



# **PLANNING COMMISSION AGENDA REPORT**

VII. 4

MEETING DATE: APRIL 14, 2008

ITEM NUMBER

**SUBJECT: CONDITIONAL USE PERMIT PA-07-52 AND LOT LINE ADJUSTMENT LL-07-04  
3184, 3186, AND 3185 THROUGH 3189 PULLMAN STREET**

**DATE: APRIL 3, 2008**

**FOR FURTHER INFORMATION CONTACT: WENDY SHIH, ASSOCIATE PLANNER (714) 754-5136**

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## **PROJECT DESCRIPTION**

The applicant proposes a lot line adjustment to modify three existing building lots to create three separate parcels containing parking and improvements, with a conditional use permit for shared/off-site parking and a minor conditional use permit for shared access between the lots.

## **APPLICANT**

Development Resource Consultants, Inc. is representing property owners bkm Redhill Associates 11, LLC, Sierra Nevada Investment, and RHP, LLC.

## **RECOMMENDATION**

Approve by adoption of Planning Commission resolution.

  
WENDY SHIH  
Associate Planner

  
KIMBERLY BRANDT, AICP  
Asst. Development Services Director

**PLANNING APPLICATION SUMMARY**

Location: 3184, 3186, and 3185 – 3189 Pullman Application: PA-07-52/LL-07-04

Request: Lot line adjustment to modify three existing building lots to create three separate parcels containing parking and improvements, with a conditional use permit for shared/off-site parking and a minor conditional use permit for shared access between the lots.

**SUBJECT PROPERTY:**

**SURROUNDING PROPERTY:**

Zone: MP (Industrial Park) North: Surrounding properties  
 General Plan: Industrial Park South: are all industrially zoned  
 Lot Dimensions: Irregular East: MP (Industrial Park)  
 Lot Area: 6 acres (Before subdivision) West: and developed.  
 Existing Development: Three industrial condominium lots and one common lot (part of 7-building industrial complex to be held together for purposes of calculating FAR).

**DEVELOPMENT STANDARD COMPARISON**

Dev. Standard                      Required/Allowed                      Proposed/Provided

Lot Size:		Parcel 1	Parcel 2	Parcel 3
Lot Width	120 ft.	263 ft.	253 ft.	207 ft.
Lot Area	30,000 sq.ft.	120,312 sq.ft.	97,697 sq.ft.	49,990 sq.ft.
Floor Area Ratio:				
(Moderate Traffic)	.30	.45 (266,369 sq.ft.)*		
Setbacks:				
Front	20 ft.	30 ft.	30 ft.	85 ft.
Side (left/right)	10 ft. (20 ft. for Parcel 3 street side)	30 ft./60 ft.	45 ft./50 ft.	80 ft. (street side)/22 ft.
Rear	0 ft.	100 ft.	40 ft.	28 ft.
Parking (shared between 3 parcels):				
Standard	282	297		
Handicapped	7	7		
TOTAL:	289	304		

CEQA Status: Exempt, Class 1 and 15

Final Action: Planning Commission

- This is a legal, nonconforming development which includes the parcel to the east containing 4 industrial/office condominium buildings. A land use restriction was recorded per conditions of PM-05-109 to hold the lots together for purposes of calculating FAR.

**BACKGROUND/DISCUSSION**

The subject site is part of a larger development (formerly the Canon Industrial Park) consisting of 7 industrial/office buildings, bounded by Pullman Street to the west and north, and Red Hill Avenue to the east. The buildings are located on separate parcels. However, all lots have shared access and are considered a single development for purposes of calculating floor area ratio (FAR). A land use restriction (LUR) was recorded confirming this per conditions of approval under Parcel Map PM-05-109.

Several parcel maps have been approved for this site and they are as follows (copies attached):

Original Configuration	6 buildings on 4 parcels (3 of the buildings are located on 1 parcel at the southwest corner of Pullman Street and Red Hill Avenue.
PM-02-195	Created 6 building lots with 1 common lot (not held together for condominium purposes).
PM-05-109	Demolished a portion of a building to create 2 separate buildings for a total of 7 buildings. Divided the single common lot into 2 for airspace condominiums on building lots 4 through 7 (building lots 1 – 3 remain unchanged) with shared access.
PM-05-292	Created airspace condominiums for building lot 1.

The applicant proposes to modify 3 existing building lots to create 3 separate parcels containing parking and improvements. The lot line adjustment is being processed in conjunction with a conditional use permit for shared or off-site parking and a minor conditional use permit for shared access between the lots.

**ANALYSIS**

Since the industrial/office development was originally designed to function as a single project, staff is concerned with the proposed lot line adjustment to create 3 parcels containing parking and improvements because there is no common ownership to ensure continued access and consistent maintenance. As a result, staff has included a condition requiring recordation of modified conditions, covenants, and restrictions (CC&Rs) to include the 3 parcels prior to recordation of the lot line adjustment to ensure shared access and parking between the lots, as well as to ensure common maintenance for the landscaping, driveways and parking spaces.

It is staff's opinion that approval of the applicant's request, subject to the recommended conditions of approval, will not intensify existing uses on the properties. The lot line adjustment satisfies all applicable Code requirements. The buildings will have Code-compliant setbacks to the new property lines. Parking would not be impacted with the approval of the conditional use permit to allow shared or off-site parking. Approval of the minor conditional use permit will also retain the project's shared ingress, egress, and on-site circulation.

If the applicant's request is approved, a condition of approval is included requiring that the LUR required under PM-05-109 be terminated and a new one be recorded to reflect the modified parcels so that the development is held together for purposes of calculating FAR.

**GENERAL PLAN CONFORMITY**

The General Plan designation of the property is unaffected by the subject application since the lot line adjustment will not affect the use of the property.

**ENVIRONMENTAL**

This request is exempt from the provisions of the California Environmental Quality Act, under Class 5, Minor Alterations in Land Use Limitations.

**ALTERNATIVES**

1. If the Planning Commission approves the application, the lot lines could be modified as proposed.
2. If the application is denied, the lot lines cannot be modified as proposed. The applicant would be unable to submit substantially the same request for six months.

**CONCLUSION**

Staff does not anticipate any significant land use impacts, provided the conditions of approval and code requirements are complied with. Approval of the lot line adjustment with a conditional use permit for off-site or shared parking and a minor conditional use permit for shared access will allow the legal modification of 3 building lots and a common lot to 3 parcels containing parking and improvements.

Attachments:       Draft Planning Commission Resolution  
                          Exhibit "A" - Draft Findings  
                          Exhibit "B" – Conditions of Approval  
                          Applicant's Project Description and Justification  
                          Previously Approved Parcel Maps  
                          Lot Line Adjustment Exhibits

Distribution:       Deputy City Manager - Dev. Svcs.  
                          Assistant City Attorney  
                          Assistant City Engineer  
                          Fire Protection Analyst  
                          Staff (4)  
                          File (2)

Cc:                   Sharon Pizzulli  
                          DRC  
                          8175 E. Kaiser Blvd.  
                          Anaheim Hills, CA 92808

RHP, LLC  
1326 Fifth Avenue, Ste. 703  
Seattle, WA 98101

Sierra Nevada Investment  
404 Patricia Way  
Arcadia, CA 91006

Bkm RedHill Associates 11, LLC  
3185 Pullman Street  
Costa Mesa, CA 92626

File: 041408PA0752/LLA0704	Date: 040308	Time: 8:30 a.m.
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**RESOLUTION NO. PC-08-**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA APPROVING PLANNING APPLICATION PA-07-52 AND LOT LINE ADJUSTMENT LL-07-04**

THE PLANNING COMMISSION OF THE CITY OF COSTA MESA HEREBY RESOLVES AS FOLLOWS:

WHEREAS, an application was filed by Development Resource Consultants, Inc., representing property owners bkm Redhill Associates 11, LLC, Sierra Nevada Investment, and RHP, LLC, with respect to the real properties located at 3184, 3186, and 3185 through 3189 Pullman Street, requesting approval of a lot line adjustment to modify three existing building lots to create three separate parcels containing parking and improvements, with a conditional use permit for shared/off-site parking and a minor conditional use permit for shared access between the lots, in the MP zone; and

WHEREAS, Planning Commission held a duly noticed public hearing on April 14, 2008.

BE IT RESOLVED that, based on the evidence in the record and the findings contained in Exhibit "A", and subject to the conditions contained in Exhibit "B", the Planning Commission hereby **APPROVES** Planning Application PA-07-52 and Lot Line Adjustment LL-07-04 with respect to the property described above.

BE IT FURTHER RESOLVED that the Costa Mesa Planning Commission does hereby find and determine that adoption of this Resolution is expressly predicated upon the activity as described in the Staff Report for Planning Application PA-07-52 and Lot Line Adjustment LL-07-04 and upon applicant's compliance with each and all of the conditions contained in Exhibit "B", as well as with compliance of all applicable federal, state, and local laws. Any approval granted by this resolution shall be subject to review, modification or revocation if there is a material change that occurs in the operation, or if the applicant fails to comply with any of the conditions of approval.

**PASSED AND ADOPTED this 14th day of April, 2008.**

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Donn Hall, Chair  
Costa Mesa Planning Commission



## EXHIBIT "A"

**FINDINGS**

- A. The information presented substantially complies with Section 13-29(g)(2) of the Costa Mesa Municipal Code in that the proposed use is substantially compatible with developments in the same general area and would not be materially detrimental to other properties within the area. Granting the conditional and minor conditional use permits, as conditioned, will not be detrimental to the health, safety and general welfare of the public or other properties or improvements within the immediate vicinity. Specifically, the shared or off-site parking would ensure adequate parking for all parcels and shared driveway access would allow adequate on-site circulation for the industrial/office development. Granting the conditional use permits, as conditioned, will not allow a use, density or intensity which is not in accordance with the general plan designation for the property.
- B. The lot line adjustment is consistent with the General Plan and the Zoning Code.
- C. The project has been reviewed for compliance with the California Environmental Quality Act (CEQA), the CEQA Guidelines, and the City environmental procedures, and has been found to be exempt from CEQA under Section 15305 for Minor Alterations in Land Use Limitations.
- D. The project is exempt from Chapter XII, Article 3, Transportation System Management, of Title 13 of the Costa Mesa Municipal Code.

**EXHIBIT "B"**

**CONDITIONS OF APPROVAL**

- Plng.
1. Submit a copy of the recorded lot line adjustment to Planning Division.
  2. All parcels containing 7 buildings total shall be considered as one for purposes of calculating FAR allowance. The LUR required under PM-05-109 shall be terminated and a new one (holding all parcels together as one for purposes of calculating FAR) executed by and between the applicant and the City of Costa Mesa shall be recorded prior to recordation of the lot line adjustment, to inform future property owners of the restrictions contained in this condition. Applicant shall submit to the Planning Division a copy of the legal description for the properties, and either a lot book report or current title report identifying the current legal property owner so that the document may be prepared.
  3. The existing CC&Rs and articles of incorporation and bylaws shall be modified, reviewed, and approved by the Planning Division prior to recordation. The CC&Rs shall include a provision as to use and maintenance of all parking spaces, driveways and landscaping. A copy of the recorded CC&Rs shall be submitted prior to recordation of the lot line adjustment.

November 28, 2007

**City of Costa Mesa**  
**Planning Department**  
Attn: Wendy Shih  
77 Fair Drive  
Costa Mesa, CA 92626

Re: Redhill Pullman Lot Line Adjustment (CUP)

Dear Wendy,

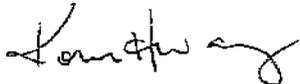
The purpose of the proposed LLA is to allow separate owners of the buildings to have control of the improvements in areas immediately surrounding their buildings without the consent of the other owners. All parking and drive aisle easements will still take precedence and submittals will be sent to City of Costa Mesa if City approval is necessary. CC&R's will be amended where owners will have rights to modify their property without the consent of other owners. No improvements will be made that will hinder or obstruct the businesses of the other property owners.

If you should have further questions regarding this subdivision request, please do not hesitate to contact me or our engineer at DRC.

Thank you.

Sincerely,

**bkm Development Company, LLC**

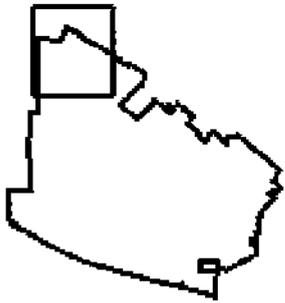


Koren Hwang  
Assistant Project Manager

**City of Costa Mesa**

CITY OF COSTA MESA - [Created: 4/2/2008 9:18:22 AM] [Scale: 661.74] [Page: 8.5 x 11 / Landscape]

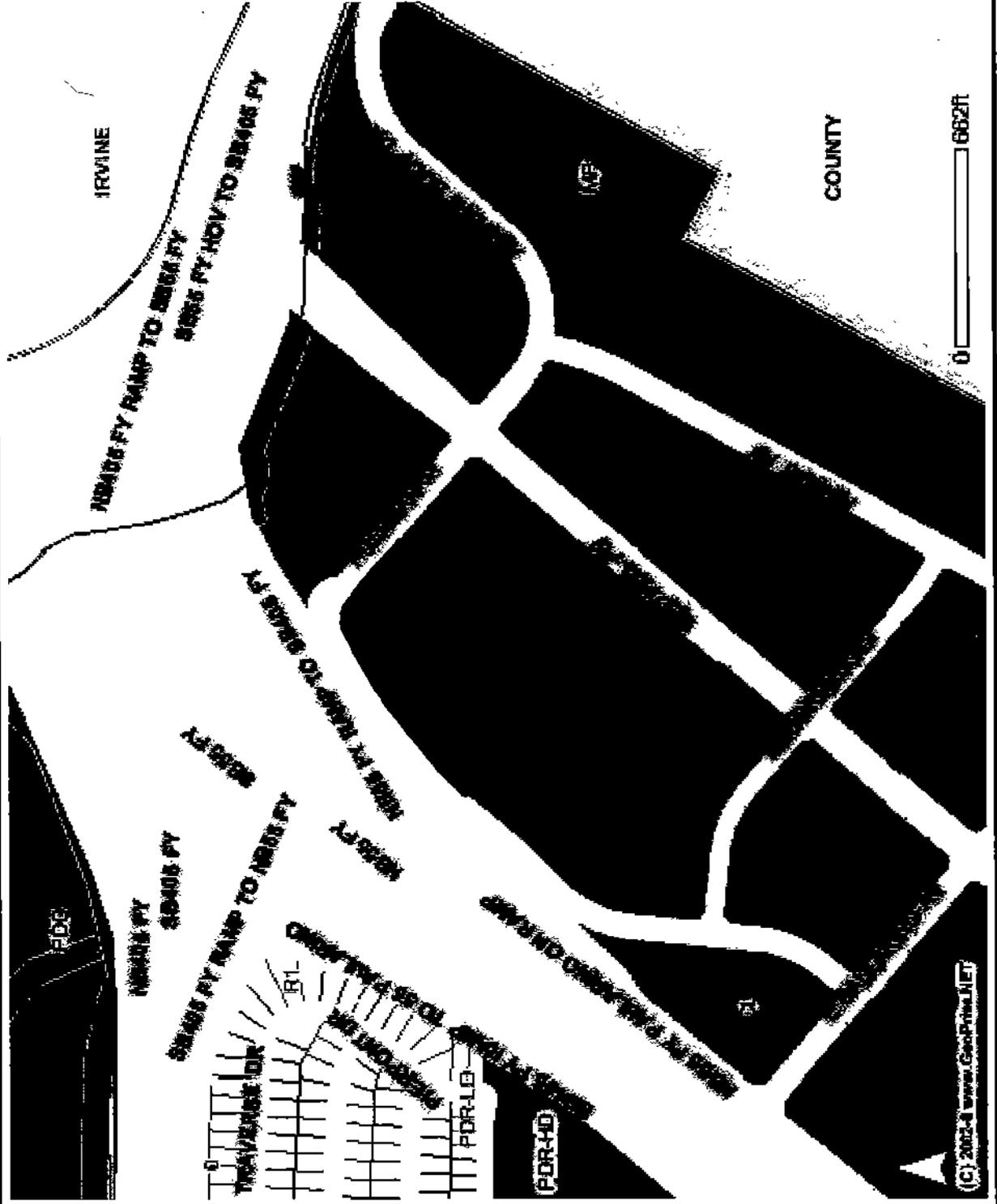
**Overview Map**



**Legend**

- Waterway Lines
- Hydrology Channel
- Street Names
- ROW Lines
- Parcel Lines
- City Boundary
- Water Ways
- Zoning
- AP
- C1
- C1-S (cont)

**Map Display**



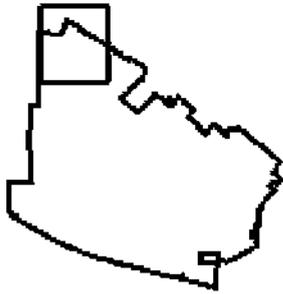
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(C) 2002-8 GeoPrice.NET

**City of Costa Mesa**

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**Overview Map**



**Map Display**



**Legend**

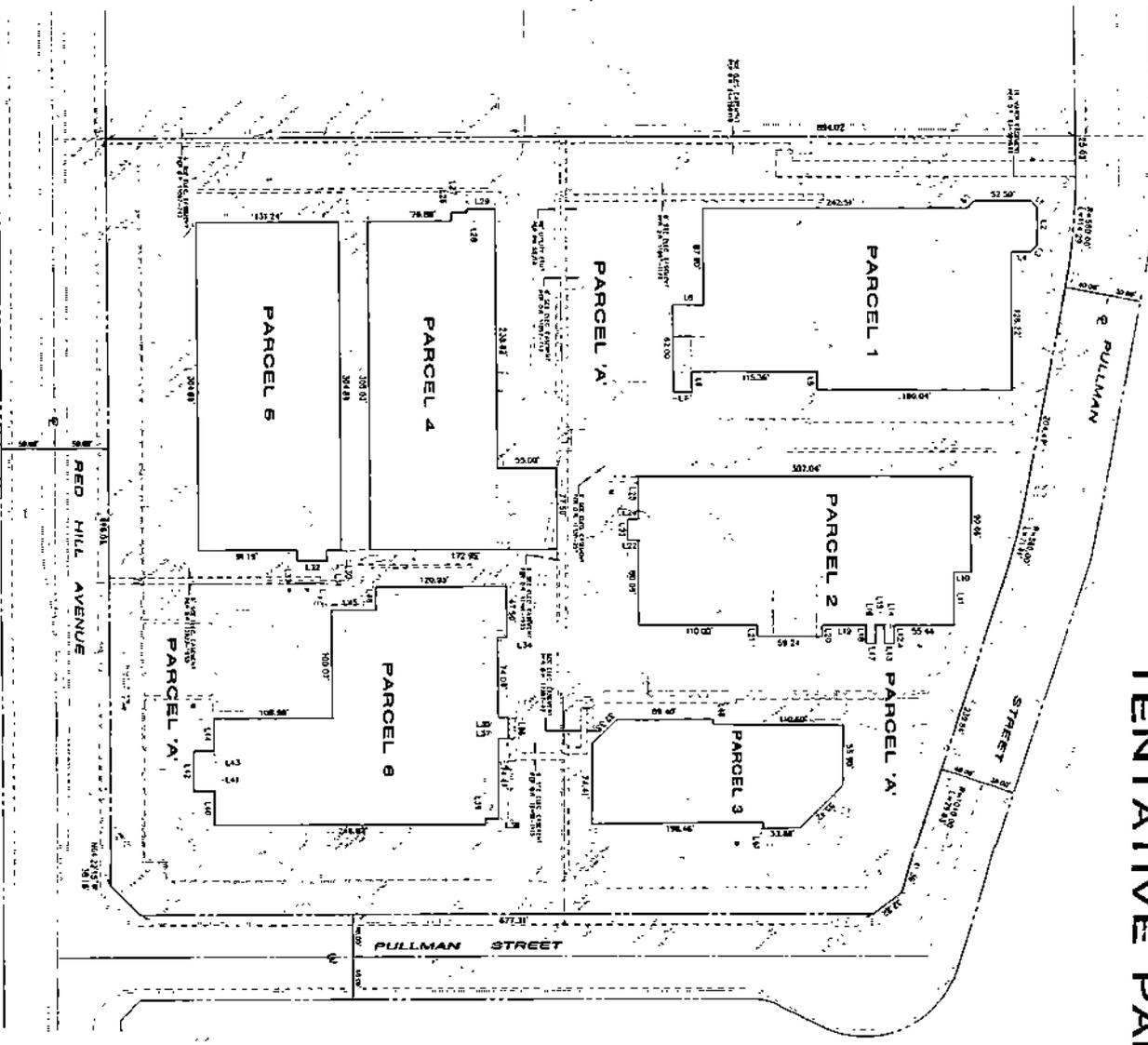
- Waterway Lines
- Hydrology Channels
- Street Names
- ROW Lines
- Parcel Lines
- City Boundary
- Water Ways
- Level 3 Ortho Photo Parcels

11A

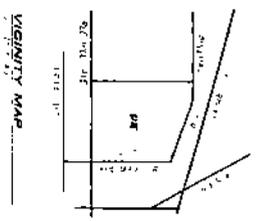
# TENTATIVE PARCEL MAP NO. 2002-195

## CANON INDUSTRIAL PARK COSTA MESA, CALIFORNIA

SEPTEMBER 04, 2002



11



### PARCEL AREA SUMMARY

PARCEL NO.	ACRES
1	10.40
2	0.88
3	0.48
4	0.58
5	0.58
A	0.88
A'	0.88
<b>TOTAL</b>	<b>17.10</b>

### LINER TABLE

LINE NO.	DESCRIPTION	BEARING	DISTANCE
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98	...	...	...
99	...	...	...
100	...	...	...

### NOTE:

1. ALL DIMENSIONS ARE IN FEET AND DECIMALS THEREOF.

2. THE TOTAL AREA OF THE PARCELS SHOWN ON THIS MAP IS 17.10 ACRES.

3. THE TOTAL AREA OF THE PARCELS SHOWN ON THIS MAP IS 17.10 ACRES.

4. THE TOTAL AREA OF THE PARCELS SHOWN ON THIS MAP IS 17.10 ACRES.

5. THE TOTAL AREA OF THE PARCELS SHOWN ON THIS MAP IS 17.10 ACRES.

### OWNER:

CANON BUSINESS MACHINES  
10000 CANON DRIVE  
COSTA MESA, CALIFORNIA 92626

### SUBDIVIDER:

DAVID L. BROWN, INC.  
10000 CANON DRIVE  
COSTA MESA, CALIFORNIA 92626

### PREPARED BY:

DAVID L. BROWN, INC.  
10000 CANON DRIVE  
COSTA MESA, CALIFORNIA 92626

ATTACHMENT A



OWNER: **Redskin**  
 DEVELOPER: **Redskin**  
 DATE MAP PREPARED: **11/15/2005**

# TENTATIVE PARCEL MAP NO. 2005 292

## PARCEL 1 FOR CONDOMINIUM PURPOSES

AREA SUMMARY  
 BASIS OF BEARING  
 EXISTING LEGAL DESCRIPTION  
 CITY ORDINANCES AND CLARIFICATIONS

**PROPOSED LEGAL DESCRIPTION**

TRACT NO 6368  
 M.M. 233/18-19

PULLMAN STREET

NEWPORT FREEWAY

PARCEL NO. 1  
 P.M. 15/35

LEGEND:

ZONING: **RM 100**

BUILDING HEIGHT: **35 FT.**

FLOOD ZONE: **1A**

BUILDING SETBACKS:

FRONT: 10 FT.

REAR: 10 FT.

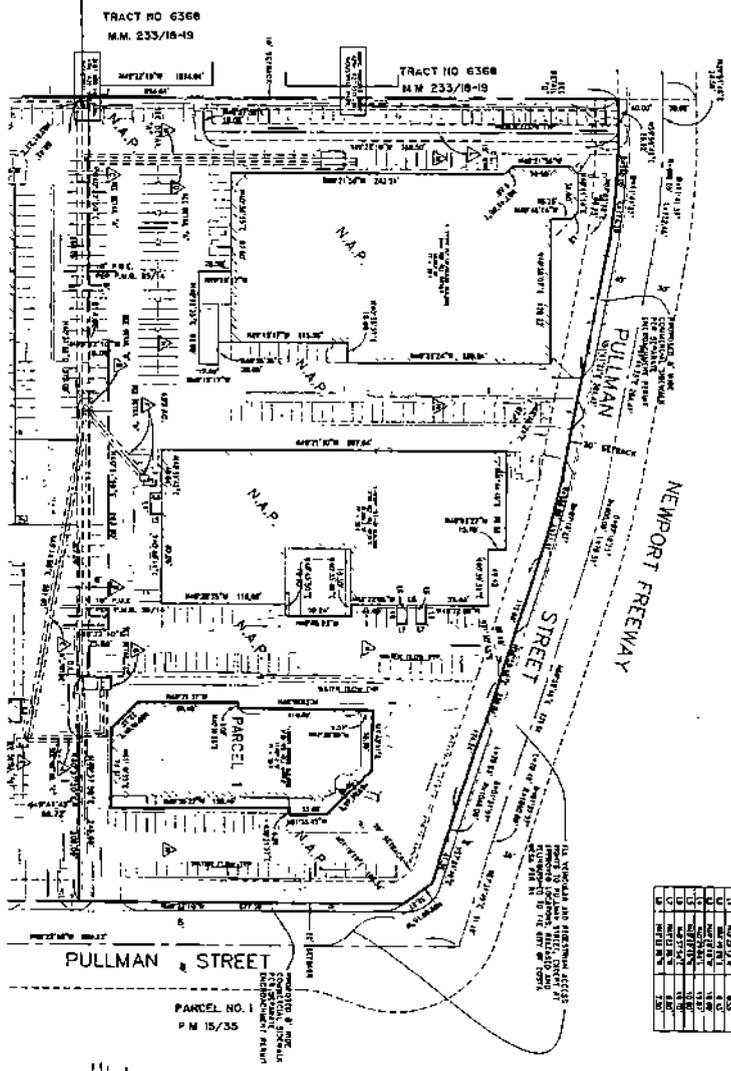
SIDE: 5 FT.

DIAGONAL: 10 FT.

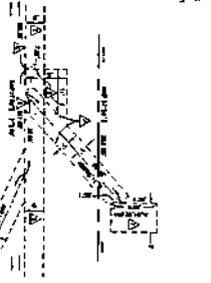
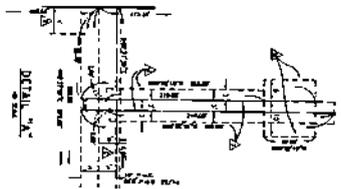
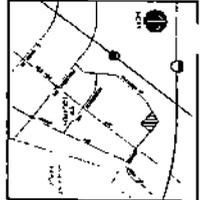
GRAPHIC SCALE: 1" = 100'

14

PM. 05. 292



NO.	DESCRIPTION	AREA
1	TRACT NO. 6368	4.00
2	TRACT NO. 6369	1.00
3	TRACT NO. 6370	1.00
4	TRACT NO. 6371	1.00
5	TRACT NO. 6372	1.00
6	TRACT NO. 6373	1.00
7	TRACT NO. 6374	1.00
8	TRACT NO. 6375	1.00
9	TRACT NO. 6376	1.00
10	TRACT NO. 6377	1.00
11	TRACT NO. 6378	1.00
12	TRACT NO. 6379	1.00
13	TRACT NO. 6380	1.00
14	TRACT NO. 6381	1.00
15	TRACT NO. 6382	1.00
16	TRACT NO. 6383	1.00
17	TRACT NO. 6384	1.00
18	TRACT NO. 6385	1.00
19	TRACT NO. 6386	1.00
20	TRACT NO. 6387	1.00
21	TRACT NO. 6388	1.00
22	TRACT NO. 6389	1.00
23	TRACT NO. 6390	1.00
24	TRACT NO. 6391	1.00
25	TRACT NO. 6392	1.00
26	TRACT NO. 6393	1.00
27	TRACT NO. 6394	1.00
28	TRACT NO. 6395	1.00
29	TRACT NO. 6396	1.00
30	TRACT NO. 6397	1.00
31	TRACT NO. 6398	1.00
32	TRACT NO. 6399	1.00
33	TRACT NO. 6400	1.00



LL-07-04

EXHIBIT "B"

PLAT TO ACCOMPANY LEGAL DESCRIPTION FOR EXHIBIT "A"

SCALE: 1"=100'

PULLMAN STREET

RED HILL AVENUE

NEWPORT FREEWAY

PARCEL 3  
1.148 AC  
APN: 427-211-17

PARCEL 1  
PM 2005-292  
PMB 359/30-33  
EXCEPTION

T.P.O.B.  
PCL 3

APN: 427-211-07

PARCEL 2  
2.243 AC

PARCEL "A"  
PM 2005-109  
PMB 345 / II-18

LEGEND

- BOUNDARY
- REMOVED LOT LINE
- PROPOSED PROPERTY LINE
- ADJACENT LOT LINE
- EXISTING EASEMENT

PARCEL "B"  
PM 2005-109  
PMB 345 / II-18

T.P.O.B.  
PCL 2

NOTES:

- SEE SHEET 6 FOR LINE AND CURVE DATA TABLES.
- SEE PARCEL MAP NO. 2005-192 FILED IN BOOK 359, PAGES 30 TO 33 INCLUSIVE, OF PARCEL MAPS FOR COURSE DATA NOT SHOWN HEREON.

P.O.B.  
PCL 1  
PCL 2  
PCL 3

TRACT NO. 6368

M.M. 233/18-19

SHEET 5 OF 6

LOT LINE ADJUSTMENT NO. 07-04  
EXHIBIT "B"  
CITY OF COSTA MESA, CALIFORNIA

**DRC** Development Resource Consultants, Inc.  
Civil Engineering • Land Surveying • Environmental  
2175 E. KAISER BOULEVARD  
ANAHEIM HILLS, CA 92808 (714) 685-6860

L:\2004\04-905C bkm Red Hill\LLA\4905c LLA.dwg 1/14/2008 9:01:39 AM PST

WHEN RECORDED MAIL TO:

City of Costa Mesa  
Planning Division  
Post Office Box 1200  
Costa Mesa, CA 92628-1200

**LOT LINE ADJUSTMENT NO. LL-07-04**

**APPROVAL OF A LOT LINE ADJUSTMENT BETWEEN THREE  
PARCELS (LL-07-04), PURSUANT TO EXHIBITS "A" AND  
"B", ATTACHED HERETO.**

The above-referenced lot line adjustment is hereby approved based upon the following findings:

1. Section 66412 (d) of the Subdivision Map Act makes provisions for approval of lot line adjustments where the land taken from one parcel is added to an adjacent parcel and where a greater number, or parcels than originally existed, is not thereby created; and
2. The owners certified that they are the true owners of record of certain real property described in Exhibit "A" and shown on Exhibit "B". Owners have applied for and requested a lot line Adjustment to modify the areas of the existing lots.
3. The various departments of the City of Costa Mesa have reviewed and recommended approval of the above-referenced lot line adjustment and have found that the real property described in Exhibit "A" and shown in Exhibit "B" complies with the provisions of the California Subdivision Map Act, the California Environmental Quality Act, the City of Costa Mesa General Plan, and applicable City of Costa Mesa ordinances and regulations, including the requirements for building sites.

Therefore, the said parcels shall be considered a building site upon recordation of this certificate, including Exhibits "A" and "B", and concurrent recordation of a deed establishing title in conformity with the above-referenced lot line adjustment.

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**KIMBERLY BRANDT**  
ASST. DEVELOPMENT SERVICES DIRECTOR  
CITY OF COSTA MESA

---

**DATE**



**EXHIBIT "A"**  
**LEGAL DESCRIPTION**  
**LOT LINE ADJUSTMENT NO. 07-04**

**PARCEL 1**

IN THE CITY OF COSTA MESA, COUNTY OF ORANGE, STATE OF CALIFORNIA, BEING PARCEL 1 OF PARCEL MAP NO. 2002-195, AS SHOWN ON A MAP FILED IN BOOK 333, PAGES 43 TO 47, INCLUSIVE, OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

TOGETHER WITH THAT PORTION OF PARCEL "A" OF PARCEL MAP NO. 2005-109 AS SHOWN ON A MAP FILED IN BOOK 345, PAGES 11 TO 18, INCLUSIVE OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**BEGINNING** AT THE SOUTHERLY CORNER OF SAID PARCEL "A"; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL "A", THE FOLLOWING THREE (3) COURSES:

- 1) NORTH 40°37'46" EAST, 214.00 FEET;
- 2) NORTH 49°22'14" WEST, 18.00 FEET;
- 3) NORTH 40°37'46" EAST, 48.89 FEET;

THENCE, LEAVING SAID SOUTHEASTERLY LINE, THE FOLLOWING THREE (3) COURSES:

- 1) NORTH 49°18'49" WEST, 200.74 FEET;
- 2) NORTH 31°15'47" EAST, 8.86 FEET;
- 3) NORTH 49°20'52" WEST, 208.11 FEET TO THE NORTHWESTERLY LINE OF SAID PARCEL "A";

THENCE, ALONG THE NORTHWESTERLY AND SOUTHWESTERLY LINES OF SAID PARCEL "A", THE FOLLOWING FOUR (4) COURSES:

- 1) SOUTH 51°41'09" WEST, 129.75 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 560.00 FEET;
- 2) SOUTHWESTERLY, ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 11°41'37", AN ARC LENGTH OF 114.29 FEET;
- 3) SOUTH 39°59'32" WEST, 24.99 FEET;
- 4) SOUTH 49°22'20" EAST, 470.24 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS 120,312 SQUARE FEET OR 2.762 ACRES, MORE OR LESS.

**PARCEL 2**

IN THE CITY OF COSTA MESA, COUNTY OF ORANGE, STATE OF CALIFORNIA, BEING PARCEL 2 OF PARCEL MAP NO. 2002-195, AS SHOWN ON A MAP FILED IN BOOK 333, PAGES 43 TO 47, INCLUSIVE, OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

TOGETHER WITH THAT PORTION OF PARCEL "A" OF PARCEL MAP NO. 2005-109 AS SHOWN ON A MAP FILED IN BOOK 345, PAGES 11 TO 18, INCLUSIVE OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHERLY CORNER OF SAID PARCEL "A"; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL "A", THE FOLLOWING THREE (3) COURSES:

- 1) NORTH 40°37'46" EAST, 214.00 FEET;
- 2) NORTH 49°22'14" WEST, 18.00 FEET;
- 3) NORTH 40°37'46" EAST, 48.89 FEET TO THE TRUE POINT OF BEGINNING;

THENCE, LEAVING SAID SOUTHEASTERLY LINE, THE FOLLOWING THREE (3) COURSES:

- 1) NORTH 49°18'49" WEST, 200.74 FEET;
- 2) NORTH 31°15'47" EAST, 8.86 FEET;
- 3) NORTH 49°20'52" WEST, 208.11 FEET TO THE NORTHWESTERLY LINE OF SAID PARCEL "A";

THENCE, ALONG THE NORTHWESTERLY LINE OF SAID PARCEL "A", THE FOLLOWING THREE (3) COURSES:

- 1) NORTH 51°41'09" EAST, 74.72 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 560.00 FEET;
- 2) NORTHEASTERLY, ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 07°18'23", AN ARC LENGTH OF 71.41 FEET;
- 3) NORTH 58°59'32" EAST, 100.17 FEET;

THENCE, LEAVING SAID NORTHWESTERLY LINE, THE FOLLOWING FOUR (4) COURSES:

- 1) SOUTH 26°30'58" EAST, 13.33 FEET;
- 2) SOUTH 49°14'17" EAST, 25.84 FEET;
- 3) NORTH 40°49'09" EAST, 17.38 FEET;
- 4) SOUTH 49°24'41" EAST, 340.59 FEET TO THE SOUTHEASTERLY LINE OF SAID PARCEL "A";

THENCE, ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL "A", THE FOLLOWING THREE (3) COURSES;

- 1) SOUTH 40°37'46" WEST, 38.75 FEET;
- 2) NORTH 49°22'14" WEST, 25.50 FEET;
- 3) SOUTH 40°37'46" WEST, 214.11 FEET TO THE TRUE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS 97,697 SQUARE FEET OR 2.243 ACRES, MORE OR LESS.

**PARCEL 3**

IN THE CITY OF COSTA MESA, COUNTY OF ORANGE, STATE OF CALIFORNIA, BEING THAT PORTION OF PARCEL "A" OF PARCEL MAP NO. 2005-109, AS SHOWN ON A MAP FILED IN BOOK 345, PAGES 11 TO 18, INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHERLY CORNER OF SAID PARCEL "A"; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL "A", THE FOLLOWING THREE (3) COURSES:

- 1) NORTH 40°37'46" EAST, 214.00 FEET;
- 2) NORTH 49°22'14" WEST, 18.00 FEET;
- 3) NORTH 40°37'46" EAST, 48.89 FEET;

THENCE, LEAVING SAID SOUTHEASTERLY LINE, THE FOLLOWING THREE (3) COURSES:

- 1) NORTH 49°18'49" WEST, 200.74 FEET;
- 2) NORTH 31°15'47" EAST, 8.86 FEET;
- 3) NORTH 49°20'52" WEST, 208.11 FEET TO THE NORTHWESTERLY LINE OF SAID PARCEL "A";

THENCE, ALONG THE NORTHWESTERLY LINE OF SAID PARCEL "A", THE FOLLOWING THREE (3) COURSES:

- 1) NORTH 51°41'09" EAST, 74.72 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 560.00 FEET;
- 2) NORTHEASTERLY, ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 07°18'23", AN ARC LENGTH OF 71.41 FEET;
- 3) NORTH 58°59'32" EAST, 100.17 FEET TO THE TRUE POINT OF BEGINNING;

THENCE, LEAVING SAID NORTHWESTERLY LINE, THE FOLLOWING FOUR (4) COURSES:

- 1) SOUTH 26°30'58" EAST, 13.33 FEET;

- 2) SOUTH 49°14'17" EAST, 25.84 FEET;
- 3) NORTH 40°49'09" EAST, 17.38 FEET;
- 4) SOUTH 49°24'41" EAST, 340.59 FEET TO THE SOUTHEASTERLY LINE OF SAID PARCEL "A";

THENCE, ALONG THE SOUTHEASTERLY, NORTHEASTERLY, AND NORTHWESTERLY LINES OF SAID PARCEL "A", THE FOLLOWING SIX (6) COURSES:

- 1) NORTH 40°37'46" EAST, 207.25 FEET;
- 2) NORTH 49°22'14" WEST, 288.12 FEET;
- 3) NORTH 86°00'14" WEST, 32.15 FEET;
- 4) SOUTH 57°21'35" WEST, 41.39 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 1,040.00 FEET;
- 5) THENCE, SOUTHWESTERLY, ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 01°37'57", AN ARC LENGTH OF 29.63 FEET;
- 6) SOUTH 58°59'32" WEST, 139.67 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM PARCEL 1 OF PARCEL MAP NO. 2005-292, FILED IN BOOK 359, PAGES 30 TO 33 INCLUSIVE, OF SAID PARCEL MAPS.

THE ABOVE DESCRIBED PARCEL CONTAINS 49,990 SQUARE FEET OR 1.148 ACRES, MORE OR LESS.

ALL AS MORE PARTICULARLY SHOWN ON EXHIBIT "B", ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

SUBJECT TO ALL COVENANTS, RIGHTS, RIGHTS-OF-WAY AND EASEMENTS OF RECORD.

THIS DESCRIPTION WAS PREPARED BY ME, OR UNDER MY DIRECTION, IN CONFORMANCE WITH THE PROFESSIONAL LAND SURVEYOR'S ACT.

  
 PASCAL R. APOTHELOZ, P.L.S. 7734      01-15-08      DATE  
 REGISTRATION EXPIRES 12/31/09

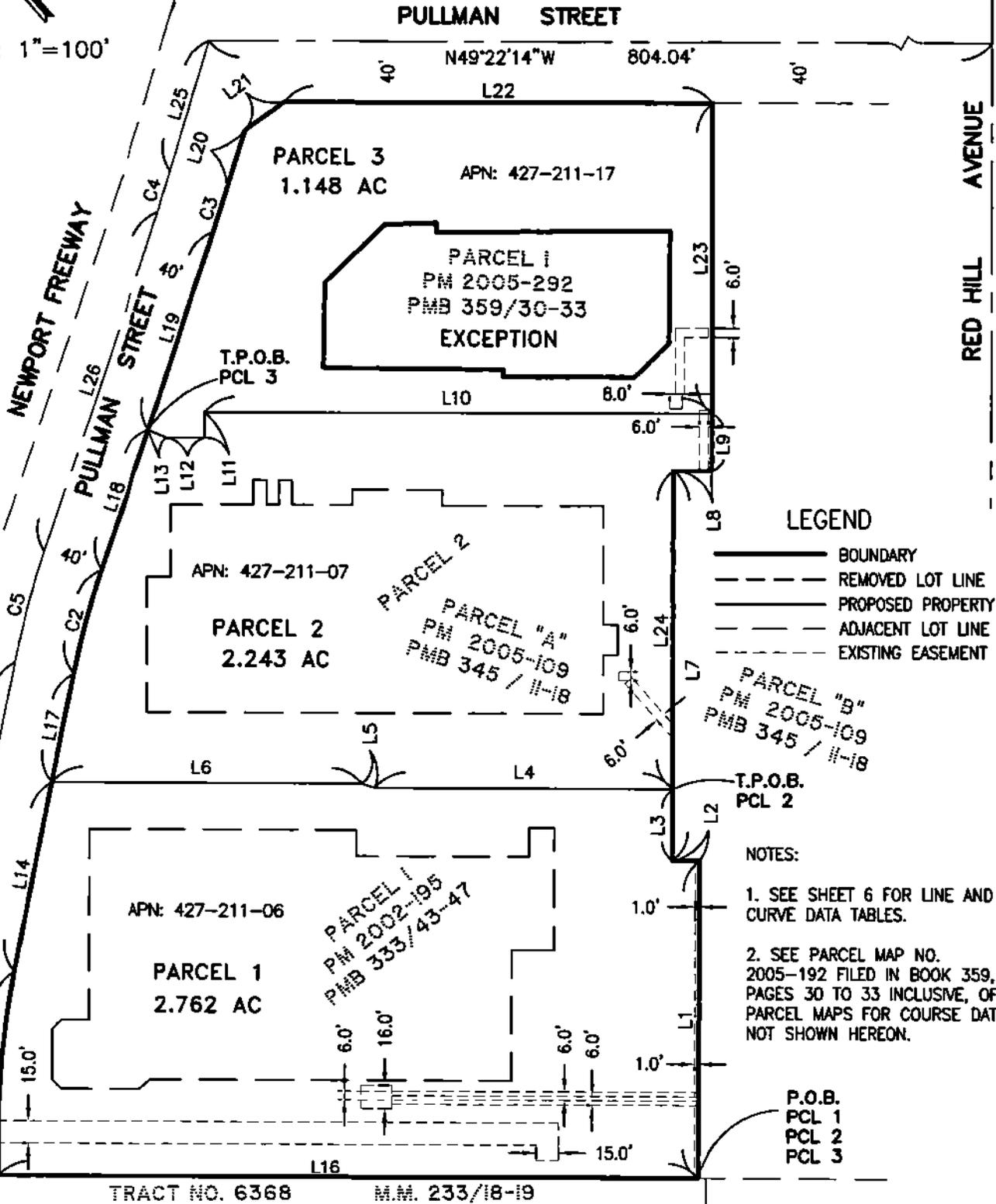


LL-07-04

EXHIBIT "B"

PLAT TO ACCOMPANY LEGAL DESCRIPTION FOR EXHIBIT "A"

SCALE: 1"=100'



SHEET 5 OF 6

LOT LINE ADJUSTMENT NO. 07-04  
EXHIBIT "B"  
CITY OF COSTA MESA, CALIFORNIA

**DRC** Development Resource Consultants, Inc.  
Civil Engineering • Land Surveying • Environmental  
8175 E. KAISER BOULEVARD  
ANAHEIM HILLS, CA 92808 (714) 685-6860

# LL-07-04

## EXHIBIT "B"

PLAT TO ACCOMPANY LEGAL DESCRIPTION FOR EXHIBIT "A"

LINE TABLE		
LINE	BEARING	LENGTH
L1	N40°37'46"E	214.00'
L2	N49°22'14"W	18.00'
L3	N40°37'46"E	48.89'
L4	N49°18'49"W	200.74'
L5	N31°15'47"W	8.86'
L6	N49°20'52"W	208.11'
L7	N40°37'46"E	263.00'
L8	N49°22'14"W	25.50'
L9	S40°37'46"W	38.75'
L10	S49°24'41"E	340.59'
L11	N40°49'09"E	17.38'
L12	S49°14'17"E	25.84'
L13	S26°30'58"E	13.33'
L14	S51°41'09"W	129.75'
L15	S39°59'32"W	24.99'
L16	S49°22'20"E	470.24'
L17	N51°41'09"E	74.72'
L18	N58°59'32"E	100.17'
L19	S58°59'32"W	139.67'
L20	S57°21'35"W	41.39'
L21	N86°00'14"W	32.15'
L22	N49°22'14"W	288.12'
L23	N40°37'46"E	207.25'
L24	S40°37'46"W	214.11'
L25	S57°21'35"W	91.17'
L26	S58°59'32"W	239.84'
L27	S51°41'09"W	204.47'
L28	S39°59'32"W	24.55'

CURVE TABLE			
CURVE	DELTA	RADIUS	LENGTH
C1	11°41'37"	560.00'	114.29'
C2	07°18'23"	560.00'	71.41'
C3	01°37'57"	1040.00'	29.63'
C4	01°37'57"	1000.00'	28.49'
C5	07°18'23"	600.00'	76.51'
C6	11°41'37"	600.00'	122.46'

SHEET 6 OF 6

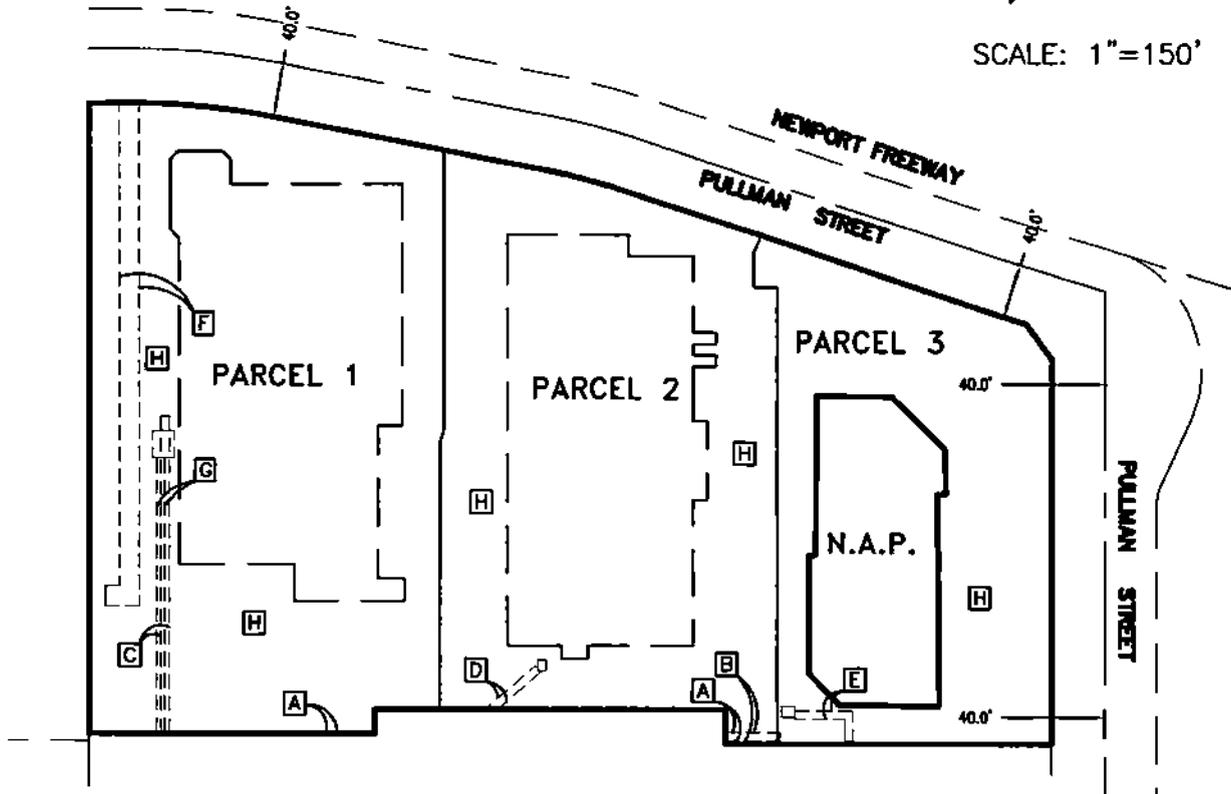
LOT LINE ADJUSTMENT NO. 07-04  
EXHIBIT "B"  
CITY OF COSTA MESA, CALIFORNIA

**DRC** Development Resource Consultants, Inc.  
Civil Engineering - Land Surveying - Environmental  
8175 E. KAISER BOULEVARD  
ANAHEIM HILLS, CA 92808 (714) 685-6860

# LL-07-04 EASEMENT LOCATION SHEET



SCALE: 1"=150'



**A** ESMNT FOR UNDERGROUND LINES  
REC. JAN. 15, 1974, BK. 11057, PG. 743, O.R.

**B** ESMNT FOR UNDERGROUND LINES  
REC. JAN. 15, 1974, BK 11057, PG. 744, O.R.

**C** ESMNT FOR UNDERGROUND LINES  
REC. MAR. 4, 1974, BK. 11087, PG. 1178, O.R.

**D** ESMNT FOR UNDERGROUND LINES  
REC. JAN. 27, 1975 AS BK. 11330, PG. 257, O.R.

**E** ESMNT FOR UNDERGROUND LINES  
REC. SEP. 22, 1977, BK. 12387, PG. 1440, O.R.

**F** ESMNT FOR PIPELINES  
REC. FEB. 28, 1983 INST. NO. 83-089698, O.R.

**G** ESMNT FOR UNDERGROUND LINES  
REC. JUNE 21, 1984 INST. NO. 84-256418, O.R.

**H** ESMNT SHOWN OR DEDICATED ON THE PM  
REC. OCT. 20, 2003 AS PMB 333/43-47.

### LEGEND

- BOUNDARY
- REMOVED LOT LINE
- PROPOSED PROPERTY LINE
- ADJACENT LOT LINE
- EXISTING EASEMENT

SHEET 1 OF 1

EASEMENT LOCATION SHEET  
CITY OF COSTA MESA, CALIFORNIA

**DRC** **Development Resource Consultants, Inc.**  
Civil Engineering • Land Surveying • Environmental  
8175 E. KAISER BOULEVARD  
ANAHEIM HILLS, CA 92808 (714) 685-6860

L:\2004\04-905C bkm Red Hill\LLA\4905C LLA\_EX\_B\_Rev1.dwg 2/8/2008 1:49:42 PM PST

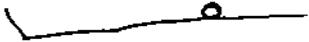
**LOT LINE ADJUSTMENT NO. LL-07-04**

**OWNERS CERTIFICATION**

WE HEREBY CERTIFY THAT WE ARE THE RECORD OWNERS OF ALL THE PARCELS PROPOSED FOR ADJUSTMENT BY THIS APPLICATION, THAT WE HAVE KNOWLEDGE OF AND CONSENT TO THE FILING OF THIS APPLICATION AND THAT THE INFORMATION SUBMITTED IN CONNECTION WITH THIS APPLICATION IS TRUE AND CORRECT.

PARCEL 1

RHP, LLC  
1326 FIFTH AVENUE, SUITE 703  
SEATTLE, WA. 98101  
APN 427-211-06

BY:   
PRINT NAME: HARRY J. O'DONNELL, MANAGER  
DATE: JANUARY 10, 2007

PARCEL 2

SIERRA NEVADA INVESTMENT  
150 N. MYERS STREET  
LOS ANGELES, CA. 90033  
APN 427-211-07

BY: \_\_\_\_\_  
PRINT NAME: \_\_\_\_\_  
DATE: \_\_\_\_\_

PARCEL 3

bkm REDHILL ASSOCIATES 11, LLC  
3185 PULLMAN STREET  
COSTA MESA, CA. 92626

BY:   
PRINT NAME: Brian K. Malliet  
DATE: January 24, 2009

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Orange }

On 01/24/08 before me, Caryn Lyn Shurtz, Notary Public  
Date Here Insert Name and Title of the Officer

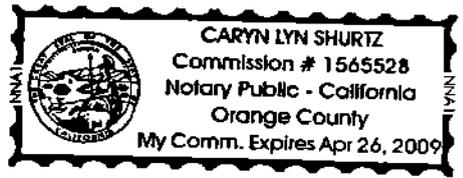
personally appeared Brian K. Malliet  
Name(s) of Signer(s)

who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Handwritten Signature]  
Signature of Notary Public



Place Notary Seal Above

**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: LOT Line Adjustment No. LL-07-04

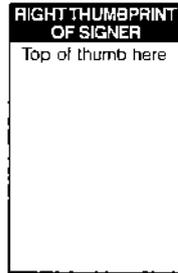
Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

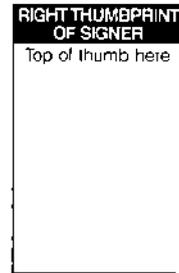
- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

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



Signer Is Representing: \_\_\_\_\_



**LOT LINE ADJUSTMENT NO. LL-07-04**

**OWNERS CERTIFICATION**

WE HEREBY CERTIFY THAT WE ARE THE RECORD OWNERS OF ALL THE PARCELS PROPOSED FOR ADJUSTMENT BY THIS APPLICATION, THAT WE HAVE KNOWLEDGE OF AND CONSENT TO THE FILING OF THIS APPLICATION AND THAT THE INFORMATION SUBMITTED IN CONNECTION WITH THIS APPLICATION IS TRUE AND CORRECT.

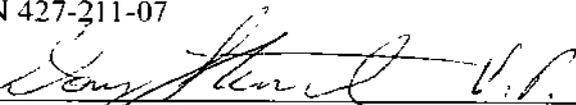
PARCEL 1

RHP, LLC  
1326 FIFTH AVENUE, SUITE 703  
SEATTLE, WA. 98101  
APN 427-211-06

BY: \_\_\_\_\_  
PRINT NAME: \_\_\_\_\_  
DATE: \_\_\_\_\_

PARCEL 2

SIERRA NEVADA INVESTMENT  
404 PATRICIA WAY  
ARCADIA, CA 91006  
APN 427-211-07

BY:  \_\_\_\_\_  
PRINT NAME: Doug Stewart, V.P.  
DATE: Jan. 15, 2008

PARCEL 3

bkm REDHILL ASSOCIATES 11, LLC  
3185 PULLMAN STREET  
COSTA MESA, CA. 92626

BY: \_\_\_\_\_  
PRINT NAME: \_\_\_\_\_  
DATE: \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California }  
County of LOS ANGELES } ss.

On 1-15-08, before me, Fleurette Miller,  
Date Name and Title of Officer (e.g., Jane Doe, Notary Public)

personally appeared DOUG STEWART  
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.



Place Notary Seal Above

WITNESS my hand and official seal.  
Fleurette Miller  
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: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

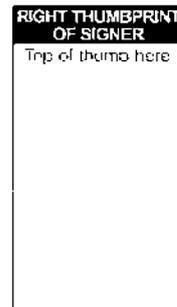
Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer**

Signer's Name: \_\_\_\_\_

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

Signer Is Representing: \_\_\_\_\_



RECORDING REQUESTED BY:  
AND WHEN RECORDED MAIL TO:

Croudace & Dietrich  
5 Park Plaza, Suite 1150  
Irvine, California 92614  
Attn: Virginia P. Croudace, Esq.

MAIL TAX STATEMENTS TO:

bkm Redhill Associates II, LLC  
c/o bkm Development Company  
3185 Pullman Avenue  
Costa Mesa, CA 92626

(Space Above For Recorder's Use)

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DOCUMENTARY TRANSFER TAX - No Tax Due - Deed to perfect Lot Line Adjustment without consideration.

### QUITCLAIM DEED

FOR VALUABLE CONSIDERATION, the receipt and adequacy of which are hereby acknowledged, RHP, LLC, a Washington limited liability company, and SIERRA NEVADA INVESTMENT GROUP, LLC, a California limited liability company (collectively, "Grantor"), hereby remise, release and quitclaim to bkm REDHILL ASSOCIATES II, LLC, a California limited liability company ("Grantee"), all of their right, title and interest in and to Parcel 3, as shown on Exhibit "B" attached to Lot Line Adjustment No. 07-04 recorded as Instrument No. \_\_\_\_\_ of Official Records of Orange County, located in the City of Costa Mesa, County of Orange, State of California; provided, however, the foregoing quitclaim shall not apply to the easements granted and/or reserved in (a) that certain Declaration of Reciprocal Easements and Joint Use Agreement Recorded in the Official Records on October 12, 2005 as Instrument No. 2005000817801, which sets forth certain easements and restrictions encumbering the Covered Property and the Other Property, as amended, and/or (b) that certain Restated and Amended Declaration of Covenants, Conditions and Restrictions recorded in the Official Records of Orange County, California on October 21, 2004 as Instrument No. 2004000951838, as amended, and none of such easement rights shall be affected by this Quitclaim Deed.

This Quitclaim Deed may be executed in one or more counterparts, each of which shall be deemed an original and all of which, together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, Grantor has executed this Quitclaim Deed on the day and year hereinafter written.

RHP, LLC,  
a Washington limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Dated: \_\_\_\_\_

SIERRA NEVADA INVESTMENT GROUP, LLC,  
a California limited liability company

By: \_\_\_\_\_  
Name: Christopher N. Madison  
Title: Managing Member  
Dated: \_\_\_\_\_

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, personally appeared \_\_\_\_\_ who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, personally appeared \_\_\_\_\_ who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

RECORDING REQUESTED BY:  
AND WHEN RECORDED MAIL TO:

Croudace & Dietrich  
5 Park Plaza, Suite 1150  
Irvine, California 92614  
Attn: Virginia P. Croudace, Esq.

MAIL TAX STATEMENTS TO:

(Space Above For Recorder's Use)

---

DOCUMENTARY TRANSFER TAX - No Tax Due - Deed to perfect Lot Line Adjustment without consideration.

### QUITCLAIM DEED

FOR VALUABLE CONSIDERATION, the receipt and adequacy of which are hereby acknowledged, bkm REDHILL ASSOCIATES II, LLC, a California limited liability company, and RHP, LLC, a Washington limited liability company (collectively, "Grantor"), hereby remise, release and quitclaim to SIERRA NEVADA INVESTMENT GROUP, LLC, a California limited liability company ("Grantee"), all of their right, title and interest in and to Parcel 2, as shown on Exhibit "B" attached to Lot Line Adjustment No. 07-04 recorded as Instrument No. \_\_\_\_\_ of Official Records of Orange County, located in the City of Costa Mesa, County of Orange, State of California; provided, however, the foregoing quitclaim shall not apply to the easements granted and/or reserved in (a) that certain Declaration of Reciprocal Easements and Joint Use Agreement Recorded in the Official Records on October 12, 2005 as Instrument No. 2005000817801, which sets forth certain easements and restrictions encumbering the Covered Property and the Other Property, as amended, and/or (b) that certain Restated and Amended Declaration of Covenants, Conditions and Restrictions recorded in the Official Records of Orange County, California on October 21, 2004 as Instrument No. 2004000951838, as amended, and none of such easement rights shall be affected by this Quitclaim Deed.

This Quitclaim Deed may be executed in one or more counterparts, each of which shall be deemed an original and all of which, together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, Grantor has executed this Quitclaim Deed on the day and year hereinafter written.

bkm REDHILL ASSOCIATES II, LLC, a  
California limited liability company

By: bkm Development Company, LLC,  
a California limited liability company,  
its manager

By: \_\_\_\_\_  
Name: Brian K. Malliet, Trustee  
Title: Manager  
Dated: \_\_\_\_\_

RHP, LLC,  
a Washington limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_  
Dated: \_\_\_\_\_

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, personally appeared \_\_\_\_\_ who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, personally appeared \_\_\_\_\_ who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

RECORDING REQUESTED BY:  
AND WHEN RECORDED MAIL TO:

Croudace & Dietrich  
5 Park Plaza, Suite 1150  
Irvine, California 92614  
Attn: Virginia P. Croudace, Esq.

MAIL TAX STATEMENTS TO:

(Space Above For Recorder's Use)

---

DOCUMENTARY TRANSFER TAX - No Tax Due – Deed to perfect Lot Line Adjustment without consideration.

### QUITCLAIM DEED

FOR VALUABLE CONSIDERATION, the receipt and adequacy of which are hereby acknowledged, bkm REDHILL ASSOCIATES II, LLC, a California limited liability company, and SIERRA NEVADA INVESTMENT GROUP, LLC, a California limited liability company (collectively, "Grantor"), hereby remise, release and quitclaim to RHP, LLC, a Washington limited liability company ("Grantee"), all of their right, title and interest in and to Parcel 1, as shown on Exhibit "B" attached to Lot Line Adjustment No. 07-04 recorded as Instrument No. \_\_\_\_\_ of Official Records of Orange County, located in the City of Costa Mesa, County of Orange, State of California; provided, however, the foregoing quitclaim shall not apply to the easements granted and/or reserved in (a) that certain Declaration of Reciprocal Easements and Joint Use Agreement Recorded in the Official Records on October 12, 2005 as Instrument No. 2005000817801, which sets forth certain easements and restrictions encumbering the Covered Property and the Other Property, as amended, and/or (b) that certain Restated and Amended Declaration of Covenants, Conditions and Restrictions recorded in the Official Records of Orange County, California on October 21, 2004 as Instrument No. 2004000951838, as amended, and none of such easement rights shall be affected by this Quitclaim Deed.

This Quitclaim Deed may be executed in one or more counterparts, each of which shall be deemed an original and all of which, together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, Grantor has executed this Quitclaim Deed on the day and year hereinafter written.

bkm REDHILL ASSOCIATES II, LLC, a  
California limited liability company

By: bkm Development Company, LLC,  
a California limited liability company,  
its manager

By: \_\_\_\_\_  
Name: Brian K. Malliet, Trustee  
Title: Manager  
Dated: \_\_\_\_\_

SIERRA NEVADA INVESTMENT GROUP, LLC,  
a California limited liability company

By: \_\_\_\_\_  
Name: Christopher N. Madison  
Title: Managing Member  
Dated: \_\_\_\_\_

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, personally appeared \_\_\_\_\_ who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_, personally appeared \_\_\_\_\_ who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)