

OPTION AGREEMENT FOR THE PURCHASE OR EXCHANGE
OF REAL PROPERTY

This "Option Agreement for the Purchase or Exchange of Real Property" ("Agreement") is executed by Aldersgate Investment, LLC, a Delaware limited liability company ("AI") for the benefit of the City of Oxnard, California, a municipal corporation ("City"), with reference to the following recitals:

A. City owns approximately 2.18 acres of real property commonly known as 705 and 747 North Oxnard Boulevard, Oxnard, California, located between Oxnard Boulevard to the east and North "A" Street to the west and between Douglas Avenue to the south and West Roderick Avenue to the north (the "Exchange Parcel") currently zoned C-2 PD, permitting commercial use and, subject to a special use permit, R-3 residential uses. The Exchange Parcel is more specifically described in Exhibit A hereto; and

B. The Exchange Parcel is being held by the City for the purpose of exchange pursuant to Government Code section 54221, subsection (b); and

C. AI owns approximately 2.3 acres of real property identified as Lot 53 on the tentative tract map for Tract No. 5654 (the "Park Parcel").

NOW, THEREFORE, in partial consideration for City's entering into a development agreement with AI, the first reading of the ordinance adopting such development agreement occurring on February 27, 2007, AI hereby offers the City the option of obtaining ownership of the Park Parcel on the following terms:

1. **Exchange Option.** If the City wishes to exchange the Exchange Parcel for the Park Parcel, the City shall within six months from the adoption of said development agreement notify AI in writing of the City's exercise of the exchange option in this Agreement. City and AI shall execute

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such documents, pay their respective fees and expenses as set forth below, and take any other actions necessary to effectuate the exchange of ownership of the Exchange Parcel and Park Parcel (collectively, the "Properties").

2. **Purchase Option.** (A) As an alternative to exchanging the Properties, AI will sell the Park Parcel to the City for the option price. To determine the option price, City and AI shall have an appraisal performed by a qualified appraiser. (B) If the parties agree upon an appraiser on or before March 21, 2007, the City shall have the appraisal performed by the agreed upon appraiser and the City shall pay the appraiser's fee. If the parties do not agree upon an appraiser by March 21, 2007, then the parties agree to meet on or before March 28, 2007 in the office of the City Manager to select by lot Bruce Hull, Kevin McAtee, or David Kimura to perform the appraisal. If the appraiser is selected by lot, the City and AI agree to each pay one-half of the cost of the appraisal. (C) The result of the appraisal shall be presented to the parties. The City may exercise the option by purchasing the property for the option price. The exercise of the option may be made within six months of the adoption of said development agreement by delivering to AI a written exercise of the option to purchase the Park Parcel for the option price. If the City elects to purchase the Park Parcel at the option price, City and AI shall execute such documents, pay their respective fees and expenses as set forth below, and take any other actions necessary to effectuate the purchase of the Park Parcel.

3. **Mutual Cooperation.** Each party hereto shall cooperate with the other and take such actions as required by law to effectuate the exchange or purchase contemplated by this Agreement, including, but not limited to:

- (a) Compliance with the California Environmental Quality Act ("CEQA");
- (b) Providing each other with all required disclosures and other written documents in their possession or under their control pertaining to the Properties to be exchanged;
- (c) Allowing at least thirty (30) business days prior to the consummation of the exchange or purchase to permit each party to physically inspect and conduct such tests as each may desire on the Properties to be exchanged or purchased;
- (d) Arrange and pay for a CLTA owner's policy of title insurance for their respective Properties for the benefit of the other party accepting title thereto; and

(e) Assure that the parcel under such party's ownership is free and clear of all liens and encumbrances other than those accepted in writing; and

(e) Share the cost of escrow, recording and transfer fees consistent with the usual standards for such transactions in Ventura County, and

(f) In the event the Properties are exchanged, share the costs, if any, of compliance with CEQA.

IN WITNESS WHEREOF, AI and City have executed this Agreement.

Dated: February ____, 2007

ALDERSGATE INVESTMENT, LLC,
a Delaware limited liability company

By: _____
Ernest T. Mansi, Managing Member

Dated: _____, 2007

CITY OF OXNARD

By: _____
Dr. Thomas E. Holden, Mayor

Attest:

Daniel Martinez, City Clerk

Approved as to form:

Gary L. Gillig, City Attorney

LEGAL DESCRIPTION

Real property in the City of Oxnard, County of Ventura, State of California, described as follows:

A portion of subdivision 19, Rancho El Rio De Santa Clara O'La Colonia, in the City of Oxnard County of Ventura, State of California as per Partition Map filed in the Office of the County Clerk of the County of Ventura, in an action entitled "Thomas A. Scott, et al., Pliffs. vs. Rafael Gonzales et a., Defts" described as follows:

Beginning at a point on the Westerly line of State Highway Route 60 as known as Oxnard Boulevard, said point being North 60 feet from the Northeast corner of lands of Willard W. Shepherd and Helen L. Shepherd, as shown on the Licensed Surveyor's Map filed in in book 6, page 49 of Record of Survey, in the Office of the County Recorder of said County; thence

1st: Westerly 280 feet more or less, parallel with the Northerly line of said lands Willard W. Shepherd and Helen L. Shepherd, in the Northerly prolongation of the East line of said "A" Street, as shown upon the last above described map; thence,

2nd : Northerly 280 feet along said Northerly prolongation of the East line of "A" Street to a point; thence,

3rd: Easterly 280 feet, more or less parallel with the said Northerly line of said lands of Willard W. Shepherd and Helen L. Shepherd, to the Westerly line of said State of Highway Route 60; thence,

4th : Southerly 280 feet along said Westerly line of State Highway Route 60 to the Point of Beginning.

EXCEPT that portion thereof lying within the land described in deed to Lloyd V. Dunkin, married man, recorded September 6, 1972 as Instrument No. 63333, book 4005, page 640 of Official Records.

PARCEL 2:

A portion of Subdivision 19, Rancho El Rio Santa Clara O'LA Colonia, in the City of Oxnard, County of Ventura, State of California, as per Partition Map filed in the Office of the County Clerk of the County of Ventura, in an action entitled "Thomas A. Scott, et al., Pliffs. vs. Rafael Gonzales, et al., Defts described as follows:

Beginning at a point on the Westerly line of State Highway Route as 60 known as Oxnard Boulevard, said point being the Northeast corner of lands of Willard D. Shepherd and Helen L. Shepherd, as shown on the Licensed Surveyor's Map filed in book 6, page 49 and of Record of Surveys, in the Office of the County Recorder of said County thence,

1st: Westerly 280 feet, more or less, along the Northerly line of said lands of Willard W. Shepherd and Helen L. Shepherd, to the Northerly prolongation of the East line of "A" Street as shown upon the last above described map; thence,

2nd: Northerly 60 feet along said Northerly prolongation of the East line of "A" Street to a point; thence,

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3rd: Easterly 280 feet, more or less parallel with the Northerly line of the lands of Willard W. Shepherd and Helen L. Shepherd to the Westerly line of said State map Route 60; thence,

4th: Southerly 60 feet along said Westerly line of said State Highway Route 60 to the Point of Beginning.

PARCEL 3.

A portion of Subdivision 19, Rancho El Rio De Santa Clara O'La Colonia, in the City of Oxnard, County of Ventura, State of California, as per Partition Map filed in the office of the County Clerk of the County of Ventura, in an action entitled, "Thomas A. Scott, et al., Pliffs. vs. Rafael Gonzales, et al., Defts.", described as follows:

Commencing at a point on the Westerly line of State Highway Route 60, known as Oxnard Boulevard, said point being North 65 feet from the Northeast corner of lands of Willard Shepherd and Helen L. Shepherd, as shown on Licensed Surveyor's Map filed in book 6, page 49 of Record of Surveys, in the office of the County Recorder of said County; thence, 280 feet, more or less, parallel with the Northerly line of said lands of Willard W. Shepherd and Helen L. Shepherd, to the Northerly prolongation of the East line of said Street, as shown upon the last above described map, said point being the True Point of Beginning; thence,

1st: North 275 feet along said Northerly prolongation of the East line of "A" Street; thence,

2nd: East 280 feet, more or less, parallel with the said Northerly line of said lands of Willard W. Shepherd and Helen L. Shepherd, to the Westerly line of said State Highway Route 60; thence,

3rd: South 151 feet along said Westerly line of State Highway Route 60; thence parallel with said Northerly line of Shepherd,

4th: West 127.30 feet; thence parallel with said "A" Street,

5th: South 64 feet; thence parallel with said Northerly line of Shepherd,

6th: West 15 feet; thence parallel with said "A" Street,

7th: South 60 feet to the intersection with a line which beard West and passes through the True Point of Beginning; thence along said line,

8th: West 130 feet to the True Point of Beginning.

APN: 2000-252-120; 2000-252-020 and 2000-252-130