly line of said Fairview Farms; thence N 89° 27' 30" E 2,260.02 feet along the northerly line of said Fairview Farms to the TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM Parcel H-1 as shown on a map filed in Book 53, Pages 34 through 36 of Records of Surveys in the office of the County Recorder of said Orange County.

ALSO EXCEPTING THEREFROM all oil, oil rights, minerals, mineral rights, natural gas and natural gas rights, and other hydrocarbons by whatever name known that may be within or under said land, as reserved in a Decree which was recorded August 29, 1950, in Book 2063, Page 534 of Official Records.

TOGETHER with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rent issues and profits.

FOR THE PURPOSES OF SECURING payment of Three Million Four Hundred Sixty Seven Thousand Five Hundred Dollars (\$3,467,500), with interest thereon, according to the terms of a promissory note, of even date herewith, executed by Trustor to Beneficiary, and the performance of each agreement herein contained.

EX-10625-284

A. To protect the security of this Deed of Trust, Trustor agrees:

1. To keep said property in good condition and repair; not to remove or demolish any building which may be constructed, damaged or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefor; to comments to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to do all other acts which form the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

2. To appear in and defend any action or proceeding purporting to affect the security hereof, or the rights of powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

3. To pay: at least ten (10) days before delinquency all taxes and assessments affecting said property; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

4. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, with interest from date of expenditure at the rate of seven percent (7%) per annum.

5. Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary, but without obligation so to do, and without notice to or demand upon Trustor, and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as it may deem necessary to protect the security hereof, Beneficiary being authorized to enter upon said property for such purposes appear in and defend any action or proceeding purporting to affect the security hereof or the rights of powers of Beneficiary or Trustee, pay, purchase, contest or compromise any encumbrance, charge or lien which in its judgment appears to be prior or superior hereto, and in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

B. It is mutually agreed that:

1. Any award of damages in connection with any condemnation for public use of, or injury to, said property or any part thereof is hereby assigned and shall be paid to Beneficiary, who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

10625 285

2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

3. At any time or from time to time, without liability therefor, and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and said notice for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may reconvey all or any part of said property, consent to the making of any map or plat thereof, join in granting any easement thereon, or join in any extension agreement or any agreement subordinating the lien or charge hereof.

4. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said note to Trustee for cancellation and retention, and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in any reconveyance executed under this Deed of Trust of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

5. As additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

6. Upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable, at the option of Beneficiary. In the event of default, Beneficiary shall execute, or cause the Trustee to execute, a written notice of such default and of his election to cause to be sold the herein described property to satisfy the obligations hereof, and shall cause such notice to be recorded in the office of the recorder of the county wherein said real property is situated.

10625-286

After the lapse of such time as may be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law. Trustee, without demand on Trustor, shall sell said property at the time and place of sale fixed by it in said notice of sale, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by preceding postponement. Trustee shall deliver to the purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals of such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title and reasonable counsel fees in connection with sale, Trustee shall apply the proceeds of sale to payment of all sums then secured hereby, with accrued interest, in such order and manner as may be required by Beneficiary, the remainder, if any, to be paid to the person or persons legally entitled thereto.

7. This Deed of Trust applied to, inures to the benefit of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be party, unless brought by Trustee.

8. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party, unless brought by Trustee.

9. Beneficiary may, from time to time, substitute another Trustee in the place of Trustee herein named, to execute this trust. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all the title, powers and duties conferred upon Trustee herein named. Each such appointment and substitution shall be made by written instrument executed by Beneficiary, containing reference to this Deed of Trust sufficient to identify it, which, when recorded in the office of the county recorder of the county in which the property is situated, shall be conclusive proof of the property appointment of the successor trustee.

C. In the event the herein described property, or any part thereof or any interest therein, is sold, agreed to be sold, conveyed or alienated by Trustor, or by the operation of law or otherwise, all obligations secured by this instrument, irrespective of the maturity dates expressed therein, at the option of the Beneficiary and without demand or notice, shall immediately become due and payable.

1.09

10625 287

D. Any notice of default and any notice of sale hereunder shall be mailed to Trustor at the following address; State of California, Department of General Services, Real Estate Services Division, 915 Capitol Mall, Room 110, Sacramento, California 95814,

ATTEST:

W. E. ST JOHN, County Clerk of the County of Orange, and ex-officio Clerk of the Board of Supervisors of Orange County
By Jane Alexander
Deputy

ORANGE COUNTY HARBORS, BEACHES AND PARKS DISTRICT
By Ronald W. Casser
Chairman, Board of Supervisors, as governing board of Harbors, Beaches and Parks -- TRUSTOR

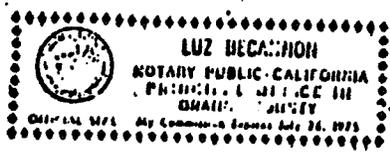
STATE OF CALIFORNIA
DEPARTMENT OF GENERAL SERVICES
LAWRENCE R. ROBINSON, JR., DIRECTOR

By Vaughn W. Miller
Vaughn W. Miller -- BENEFICIARY
Chief Land Agent

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss,

On this 2nd day of April, 1973, before me, the undersigned, a Notary Public in and for said County and State, residing therein, duly commissioned and sworn, personally appeared Ronald W. Casser as Chairman of the Board of Supervisors of Orange County, California, said Board acting as the governing board of Harbors, Beaches and Parks. Ronald W. Casser is known to me to be the person described in and whose name is subscribed to the within instrument, and acknowledged to me that he executed the same on behalf of said Harbors Beaches and Parks of Orange County, and as such officer thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Luz Becannon
Notary Public in and for said County and State

1 Recorded at request of, and return to:

4 Project No. PR46B-101.3
5 Project: Fairview Regional Park

6 GRANT DEED

7
8 FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

9 the ORANGE COUNTY HARBORS, BEACHES AND PARKS DISTRICT

10 does hereby GRANT to the CITY OF COSTA MESA the real property in the County of Orange,
11 State of California, described as:

12 That portion of Lot A of the Banning Tract, in the city of Costa
13 Mesa, county of Orange, state of California, as shown on a map filed in
14 the case of Hancock Banning and others, versus Mary H. Banning, for
15 petition and being Action No. 6385 in the Superior Court of the State of
16 California, in and for the County of Los Angeles, California, together
17 with those portions of Lots 3, 4, and 5 of the J. A. Day Tract, in said
18 city, county and state, recorded in book 4, page 50 of Miscellaneous Maps
19 in the office of the County Recorder of said Orange County, described as a
20 whole as Parcel GA 551-1.01 in a deed to the Orange County Harbors,
21 Beaches and Parks District recorded April 3, 1973 in book 10625, page 278
22 of Official Records in the office of said County Recorder.

23 EXCEPT therefrom the westerly 200.00 feet of said Parcel GA 551-1.01,
24 said 200.00 feet being measured at right angles to the westerly line of
25 said Parcel.

26 ALSO EXCEPT therefrom that portion lying southerly and westerly of
27 the following described line:

28 Beginning at a point in the westerly line of said Parcel GA 551-1.01,
said point being distant S. $13^{\circ}24'49''$ W., 1025.51 feet, measured along
said westerly line, from the northwesterly corner of said Parcel; thence
S. $76^{\circ}35'11''$ E., 949.45 feet; thence S. $12^{\circ}28'45''$ W., 314.88 feet; thence
S. $14^{\circ}06'38''$ W., 208.94 feet; thence S. $9^{\circ}15'00''$ W., 251.00 feet; thence
S. $8^{\circ}40'51''$ W., 294.03 feet; thence S. $5^{\circ}38'55''$ W., 328.70 feet; thence
S. $7^{\circ}14'42''$ W., 228.30 feet; thence S. $6^{\circ}37'40''$ W., 360.32 feet; thence
S. $3^{\circ}43'58''$ W., 206.93 feet; thence S. $6^{\circ}45'13''$ W., 248.06 feet; thence
S. $19^{\circ}35'27''$ W., 300.28 feet to a point on the southerly line of said
Parcel GA 551-1.01, said point being distant N. $89^{\circ}27'30''$ E.,
1171.89 feet, measured along said southerly line, from the southwestly
corner of said Parcel.

1 COVENANTS, CONDITIONS AND RESTRICTIONS

2 The above described property is granted upon the express condition that the parcel be
3 perpetually used for public park, recreation, and open space purposes. Public park,
4 recreation, and open space is defined as those uses consistent with applicable provi-
5 sions of Section 11011.1 of Government Code of California and State-approved General
6 Development Plan.

7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
A breach of said condition shall cause said property to revert to Grantor, its heirs,
successors, or assigns, who shall have the right of immediate re-entry upon said pre-
mises.

1 Recorded at request of, and return to:

4 Project No. PR46B-101.3
5 Project: Fairview Regional Park

6 GRANT DEED

7
8 FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

9 the ORANGE COUNTY HARBORS, BEACHES AND PARKS DISTRICT

10 does hereby GRANT to the CITY OF COSTA MESA the real property in the County of Orange,
11 State of California, described as:

12 That portion of Lot A of the Banning Tract, in the city of Costa
13 Mesa, county of Orange, state of California, as shown on a map filed in
14 the case of Hancock Banning and others, versus Mary H. Banning, for
15 petition and being Action No. 6385 in the Superior Court of the State of
16 California, in and for the County of Los Angeles, California, together
17 with those portions of Lots 3, 4, and 5 of the J. A. Day Tract, in said
18 city, county and state, recorded in book 4, page 50 of Miscellaneous Maps
19 in the office of the County Recorder of said Orange County, described as a
20 whole as Parcel GA 551-1.01 in a deed to the Orange County Harbors,
21 Beaches and Parks District recorded April 3, 1973 in book 10625, page 278
22 of Official Records in the office of said County Recorder.

23 EXCEPT therefrom the westerly 200.00 feet of said Parcel GA 551-1.01,
24 said 200.00 feet being measured at right angles to the westerly line of
25 said Parcel.

26 ALSO EXCEPT therefrom that portion lying southerly and westerly of
27 the following described line:

28 Beginning at a point in the westerly line of said Parcel GA 551-1.01,
said point being distant S. 13°24'49" W., 1025.51 feet, measured along
said westerly line, from the northwesterly corner of said Parcel; thence
S. 76°35'11" E., 949.45 feet; thence S. 12°28'45" W., 314.88 feet; thence
S. 14°06'38" W., 208.94 feet; thence S. 9°15'00" W., 251.00 feet; thence
S. 8°40'51" W., 294.03 feet; thence S. 5°38'55" W., 328.70 feet; thence
S. 7°14'42" W., 228.30 feet; thence S. 6°37'40" W., 360.32 feet; thence
S. 3°43'58" W., 206.93 feet; thence S. 6°45'13" W., 248.06 feet; thence
S. 19°35'27" W., 300.28 feet to a point on the southerly line of said
Parcel GA 551-1.01, said point being distant N. 89°27'30" E.,
1171.89 feet, measured along said southerly line, from the southwesterly
corner of said Parcel.

1 COVENANTS, CONDITIONS AND RESTRICTIONS

2 The above described property is granted upon the express condition that the parcel be
3 perpetually used for public park, recreation, and open space purposes. Public park,
4 recreation, and open space is defined as those uses consistent with applicable provi-
5 sions of Section 11011.1 of Government Code of California and State-approved General
6 Development Plan.

7 A breach of said condition shall cause said property to revert to Grantor, its heirs,
8 successors, or assigns, who shall have the right of immediate re-entry upon said pre-
9 mises.

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27