

RECORDING REQUESTED BY:

CITY CLERK, CITY OF ESCONDIDO

WHEN RECORDED MAIL TO:

CITY CLERK
CITY OF ESCONDIDO
201 N. BROADWAY
ESCONDIDO, CA 92025

THIS SPACE FOR RECORDER'S USE ONLY

APNs: 223-210-53; 224-211-05,-11,-12,-15;
224-230-36; 224-430-04; 224-431-01,-02,-03;
224-490-05,-06; 224-491-01; 224-811-28

Recording Fees Exempt Per Government Code Section 27383

**DEVELOPMENT AGREEMENT
for the Villages – Escondido Country Club**

between

CITY OF ESCONDIDO

and

NUWI Country Club LLC

_____, 2017

DEVELOPMENT AGREEMENT

This Development Agreement ("Agreement") is entered into by and between the City and Owner.

RECITALS

WHEREAS, Government Code Sections 65864 through 65869.5 and Article 58 of the City's Zoning Code authorize the City to enter into binding development agreements with persons or entities having legal or equitable interests in real property for the purpose of establishing certainty in the development process for both the City and the property owner, and to enable specific terms regarding property development, to be negotiated and agreed upon; and

WHEREAS, the purposes of the Agreement are to eliminate uncertainty in the planning and development of the Project by assuring Owner that it may develop the Property, in accordance with existing laws, subject to the terms and conditions contained in the Agreement; assure the orderly installation of necessary improvements and the provision for public services appropriate for the development of the Project; and enable the City to obtain substantial public benefits by virtue of the Agreement.

NOW THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the Parties agree as follows:

ARTICLE I

Definitions

1. **"Amendment"** refers to any written amendment to this Agreement approved by the City Council as provided in Article II, Section 3.
2. **"Annual Review"** refers to the Owner's demonstration of compliance with the terms of this Agreement every 12 months.
3. **"Assignee"** refers to an assignee of this Agreement in accordance with Article II, Section 2 and approved by the City in writing.
4. **"Director"** refers to the Director of Community Development.
5. **"City"** refers to the City of Escondido, its City Council, its mayors and council members, past and present, and employees and agents.
6. **"Cure Period"** refers to the period of time in which a default may be cured, which will be 30 days.

7. **"Development Fees"** refers to the development related fees as provided in the City's Fee Guide and referred to as development fees.
8. **Effective Date.** The effective date of the Agreement shall be the day that is 30 days after the City Council's adoption of an ordinance approving this Agreement.
9. **"Entitlements"** refers to all approvals and permits necessary or incidental to the development of the Project or any portion thereof, whether discretionary or ministerial, including but not limited to, specific plans, tentative or final tract map approvals, whether standard or vesting, conditional use permits, variances, project plans, grading permits, building permits, and this Agreement and includes all conditions of approval regarding any particular Entitlement.
10. **"Exaction"** refers to any fee, tax, requirement, condition, dedication, restriction, or limitation imposed by the City upon the development of the Property at any time in accordance with the Existing Laws.
11. **"Existing Laws"** refers to the ordinances, resolutions, codes, rules, regulations, general plan, stormwater regulations and official policies of the City governing the development of the Property, including, but not limited to, the permitted uses of the Property, the density or intensity of use, the design, improvement and construction standards and specifications for the Project, including the maximum height and size of proposed buildings, and the provisions for reservation and dedication of land for public purposes, in effect on the Effective Date of this Agreement.
12. **"Future Exaction"** refers to Exactions imposed after the Effective Date, whether by ordinance, initiative, resolution, rule, regulation, policy, order or otherwise.
13. **"Future Laws"** refers to all ordinances, resolutions, codes, rules, regulations, and official policies implemented by the City after the Effective Date, whether by ordinance, initiative,

resolution, rule, regulation, policy, order or otherwise. Future Laws includes changes to the Existing Laws.

14. "**General Fees**" refers to all general development fees which the City may levy pursuant to Government Code Sections 66000 et seq. ("the Mitigation Fee Act"), including, but not limited to, application fees, processing fees, utility connection fees, inspection fees, capital facilities fees, development impact fees, traffic impact fees, park fees and such other similar fees as may be enacted from time to time and generally applied throughout the City, excluding Development Fees.

15. "**General Plan**" refers to the City's General Plan in effect on the Effective Date.

16. "**Minor Modifications**" refers to minor modifications regarding the performance of this Agreement that are consistent with the Entitlements and have minimal impacts to the City's operations in terms of timing, performance, or value.

17. "**Modification**" refers to a modification approved by the City Council as provided in Article VI, Section 5.

18. "**Owner**" refers to NUWI Country Club LLC, who has legal or equitable interest in the real property which is the subject of this Agreement.

19. "**Operating Memorandum**" refers to addenda to this Agreement to document changes or adjustments in the performance of this Agreement as specified in Article III, Section 7.

20. **Party.** City or Owner may be referred to individually as Party or collectively as Parties.

21. "**Project**" shall mean and refer to all improvements described in the Entitlements and this Agreement.

22. "**Property**" shall mean the certain real property located in the County of San Diego, State of California as described in the Exhibit A.

23. **"Public Benefits"** shall refer to the consideration given by Owner to the City, as described in Exhibit B attached hereto, in return for the City's good faith performance of all applicable terms and conditions in this Agreement.
24. **"Public Improvements"** refers to any public improvements required to be constructed as conditions of approval to the Entitlements or as additionally provided in this Agreement.
25. **"Review Letter"** refers to a letter from the City regarding a statement of Owner's compliance with this Agreement, following a positive Annual Review by the City.
26. **"Term"** shall refer to the term of this Agreement as provided in Article II, Section 1.

ARTICLE II

General Provisions

1. **Term of Agreement.** The term of this Agreement shall commence on the Effective Date and shall continue for (seven) 7 years unless terminated, modified, amended or extended as permitted by this Agreement. After the expiration of the Term, this Agreement shall be deemed terminated and of no further force or effect. This Agreement shall terminate with respect to any lot and such lot shall be released and no longer subject to the Agreement, without the execution or recordation of any further document, when a certificate of occupancy has been issued for the building(s) on the lot.
2. **Assignment.** The rights and obligations of Owner under the Agreement may be assigned by Owner as part of an assignment of the Property, only after receiving written approval from the City which shall not be unreasonably withheld. Owner shall provide (thirty) 30 days advance written notice to the City of any requested assignment. The City shall have the right to ensure that the proposed assignee has the financial capability to complete and fulfill any uncompleted requirements relating to the Public Benefits. Any assignment agreement must be in writing and

expressly provide that (a) the assignment shall be subject to this Agreement; and (b) the Assignee assumes all of Owner's rights and obligations with respect to the Property, or portion thereof, assigned.

3. **Amendment of Agreement.** The Agreement may be amended in writing by the mutual consent of the Parties in accordance with Article 58, Chapter 33 of the Escondido Zoning Code as well as any applicable state or federal law. The Agreement shall include any amendment properly approved and executed. Minor Modifications in the manner of performance shall not constitute an Amendment to the Agreement and may be accomplished through an Operating Memorandum.

4. **Enforcement.** Unless amended or terminated as provided herein, this Agreement is enforceable by either Party or its successors and assigns, notwithstanding any Future Laws, which alter or amend the Existing Laws.

5. **Defense and Indemnification.**

a. Owner agrees to defend, indemnify, and hold harmless, City, and provide and pay all costs for a defense of and judgment against the City, including any award for attorney's fees and litigation costs, in any legal action filed in a court of competent jurisdiction by a third party challenging the Project, or any component thereof, or this Agreement.

b. Owner shall further indemnify, defend and hold harmless the City and its officers, employees and agents from and against any and all liabilities, claims, actions, causes of action, proceedings, suits, administrative proceedings, damages, fines, penalties, judgments, orders, liens, levies, costs and expenses of whatever nature, including reasonable attorneys' fees and disbursements, arising out of any violation, or claim of violation of the San Diego Municipal Storm Water Permit (Order No. R9-2015-0001) of the California Regional Water Quality Control Board Region 9, San Diego, as amended or extended, which the City might suffer, incur, or become

subject by reason of or occurring as a result of or allegedly caused by the construction of the Project.

c. The City shall have no liability to the Owner or any other person for, and Owner shall indemnify, defend, protect and hold harmless the City from and against, any and all liabilities, claims, actions, causes of action, proceedings, suits, damages, judgments, liens, levies, costs and expenses of whatever nature, including reasonable attorneys' fees and disbursements, which the City may suffer or incur or to which the City may become subject as a result of or allegedly caused by the payment of prevailing wages for construction of any of the Public Benefits or Public Improvements.

d. If any action or proceeding is brought against the City by reason of any of the matters against which Owner has agreed to indemnify the City as provided above, Owner, upon notice from the City, shall defend the City at Owner's expense by counsel acceptable to City, such acceptance not to be unreasonably withheld. The City need not have first paid for any of the matters to which the City is entitled to indemnification in order to be so indemnified. The provisions of this section shall survive the expiration or earlier termination of this Agreement.

6. **Third Party Challenges.** In the event the validity, applicability, or implementation of the Agreement is challenged by means of legal proceedings by any party other than the City and Owner, it shall be the City's option, at its sole and absolute discretion, whether to undertake the defense of such challenge. If the City determines not to defend such challenge, it shall be the option of Owner, to defend the validity, applicability, or implementation of this Agreement in the proceeding at Owner's sole expense. The City and Owner agree to cooperate in the defense of any such challenges.

7. **Notices.** All notices or communication between the City and Owner pursuant to the Agreement shall be in writing and shall be given by personal delivery, overnight delivery service, certified or registered mail, facsimile or telecopy to the addresses set forth below. The addresses may be changed by giving (ten) 10 days written notice.

A. City

City of Escondido
Attention: Director of Community Development
201 N. Broadway
Escondido, CA 92025

with a copy to:

City Attorney
201 N. Broadway
Escondido, CA 92025

B. Owner

[Entity]
Attention: [Name]
[Address]

with a copy to:

[Name]
[Address]

8. **Conflict of State or Federal Laws.** If state or federal laws or regulations enacted after the Effective Date prevent compliance with any provision of this Agreement or require changes in any Entitlements, those laws or regulations shall be controlling and the Parties shall make a good faith, reasonable attempt to modify this Agreement to comply both with the intent of the Agreement and with the new laws or regulations.

The City shall timely assist Owner in securing any permits, including permits from other public agencies, which may be required as a result of the modifications, suspensions, or alternate courses of action.

ARTICLE III

Development of the Property

1. **Applicable Rules, Regulations, and Policies.** Owner shall have the vested right, to the fullest extent allowed by law, to develop the Property in accordance with the Entitlements, Existing Laws and this Agreement. During the Term, the Entitlements, Existing Laws and this Agreement shall control the overall design, development and construction of the Project. Notwithstanding the foregoing, nothing in this Agreement shall preclude the City from applying changes occurring from time to time in the uniform codes published in Title 24 of the California Code of Regulations and adopted by the City, including local amendments, in effect when the building permits are issued.
2. **Future Laws.** Future Laws shall not apply to the Project except as expressly provided in this Agreement. Future Laws may be applied to the Project if they are not in conflict with the Existing Laws. Owner may give the City written notice of its election to have any Future Law applied to the Property, in which case such Future Law will be considered an Existing Law for purposes of this Agreement.
3. **Future Discretionary Reviews.** Except as set forth in this Agreement, the City shall retain its discretionary rights in reviewing applications for Entitlements. Owner's applications for Entitlements and the City's review thereof, must comply with the Existing Laws and with the terms and conditions of this Agreement. The City shall not impose any conditions upon Entitlements that are more restrictive than or inconsistent with the terms of this Agreement or the Existing Laws, except as required by state or federal law. The City may conduct, in accordance with CEQA and the Existing Laws, an environmental review for Entitlements. The City may impose, if required by CEQA, additional mitigation measures to mitigate significant adverse environmental effects

that were not previously considered, or were found to be infeasible to mitigate at the time of approval of this Agreement. Nothing herein is intended to require or authorize additional CEQA environmental review or mitigation measures beyond that otherwise required by CEQA.

4. **Permitted Uses and Density.** The Agreement shall vest the right to develop the Property to the fullest extent allowed by law with respect to the permitted uses of land, density and intensity of uses, and the rate or timing and phasing of development as described in the Entitlements which are hereby incorporated as if fully set forth in this Agreement. The permitted uses, density, and intensity of use of the Project, the maximum height and size of proposed buildings and provisions for reservation or dedication of land for public purposes, shall substantially conform to those specified in the Entitlements, Existing Laws and this Agreement. Specifically, the Villages Specific Plan allows the development of 380 residences, approximately 48.9 acres of permanent open space with active greenbelts and parks; and recreational, social, and community amenities on a 109.3-acre site generally located on the Property. The permitted uses of the Property, including a plan of development, the density and intensity of use, the maximum height and size of proposed buildings are set forth in the Villages Specific Plan, as it may be amended from time to time, and are hereby incorporated by reference. All other aspects of the Project that are not specified in the Entitlements shall be determined by the Existing Laws, except as expressly provided herein.

5. **Time for Construction and Completion of the Project.** Owner cannot predict when or the rate or the order in which the Property or the parcels will be developed, if at all. Such decisions depend upon numerous factors that are not within the control of the Owner, such as market orientation and demand, interest rates, absorption, completion, and other similar factors. Therefore, Owner shall have the right to develop the Property in phases, in such order, at such rate, and at such times as Owner deems appropriate in Owner's business judgment, subject only to the

provisions of this Agreement and the Entitlements. Owner shall be entitled to apply for and receive approval of permits, building permits, and other Entitlements for use at any time and for any or all portions or phases of the Project, provided that application is made in a manner consistent with this Agreement and the Entitlements.

The City may require, and will process, all customary plans and agreements generally applicable to developers in the City for similar works of onsite or offsite improvements.

6. **Moratorium.** No City-imposed moratorium or other limitation (whether relating to the rate, timing or sequencing of the development or construction of all or any part of the Property, whether imposed by ordinance, initiative, resolution, policy, order or otherwise, and whether enacted by the City Council, an agency of the City, the electorate, or otherwise) affecting parcel or subdivision maps (whether tentative, vesting tentative, or final), building permits, occupancy certificates or other entitlements to use or service (including, without limitation, water and sewer) approved, issued or granted within the City, or portions of the City, shall apply to the Property to the extent such moratorium or other limitation is in conflict with this Agreement; provided, however, the provisions of this Section shall not affect the City's compliance with moratoria or other limitations mandated by other governmental agencies or court-imposed moratoria, as established by the initiative process, or as otherwise established by law.

7. **Operating Memoranda.** The Parties acknowledge that the provisions of this Agreement require cooperation between the City and Owner, and that the refinements and further development of the Project hereunder may demonstrate that changes are appropriate with respect to the details of performance of the Parties hereunder. The Parties desire, therefore, to retain a certain degree of flexibility with respect to those items covered in general terms under this Agreement. If and when, from time to time during the Term, the Parties find that such changes or adjustments are necessary

or appropriate, they may effectuate such changes or adjustments through Operating Memoranda approved by the Parties, which, after execution, shall be attached hereto as addenda and become a part hereof, and may be further changed and amended from time to time as necessary with further approval by the City and Owner. No such Operating Memorandum shall require prior notice or hearing, or constitute an amendment or modification to this Agreement; and in the case of the City, such Operating Memorandum may be acted upon by the City Manager or his designee. Failure of the Parties to enter into any such Operating Memorandum shall not affect or abrogate any of the rights, duties or obligations of the Parties hereunder or the provisions of this Agreement. An Operating Memorandum may be recorded as an addendum to this Agreement.

8. **Term of Map(s) and Other Project Approvals.** Pursuant to California Government Code Section 66452.6(a), the term of the subdivision map that is processed on all or any portion of the Property and the term of each of the Entitlements shall be extended for a period of time through the Term of the Agreement. Should this Agreement be terminated, the Owner shall have thirty (30) days to submit an application for the extension of any portion of an approved tentative map.

9. **Infrastructure Capacity.** Subject to Owner's proportionate contribution to infrastructure and the Public Benefits provided by Owner, in accordance with the requirements of the Entitlements, the City hereby acknowledges that it will have sufficient capacity in its infrastructure services and utility systems, including, without limitation, traffic circulation, flood control, sanitation service and, except for reasons beyond the City's control, sewer collection, sewer treatment, water supply, treatment, distribution and service, to accommodate the Project. To the extent that the City renders such services or provides such utilities, the City hereby agrees that it will serve the Project and that there shall be no restriction on connections or service for the Project except for reasons beyond the City's control.

10. **Easements.** Easements dedicated for pedestrian use shall be permitted to include public easements for underground improvements, including but not limited to, drainage, water, sewer, gas, electricity, telephone, cable and other utilities and facilities, so long as they do not unreasonably interfere with pedestrian use.

11. **Storm Water Improvements.** Owner agrees to design, construct, and maintain the storm water improvements as provided in Exhibit B to this Agreement. The requirement to design, construct, and maintain the improvements in Exhibit B shall survive the termination of this Agreement.

12. **Fees.** The Owner shall pay the Development Fees and General Fees in the amounts in effect at the time Owner submits payment of the fees unless otherwise explicitly provided in this Agreement.

ARTICLE IV

Provision of Public Benefits

1. **Description of Public Benefits.** Owner shall provide the City with the Public Benefits, as further described in Exhibit B, as consideration for the City's good faith performance of all applicable terms and conditions in this Agreement.

2. **Occupancy Contingent on Construction of Public Improvements.** Owner acknowledges that the City shall not grant a certificate of occupancy for any building constructed on the Property prior to the construction of all improvements at the times described in Exhibit B. This contingency for occupancy shall survive the termination of this Agreement.

3. **Recordation of Final Map Contingent on Security for Public Benefits.** Prior to recordation of the Final Map, Owner must enter into an improvement agreement or agreements which will detail Owner's construction obligations for Public Improvements and the Public

Benefits, and will require Owner to provide financial security for completion of construction, in a form or forms as approved by the City Attorney.

4. **Processing During Third Party Litigation.** The filing of any third party lawsuit(s) against the City or Owner relating to this Agreement, any Entitlements, or to other development issues affecting the Property shall not delay or stop the development, processing or construction of the Project or approval of Entitlements, unless the third party obtains a court order preventing the activity.

ARTICLE V

Annual Review

1. **Owner Responsibilities.** At least every (twelve) 12 months during the Term, Owner shall demonstrate good faith substantial compliance with the major provisions of the Agreement and provide, to the best extent possible, the status and timing of development of the Project and related public improvements to the City for an Annual Review. If requested by the City, Owner shall provide any additional detail or information necessary to demonstrate good faith compliance with any particular provision of this Agreement identified by the City.
2. **Opportunity to be Heard.** Owner shall be permitted an opportunity to be heard orally and in writing at any noticed public hearing regarding its performance under this Agreement. Owner shall be heard before each appropriate board agency or commission and the City Council at any required public hearing concerning a review of performance under this Agreement.
3. **Information to be Provided to Owner.** The City shall mail to Owner a copy of staff reports and related exhibits concerning Agreement performance, a minimum of (ten) 10 calendar days prior to consideration and review by the City Council.

4. **Annual Review Letter.** If Owner is found to be in substantial compliance with this Agreement after the Annual Review, the City shall issue, upon written request by Owner, a Review Letter to Owner stating that, based upon information known or made known to the City Council, the City Planning Commission, and/or the City Manager, this Agreement remains in effect and Owner is in compliance. Owner may record the Review Letter in the Official Records of the County of San Diego.

5. **Failure of Annual Review.** The City's failure to perform an Annual Review of Owner's substantial compliance with the terms and conditions of the Agreement shall not constitute or be asserted as a default by Owner.

ARTICLE VI

Delay, Default, Remedies, and Termination

1. **Notice and Cure of Default.** In the event of a material default, the Party alleging a default shall give the defaulting Party a notice of default in writing. The notice of default shall specify the nature of the alleged material default. During the Cure Period, the Party charged shall not be considered in breach. If the default is cured within the Cure Period, then no breach shall be deemed to exist. Any notice given pursuant to the preceding sentence shall specify the nature of the alleged failure and, where appropriate, the manner in which such alleged failure satisfactorily may be cured.

2. **Waiver.** Failure or delay in giving notice of default shall not constitute a waiver of any other material default. Except as otherwise expressly provided in this Agreement, a failure or delay in asserting any rights or remedies as to any default shall not operate as a waiver of any default or of any rights or remedies otherwise available to a Party or deprive a Party of the right to institute

and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any rights or remedies it may have.

3. **Default by Owner.** The Director may recommend the review and termination of this Agreement to the City Council upon an occurrence of a material default that is not cured within the Cure Period. The foregoing does not limit any of the City's other remedies upon a material breach of this Agreement by the Owner.

4. **Default by the City.** Upon a material default by the City, that is not cured within the Cure Period, Owner, without limiting any of its other remedies, shall not be obligated to complete any of its obligations under this Agreement.

5. **Termination or Modification.** Any termination or modification of this Agreement shall be done in accordance with Article 58, Chapter 33 of the Escondido Zoning Code as well as any applicable state or federal law. Owner shall have sixty (60) days from the Effective Date to sign the Agreement or the Agreement shall automatically expire.

ARTICLE VII

Encumbrances and Releases on Property

1. **Discretion to Encumber.** This Agreement shall not prevent or limit Owner, in any manner, from encumbering the Property or any portion of the Property or any improvement on the Property by any mortgage. The City acknowledges that lenders providing financing may require modifications to this Agreement and the City agrees, upon request, from time to time, to meet with Owner and/or representatives of lenders to negotiate in good faith any lender request for modification provided any modification does not will not affect the timely completion or fulfillment of any requirements in the Entitlements or this Agreement relating to the Public Benefits.

ARTICLE VIII

Miscellaneous Provisions

1. **Rules of Construction.** The singular includes the plural; the masculine gender includes the feminine; "shall" is mandatory; "may" is permissive.
2. **Severability.** If any non-material provision of this Agreement shall be adjudged by a court of competent jurisdiction to be invalid, void, or illegal, it shall in no way affect, impair, or invalidate any other provision of this Agreement. If any material part of the Agreement is adjudged by a court of competent jurisdiction to be invalid, void, or illegal, the Parties shall take all steps necessary to modify the Agreement to implement the original intent of the Parties in a valid and binding manner. These steps may include the waiver by either of the Parties of their right under the unenforceable provision. If, however, this Agreement objectively cannot be modified to implement the original intent of the Parties and the Party substantially benefited by the material provision does not waive its rights under the unenforceable provision, the executory portions of the Agreement shall become void.
3. **Entire Agreement.** Except as expressly referred to herein, this Agreement constitutes the entire understanding and agreement of the Parties with respect to the subject matter of this Agreement. This Agreement supersedes all other negotiations and previous agreements between the Parties with respect to that subject matter.
4. **Waivers.** All waivers of the provisions of this Agreement must be in writing and signed by the appropriate agents of the City or of Owner.
5. **Recording.** The City Clerk shall cause a copy of this Agreement to be recorded with the Office of the County Recorder of San Diego County, California within (ten) 10 days following the Effective Date. Upon the completion of performance of this Agreement or its revocation or

termination, a statement evidencing completion, revocation, or termination signed by the appropriate agents of Owner and the City shall be recorded in the Official Records of San Diego County, California.

6. **Project as a Private Undertaking.** It is specifically understood by the Parties that the Project is a private development and that Owner shall have the full power and exclusive control of the Property subject to the provisions of this Agreement. Any improvements completed remain the property of the Owner unless the City has explicitly accepted any improvement.

7. **Captions.** The captions of the Agreement are for convenience and reference only and shall not define, explain, modify, construe, limit, amplify or aid in the interpretation, construction or meaning of any of the provisions of the Agreement.

8. **Consent.** Where the consent or approval of a Party is required or necessary under this Agreement, the consent or approval shall not be withheld unreasonably.

9. **The City's Ongoing Statutory Authority.** Except as expressly stated, nothing in this Agreement shall limit the City's authority and responsibility under the California Constitution and applicable California statutes to act in the best interests of the public health, safety, and welfare, and nothing in this Agreement is intended to limit in any way the legislative discretion otherwise afforded the Escondido City Council under state or federal law.

10. **Covenant of Cooperation.** The Parties shall cooperate with and assist each other in the performance of the provisions of the Agreement including assistance in obtaining permits for the development of the Property which may be required from public agencies other than the City. The covenant of cooperation shall include, to the maximum extent permitted by law, that the City shall use its best efforts to prevent any ordinance, measure, moratorium or other limitation from invalidating, prevailing over or making impossible any provision of the Agreement, and the City

shall cooperate with Owner to keep this Agreement in full force and effect. Owner reserves the right to challenge any such ordinance, measure, moratorium, or other limitation in a court of law if it becomes necessary to protect the development rights vested in the Property pursuant to this Agreement.

11. **Further Actions and Instruments.** Each of the Parties shall cooperate with and provide reasonable assistance to the other in the performance of all obligations under this Agreement and the satisfaction of the conditions. Upon the request of either Party, the other Party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of the Agreement or to evidence or consummate the transactions contemplated herein.

12. **Successors and Assigns.** Subject to Article II Section 2 above, the burdens of this Agreement shall be binding upon, and the benefits of this Agreement inure to, all successors-in-interest and assigns of the Parties.

13. **Time of the Essence.** Time is of the essence of this Agreement and of each and every term and condition hereof.

14. **Applicable Laws.** This Agreement shall be construed and enforced in accordance with the laws of the State of California. All statutory references are to California statutes.

15. **No Waiver of Existing Rights or Applicable Laws.** This Agreement shall not constitute a waiver of any of Owner's existing rights or applicable laws, nor shall it limit or expand Owner's right to challenge any General Fee as being contrary to applicable law or to challenge any existing or Future Exaction as being in excess of Exactions permitted by applicable law.

16. **Authorization.** Each person executing this Agreement hereby warrants and represents that he/she has the authority to enter into this Agreement and to bind his/her respective entity to the provisions hereof. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original.

17. **No Third Party Beneficiaries.** This Agreement and each and every provision hereof is for the exclusive benefit of the Parties hereto and not for the benefit of any third party.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Parties have executed this Agreement:

CITY OF ESCONDIDO

CITY OF ESCONDIDO

By: _____
Sam Abed
Its: Mayor

By: _____
Diane Halverson
Its: Clerk

[entity]

By: [entity]

By: _____
Name: _____
Its: _____

APPROVED AS TO FORM:

CITY OF ESCONDIDO

By: _____
Michael R. McGuiness
City Attorney

[entity]

By: _____
name, Esq.
Attorney for Owner

Exhibit A

LEGAL DESCRIPTION

Real property in the City of Escondido, County of San Diego, State of California, described as follows:

5803

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

PARCEL 1:

LOTS 1, 2, 3 AND 185 OF GOLDEN CIRCLE UNIT NO. 2, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 5433, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID SAN DIEGO COUNTY, ON JULY 29, 1964.

EXCEPTING FROM SAID LOT 185 ANY PORTION NOW LYING WITHIN ESCONDIDO TRACT NO. 103, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 5578, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID SAN DIEGO COUNTY, MAY 11, 1965.

PARCEL 2:

THAT PORTION OF LOT 3 IN BLOCK 14 OF THE SUBDIVISION OF RANCHO LOS VALLECITOS DE SAN MARCOS, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 806, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID SAN DIEGO COUNTY, DECEMBER 21, 1895, DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT IN THE NORTHEASTERLY LINE OF SAID LOT 3, DISTANCE THEREON SOUTH 54°23'30" EAST 280.15 FEET FROM THE MOST NORTHERLY CORNER THEREOF; THENCE SOUTH 54°23'30" EAST ALONG SAID NORTHEASTERLY LINE 330.00 FEET; THENCE SOUTH 47°36'30" WEST 80.00 FEET; THENCE SOUTH 74°06'30" WEST 128.00 FEET; THENCE NORTH 45°53'30" WEST 132.00 FEET; THENCE NORTH 02°37'29" EAST 189.45 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PROPERTY:

COMMENCING AT THE MOST EASTERLY CORNER OF SAID LOT 3; THENCE ALONG THE NORTHEASTERLY LINE OF SAID LOT 3 NORTH 54°40'05" WEST 49.26 FEET TO AN ANGLE POINT IN THE BOUNDARY OF LAND DESCRIBED IN DEED TO THE DICKERSON COMPANY, RE-RECORDED JANUARY 28, 1977 AS FILE NO. 1977-033640 OF OFFICIAL RECORDS, THENCE ALONG THE BOUNDARY OF SAID LAND AS FOLLOWS:

SOUTH 47°19'55" WEST (RECORD - SOUTH 47°36'30" WEST), 80.00 FEET; AND SOUTH 74°23'05" WEST (RECORD - SOUTH 74°06'30" WEST), 94.35 FEET TO THE TRUE POINT OF BEGINNING; THENCE LEAVING

SAID BOUNDARY NORTH 69°09'18" WEST, 72.97 FEET TO THE BOUNDARY OF SAID LAND OF THE DICKERSON COMPANY; THENCE ALONG SAID BOUNDARY AS FOLLOWS:

SOUTH 45°36'55" EAST (RECORD - SOUTH 45°53'30" EAST), 50.07 FEET TO AN ANGLE POINT THEREIN; AND NORTH 74°23'05" EAST (RECORD - NORTH 74°06'30" EAST), 33.65 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 3:

THAT PORTION OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER AND THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 12 SOUTH, RANGE 2 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE WESTERLY LINE OF THE NORTHEAST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 5, AND THE NORTHERLY LINE OF

Exhibit A

(Continued)

GOLDEN CIRCLE DRIVE, AS DESCRIBED IN DEED TO THE CITY OF ESCONDIDO, RECORDED OCTOBER 29, 1964 AS FILE NO. 1964-198217 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG SAID EASTERLY LINE NORTH 00°48'17" EAST 440.63 FEET; THENCE NORTH 40°49'10" EAST 81.11 FEET; THENCE NORTH 75°54'31" EAST 534.50 FEET; THENCE SOUTH 74°18'52" EAST 130.92 FEET; THENCE SOUTH 02°25'57" EAST 141.65 FEET; THENCE SOUTH 43°35'45" WEST 85.96 FEET; THENCE SOUTH 67°55'04" WEST 291.08 FEET; THENCE SOUTH 65°04'44" EAST 469.27 FEET; THENCE NORTH 63°28'34" EAST 47.31 FEET; THENCE NORTH 24°07'30" EAST, 98.31 FEET; THENCE NORTH 70°48'08" EAST 239.14 FEET; THENCE NORTH 31°02'18" EAST 251.79 FEET; THENCE NORTH 42°39'13" WEST 39.36 FEET; THENCE SOUTH 82°59'32" WEST 430.63 FEET; THENCE NORTH 4°13'09" WEST 102.96 FEET; THENCE NORTH 61°46'38" EAST 541.44 FEET; THENCE SOUTH 68°52'11" EAST 380.68 FEET, MORE OR LESS, TO A POINT IN THE WESTERLY LINE OF NORTH NUTMEG STREET AS IT EXISTS THIS DATE; THENCE SOUTHERLY ALONG SAID WESTERLY LINE SOUTH 0°35'25" EAST 87.66 FEET; THENCE LEAVING SAID WESTERLY LINE SOUTH 24°53'11" WEST 275.95 FEET; THENCE SOUTH 4°16'24" WEST 376.97 FEET; THENCE SOUTH 75°41'22" WEST 381.07 FEET; THENCE SOUTH 3°51'56" WEST 52.60 FEET TO A POINT ON THE NORTH LINE OF SAID GOLDEN CIRCLE DRIVE; THENCE ALONG SAID NORTHERLY LINE NORTH 86°08'04" WEST 850.81 FEET TO THE BEGINNING OF A TANGENT CURVE THEREIN, CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 951.00 FEET; THENCE WESTERLY ALONG SAID CURVE TO THE POINT OF BEGINNING.

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EXCEPT THEREFROM THAT PORTION THEREOF WHICH LIES NORTH OF A LINE PARALLEL TO AND 60 FEET SOUTHERLY, MEASURED AT RIGHT ANGLES, OF THE NORTH LINE OF THE SOUTHEAST QUARTER OF SECTION 5, TOWNSHIP 12 SOUTH, RANGE 2 WEST, SAN BERNARDINO MERIDIAN AND THE WESTERLY PROLONGATION OF SAID NORTH LINE OF THE SOUTHEAST QUARTER.

PARCEL 4:

THAT PORTION OF LOT 186 OF GOLDEN CIRCLE UNIT NO. 2, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 5433, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID SAN DIEGO COUNTY, JULY 29, 1964 AND THAT PORTION OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, AND THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 5, ALL BEING IN TOWNSHIP 12 SOUTH, RANGE 2 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, BEING MORE FULLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF LOT 14, BLOCK 1 OF ESCONDIDO TRACT NO. 103, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 5578, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, MAY 11, 1965; THENCE ALONG THE BOUNDARY OF SAID ESCONDIDO TRACT NO. 103, AS FOLLOWS:

SOUTH 29°41'47" WEST 89.16 FEET; SOUTH 76°17'32" WEST, 643.40 FEET; SOUTH 58°20'21" WEST, 352.46 FEET; AND NORTH 36°48'14" WEST, 5.45 FEET TO THE EASTERLY LINE OF GARY LANE, 60.00 FEET IN WIDTH, AS SHOWN ON SAID MAP NO. 5433; THENCE SOUTH 23°27'38" WEST ALONG THE EASTERLY LINE OF SAID GARY LANE TO THE MOST NORTHERLY CORNER OF LOT 1, BLOCK 6 OF SAID ESCONDIDO TRACT NO. 103; THENCE ALONG THE NORTHERLY LINE OF SAID BLOCK 6, AS FOLLOWS:

SOUTH 64°26'24" EAST, 164.93 FEET; SOUTH 88°46'37" EAST, 195.67 FEET; NORTH 85°19'21" EAST, 231.93 FEET; NORTH 89°59'07" EAST, 368.22 FEET TO THE MOST NORTHERLY CORNER OF LOT 12 OF SAID BLOCK 6, ESCONDIDO TRACT NO. 103; THENCE SOUTH 32°22'11" EAST, 84.87 FEET TO THE MOST EASTERLY CORNER OF SAID LOT 12, BLOCK 6, BEING A POINT IN THE NORTHERLY LINE OF GOLDEN CIRCLE DRIVE AS SHOWN ON SAID MAP NO. 5578 AND AS DESCRIBED IN DEED TO THE CITY OF ESCONDIDO, RECORDED OCTOBER 29, 1964 AS FILE NO. 1964-198217 OF OFFICIAL RECORDS, IN THE OFFICE OF SAID COUNTY RECORDER, SAID POINT BEING IN THE ARC OF A 849.00 FOOT RADIUS CURVE CONCAVE NORTHERLY FROM WHICH SAID POINT A RADIAL LINE BEARS NORTH 32°22'11"

Exhibit A

(Continued)

WEST; THENCE EASTERLY ALONG THE NORTHERLY LINE OF GOLDEN CIRCLE DRIVE, AS DESCRIBED IN DEED TO THE CITY OF ESCONDIDO, AND EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 13°13'24", A DISTANCE OF 195.94 FEET; THENCE CONTINUING EASTERLY ALONG THE NORTHERLY LINE OF SAID GOLDEN CIRCLE DRIVE TANGENT TO SAID CURVE NORTH 44°24'25" EAST 105.23 FEET TO THE BEGINNING OF A 951.00 FOOT RADIUS TANGENT CURVE IN THE NORTHERLY LINE OF SAID GOLDEN CIRCLE DRIVE, CONCAVE SOUTHERLY; THENCE CONTINUING EASTERLY ALONG THE NORTHERLY LINE OF SAID GOLDEN CIRCLE DRIVE AND THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 33°18'45", A DISTANCE OF 552.92 FEET TO THE EASTERLY LINE OF THE NORTHWEST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 5; THENCE ALONG SAID EASTERLY LINE NORTH 00°48'17" EAST, 249.15 FEET; THENCE NORTH 89°11'43" WEST 655.82 FEET TO A POINT ON THE NORTHEASTERLY LINE OF SAID LOT 14, BLOCK 1 OF THE ESCONDIDO TRACT NO. 103, DISTANT THEREON NORTH 43°44'20" WEST 87.65 FEET TO THE POINT OF BEGINNING.

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EXCEPT THEREFROM THAT PORTION THEREOF DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST NORTHERLY CORNER OF SAID LOT 12, BLOCK 6 OF THE ESCONDIDO TRACT NO. 103; THENCE NORTH 65°33'22" EAST 96.82 FEET; THENCE NORTH 44°24'25" EAST, 412.68 FEET, THENCE NORTH 63°58'01" EAST 224.00 FEET; THENCE SOUTH 20°57'07" EAST 90.00 FEET TO THE CURVED NORTHERLY LINE OF GOLDEN CIRCLE DRIVE, AS DESCRIBED IN DEED TO THE CITY OF ESCONDIDO, RECORDED OCTOBER 29, 1964 AS FILE NO. 1964-198217 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID POINT BEING IN THE ARC OF A CURVE, CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 951.00 FEET; THENCE SOUTHWESTERLY ALONG SAID NORTHERLY LINE OF GOLDEN CIRCLE DRIVE TO THE MOST EASTERLY CORNER OF SAID LOT 12, BLOCK 6 OF SAID ESCONDIDO TRACT NO, 103; THENCE NORTH 32°22'11" WEST 84.67 FEET TO THE POINT OF BEGINNING.

ALSO, EXCEPTING THEREFROM:

BEGINNING AT THE NORTHWEST CORNER OF LOT 5, BLOCK 6, ESCONDIDO TRACT NO. 103, ACCORDING TO MAP THEREOF NO. 5578, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE NORTHERLY PROLONGATION OF THE WESTERLY LINE OF SAID LOT 5, NORTH 4°40'39" WEST 18.87 FEET; THENCE NORTH 84°35'41" EAST 93.01 FEET TO AN INTERSECTION WITH THE NORTHERLY PROLONGATION OF THE EASTERLY LINE OF SAID LOT 5; THENCE ALONG SAID PROLONGATION, SOUTH 4°40'39" EAST 22.64 FEET TO THE NORTHEAST CORNER OF SAID LOT 5; THENCE ALONG THE NORTH LINE OF SAID LOT 5, SOUTH 85°19'21" WEST 67.94 FEET AND NORTH 88°46'37" WEST 25.19 FEET TO THE POINT OF BEGINNING.

ALSO, EXCEPTING THEREFROM, THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 6, BLOCK 6, ESCONDIDO TRACT NO. 103, ACCORDING TO MAP THEREOF NO. 5578, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE NORTHERLY PROLONGATION OF THE WESTERLY LINE OF SAID LOT 6; NORTH 4°40'39" WEST 22.64 FEET; THENCE NORTH 84°35'41" EAST 93.35 FEET TO AN INTERSECTION WITH THE NORTHERLY PROLONGATION OF THE EASTERLY LINE OF SAID LOT 6; THENCE ALONG SAID PROLONGATION SOUTH 4°40'39" EAST 23.83 FEET TO THE NORTHEAST CORNER OF SAID LOT 6; THENCE ALONG THE NORTH LINE OF SAID LOT 6, SOUTH 85°19'21" WEST 93.34 FEET TO THE POINT OF BEGINNING.

ALSO, EXCEPTING THEREFROM, THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 7, BLOCK 6, ESCONDIDO TRACT NO. 103, ACCORDING TO MAP THEREOF NO. 5578, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE NORTHERLY PROLONGATION OF THE WESTERLY LINE OF SAID LOT

Exhibit A

(Continued)

7, NORTH 4°40'39" WEST 23.83 FEET; THENCE NORTH 84°35'41" EAST, 90.89 FEET TO AN INTERSECTION WITH THE NORTHERLY PROLONGATION OF THE EASTERLY LINE OF SAID LOT 7; THENCE ALONG SAID PROLONGATION SOUTH 6°13'30" EAST 19.30 FEET TO THE NORTHEAST CORNER OF SAID LOT 7; LOT 7; THENCE ALONG THE NORTHERLY LINE OF SAID LOT 7, SOUTH 69°59'07" WEST 21.52 FEET, AND SOUTH 85°19'21" WEST 70.65 FEET TO THE POINT OF BEGINNING.

ALSO, EXCEPTING THEREFROM, THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 8, BLOCK 6, ESCONDIDO TRACT NO, 103, ACCORDING TO MAP THEREOF NO. 5578, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE NORTHWESTERLY PROLONGATION OF THE WESTERLY LINE OF SAID LOT 8, NORTH 6°13'30" WEST 19.30 FEET; THENCE NORTH 84°35'41" EAST 74.30 FEET TO THE NORTHEAST CORNER OF SAID LOT 8; THENCE ALONG THE NORTHWESTERLY LINE OF SAID LOT 8, SOUTH 69°59'07" WEST, 76.50 FEET TO THE POINT OF BEGINNING.

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ALSO, EXCEPTING THEREFROM, THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 4, BLOCK 6, ESCONDIDO TRACT NO. 103, ACCORDING TO MAP THEREOF NO. 5578, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE NORTHERLY PROLONGATION OF THE WESTERLY LINE OF SAID LOT 4, NORTH 2°05'58" EAST, 9.49 FEET; THENCE NORTH 84°35'41" EAST 80.38 FEET TO AN INTERSECTION WITH THE NORTHERLY PROLONGATION OF THE EASTERLY LINE OF SAID LOT 4; THENCE ALONG SAID PROLONGATION SOUTH 4°40'39" EAST 18.87 FEET TO THE NORTHEAST CORNER OF SAID LOT 4; THENCE ALONG THE NORTH LINE OF LOT 4, NORTH 88°46'37" WEST, 81.91 FEET TO THE POINT OF BEGINNING.

ALSO, EXCEPTING THEREFROM, THAT PORTION DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 3, BLOCK 6, ESCONDIDO TRACT NO. 103, ACCORDING TO MAP THEREOF NO. 5578, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTH 84°35'41" EAST 82.26 FEET TO AN INTERSECTION WITH THE NORTHERLY PROLONGATION OF THE EASTERLY LINE OF SAID LOT 3; THENCE ALONG SAID PROLONGATION, SOUTH 2°05'58" WEST 9.49 FEET TO THE NORTHEAST CORNER OF SAID LOT 3; THENCE ALONG THE NORTH LINE OF LOT 3, NORTH 88°46'37" WEST 81.57 FEET TO THE POINT OF BEGINNING.

PARCEL 5:

THAT PORTION OF THE SOUTHWEST QUARTER OF THE WEST HALF OF THE WEST HALF OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 5, TOWNSHIP 12 SOUTH, RANGE 2 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO UNITED STATES GOVERNMENT SURVEY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEASTERLY CORNER OF ESCONDIDO TRACT NO, 103, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 5578, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID SAN DIEGO COUNTY, MAY 11, 1965, BEING A POINT IN THE SOUTHERLY LINE OF GOLDEN CIRCLE DRIVE AS SHOWN ON SAID MAP AND AS DESCRIBED IN DEED TO THE CITY OF ESCONDIDO, RECORDED OCTOBER 29, 1964 AS FILE NO. 1964-198217 OF OFFICIAL RECORDS, IN THE OFFICE OF SAID COUNTY RECORDER, SAID POINT BEING IN THE ARC OF SAID CURVE, CONCAVE TO THE NORTH AND HAVING A RADIUS OF 951.00 FEET, A RADIAL TO SAID POINT BEARS SOUTH 32°22'11" EAST; THENCE EASTERLY ALONG SAID SOUTHERLY LINE OF GOLDEN CIRCLE DRIVE THROUGH A CENTRAL ANGLE OF 04°48'33" AN ARC DISTANCE OF 79.82 FEET TO THE TRUE POINT OF BEGINNING; THENCE RADIAL TO SAID CURVE SOUTH 37°18'44" EAST 69.75 FEET; THENCE SOUTH 37°57'25" WEST 994.00 FEET; THENCE SOUTH 26°36'09" WEST 627.47 FEET; THENCE SOUTH 2°40'51" WEST 18.70 FEET TO THE NORTHERLY LINE OF LOT 3 IN BLOCK 14 OF

Exhibit A

(Continued)

THE SUBDIVISION OF RANCHO LOS VALLECITOS DE SAN MARCOS, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 806, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID SAN DIEGO COUNTY, DECEMBER 21, 1895; THENCE ALONG THE NORTHEASTERLY LINE OF SAID MAP NO. 806, SOUTH 54°43'46" EAST 329.23 FEET TO A POINT THEREON DISTANT NORTH 54°43'46" WEST 1082.81 FEET FROM THE INTERSECTION OF THE EASTERLY LINE OF LOT 1 IN SECTION 8 OF SAID TOWNSHIP 12 SOUTH, RANGE 2 WEST WITH SAID NORTHEASTERLY BOUNDARY OF THE SUBDIVISION OF THE RANCHO LOS VALLECITOS; THENCE NORTH 44°27'03" EAST, 813.38 FEET; THENCE NORTH 20°41'23" EAST 583.95 FEET, MORE OR LESS, TO THE INTERSECTION WITH THE WESTERLY PROLONGATION OF THAT CERTAIN LINE IN THE NORTHERLY BOUNDARY OF ESCONDIDO TRACT NO. 149, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 6904, AS RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF SAID SAN DIEGO COUNTY, OCTOBER 14, 1969, AND SHOWN THEREON AS HAVING A BEARING OF SOUTH 89°57'40" WEST AND A LENGTH OF 109.34 FEET, SAID LINE FOR THE PURPOSE OF THIS DESCRIPTION HAVING A BEARING OF NORTH 89°48'14" EAST; THENCE SOUTH 89°48'14" EAST ALONG SAID NORTH LINE AND ITS WESTERLY PROLONGATION TO THE EASTERLY TERMINUS OF SAID NORTH LINE; THENCE CONTINUING ALONG SAID NORTHERLY BOUNDARY OF SAID ESCONDIDO TRACT NO. 149, AS FOLLOWS:

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SOUTH 57°57'19" EAST, 96.55 FEET; SOUTH 65°58'36" EAST, 102.91 FEET; NORTH 25°06'54" EAST, 112.53 FEET; NORTH 15°38'54" EAST 133.30 FEET; NORTH 17°54'14" EAST, 112.77 FEET; SOUTH 85°15'21" EAST 214.49 FEET; SOUTH 82°00'51" EAST, 363.94 FEET; NORTH 88°35'29" EAST 183.90 FEET; NORTH 82°14'14" EAST, 316.56 FEET; AND NORTH 85°06'19" EAST TO THE WEST LINE OF NORTH NUTMEG STREET AS IT EXISTED PRIOR TO THE RECORDATION OF SAID ESCONDIDO TRACT NO. 149; THENCE NORTHERLY ALONG SAID WESTERLY LINE TO A POINT IN THE AFOREMENTIONED SOUTHERLY LINE OF GOLDEN CIRCLE DRIVE; THENCE ALONG SAID SOUTHERLY LINE THE FOLLOWING COURSES:

NORTH 86°08'04" WEST 1350.00 FEET, MORE OR LESS, TO THE BEGINNING OF A TANGENT CURVE, CONCAVE TO THE SOUTH AND HAVING A RADIUS OF 849.00 FEET; THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49°27'31" AN ARC DISTANCE OF 732.87 FEET; THENCE TANGENT TO SAID CURVE SOUTH 44°24'25" WEST 105.23 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE TO THE NORTHWEST AND HAVING A RADIUS OF 951.00 FEET; THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 8°24'51" AN ARC DISTANCE OF 139.66 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT PORTION THEREOF DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE EASTERLY LINE OF LOT 1 IN SECTION 8, OF SAID TOWNSHIP 12 SOUTH, RANGE 2 WEST, WITH THE NORTHEASTERLY BOUNDARY OF SAID RANCHO LOS VALLECITOS DE SAN MARCOS, ACCORDING TO MAP THEREOF NO. 806; THENCE ALONG SAID NORTHEASTERLY BOUNDARY NORTH 54°43'46" WEST 1082.81 FEET; THENCE NORTH 44°27'03" EAST 813.38 FEET; THENCE NORTH 20°41'23" EAST 694.17 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 47°34'33" EAST 67.98 FEET; THENCE NORTH 43°27'09" EAST 446.34 FEET; THENCE NORTH 58°05'57" WEST 333.62 FEET TO A POINT ON THE CURVE ON THE SOUTHERLY LINE OF GOLDEN CIRCLE DRIVE, 102.00 FEET IN WIDTH, AS DESCRIBED IN DEED TO THE CITY OF ESCONDIDO, RECORDED OCTOBER 29, 1964 AS FILE NO. 1964-198217 OF OFFICIAL RECORDS, IN THE OFFICE OF SAID COUNTY RECORDER, SAID POINT BEING DISTANT THEREON 292.25 FEET WESTERLY, MEASURED ALONG SAID CURVE OF THE SOUTHERLY LINE, FROM THE EASTERLY TERMINUS OF THAT CERTAIN CURVE DESCRIBED THEREIN AS BEING CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 849.00 FEET, A CENTRAL ANGLE OF 49°27'31" AND A LENGTH OF 732.87 FEET, A RADIAL TO SAID POINT BEARS NORTH 15°51'26" WEST; THENCE WESTERLY AND SOUTHWESTERLY ALONG SAID CURVE SO DESCRIBED, 440.62 FEET TO THE SOUTHWESTERLY TERMINUS OF SAID CURVE; THENCE CONTINUING SOUTH 44°24'25" WEST 105.23 FEET; THENCE SOUTH 67°16'59" EAST 405.73 FEET TO THE TRUE POINT OF BEGINNING.

Exhibit A

(Continued)

ALSO EXCEPTING THAT PORTION GRANTED TO THE CITY OF ESCONDIDO IN DEED RECORDED JULY 14, 1969 AS FILE NO. 1969-126526 AND RE-RECORDED JULY 24, 1969 AS FILE NO. 1969-133886, BOTH OF OFFICIAL RECORDS.

ALSO, EXCEPTING THEREFROM THAT PORTION WHICH LIES WITHIN ESCONDIDO TRACT NO. 180, ACCORDING TO MAP THEREOF NO. 7725, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, AUGUST 17, 1973.

PARCEL 6:

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THAT PORTION OF THE SOUTHWEST QUARTER OF THE SECTION 5, TOWNSHIP 12 SOUTH, RANGE 2 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST EASTERLY CORNER OF LOT 14, BLOCK 1 OF ESCONDIDO TRACT NO. 103, IN THE CITY OF ESCONDIDO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 5578, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID SAN DIEGO COUNTY, MAY 11, 1965; THENCE ALONG THE NORTHEASTERLY LINE OF SAID BLOCK 1 ESCONDIDO TRACT NO. 103, NORTH 43°44'20" WEST 87.65 FEET; THENCE LEAVING SAID TRACT LINE SOUTH 89°11'43" EAST 655.82 FEET TO THE EASTERLY LINE OF THE NORTHWEST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 5; THENCE SOUTH 00°48'17" WEST 249.15 FEET ALONG SAID EASTERLY LINE TO A POINT ON THE NORTHERLY LINE OF GOLDEN CIRCLE DRIVE AS DESCRIBED IN DEED TO THE CITY OF ESCONDIDO, RECORDED OCTOBER 29, 1964 AS FILE NO. 1964-198217 OF OFFICIAL RECORDS, BEING A POINT ON THE ARC OF A 951.00 FOOT RADIUS CURVE, CONCAVE SOUTHEASTERLY, A RADIAL LINE TO SAID POINT BEARS NORTH 12°16'50" WEST; THENCE NORTH 00°48'17" EAST 440.63 FEET ALONG SAID EASTERLY LINE OF THE NORTHWEST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 5 TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 40°49'10" WEST 250.02 FEET TO THE INTERSECTION WITH THE AFOREMENTIONED LINE HAVING A BEARING OF SOUTH 89°11'43" EAST AND A LENGTH OF 655.82 FEET; THENCE ALONG SAID AFOREMENTIONED LINE SOUTH 89°11'43" EAST 160.97 FEET TO THE EASTERLY LINE OF SAID NORTHWEST ONE-QUARTER OF THE SOUTHWEST ONE-QUARTER OF SAID SECTION 5; THENCE ALONG SAID EASTERLY LINE NORTH 00°48'17" EAST 191.48 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL 7:

AN EASEMENT AFFECTING THE PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN AND INCIDENTAL PURPOSES IN FAVOR OF AMERICAN GOLF CORPORATION FOR GOLF CART PATH RECORDED OCTOBER 16, 1989 AS FILE NO. 1989-558155 OF OFFICIAL RECORDS.

PARCEL 8:

AN EASEMENT AFFECTING THE PORTION OF SAID LAND AND FOR THE PURPOSES STATED HEREIN AND INCIDENTAL PURPOSES IN FAVOR OF AMERICAN GOLF CORPORATION FOR GOLF COURSE TEE AREA RECORDED OCTOBER 16, 1989 AS FILE NO. 1989-558156 OF OFFICIAL RECORDS.

COMMONLY KNOWN AS: 1800 COUNTRY CLUB LANE, ESCONDIDO, CALIFORNIA 92026

APN: 224-210-53-00; 224-211-05-00; 224-211-11-00; 224-211-12-00; 224-211-15-00; 224-230-36-00; 224-230-43-00; 224-430-04-00; 224-431-01-00; 224-431-02-00; 224-431-03-00; 224-490-05-00; 224-490-06-00; 224-491-01-00; AND 224-811-28-00

EXHIBIT B

I. PUBLIC BENEFITS AND IMPROVEMENTS

- A. DEMOLITION OF CLUBHOUSE.** Owner shall demolish the existing Escondido Country Clubhouse building, and all other dilapidated buildings on the Project site, within four (4) months of the Effective Date of this Agreement. Should the Entitlements be challenged in a court of competent jurisdiction then the timeframe to complete demolition of these buildings shall be extended to two (2) months after a court has made a final ruling upholding approval of the Entitlements and all further appeal periods have expired without further appeal being taken, or eighteen (18) months, whichever comes first. Subsequent to the demolition, Owner shall keep the site free of any debris, weeds, or health and safety hazards until grading commences on the first phase of the Project.
- B. STORMWATER IMPROVEMENTS.** Owner shall design, construct, and maintain the improvements to the drainage and treatment of storm water in the area as provided in Attachment 1 to this Exhibit B. Attachment 1 is a concept plan with the final design, details, and management to be reviewed and approved by the City Engineer in accordance with City and industry standards. These Storm Water Improvements must treat at least the volume of storm water runoff from adjacent properties as provided in Attachment 1, or as otherwise acceptable to the City Engineer. Possible revisions include, but are not limited to, diversion piping, adjustments in basin depths or footprints, location of the storm water improvements, and other matters as reviewed and approved by the City Engineer.

II. FEE CREDITS AND REIMBURSEMENTS

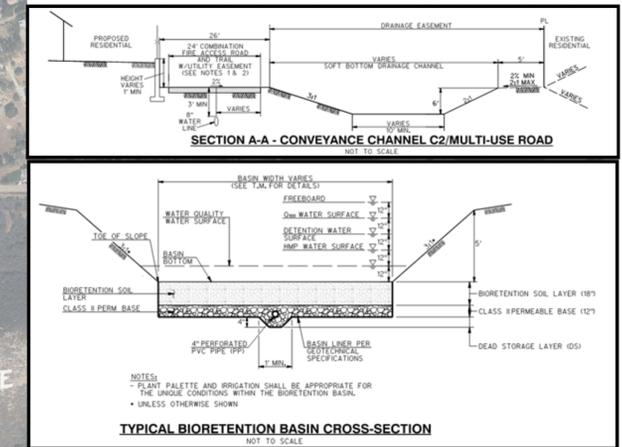
A. REIMBURSEMENT FOR PARKLAND. The City will reimburse the Owner for surplus active parkland improvements beyond the applicable level of service in the form of fee credits as stated in this section. At least (three and one half) 3.5 acres of active parkland used for recreational space must be provided in a manner and design approved by the City. The City will credit Owner for the fees in an amount not to exceed \$1,600,560 (Parkland fee is \$4,212 per unit). This fee credit is contingent on the Owner's completing all of the obligations contained in this Agreement.

III. TIMING AND COOPERATION

- A.** The City and Owner agree to cooperate towards the requirements in this Agreement including a permitting and construction schedule.
- B.** The City will expedite review of grading plans necessary for the demolition of the clubhouse and other dilapidated buildings and waive the expedite fee for that phase of grading. At Owner's sole discretion, the mass grading and subsequent phases may be expedited at Owner's expense subject to City staff availability.

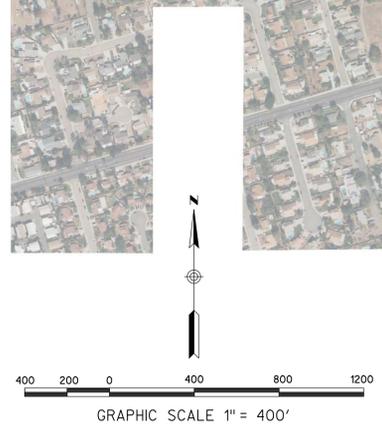
Attachment 1

Potential WQ Benefits of The Villages Project (Escondido Country Club)						
BMP ID	On-Site Area			Potential Off-Site Opport.		
	Area (AC)	% Impervious	WQ Volume (ft ³)	Area (AC)	% Impervious	WQ Volume (ft ³)
1A	18.7	63%	31,176	27.5	70%	48874
1B	13.3	58%	21,253	41.9	60%	68261
1C	2.5	80%	4,813	--	--	--
1D	3.6	81%	6,961	15.7	70%	27903
1E	1.4	79%	2,666	--	--	--
2	9.2	50%	13,626	38.2	40%	50918
3	11.2	54%	17,328	--	--	--
4	12.4	56%	19,402	24.7	55%	38411
5A	4.5	42%	6,146	--	--	--
5B	11	49%	16,143	24.5	55%	38100
Total	87.8	61%	139,514	172.5	58%	272,467



NOTES:

- RUNOFF FROM EXISTING DEVELOPED AREAS (UP TO THE 85TH PERCENTILE EVENT) WILL BE ROUTED TO PROPOSED ON-SITE BIO-FILTRATION BMPs FOR POLLUTANT CONTROL PURPOSES, ONLY.
- EVENTS THAT EXCEED THE 85TH PERCENTILE EVENT WILL BE BYPASSED THROUGH THE PROPOSED SOFT NATURAL BOTTOM CHANNELS, WHICH WILL PROVIDE SOME WQ BENEFIT AND ATTENUATION OF PEAK RUNOFF FLOWS.
- AT THIS CONCEPTUAL STAGE, PRELIMINARY POTENTIAL WQ VOLUMES HAVE BEEN APPROXIMATED FOR OFF-SITE AREAS.



RICK ENGINEERING COMPANY
5620 FRIARS ROAD
SAN DIEGO, CA 92110
619-291-0707
(FAX) 619-291-4165
rickengineering.com
San Diego Riverside - Orange - Sacramento - San Luis Obispo - Phoenix - Tucson - Denver

J-17762-A

LEGEND:

- DMA BOUNDARY
- DMA 1 DMA ID
- 12.4 AC DMA AREA
- BMP 1 BMP ID
- BIOFILTRATION BMP
- POINT OF COMPLIANCE (POC)
- SITE CONSTRAINT
- OFFSITE AREA CONTRIBUTING TO BMP
- NEW PIPE TO ROUTE OFFSITE FLOWS
- EXISTING/ PROPOSED ON-SITE STORM DRAIN

OFFSITE CONTRIBUTING AREAS TO BMPs FOR ESCONDIDO COUNTRY CLUB

J-7762-A Date: May 31, 2017