RECORDING REQUESTED BY:
CITY OF OXNARD
Request recording without fee. Record
For benefit of City of Oxnard pursuant
To Section 6103 of Government Code

WHEN RECORDED MAIL TO:
Oxnard City Clerk’s Office
305 West Third Street
Oxnard, California 93030

Development Agreement
A-7121
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Los Angeles

On March 30, 2009 before me, C. Kyriakou, Notary Public, personally appeared Daniel J. Hubbard 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

C. Kyriakou

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: ____________________________

Document Date: ____________________________ Number of Pages: ______

Signer(s) Other Than Named Above: ____________________________

Capacity(ies) Claimed by Signer(s)

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<thead>
<tr>
<th>Signer's Name: ____________________________</th>
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<tr>
<td>☐ Corporate Officer — Title(s):</td>
<td>☐ Corporate Officer — Title(s):</td>
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<tr>
<td>☐ Partner — ☐ Limited ☐ General</td>
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<td>☐ Attorney In Fact</td>
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Signer Is Representing: ____________________________

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Attachment 4

Page 2 of 97
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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 ____________

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: Development Agreement (A-7121)
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: ____________

________________________

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DA A-7122

Attachment 4
Page 3 of 97
DATE: February 19, 2009

VENTURA COUNTY RECORDER
800 SOUTH VICTORIA AVENUE
VENTURA, CA 93009

SUBJECT: Item for Recordation

The following document is enclosed for recordation:

Development Agreement
APN: 179-0-040-585
APN: 179-0-040-625
APN: 179-0-070-265
APN: 179-0-040-170
APN: 179-0-040-180

When recorded, please return said document to this office. Also enclosed is a duplicate copy of this letter. Please stamp the Document Number and Date of Recordation on the letter and return it to this office at your earliest convenience.

Thank you very much.

Yolanda Gutierrez
Deputy City Clerk
(805) 385-7803

DOCUMENT NUMBER
DATE OF RECORDATION
DEVELOPMENT AGREEMENT

This DEVELOPMENT AGREEMENT (hereinafter referred to as “Agreement”) is made and entered into this 27th day of January, 2009, by and between the City of Oxnard, a municipal corporation of the State of California (the “City”), Casden Oxnard LLC, a Delaware limited liability company (“Casden Oxnard”), and Casden Oxnard Vineyard Avenue LLC, a Delaware limited liability company (“Casden Oxnard Vineyard Avenue”). Casden Oxnard and Casden Oxnard Vineyard Avenue are hereinafter referred to individually (to the extent of each of their respective interests, rights, and obligations) and collectively as “Developer.” City, Casden Oxnard and Casden Oxnard Vineyard Avenue are from time to time hereinafter referred to individually as a “Party” and collectively as the “Parties.”

The Parties hereby agree as follows:

Section 1. Recitals.

This Agreement is predicated upon the following facts which are incorporated into and made a part of this Agreement:

1.1 Authorization. The City is authorized pursuant to Government Code sections 65864 through 65869.5 (the “Development Agreement Statute”) and City Council Resolution No. 10,448 (the “Development Agreement Resolution”) to enter into binding development agreements with persons having a legal or equitable interest in real property for the development of such property in order to strengthen the public planning process, encourage private participation in comprehensive planning, and establish certainty in the development process. This Agreement has been processed, considered, approved and executed in accordance with the Development Agreement Statute and the Development Agreement Resolution. In the event of any conflict or inconsistency between the terms of this Agreement and the Development Agreement Resolution, the terms of this Agreement shall control.

1.2 Project Site. Casden Oxnard owns certain real property consisting of approximately nine and fifty-five hundredths (9.55) acres located in the City, more particularly described in Exhibit A, attached hereto and incorporated in full herein by this reference (the
“Townhomes Site”). Casden Oxnard and Casden Oxnard Vineyard Avenue together own certain real property consisting of approximately twenty five and thirty-eight hundredths (25.38) acres located in the City, more particularly described in Exhibit B, attached hereto and incorporated in full herein by this reference (the “Vineyard and Ventura Site”). The real property described in Exhibit A and Exhibit B, collectively, comprise approximately thirty four and ninety three hundredths (34.93) acres and are referred to collectively herein as the “Project Site.” This Agreement applies to and governs the development of the Project Site.

1.3 Project. Developer seeks to develop 143 townhome-style units on the Townhomes Site, 76 single-family detached and 125 single-family cluster home units on the Vineyard and Ventura Site, or any portion thereof (the “Project”).

1.4 Existing Approvals. As part of the proposed plan of development for the Project Site, Developer has applied for, and the City has certified and approved as applicable, certain environmental documents and land use approvals and entitlements relating to the development of the Project Site, including, without limitation, the following (collectively, “Existing Approvals”):

(a) On September 18, 2008, pursuant to the California Environmental Quality Act and the State Guidelines, the Planning Commission of the City (“Planning Commission”), by Resolution No. 2008-56, certified a final environmental impact report, State Clearing House No. 2007071087, for the subject 2020 General Plan (“General Plan”) amendments, Northwest Community Specific Plan (“Specific Plan”) amendments, Tentative Map Nos. 5765 and 5672, special use permits, zone changes and this Agreement.

(b) On September 18, 2008, the Planning Commission by Resolution Nos. 2008-57 and 2008-58, denied the special use permits and recommended to the City Council denial of the General Plan amendments, the Specific Plan amendments, and zone changes.

(c) On January 13, 2009, the City Council by Resolution No. 13,586, adopted the General Plan amendments.

(d) On January 13, 2009, the City Council, by Resolution Nos. 13,587 and 13,590, adopted the Specific Plan amendments.

(e) On January 13, 2009, the City Council, by Resolution Nos. 13,591 and 13,588, adopted the special use permits.

(f) On January 27, 2009, the City Council adopted Ordinance Nos. 2795 and 2796 approving the zone changes which zoned the Townhomes Site as R-3-PD and Vineyard and Ventura Site as R-2-PD, as shown on the maps labeled Zone Change No. 2796 and Zone Change No. 2795 on file with the City Clerk.

(g) On September 18, 2008, the Planning Commission, by Resolution Nos. 2008-57 and 2008-58, recommended denial of Tentative Map Nos. 5765 and 5672 for the Project Site (the “Tentative Maps”).

(h) On January 13, 2009, the City Council, by Resolution Nos. 13,589 and 13,592, approved the Tentative Maps.
1.5 Intent of Parties. Developer and the City have determined that the development of the Project Site in accordance with the Project Approvals (as defined in this Section 1.5 below) and Applicable Law (as defined in Section 4.1 below) is a development project for which this Agreement is appropriate. This Agreement will eliminate uncertainty in planning and provide for the orderly development of the Project Site, ensure progressive installation of necessary improvements, provide for public services appropriate to the development of the Project Site, ensure the maximum effective utilization of resources within the City at the least economic cost to its residents, and otherwise achieve the goals and purposes of the Development Agreement Statute and the Development Agreement Resolution. In exchange for these benefits, the City agrees to provide Developer with the assurance that Developer may proceed with development of the Project Site in accordance with and subject to the terms and conditions imposed by the Existing Approvals, Subsequent Approvals (as defined below), and this Agreement (collectively, the "Project Approvals").

1.6 Public Hearings. On September 4, 2008, the Planning Commission, after providing public notice as required by law, held a public hearing on Developer’s application for approval of this Agreement. The City Council, after providing public notice as required by law, held public hearings on this Agreement on January 13, 2009.

1.7 City Council Actions. On January 13, 2009, the City Council conducted the first reading of Ordinance No. 2797 (the "Approval Date"). On January 27, 2009, the City Council: (a) made findings that the provisions of this Agreement are consistent with the General Plan; and (b) adopted Ordinance No. 2797 approving and authorizing the execution of this Agreement.

Section 2. Term. This Agreement shall expire on the thirtieth (30th) anniversary of the Approval Date (the "Term"). However, the City and Developer may agree to extend the Term of this Agreement. The expiration of this Agreement shall not affect the rights of Developer under the Existing Approvals and Subsequent Approvals.

Section 3. Definitions. The following terms shall have the meanings set forth for such terms in the section listed below:

<table>
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<tr>
<th>Term</th>
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<tr>
<td>&quot;Agreement&quot;</td>
<td>Introduction</td>
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<tr>
<td>&quot;Applicable Fees&quot;</td>
<td>Section 4.5</td>
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<td>&quot;Applicable Law&quot;</td>
<td>Section 4.1</td>
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<td>&quot;Approval Date&quot;</td>
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<td>&quot;Assignment and Assumption Agreement&quot;</td>
<td>Section 11.1(b)</td>
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<td>&quot;City&quot;</td>
<td>Introduction</td>
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<td>&quot;City Costs&quot;</td>
<td>Section 5.8(d)(i)</td>
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<td>&quot;City Council&quot;</td>
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<td>&quot;Casden Oxnard&quot;</td>
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<td>&quot;Casden Oxnard Vineyard Avenue&quot;</td>
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<td>&quot;Developer&quot;</td>
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<td>&quot;Development Agreement Resolution&quot;</td>
<td>Section 1.1</td>
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<tr>
<td>&quot;Development Agreement Statute&quot;</td>
<td>Section 1.1</td>
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</table>
Section 4. Vested Right to Develop. This Agreement binds the City to the terms of this Agreement and limits, to the degree specified in this Agreement and under State law, the City’s ability to regulate development of the Project and the Project Site during the Term.

4.1 Applicable Law. The Parties hereby agree that, for the term of this Agreement, the rules, regulations, ordinances, resolutions, codes, guidelines and officially adopted procedures and official policies of the City, governing permitted uses, governing density, and governing design, improvement and construction guidelines, standards and specifications applicable to development of the Project on the Project Site, shall be those rules, regulations, ordinances, resolutions, codes, guidelines and officially adopted procedures and officially adopted policies in force as of the Approval Date (collectively, the “Applicable Law”). Any change in, or addition to, the Applicable Law, including, without limitation, any such change in the zoning regulations or General Plan of the City (including any regulation relating to the timing, sequencing, or phasing of the Project or construction of all or any part of the Project), adopted or becoming
effective after the Approval Date, including any such change or addition by means of ordinance, resolution, initiative, referendum, motion, policy adoption, order, moratorium or otherwise, initiated or instituted for any reason whatsoever and adopted by any board, agency, commission or department of the City, or by the electorate, as the case may be, shall not be applicable to or binding upon Developer, the Project, or the Project Site unless Developer has agreed in writing to the change in the Applicable Law. The Parties agree that the Project Approvals, once effective, shall be considered part of the Applicable Law. However, nothing in this section or in this Agreement shall limit the City's ability to adopt and apply to the Project any improvement and construction standards in accordance with Health and Safety Code sections 17922 et seq. or local amendments of the uniform codes discussed in Health and Safety Code section 17922. Applicable Law shall apply to any application for a building permit submitted prior to the expiration of the Term of this Agreement.

4.2 Vested Right to Develop. Developer shall have the vested right to develop the Project or any portion thereof in accordance with Applicable Law and this Agreement so long as such development is consistent with the Project Approvals, and all conditions and requirements that are made a part of the Project Approvals. To enable Developer to complete the Project, the Developer's vested right to develop the Project in accordance with Applicable Law and this Agreement shall include the rights to (1) develop the maximum amount of residential development and appurtenant facilities permitted by the Applicable Law and this Agreement, (2) the timely issuance by the City of all Subsequent Approvals (as defined in Section 6 below), and (3) the timely taking by the City of such other actions that are (i) requested by the Developer and (ii) consistent with the terms of this Agreement.

4.3 Permitted Uses. The permitted uses; density and intensity of use; maximum height and size of proposed residences, buildings, and other structures; provisions for reservation or dedication of land; and other terms and conditions of development applicable to the Project shall be as set forth in the Project Approvals. To the extent the Existing Approvals and this Agreement do not provide standards for development of the Project, the Applicable Law and the Subsequent Approvals shall govern and provide such standards.

4.4 No Conflicting Enactments. The City shall not apply to the Project or Project Site any additional condition, requirement, or restriction of any nature which is not included within the Project Approvals, whether by (i) specific reference to the development of the Project or the Project Site, or (ii) a general enactment applicable to the Project or Project Site. This limitation applies to any action of the City, including those (i) of the Planning Commission, the City Council, City staff, the electorate, or otherwise, and (ii) adopted or implemented by ordinance, resolution, policy, initiative, referendum, motion, order, moratorium or otherwise which would directly or indirectly:

(a) Limit or reduce the permitted density or intensity of the Project or Project Site, or otherwise require any reduction in the height, number, size or square footage of lots, structures or buildings;

(b) Expand or increase Developer's obligations with respect to the provision of parking spaces, streets, roadways and/or any other public or private improvements, structures or dedications of land;
(c) Limit or control the timing or phasing of the construction or development of the Project or Project Site; or

(d) Limit the location of buildings, structures, grading or other improvements relating to the development of the Project or Project Site in a manner which is inconsistent with or more restrictive than the Applicable Law.

4.5 Development, Impact, Processing, and Other Fees. For the duration of this Agreement, only those rates, fees and fee programs set forth within the Applicable Law and uniformly applied to all development projects within the City as of the Approval Date may be charged to the Developer, Project, or Project Site (the "Applicable Fees"). The Applicable Fees include, but are not limited to, the following: Growth Requirement Capital Fees, Planned Drainage Facilities Fees, Planned Water Facilities Fees, Environmental Mitigation Monitoring Fees, Pro-rata cost of attorneys’ fees incurred in connection with preparing language for Environmental Impact Reports dealing with greenhouse gases and water supply, Sewer Connection Fees, Sewer Conveyance Fees, Traffic Impact Fees, Wastewater Treatment Fees, Water System Connection Fees, Affordable Housing Fees, Public Art Fees and Quinby/In-Lieu Park Fees. Additionally, any new fees enacted by the City Council which take effect after the Approval Date which are similar to the Applicable Fees in that such new fees offset or reimburse the City for the increased costs on the City’s public improvements due to development, shall not be applied to the Project, the Project Site or the Developer as the owner/developer of the Project for the duration of this Agreement. However, nothing in this Section 4.5 shall limit the City Council’s power to levy or increase fees which reimburse the City for the cost of processing development applications or reimburse the City for the cost of building inspection or plan checking, or which reimburse the City for fees the City has collected on behalf of non-City Agencies provided that those fees are applied consistently and proportionately to all development projects within the City in accordance with Applicable Law.

4.6 Conflict of City and State or Federal Laws. In accordance with the Development Agreement Statute, the Project or Project Site may be subject to subsequently enacted state or federal laws or regulations which preempt local regulations or mandate the adoption of local regulations that conflict with the Applicable Law, and prevent or preclude compliance with one or more provisions of this Agreement. Upon discovery of such a subsequently enacted federal or state law, City or Developer shall provide the other Party with written notice, a copy of the state or federal law or regulation, and a written explanation of the legal or regulatory conflict created. Within ten (10) days thereafter, City and Developer shall meet and confer in good faith in a reasonable attempt to modify this Agreement, as necessary, to comply with such federal or state law or regulation. In such negotiations, City and Developer agree to preserve the terms of this Agreement and the rights of the Developer as derived from this Agreement to the maximum feasible extent while resolving the conflict. City agrees to cooperate with Developer in resolving the conflict in a manner which minimizes any financial impact of the conflict upon Developer. Any delays caused by such changes in state or federal law shall toll the Term of this Agreement and the time periods for performance by Developer and City set forth in this Agreement.
Section 5. Development of the Project Site.

5.1 Permitted Uses. The Developer agrees that the Project shall be developed in accordance with the Project Approvals and Applicable Law.

5.2 Development Standards. All development and design requirements and standards applicable to the Project shall conform to the Project Approvals and Applicable Law.

5.3 Maximum Height and Size. The maximum height of any buildings constructed within the Project Site shall not exceed the standards set forth in the Project Approvals and Applicable Law.

5.4 Density and Intensity of Use. The maximum number of units permitted within the Project Site shall be as set forth in the Project Approvals and Applicable Law.

5.5 Public Benefits. In consideration for Developer’s vested right to develop the Project in accordance with Applicable Law, Developer agrees to provide the public benefits listed in this subsection (the “Public Benefits”). In agreeing to provide the Public Benefits, Developer waives any objections it may have to the inclusion of the Public Benefits in the Project Approvals. The Public benefits are:

(a) Dedication of Land For Public Purposes. Prior to the issuance of the first certificate of occupancy on the Vineyard and Ventura Site, the Developer shall dedicate right-of-way and widen Vineyard Avenue and Ventura Road along the frontage of the Vineyard and Ventura Site as necessary to meet the specifications for master plan street sections in the General Plan and in accordance with the Specific Plan standard, as approved by the City of Oxnard Development Advisory Committee and depicted on the Engineering Site Plans for Tentative Map No. 5672, dated April 15, 2008, as revised pursuant to conditions of approval for such map. Prior to the issuance of the first certificate of occupancy on the Townhomes Site, the Developer shall dedicate right-of-way and widen Ventura Road along the frontage of the Townhomes Site as necessary to meet the specifications for master plan street sections in the General Plan and in accordance with the Specific Plan standard, as approved by the City of Oxnard Development Advisory Committee and depicted on the Engineering Site Plans for Tentative Map No. 5765, dated July 8, 2008, as revised pursuant to conditions of approval for such map.

(b) Landscaped Bicycle and Pedestrian Facilities. Prior to the issuance of the first permanent certificate of occupancy on the Vineyard and Ventura Site, Developer shall construct at its expense approximately one and thirty-two hundredths (1.32) acres of landscaped bicycle and pedestrian facilities along the perimeter of the Vineyard and Ventura Site, adjacent to Vineyard Avenue and Ventura Road, which are identified as “Landscaped Bicycle & Pedestrian Parkway” on Exhibit C attached hereto. Prior to the issuance of the first permanent certificate of occupancy on the Townhomes Site, Developer shall construct at its expense approximately forty-eight hundredths (.48) acres of landscaped bicycle and pedestrian facilities along the perimeter of the Townhomes Site, adjacent to Ventura Road, which are identified as “Landscaped Bicycle & Pedestrian Parkway” on Exhibit D attached hereto. Developer agrees
that the landscaped bicycle and pedestrian facilities required by this Section 5.5(b) shall be open to the public, not just residents within the Project Site.

(c) Linear Parkway/Access Road. Prior to the issuance of the first permanent certificate of occupancy on the Townhomes Site, Developer shall construct at its expense an approximately 1.28 acre linear parkway/access road along the northern and western perimeter of the Townhomes Site, which is identified as “Linear Parkway/Access Road On-Site” and “Linear Parkway/Access Road Off-Site” on Exhibit D attached hereto. Developer agrees that the linear parkway/access road required by this Section 5.5(c) shall be open to the public, not just residents within the Project Site. Following completion of construction of the linear parkway/access road, Developer shall dedicate to the City, subject to any and all relevant easements, approximately .71 acres of the linear parkway/access road, which is identified on Exhibit D as “Linear Parkway/Access Road On-Site.”

(d) Remediation of Land Fill Contamination on Townhomes Site. Pursuant to the terms set forth in the Purchase and Sale Agreement and Escrow Instructions between Casden Oxnard and the City of Oxnard (“Purchase and Sale Agreement”), entered into November 28, 2006, attached hereto as Exhibit E and incorporated in full herein by this reference, Casden Oxnard intends to remediate environmental impairments existing on the Townhomes Site in order to place the Townhomes Site in a condition fit for residential purposes. Notwithstanding the foregoing, this Agreement does not require Casden Oxnard or Casden Oxnard Village Avenue to remediate any environmental impairments existing on the Townhomes Site if Developer for any reason does not construct residential units on the Townhomes Site.

(e) Affordable Housing Fees. In satisfaction of the affordable housing obligations applicable to development of the Project, Developer will contribute to the City’s affordable housing fund as provided in the City’s Affordable Housing Ordinance No. 2721, which amount is equal to the rate in effect as of the Approval Date. In recognition of Developer’s contribution to the City’s affordable housing fund, the City agrees that such contribution shall be deemed complete satisfaction of all affordable housing obligations applicable to the Project during the duration of this Agreement. The City further agrees that, notwithstanding the City’s Affordable Housing Ordinance to the contrary, the affordable housing fee for the Project shall be due at issuance of each building permit for each residential unit in the Project.

(f) In-Lieu Park Fees. The Developer shall dedicate land and/or pay in lieu park fees applicable to development of the property identified by Ventura County Assessor Parcel Numbers 179-0-040-170 and 179-0-040-180 (the “Obligated Property”). With respect to the Obligated Property, the City covenants and agrees that (i) Developer’s dedication of approximately .71 acres of the linear parkway/access road as provided in Section 5.5(c) of this Agreement shall contribute towards the amount of land dedication and/or in lieu park fees required in accordance with the formula provided in Sections 15-98 through 15-100 of the Oxnard Municipal Code, and (ii) Developer may pay a park fee in lieu of the remaining land required to be dedicated, and that such in lieu park fee shall be offset by the actual cost of improvements Developer expends on the dedicated land. The dedications, park improvements and other public benefits provided under this Agreement shall be deemed to fully satisfy all land
dedication and in lieu fee requirements for the contribution of park sites that may otherwise be applicable to development of the property identified by Ventura County Assessor Parcel Numbers 179-0-040-585, 179-0-040-625 and 179-0-070-265 pursuant to Division 2, Article IV, Chapter 15 of the Oxnard Municipal Code and state law.

(g) Golf Course Development Fee. The Developer shall contribute a golf course development fee in the amount of $14,367 for each residential unit constructed on property identified by Ventura County Assessor Parcel Numbers 179-0-040-170 and 179-0-040-180, to be paid at the issuance of each building permit for each residential unit. The City agrees that such contribution shall be deemed complete satisfaction of all golf course development fees or any similar fee obligations applicable to the Project or Project Site during the duration of this Agreement.

5.6 Landscape Maintenance. Upon completion of the landscape bicycle and pedestrian facilities along Vineyard Avenue and Ventura Roads under Section 5.5(b) above and the Linear Parkway/Access Road under Section 5.5(c) above, the City shall seek to form an assessment district to fund the cost of maintenance of such landscape improvements. Alternatively, if the City does not deem the formation of such an assessment district to be appropriate or necessary, City shall have the right to direct Developer to form a homeowners' or property owners' association for the Project Site to fund the cost of maintenance of the landscape improvements. The agreement to form an assessment district or homeowners' or property owners' association shall be in the form of Exhibit F, attached hereto and incorporated in full herein by this reference.

5.7 Rough Grading Prior to Recordation of the Final Maps. Subject to (a) the City's receipt, review and approval of a grading plan (the "Grading Plan"), geotechnical report and engineering geologic report for the applicable portion of the Project Site, (b) the Developer's satisfaction of the City's bonding requirements and (c) the Developer's satisfaction of the City's requirements for the issuance of a grading permit with respect to such Grading Plan, the City agrees to promptly review the reports and the Grading Plan when submitted and issue a grading permit with respect to the Grading Plan, subject to the Grading Plan's compliance with all Applicable Law. The City agrees that the Grading Plan will be promptly reviewed by the City, that a grading permit with respect to the Grading Plan may be issued and that the Developer may grade the Project Site in accordance with the approved Grading Plan without the Developer first recording a final map associated with the Tentative Maps in the Official Records of Ventura County. Notwithstanding the foregoing, not more than one building permit shall issue prior to the recordation of the final maps associated with the Tentative Maps.

5.8 Project Infrastructure: Water and Wastewater. The Parties agree that the water (including recycled water) and wastewater-related infrastructure improvements required for the Project (collectively, the "Improvements") shall be constructed as more particularly set forth in this Section 5.8 and Exhibit H attached hereto and incorporated herein by reference.

(a) On-Site Improvements. The Developer shall construct the Improvements that are within the Project Site and serve only the Project (the "On-Site Improvements") at Developer's sole cost and expense.
(b) **Off-Site Improvements.** The Parties hereto acknowledge that the off-site improvements described in Exhibit H (the "Off-Site Improvements") are needed to serve both the Project, at build-out, as well as the other planned future development in the City as designated on Exhibit H. In connection therewith, Developer shall bear the responsibility for payment as set forth herein of the percentage of the cost of such Off-Site Improvements shown on Exhibit H, and City certifies that the percentages shown on Exhibit H reflect Developer's total share, responsibility, and obligation with respect to the cost of the Off-Site Improvements irrespective of the payment, performance, participation, or actions of other parties including, but not limited to, other owners or developers, or City. On or before July 1, 2009, the City shall provide Developer with a revised Exhibit H, which shall include a final estimation of the total cost for each Off-Site Improvement (the "Total Estimated Off-Site Improvements Cost"); provided, that the scope of the Off-Site Improvements and percentage cost allocation for each Off-Site Improvement listed in Exhibit H shall not be modified regardless of the actions of any third party developers or property owners not a party to this Agreement (such revised Exhibit H, as accepted by Developer, the "Revised Exhibit H" herein). The Revised Exhibit H will not add any additional appurtenances, installations, or other connections not included in Exhibit H which do not directly serve Developer's Project. The Parties acknowledge and agree that design and construction of the Off-Site Improvements shall proceed diligently. The Subdivision Improvement Agreement, described in Section 5.8(e) below, shall include anticipated dates for approval of final design, construction commencement and completion. Pending completion of the final design and the execution of the Subdivision Improvement Agreement, the Parties anticipate that final design of the Off-Site Improvements shall occur no later than July 1, 2009; construction commencement shall occur no later than December 31, 2009; and construction completion no later than July 31, 2011. Notwithstanding the foregoing, if the aforesaid milestone dates are extended, the dates set forth in this Section 5.8 with respect to Developer's obligations related thereto (including without limitation payment of Off-Site Improvement costs) shall be similarly extended. Notwithstanding the foregoing, if for any reason the size of the Project is reduced on or before July 1, 2009, and such reduction in size results in a reduction in the Off-Site Improvements Cost, the Developer’s Costs shall be reduced by the amount that the reduction in the Off-Site Improvements Cost are attributable to the reduction in the size of the Project. In such an event, the Parties agree to meet and confer in good faith to determine the amount of the reduction in the Off-Site Improvements Cost and the amount of the reduction that is attributable to the reduction in the size of the Project.

(c) **Developer's Decision to Construct Off-Site Improvements.** On or before July 1, 2009, Developer shall notify the City as to whether or not Developer shall construct the Off-Site Improvements. If Developer does not elect to construct the Off-Site Improvements, the City shall construct the Off-Site Improvements.

(d) **Reimbursement for Off-Site Improvements.**

(i) If Developer elects to construct the Off-Site Improvements pursuant to Section 5.8(c) above, the sum of the Total Estimated Off-Site Improvements Cost that are not attributed to Developer, as specified in Revised Exhibit H and adjusted pursuant to Section 5.8(f) below (the "City Costs"), shall be credited against Developer’s Applicable Fees due to the City in connection with the
Project. In the event the City Costs exceed the Applicable Fees for the Project, the City shall reimburse Developer an amount equal to the difference between the City Costs and the Applicable Fees on the Project, within ninety (90) days of Developer’s submission of written documentation to the City identifying the City Costs and the Applicable Fees.

(ii) If the City constructs the Off-Site Improvements, Developer shall:

(a) on or before July 1, 2009 provide to the City a performance bond, letter of credit or other form of security mutually acceptable to the Parties to guarantee payment to the City of Developer’s share of the Total Estimated Off-Site Improvements Cost as specified in Revised Exhibit H, subject to adjustment as provided in Section 5.8(f) below (the "Developer’s Costs"), and (b) reimburse the City for Developer’s Costs as set forth in the next sentence. Developer shall pay the Developer’s Costs to the City as follows: (a) 50% of Developer’s share of Total Estimated Off-Site Improvements Costs on or before December 31, 2010, and (b) the difference between the Developer’s share of Total Estimated Off-Site Improvement Costs paid to the City pursuant to this subsection 5.8(d)(ii)(a) and Developer’s Costs on or before December 31, 2012. The bond or security described herein shall be proportionately released or reduced as portions of the Off-Site Improvements are completed.

(e) Subdivision Improvement Agreement for Off-Site Improvements. On or before July 1, 2009, the City and the Developer shall enter into a "Subdivision Improvement Agreement" consistent with the Revised Exhibit H, which at a minimum, shall set forth: (i) the Off-Site Improvements; (ii) Total Estimated Off-Site Improvements Cost; (iii) Developer and City’s respective percentage cost allocation of each Off-Site Improvement; (iv) the anticipated completion date of each Off-Site Improvement; (v) the engineering standards and specifications (collectively, the "Scope of Work") for construction of the Off-Site Improvements, which shall be consistent with the current City standards in effect at the time grading and/or building permits are issued for the construction of the Off-Site Improvements; and (vi) provision for the adjustment and reconciliation of Total Estimated Off-Site Improvements Cost to reflect the Total Actual Off-Site Improvements Cost, substantially as set forth in Section 5.8(f) below, and (vii) method of resolving any disputes regarding the reimbursement for Total Actual Off-Site Improvements Cost. If the City constructs the Off-Site Improvements, the Subdivision Improvement Agreement also shall set forth the form and amount of security (either a bond, letter of credit or other form of security mutually acceptable to the Parties) which Developer shall provide to the City to guarantee payment to the City of the Developer’s share of the Total Estimated Off-Site Improvements Costs.

(f) Reconciliation of Estimated Costs to Incurred Costs. Upon completion of the construction of the Off-Site Improvements, the Total Estimated Off-Site Improvements Cost set forth on Revised Exhibit H shall be adjusted as necessary to reflect the actual costs incurred by the constructing party in connection with the construction of the Off-Site Improvements.
Improvements (such adjusted amount, the “Total Actual Off-Site Improvements Cost”). The percentage cost allocation provided in Revised Exhibit H shall remain unchanged, however, such adjustment shall ensure that each of Developer and the City pay no more than their respective share of the actual costs incurred by the Parties in connection with the Off-Site Improvements, including but not limited to, the design, permitting, administrative and construction costs associated with the Off-Site Improvements. Notwithstanding anything herein to the contrary, under no circumstances shall Developer’s obligation to reimburse the City exceed the Developer’s share of the Total Estimated Off-Site Improvements Cost set forth in the Revised Exhibit H.

(g) Standards for and Dedication of On-Site and Off-Site Improvements. All On-Site and Off-Site Improvements shall be designed and constructed pursuant to City approved plans and specifications. All On-Site and Off-Site Improvements located within the public right-of-way shall be dedicated to the City upon completion of construction and final acceptance by the City.

(h) Master Plan Facilities. The Parties hereto acknowledge that the Off-Site Improvements are not currently included within the City’s approved master plan facilities, although they are consistent with the type of facilities included in the City’s Master Plan. The City, at its sole discretion, may elect to add some portion of the Off-Site Improvements to the City’s Master Plan in the future. Developer acknowledges and agrees that even if the City does include some or all of the Off-Site Improvements in the City’s Master Plan, Developer will not ask for or be entitled to any reimbursement or payment other than in accordance with Subsection 5.8 and Revised Exhibit H.

5.9 Access for Public Improvements. City shall cooperate with Developer in coordinating all onsite and offsite public facility improvements, including, but not limited to, roads, sewers, and other infrastructure, constructed or enhanced under this Agreement or in connection with the development of the Project Site. All requirements for such improvements contained in this Agreement, the Specific Plan, and/or the General Plan shall be implemented only by including those requirements as conditions of approval to the applicable tract maps for the Project. Those conditions shall then be governed by the provisions of the California Subdivision Map Act, including Government Code Section 66462.5. The waiver of any condition pursuant to Section 66462.5 or any other applicable provision of the Subdivision Map Act shall also constitute the waiver of the Developer’s corresponding obligation under this Agreement.

(a) Access Road to Townhomes Site. City covenants and agrees to grant to Developer, prior to the issuance of a grading permit for the Townhomes Site, an easement across and upon that certain City-owned property located at the western edge of the Townhomes Site identified as “Linear Parkway/Access Road Off-Site” in Exhibit D attached hereto to allow Developer to (i) construct at its expense an access road to the Townhomes Site, (ii) utilize said property as an access road intended primarily for emergency fire access serving the Townhomes Site, and (iii) provide public access consistent with its use as a part of the Linear Parkway/Access Road identified in Section 5.5(c).

(b) Energy Plant. City covenants it will realign access to the Covanta Energy Plant, as more particularly depicted on Exhibit G attached hereto. Except for in cases of
an emergency involving a serious threat to public health and safety, vehicles exceeding two axles and 7500 pounds gross vehicle weight shall be limited to using the access road to the Covanta Energy Plan only during the hours of 8:00 a.m. to 6:00 p.m., Monday through Friday.

(c) Storm Drain Easements. City acknowledges Developer's continuing right to utilize any existing storm drain and natural flow rights for water run-off on the City golf course in the same or lesser amounts as are presently utilized. City will submit any existing written easements and other information to the Regional Water Control Board and the California Integrated Waste Management Board for their respective information.

5.10 Approval of Regional Water Quality Control Board. With Developer's assistance and cooperation, the City shall apply for and use its best efforts to obtain all necessary permits and approvals of the California Regional Water Quality Control Board, including without limitation revocation of Regional Board Order No. R4-2002-0191 to the extent applicable to the Townhomes Site or otherwise modified or excluded in a manner acceptable to Developer, to reasonably permit development of the Project Site and to forever exclude without limitation the Townhomes Site from consideration as a part of the Santa Clara Landfill.

5.11 Construction Phasing and Sequencing. Developer shall have no obligation to develop the Project, may develop the Project in its sole discretion in accordance with Developer's time schedule (as such schedule may exist from time to time) and may determine in its sole discretion which part of the Project to develop first and thereafter. Notwithstanding the previous sentence, the Developer may determine in its sole discretion when to record the first final map for any portion of the Project Site. Because the California Supreme Court held in Pardee Construction Co. v. City of Camarillo, 37 Cal. 3d 465 (1984), that the failure of the parties in that case to provide for the timing of development resulted in a later-adopted initiative restricting the timing of development to prevail over the parties' agreement, it is the specific intent of the Parties to provide for the timing of development of the Projects in this Agreement. To do so, the Parties acknowledge and provide that the Developer shall have the right, but not the obligation, to complete the Project or any portion thereof in such order, at such rate, at such times, and in as many development phases and sub-phases as the Developer deems appropriate in its sole subjective business judgment. The Parties further agree that to the extent that Developer constructs a portion or reduces the size of the Project, Developer has the vested right to develop said portion in accordance with the Project Approvals, Applicable Law this Agreement. It also is the intent of the Parties that under Section 4 above any initiative which would restrict the timing or phasing of development of some or all of the Project will not apply to the Project or any portion of the Project Site.

Section 6. Subsequent Approvals. The Parties expressly intend to cooperate and diligently work to implement all applications, plans, maps, agreements, documents, and other instruments or entitlements necessary or appropriate for the completion of the development of the Project or any portion thereof, including without limitation rezoning, subdivision, design review approvals, remediation plan approvals, clean closure approvals, site plan approvals, improvement agreements and other agreements, use permits, grading permits, dirt stockpile permits, encroachment permits, building permits, lot line adjustments, sewer and water connection permits, zoning approvals, boundary adjustments, subdivision maps (including tentative, vesting tentative, parcel, vesting parcel, and final subdivision maps), preliminary and final development
plans, landscaping plans, certificates of compliance, resubdivisions, and modifications to the Existing Approvals (collectively, "Subsequent Approvals"). Without limiting the generality of the foregoing, Developer may apply for multiple planned development permits and subdivision maps in connection with the development of the Project.

6.1 Expedited Processing. The City agrees not to unreasonably withhold, condition or delay any Subsequent Approvals. Upon the filing of a complete application and payment of appropriate processing fees by Developer, the City shall promptly commence and diligently:

(i) Schedule and convene all required public hearings in an expeditious manner consistent with the law.

(ii) Process all Subsequent Approvals in an expeditious manner.

6.2 Incorporating Vested Project Approvals. Upon approval of any of the Subsequent Approvals, as they may be amended from time to time, such Subsequent Approvals shall become part of the Project Approvals, and Developer shall have a “vested right,” as that term is defined under California law, in and to such Subsequent Approvals by virtue of this Agreement.

6.3 Decisions of Development Services Director. Any decision of the Development Services Director or any other staff-level decision with respect to Subsequent Approvals shall be in writing and may be appealed directly to the City Council by the Developer within ten (10) days after the written determination of the Development Services Director.

Section 7. Life of Project Approvals

7.1 Life of Project Approvals. The term of any subdivision map or other permit approved as part of the Project Approvals shall automatically be extended to the term of this Agreement as provided under the applicable provisions of Government Code section 66452.6(a) or Government Code section 65863.9, unless a longer term would result under otherwise applicable State law or, in the absence of such State law, the term given such approval under local law.

Section 8. Public Services. In connection with the Tentative Maps, Developer has provided the City with all necessary studies required for the City to make a determination as to the availability of public facilities, utilities and services which are necessary for the Project. The City hereby acknowledges and agrees that when Developer completes the public improvements called for by the Tentative Maps for a specific utility or public infrastructure element in question, the City has and will have sufficient capacity in its existing infrastructure, services and utility systems, for traffic circulation, sewer collection, sewer treatment, sanitation service and, except for reasons beyond City's control, water supply, treatment, distribution and service, and drainage, except for that portion governed by the County of Ventura, to accommodate the Project as provided in this Agreement. To the extent the City renders such services or provides such utilities, the City hereby agrees that it will grant or issue hookups or service to the Project.

8.1 Other Governmental Permits and Fees. The City shall cooperate with Developer’s efforts to obtain such other permits and approvals as may be required by other
governmental or quasi-governmental agencies (including, without limitation, districts and special districts providing flood control, sewer and fire protection, agencies concerning investigation and remediation of hazardous substances and waste such as the Regional Water Quality Control Board and Integrated Waste Management Board) having jurisdiction over the Project in connection with the development of, or provision of services to, the Project Site, and shall, from time to time at the request of Developer, attempt with due diligence and in good faith to enter into binding agreements with any such entity necessary to assure the availability of such permits and approvals or services, provided such agreements are reasonable. The City shall use its best efforts to work with other governmental and quasi-governmental agencies so as to limit to the maximum extent possible the imposition of additional fees, dedications or exactions by or through such agencies.

Section 9. Annual Review. Once every twelve months during the term of this Agreement, the City shall review the extent of good faith compliance by Developer with the terms of this Agreement. Such periodic review shall be conducted in accordance with Government Code section 65865.1 and the Development Agreement Resolution. The City shall deliver to Developer a copy of all public staff reports, documents and related exhibits concerning the City’s review of Developer’s performance hereunder prior to any such periodic review. Developer shall have the opportunity to respond to the City’s evaluation of Developer’s performance, either orally or in a written statement, at Developer’s election.

9.1 Cooperation in the Event of Legal Challenge. In the event of any legal or equitable action or other proceeding instituted by any person or entity, other governmental entity or official challenging the validity of this Agreement or any provision of this Agreement, the Parties shall cooperate in defending said action or proceeding, using legal counsel selected by Developer, subject to the City Council’s reasonable approval, at Developer’s sole cost and expense.

Section 10. Amendment.

10.1 Amendment or Cancellation of Agreement. This Agreement may be amended from time to time by the mutual consent of the Parties hereto but only in the same manner as its adoption by an ordinance as set forth in the Development Agreement Statute. The term “Agreement” used herein shall include any such amendment properly approved and executed.

Any amendment of the Project Approvals pursuant to Section 10.2 of this Agreement shall not require an amendment to this Agreement. For purposes of this Agreement, the resubdivision of the Project Site or the filing of an amended subdivision map which creates new legal lots (including the creation of new lots within any designated remainder parcel) or which reflects a merger of lots, shall not require an amendment to this Agreement. Those Subsequent Approvals which are consistent with the General Plan and Specific Plan also shall not require an amendment to this Agreement.

This Agreement may be canceled and terminated at any time by mutual consent in writing of all Parties.

10.2 Amendment of Project Approvals. Upon the written request of Developer for a minor amendment or modification to the Project Approvals including, but not limited to: (a) the
location of buildings, streets and roadways and other physical facilities or infrastructure; or (b) the configuration of the parcels, lots or development areas, the Development Services Director shall determine whether the requested amendment or modification is consistent with this Agreement and the Applicable Law. For purposes of this Agreement, the determination of whether such amendment or modification is minor shall be made by reference to whether the amendment or modification is minor in the context of the overall Project. If the proposed amendment is both minor and consistent with this Agreement and the Applicable Law, the determination by the Development Services Director shall be administrative in nature and the proposed amendment may be approved without notice and public hearing.

Section 11. Assignment.

11.1 Developer’s Right to Assign. The Developer (a “Transferring Party”) shall have the right to sell, lease, assign, hypothecate or otherwise transfer (a “Transfer”) all or any portion of the Project Site (the “Transferred Property”) owned by such Transferring Party, and to assign part or all of its rights, title and interest in and to this Agreement, to one or more persons or entities (a “Transferee”) at any time and from time to time during the Term of this Agreement, subject to the following terms and conditions:

(a) Transferring Party’s rights and obligations under this Agreement may be transferred only in conjunction with the Transfer of the portion of the Transferred Property to which the rights and obligations apply;

(b) Transferring Party shall give written notice to the City upon the closing or other completion of a Transfer, and shall concurrently deliver to the City a fully executed Assignment and Assumption Agreement between Transferring Party and the Transferee pursuant to which Developer shall assign and delegate to the Transferee, and the Transferee shall accept, assume and agree to perform all of the rights and obligations of Transferring Party under this Agreement that are allocable to the Transferred Property (the “Assignment and Assumption Agreement”); and

(c) Except as otherwise provided in Section 11.2 below, upon recordation of the deed conveying title to the Transferred Property to the Transferee and delivery to the City of the fully executed Assignment and Assumption Agreement (the date of delivery to be the “Transfer Date”), the Transferee shall succeed to all of Transferring Party’s rights under this Agreement which relate to the Transferred Property (including without limitation the right to Transfer), and to all of Transferring Party’s obligations which relate to the Transferred Property, and the Transferring Party shall have no further obligations under this Agreement with respect to the applicable Transferred Property, except for any such obligations that accrued prior to the Transfer Date.

(d) Notwithstanding any other provision to the contrary, Developer may not transfer or assign its interest in or obligation to maintain the security guaranteeing payment of the Developer’s Costs, as required in Sections 5.8(d)(ii) and 5.8(e), without obtaining the City’s prior written approval. The City’s approval shall not be required for any transfer to an affiliated entity of a Party hereto. Such approval shall be granted in the City’s sole discretion based upon sufficient proof that the Transferee or Assignee has accepted full responsibility to maintain the
security in full force and effect and is financially capable of maintaining the security, for as long as may be required. Any Transfer of the security guaranteeing payment of Developer's Costs shall be null and void, unless the City prior written consent is obtained.

11.2 Transfer of Obligations. Notwithstanding Section 11.1 above, if a Transferring Party so elects in its sole discretion, the Transferring Party may enter into a separate agreement with a Transferee (a "Transfer Agreement") concerning the allocation of rights and obligations between the Transferring Party and its Transferee with respect to the Transferred Property. Without limiting the foregoing, a Transfer Agreement may contain provisions: (a) assigning to the Transferee any obligations that otherwise would not relate to the Transferred Property (provided the Transferee expressly assumes all such obligations); (b) releasing the Transferee from any obligations that otherwise could relate to the Transferred Property; (c) reserving to the Transferring Party certain rights that relate to the Transferred Property and otherwise would be assigned in the Assignment and Assumption Agreement; (d) assigning to the Transferee any of the Transferring Party's other rights hereunder; and (e) defining and describing the extent to which the Transferee will be deemed to be a "Developer" hereunder. To the extent a Transfer Agreement reserves obligations to the Transferring Party that otherwise would be allocable to the Transferred Property, the Transferee shall have no liability with respect to such reserved obligations and the Transferring Party shall remain liable with respect thereto. To the extent a Transfer Agreement delegates obligations to a Transferee that otherwise would not be allocable to the Transferred Property, the Transferee shall be liable for the performance of such delegated obligations on and after the Transfer Date and the Transferring Party shall have no further liability with respect thereto. Such Transfer Agreement shall not be binding upon or amend the City's rights or obligations under this Agreement unless the City agrees to such assignment of rights and obligations in writing. The City's agreement shall not be unreasonably withheld.

11.3 Non-Assuming Transferees. The burdens, obligations, and duties of Transferring Party under this Agreement shall terminate with respect to, and neither a Transfer Agreement nor the City's consent shall be required in connection with, any single residential parcel conveyed to a purchaser. The Transferee in such a transaction and its successors shall be deemed to have no obligations under this Agreement, but shall continue to benefit from the vested rights provided by this Agreement for the duration of the Term.

11.4 Liability for Default. No Transferee shall be liable for the default of any other Party or Transferee under this Agreement, and no Party shall be liable for the default under this Agreement of any other Party or Transferee. The default under this Agreement by any Party or its Transferee shall not entitle the City to modify or terminate this Agreement, or otherwise affect any rights hereunder, with respect to any portion of the Project Site other than that portion that is owned or leased by the Party in default.

11.5 Covenants Run with the Land; Binding Effect. Subject to the terms, conditions and exceptions set forth in this Section 11 and elsewhere in this Agreement, this Agreement shall run with the land, and shall be binding upon and inure to the benefit of the Parties' respective successors and assigns (including without limitation all Transferees). This Agreement shall terminate with respect to any other lot, and such lot shall be released and no longer be subject to this Agreement, without the recordation of any further document, when a certificate of occupancy has been issued for the building(s) on the lot.
Section 12. Lender Protection.

12.1 Developer's Right to Mortgage. Developer and its respective successors and assigns, shall have the right, at any time and from time to time during the Term of this Agreement, to grant mortgages, deeds of trust, security agreements, assignments and other like security instruments encumbering all or any portion of the Project Site owned by such Party and such Party's rights under this Agreement (collectively, the "Mortgages") as security for one or more loans, and the holders of any such Mortgages (the "Lender") shall have the rights and benefits contained in this Section 12.

12.2 No Impairment of Development Agreement to Mortgage. No default by Developer (or any Transferee) under this Agreement shall subordinate, invalidate or defeat the lien of any Mortgage. Neither a breach of any obligation secured by any Mortgage or other lien against the mortgaged interest, nor a judicial foreclosure, trustee's sale or acceptance of a deed in lieu of foreclosure (a "Foreclosure") under any Mortgage or other lien, shall defeat, diminish, render invalid or unenforceable or otherwise impair Developer's rights or obligations, or constitute a default, under this Agreement.

12.3 Exercise of Lender's Remedies. In no event shall a Foreclosure or other exercise by a Lender of its pre- or post-Foreclosure rights in connection with a Mortgage require any consent or approval by the City.

12.4 Lender's Obligations with Respect to the Property. Notwithstanding anything to the contrary in this Agreement, no Lender shall have any obligations or other liabilities under this Agreement unless and until the Lender acquires title to the portion of the Project Site that was subject to the Mortgage. Without limiting the foregoing, no Lender shall have any obligations or other liabilities under this Agreement solely because it holds a Mortgage, or an interest in any Party or Transferee.

12.5 Notice and Cure Right. If a Lender so requests in writing, the City shall deliver a copy of any notice of default or determination of noncompliance to the Lender concurrently with its delivery of any such notice to Developer: A delay or failure by the City to provide the notice required by this Section 12.5 shall not be the basis for any damages claim by the Lender, but shall extend, for the number of days until notice is given, the time allowed to the Lender for cure, and shall delay for the same period of time the exercise by the City of its rights with respect to the event of default or finding of noncompliance that is the subject of the notice. Any Lender shall have the same period as Developer in which to remedy or cause to be remedied any event of default, plus an additional period of: (a) 30 days to cure a monetary event of default; and (b) 60 days (or such longer period as may be reasonably necessary under the circumstances) to cure a non-monetary event of default which is susceptible of cure by the Lender without obtaining title to the applicable property. Upon the curing of any event of default by a Lender, the City's right to declare a default, terminate this Agreement or pursue any other rights or remedies with respect to the cured event of default shall terminate; provided, however, that the City's rights and remedies with regard to any other event of default shall not be affected.
Section 13. Default, Remedies and Termination.

13.1 General Provisions. In the event of default or breach of this Agreement or of any of its terms or conditions, the Party alleging such default or breach shall give the defaulting Party not less than thirty (30) days notice of default in writing, unless the Parties extend such time by mutual agreement in writing. The time of notice shall be measured from the date actually delivered in accordance with Section 14.2. The notice of default shall specify the nature of the alleged default, and, where appropriate, the manner and period of time in which said default may be satisfactorily cured. If the nature of the alleged default is such that it cannot reasonably be cured within such 30-day period, the commencement of the cure within such time period and the diligent prosecution to completion of the cure shall be deemed a cure within such period. During any period of curing, the Party charged shall not be considered in default for the purposes of termination or institution of legal proceedings. If the default is cured, then no default shall exist or be deemed to have existed and the noticing Party shall take no further action.

(a) Option to Institute Legal Proceedings or to Terminate. After proper notice and expiration of the cure period, the noticing Party, at its option, may institute legal proceedings or give notice of intent to terminate this Agreement pursuant to Government Code section 65868. Following notice of intent to terminate, the matter shall be scheduled for consideration and review by the City Council, in the manner set forth in Government Code sections 65867 and 65868, as amended.

(b) Notice of Termination. Following consideration of the evidence presented before the City Council, any Party alleging a default by any other Party may, at its option, give written notice of termination of this Agreement to the other Parties by certified mail. Written notice of termination of this Agreement shall be effective immediately upon delivery to the defaulting Party and the other Parties.

(c) Waiver. Failure or delay in giving notice of default pursuant to this Section 13 shall not constitute a waiver of any default. Except as otherwise expressly provided in this Agreement, any failure or delay by a Party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of such rights or remedies or deprive such Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

13.2 Enforced Delay; Extension of Time of Performance. Notwithstanding anything to the contrary contained herein, no Party shall be deemed to be in default where delays in performance or failures to perform are due to wars, insurrections, acts of terrorism, strikes or other labor disturbances, walk-outs, riots, floods, earthquakes, fires, casualties, acts of God, enactment of conflicting State or federal laws or regulations, new or supplemental environmental regulations, or other similar reasons for excused performance which are not within the reasonable control of the Party to be excused. At the request of any Party, an extension of time for such cause will be granted in writing for the period of the enforced delay, or longer as may be mutually agreed upon.

13.3 Remedies. In the event of a material default, either Party may institute a legal action to cure, correct or remedy the default, enforce any obligation, enjoin any threatened or
attempted violation, enforce the terms of this Agreement by specific performance or obtain any other remedy consistent with this Agreement. Except as otherwise provided in the following sentence, in no event shall any Party be entitled to recover monetary damages from any other Party arising out of a default under this Agreement, the Parties agreeing that declaratory and injunctive relief, mandate and specific performance shall be the Parties' exclusive judicial remedies for a breach of this Agreement. Nothing in this section shall be deemed to limit any Party's rights under the Tort Claims Act. For purposes of instituting a legal action under this Agreement, any City Council determination under this Agreement shall be deemed a final agency action. In no event may the City modify this Agreement as a result of an event of default by Developer without Developer's consent.

Section 14. Miscellaneous.

14.1 Developer's Obligations; Construction. Notwithstanding anything elsewhere in this Agreement to the contrary, although the term "Developer" is used singly or collectively herein to refer to one or more Developers, this Agreement does not impose joint liability on any of the Developer parties, and any presumptions contained in Civil Code sections 1659 and 1660 shall not apply to this Agreement. Without limiting the generality of the foregoing: (a) each of Casden Oxnard and Casden Oxnard Vineyard Avenue and their respective successors and assigns shall be singly and severally liable solely for the performance of its own obligations under this Agreement with respect to its particular portion of the Project Site only; (b) no Developer party shall have any liability to the City for any other Developer party's acts, omissions or performance of its respective obligations under this Agreement; (c) a default by one Developer party shall not be deemed a default on the part of any other Developer party; (d) in the event of a default by one Developer party, this Agreement shall not be terminated, nor any of the Project Approvals otherwise affected, with respect to any Developer party or portion of the Project Site except for the Developer party who is in default and the portion of the Project Site owned by such Developer party; and (e) Developer parties who are not in default shall have no liability, including without limitation any liability for any attorneys' fees, costs or other expenses, arising in connection with the City's enforcement of this Agreement against any Developer party who is in default.

14.2 Notices. All notices, demands and correspondence required or provided for under this Agreement shall be in writing and delivered in person, sent by certified mail, postage prepaid or sent by a nationally recognized overnight courier that provides documentation of delivery.

Notices to City shall be addressed as follows:

City of Oxnard
300 West Third Street
Oxnard, CA 93030
Attn: City Manager

With a copy to:

City of Oxnard
300 West Third Street
Oxnard, CA 93030
Attn: City Attorney

Notices to Developer shall be addressed as follows:

Casden Oxnard LLC
9090 Wilshire Boulevard, Third Floor
Beverly Hills, CA 30211
Attn: Andrew J. Starrels, Esq.

Casden Oxnard Vineyard Avenue LLC
9090 Wilshire Boulevard, Third Floor
Beverly Hills, CA 30211
Attn: Andrew J. Starrels, Esq.

With a copy to:

Manatt, Phelps & Phillips, LLP
11355 W. Olympic Boulevard
Los Angeles, CA 90064
Attn: Robert M. Eller, Esq.

A Party may change its address by giving notice in writing to the other Party in the manner provided above. Thereafter, notices, demands and other correspondence pertinent to this Agreement shall be addressed and transmitted to the new address.

14.3 Rules of Construction. The singular includes the plural, and the plural includes the singular; “shall” is mandatory, and “may” is permissive. Section headings are for reference purposes only and shall not be used to interpret this Agreement. Section references shall be deemed to refer to sections of this Agreement unless otherwise specified.

14.4 Severability. The Parties hereto agree that the provisions of this Agreement are severable. If any provision of this Agreement is held invalid, the remainder of this Agreement shall be effective and shall remain in full force and effect unless amended or modified by mutual consent of the Parties.

14.5 Estoppel Certificate. Within ten (10) business days following a written request by Developer, the City shall execute and deliver to the requesting Developer a statement (an “estoppel certificate”) certifying that (i) either this Agreement is unmodified and in full force and effect or there have been specified (date and nature) modifications to the Agreement, but it remains in full force and effect as modified; and (ii) either there are no known current uncured defaults under this Agreement or that the City alleges that specified (date and nature) defaults exist. The estoppel certificate shall also provide any other reasonable information requested. The failure to timely deliver a requested estoppel certificate shall constitute a conclusive presumption that this Agreement is in full force and effect without modification, except as may be represented by the requesting Developer, and that there are no uncured defaults in the performance of the requesting Developer, except as may be represented by the requesting Developer. The requesting Developer shall pay to City all reasonable administrative costs incurred by City in connection with such request.
with the issuance of estoppel certificates under this Section prior to City's issuance of such certificates.

14.6 Counterparts. This Agreement may be executed in one or more counterparts, each of which is deemed to be an original.

14.7 Further Action. Each Party agrees to take all further actions reasonably necessary to implement this Agreement.

14.8 Project is a Private Undertaking. The Parties specifically understand and agree that: (a) the Project is a private development; (b) the City has no interest or responsibility for or duty to third parties concerning any improvements until such time and only until such time as the City accepts the same pursuant to the provisions of this Agreement or in connection with any subdivision map approvals; (c) Developer shall have full power over and exclusive control of the Project and the Project Site subject only to the limitations and obligations of Developer under this Agreement; and (d) the contractual relationship between the City and Developer is such that Developer is an independent developer and not an agent of or joint venture with the City.

14.9 Governing Law; Attorneys' Fees. This Agreement shall be construed and enforced in accordance with the laws of the State of California applicable to contracts made and to be performed in California. If legal action by any Party is brought against any other Party because of an alleged default under this Agreement, or to enforce a provision of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees and court costs.

Attorneys' fees under this Section shall include attorneys' fees on any appeal and, in addition, a Party entitled to attorneys' fees shall be entitled to all other reasonable costs and expenses incurred in connection with such action. In addition to the foregoing award of attorneys' fees to the prevailing Party, the prevailing Party in any lawsuit shall be entitled to its attorneys' fees incurred in any post-judgment proceedings to collect or enforce the judgment. This provision is separate and several and shall survive the merger of this Agreement into any judgment on this Agreement.

14.10 Time of Essence. Time is of the essence of this Agreement.

14.11 Entire Agreement, Waivers, Amendments. This Agreement constitutes the entire understanding and agreement of the Parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter hereof. To the extent that there are conflicts or inconsistencies between this Agreement and any prior agreement, subdivision map approval, or other permit or approval, the provisions of this Agreement shall prevail. All waivers of the provisions of this Agreement shall be in writing and signed by the appropriate authorities of the City and Developer. All amendments shall be in writing, signed by the appropriate authorities of the City and Developer, and recorded in the Official Records of Ventura County, California. Upon the completion of performance of this Agreement or its earlier revocation and termination, a statement evidencing said completion or revocation signed by the appropriate agents of Developer and the City shall be recorded in the Official Records of Ventura County, California.
14.12 Exhibits. The following exhibits are attached to this Agreement and incorporated herein for all purposes:

- Exhibit A  Legal Description of Townhomes Site
- Exhibit B  Legal Description of Vineyard and Ventura Site
- Exhibit C  Landscaped Bicycle and Pedestrian Facilities
- Exhibit D  Linear Parkway/Access Road
- Exhibit E  Purchase and Sale Agreement
- Exhibit F  Form of Agreement to Fund Landscape Maintenance
- Exhibit G  Covanta Energy Plant
- Exhibit H  Off-Site Improvements

14.13 Recordation of Agreement. No later than ten (10) days after the effective date of the Ordinance adopting this Agreement, the City Clerk shall record an executed original of this Agreement in the Official Records of the County of Ventura. The failure of the City to sign and/or record this Agreement shall not affect the validity of and binding obligations set forth within this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto as of the date first written above.

CITY:

CITY OF OXNARD,
a municipal corporation

By: ___________________________
   Dr. Thomas E. Holden, Mayor

DEVELOPER:

CASDEN OXNARD LLC,
a Delaware limited liability company

By: ___________________________
   Casden Properties LLC,
a Delaware limited liability company, its sole member

CASDEN OXNARD VINEYARD AVENUE LLC,
a Delaware limited liability company

By: ___________________________
   Casden Properties LLC,
a Delaware limited liability company, its sole member

ATTEST

Daniel Martinez, City Clerk

By: ___________________________
   Daniel J. Hubbard, Chief Financial Officer

APPROVED AS TO FORM:

By: ___________________________
   Alan Holmberg, Acting City Attorney
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of Los Angeles
On March 20, 2009 before me, C. Kyriakou, Notary Public
personally appeared Daniel J. Hubbard

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/hers/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

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and 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(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: ____________________________________________________

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Attachment 4
Page 28 of 97
EXHIBIT A
LEGAL DESCRIPTION OF TOWNHOMES SITE

Lot 43 of Tract No. 5032, in the city of Oxnard, county of Ventura, State of California, as per map recorded in Book 145, Pages 7 to 12 inclusive of maps, in the office of the county recorder of said county.

Except therefrom all oil, gas, minerals, and other hydrocarbon substances in, on and under said real property; but, however, without the right of surface or subsurface entry above the depth of 500 feet measured vertically from the surface.
LEGAL DESCRIPTION OF VINEYARD AND VENTURA SITE

Lot 34 and 36 of Tract No. 5032, in the city of Oxnard, county of Ventura, State of California, as per map recorded in Book 145, Pages 7 to 12 inclusive of Maps, in the office of the county recorder of said county.

Except all oil, gas, minerals and other hydrocarbon substances in and under a portion of said land, but without the right of surface entry or subsurface entry above the depth of 500 feet measured vertically from the surface as reserved in deeds of record.

A part of Subdivision 7 of the Rancho El Rio De Santa Clara O'La Colonia, partly in the City of Oxnard, in the County of Ventura, State of California, as per partition map filed in the office of the County Clerk of said County in that certain action entitled "Thomas A. Scott, et al., Pllfs. vs. Rafael Gonzales, et al., Defts.", said real property particularly described as follows:

Beginning at a point in the westerly line of Ventura Road, 60 feet wide, as shown on said map at the southeasterly corner of the land described in deed to City of Oxnard, recorded January 21, 1966 as Document No. 3970, in book 2932, page 7 of Official Records; thence along Westerly line of Ventura Road,

1st: South 2781.48 feet, more or less, to the Northeasterly corner of Tract 1809-1, as per Map recorded in book 46, page 47 of Miscellaneous Records in the Office of the County Recorder of said County; thence along the Northerly line of said Tract 1809-1 and its Westerly prolongation,

2nd: South 89° 57' 11" West 1459.44 feet, more or less, to a point in the Easterly line of the land described in the deed to Arthur Connally dated December 1, 1886 and recorded in book 19, page 120 of Deeds; thence along said Easterly line to and along the Easterly line of the land described in the deed to the City of Oxnard recorded May 27, 1968, as Document No. 26341, in book 3309, page 522 of Official Records.

3rd: North 1845.00 feet, more or less, to the southwesterly corner of the hereinbefore mentioned land of the City of Oxnard; thence along the Southerly line of said land,

4th: North 58° 47' 27" East 1726.31 feet, more or less, to the Point of Beginning.

EXCEPT that portion lying Southerly of the Northerly line of Vineyard Avenue, as set forth in instrument recorded November 10, 1983, as Document No. 128420 of Official Records.

ALSO EXCEPT that portion as granted to the City of Oxnard, County of Ventura, State of California, in a deed recorded December 18, 1985, as Document No. 144776 of Official Records.

ALSO EXCEPT that portion as granted to the City of Oxnard, a Municipal Corporation, in a deed recorded December 16, 1985 as Instrument No. 85-144776 of official Records.
EXHIBIT C
LANDSCAPED BICYCLE AND PEDESTRIAN FACILITIES
EXHIBIT D
LINEAR PARKWAY/ACCESS ROAD
EXHIBIT E

PURCHASE AND SALE AGREEMENT
PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS

To: First American Title Insurance Company
Attn: Barbara Laffer
520 North Central Ave., 8th Floor
Glendale, California 91203

This Purchase and Sale Agreement and Escrow Instructions ("Agreement") is made and entered into as of November 28, 2006, between Casden Oxnard, LLC ("Buyer"), and the City of Oxnard ("Seller" or "City"). The parties agree as follows:

1. Definitions. As used in this Agreement, the terms set forth below shall have the following meanings:

"Affiliate" means any Person (a) which directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, another Person of (b) five percent (5%) or more of the voting securities or equity interests of which is held beneficially or of record by another Person. For purposes of this definition, the term "control" means the possession, directly or indirectly, of the power to cause the direction of the management and policies of a Person, whether through the ownership of voting securities or equity interests, by contract, by family relationship or otherwise.

"Agreement" has the meaning set forth in the first paragraph of this Agreement.

"Authorities" means the governmental and quasi-governmental bodies and agencies having jurisdiction over the Property, including, without limitation, the County, courts, special taxing districts, administrative tribunals and public and private utilities.

"Buyer" has the meaning set forth in the first paragraph of this Agreement.

"Buyer's Title Policy" means the policy of title insurance described in Section 7 [entitled "Title Insurance"].

"City" means the City of Oxnard, California.

"Contracts" means all leases, rental and other occupancy agreements, purchase and sale agreements, options and service, maintenance, architect, engineer, consultant, construction and other agreements of any nature affecting or relating to the Property (a) to which Seller is a party, by which Seller is bound or which are binding on or benefit the Property or Seller and (b) which will be in effect on and/or after the Close of Escrow. An agreement shall be deemed to be in effect on and/or after the Close of Escrow if any right or any obligation of any
party under such agreement remains on and/or after the Close of Escrow to be exercised or performed, respectively (such as surviving indemnifications, warranties and guaranties).

"County" means the County of Ventura, California.

"Default" means each of the events so designated in Section 17.1 [entitled "Events of Default"].

"Deposits" has the meaning set forth in Section 5.1 [entitled "Deposits"].

"Disclosure Report" means a property disclosure report containing the natural hazard disclosures, if any, which may be required to be made by Seller under California Public Resources Code Section 2621.9(a) (Earthquake Fault Zone), California Public Resources Code Section 2694(a) (Seismic Hazard Zone), California Government Code Section 8589.3(a) (Special Flood Hazard Area), or California Government Code Section 8589.4(a) (Area of Potential Flooding).

"Due Diligence Period" means the period commencing on the Escrow Date and ending on January 8, 2007.

"Entitlements" means approval of a general and specific plan amendment, environmental impact report certification, approvals, and other entitlements, including, but not limited to the Tentative Map (but not the Final Map) necessary to develop the Property and Buyer Vineyard Avenue site, which is described on Exhibit B, as well as such entitlements as may be necessary and required to permit the development of the 10-acre site, the 4-acre site and Buyer's original Vineyard Avenue site with 161 residential units.

"Escrow" means the above described Escrow to be opened with the Escrow Holder or, in the event Escrow Holder ceases to exist or fails or refuses to act as Escrow Holder for the transactions contemplated by this Agreement, any other escrow with an Escrow Holder selected by Seller and Buyer which is not affiliated with either party.

"Escrow Date" has the meaning set forth in Section 5 [entitled "Payment of Purchase Price"].

"Escrow Holder" means First American Title Insurance Company, 520 North Central Ave., 8th Floor, Glendale, California 91203, Telephone (818) 550-2521, Attn: Barbara Laffer. In the event such corporation ceases to exist or fails or refuses to act as Escrow Holder for the transactions contemplated by this Agreement, any other Escrow Holder selected by Seller and Buyer which is not affiliated with either party.

"Grant Deed" means the grant deed described in Section 6.1 [entitled "Title and Grant Deed"], which shall be in a form customarily used by the Title Company for similar transactions.

"Hazardous Material" means (a) any "hazardous substance" as defined in § 101(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of
1980, as amended from time to time [42 U.S.C. §§ 9601 et seq.]; (b) petroleum and petroleum products (including, without limitation, crude oil, natural gas, natural gas liquids, liquefied natural gas and synthetic gas); (c) polychlorinated biphenyls (PCBs); (d) asbestos; (e) urea formaldehyde; (f) radon gas; (g) methane; and (h) any additional substances, materials or waste which are classified or considered to be hazardous or toxic under the Laws of California or any other applicable Laws.


"Laws" means all federal, state and local laws, rules, regulations, ordinances and codes. The term "Laws" includes Hazardous Material Laws.

"Person" means any entity, whether an individual, trustee, corporation, partnership, joint stock company, trust, unincorporated organization, bank, business association or firm or otherwise.

"Plans and Reports" means all plans (including architectural and civil), specifications, engineering, soils, geologic, seismic and Hazardous Material reports, surveys, appraisals, budgets, proformas, business plans, forecasts, opinions, financial and other records and other documents (other than Contracts and Entitlements) pertaining or relating to the condition, construction, reconstruction, development, maintenance, repair, clean-up, investigation, management, ownership or operation of the Property which are within the possession of, under the control of, reasonably available to or paid for by Seller or an Affiliate of Seller.

"Property" means the real property and all improvements contained thereon located in the City and County consisting of approximately 14.22 acres, as more particularly described in Exhibit A. The Property consists of a 9.54-acre parcel, so described on Exhibit A and referenced to herein as the "10-acre site" and a 4.68-acre parcel so described on Exhibit A and referenced to herein as the "4-acre site."

"Purchase Price" means the purchase price for the Property specified in Section 4 [entitled "Purchase Price"].

"Seller" has the meaning set forth in the first paragraph of this Agreement.

"Survey" has the meaning set forth in Section 8.3.3 [entitled "Title"].

"Tentative Map" or "Tentative Maps" means an approved Tentative Subdivision Map(s) as described in Section 15-15 of the City of Oxnard City Code subject to lawful terms and conditions of development.

"Title Company" means First American Title Insurance Company, 520 North Central Ave., 8th Floor, Glendale, California 91203, Telephone (818) 242-5802, Attn: Anthony Rivera.

"Title Report" has the meaning set forth in Section 8.3.3 [entitled "Title"].
2. **Recitals.**

2.1 **Ownership of Property.** Seller is the fee owner of the Property.

3. **Purchase and Sale of Property.** Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, the Property upon the terms set forth in this Agreement.

4. **Purchase Price.** The base purchase price for the Property shall be Twenty-three Million Eight Hundred Ninety-eight Thousand Dollars ($23,898,000) ("Base Purchase Price"), which is based upon Entitlements being obtained for (a) one hundred and forty-three (143) units on the 10-acre site, and (b) forty (40) units on the 4-acre site ("Base Requirements"). The Base Purchase Price shall be adjusted by an amount ("Adjustment Amount") determined based on the Entitlements obtained for the 10-acre site and the 4-acre site, as follows:

   (1) if the Entitlements obtained for the 10-acre site differ from the Base Requirements for the 10-acre site, then the Base Purchase Price shall be adjusted by multiplying the difference between the number of entitled units for the 10-acre site and one hundred and forty-three (143) by $143,791 and (i) adding the lesser of that number or $2,013,074 to the Base Purchase Price if the number of entitled units for the 10-acre site is greater than one hundred and forty-three (143), or (ii) subtracting the lesser of that number or $2,013,074 from the Base Purchase Price if the number of entitled units for the 10-acre site is less than one hundred and forty-three (143); and

   (2) if the Entitlements obtained for the 4-acre site differ from the Base Requirements for the 4-acre site, then the Purchase Price shall be adjusted by multiplying the difference between the number of entitled units for the 4-acre site and forty (40) by $200,000 and (x) adding the lesser of that number or $800,000 to the Base Purchase Price if the number of entitled units for the 4-acre site is greater than forty (40), or (y) subtracting the lesser of that number or $800,000 from the Base Purchase Price if the number of entitled units for the 4-acre site is less than forty (40).

Based on the foregoing, the minimum Purchase Price shall be $21,084,926 and the maximum Purchase Price shall be $26,711,074. If the Entitlements obtained for the 10-acre site and the 4-acre site do not differ from the Base Requirements, then the Adjustment Amount shall be zero.

5. **Payment of Purchase Price.** Subject to the terms of this Agreement, the Purchase Price shall be payable by Buyer to Seller as follows:

   5.1 **Deposit.** Upon execution of this Agreement by Buyer and Seller and on the opening of the Escrow (the "Escrow Date"), Buyer shall deposit into Escrow cash or other immediately available funds in the amount of Five Hundred Thousand Dollars ($500,000) (the "Deposit"). The Deposit shall be held by Escrow Holder in an interest-bearing FDIC insured money-market account, at the prevailing rate of interest, on terms and conditions acceptable to
Buyer. The Deposit shall become nonrefundable on the next business day following the expiration of the Due Diligence Period, unless (1) this Agreement is timely terminated (or deemed terminated) pursuant to Section 8.3 on or before the last day of the Due Diligence Period, (2) unless Seller is in Default hereunder, or (3) as otherwise set forth herein. If this Agreement is terminated (or deemed terminated) on or before the last day of the Due Diligence Period pursuant to Section 8.3 of this Agreement, then the Deposit plus all interest accrued thereon shall promptly be returned to Buyer. If this transaction closes as provided herein, the Deposit plus all interest accrued thereon shall apply towards the Purchase Price at the Close of Escrow. If this Agreement is not terminated or deemed terminated prior to the expiration of the Due Diligence period and thereafter, this transaction does not close for any reason other than a Default by Seller or a failure of the conditions set forth in and as provided in Sections 8.3.1, 8.3.2, 8.3.3, 8.3.5 or 8.3.6, Seller shall be entitled to retain the sum of two hundred fifty thousand dollars ($250,000) of the Deposit. Escrow Holder shall immediately upon demand remit the same to Seller. The remainder of the Deposit, and any interest thereon, shall be returned to Buyer. In the event that the conditions to Close of Escrow set forth in Section 8.3 are satisfied, Seller is not in default hereunder, and Buyer fails to take action necessary to close Escrow by the Closing Date, Seller shall be entitled to receive the entire Deposit, together with all interest thereon and Escrow Holder shall upon demand immediately remit the same to Seller.

5.2 Balance of Purchase Price. On or before the Close of Escrow, Buyer shall deposit into Escrow cash or other immediately available funds in an amount equal to the Purchase Price, less the Deposit (plus interest accrued thereon).

6. Condition of Title, Conveyances and Assignment; As Is Sale.

6.1 Title and Grant Deed. At the Close of Escrow, Seller shall convey fee simple title to the Property to Buyer by Grant Deed, subject only to (a) real property taxes not then delinquent, (b) matters of title approved by Buyer pursuant to Section 8.3.3 [entitled "Title"] and (c) matters affecting the condition of title to the Property created by or with the written consent of Buyer (including, without limitation, the lien of any trust deed securing a loan obtained by Buyer to purchase the Property). Neither title nor possession of the Property shall pass to Buyer until the Close of Escrow.

6.2 Title Insurance. Delivery of title in accordance with the foregoing shall be evidenced by, and a condition to Buyer's obligations to close hereunder shall be, the irrevocable commitment of the Title Company to issue, at Closing, its Owner's ALTA Extended Coverage Policy of Title Insurance in the amount of the Purchase Price showing title to the Property vested in Buyer (or Buyer's assignee) as provided in Section 6.1 ("Buyer's Title Policy"). Buyer's Title Policy may contain such endorsements as are reasonably required by Buyer, provided that Buyer shall have obtained the commitment of the Title Company to issue such endorsements prior to the expiration of the Due Diligence Period, as applicable. Seller shall pay for the portion of the cost of the Buyer's Title Policy attributable to CLTA coverage, and Buyer shall pay for the portion of the cost of the Buyer's Title Policy attributable to ALTA extended coverage, including the expense of the Survey, and to all such endorsements. Seller shall execute and deliver to Title Company any such certificates, instruments and/or affidavits as Title Company shall reasonably require in order to issue Buyer's Title Policy.
7. As Is Sale.

7.1 Condition of Property. The sale of the Property is "as-is", with all faults. Seller discloses and Buyer acknowledges that the Property has been used as a dumpsite and that the Property has environmental impairments and is subject to oversight by regulatory agencies. The Purchase Price has been negotiated with consideration of the uncertainties existing because of environmental issues. Buyer has investigated the Property, and Buyer accepts the Property with all impairments, including impairments resulting from the Property's use as a dumpsite. The Purchase Price has been negotiated with due consideration of known conditions and awareness of uncertainty as to all unknown conditions. Buyer shall have no remedy against or recourse to Seller for any condition of the Property, including the existence of Hazardous Materials, ground water contamination, soil contamination, soil instability, the unsuitability of the soil for Seller's intended purposes, or any other condition whatsoever.

7.2 Environmental Indemnity.

7.2.1. Buyer is purchasing the Property to develop residences thereon. After the Entitlements are obtained, Buyer intends to promptly remediate all environmental impairments existing on the Property and to place the Property in a condition fit for residential purposes. Buyer intends to accomplish such remediation in accordance with all applicable laws, regulations, and standards governing remediation of the Property and to accomplish the work of remediation using a degree of care appropriate in view of the residential development contemplated on the Property. Accordingly, subject to the terms and provisions of Section 7.2.2, Buyer agrees to indemnify, hold harmless and defend Seller, its City Council and each member thereof, and every officer, employee, representative or agent of the Seller from all liability, claims, demands, actions (whether in contract or tort, including injury, death at any time, or property damage), costs and financial loss, including all expenses and fees of litigation and arbitration that derive directly or indirectly from any claims relating in any way to the condition of the Property from and after the Close of Escrow.

7.2.2. Notwithstanding the provisions of Section 7.2.1 hereinabove or anything in this Agreement to the contrary, Buyer shall have no obligation to indemnify Seller its City Council or any member, officer, employee, representative or agent of the Seller for any liability, claims, demands, actions (whether in contract or tort, including injury, death at any time, or property damage), costs and financial loss, including all expenses and fees of litigation and arbitration that derive directly or indirectly from (i) any incident, occurrence or event occurring prior to the Close of Escrow and relating to the condition of the Property at any time prior to the Close of Escrow, or (ii) the condition of any property adjacent to the Property prior to the Close of Escrow (including, but not limited to any condition on the Property that may be caused by or attributable to any migration of contaminants to the Property from any property adjacent to the Property that have occurred prior to the Close of Escrow).

8. Escrow and Conditions.

8.1 Opening of Escrow and Escrow Instructions. Buyer and Seller promptly shall cause Escrow to be opened for the consummation of the transactions contemplated by this
Agreement by delivering a fully executed copy of this Agreement to the Escrow Holder. This Agreement shall constitute instructions to the Escrow Holder with respect to such transactions. The Escrow Holder immediately shall notify Buyer and Seller of the Escrow Date. Buyer and Seller shall execute such additional escrow instructions as reasonably may be required to consummate the transactions contemplated by this Agreement and as Buyer and Seller may approve, which approval shall not be unreasonably withheld. To the extent such additional escrow instructions conflict with any provisions of this Agreement, the provisions of this Agreement shall control, unless such additional escrow instructions specifically states the contrary and satisfies Section 19.6. Seller shall cause Escrow Holder to obtain and provide to Buyer prior to the expiration of the tenth (10th) business day after the Escrow Date, at Seller's expense, a Disclosure Report.

8.2 Close of Escrow. For purposes of this Agreement, Close of Escrow shall be deemed to be the date that the Grant Deed is recorded in the Official Records of the County.

8.2.1 Closing Date. Subject to Section 8.6, Close of Escrow shall occur upon the earlier to occur of (i) the date that is twenty (20) days after the date on which the Entitlements are obtained, or (ii) March 14, 2008 (the "Closing Date"). The Closing Date may be extended by the mutual written agreement of Seller and Buyer. If escrow does not close on or before March 14, 2008 or mutually agreed upon later date, this escrow shall, upon written request of either Party, be cancelled and the obligations of the parties shall be only as stated in this Agreement. In the case of such termination, each Party shall bear one half the cost of escrow. The City Manager may act on behalf of City to extend the Close of Escrow.

8.2.2 Alternative Closing Date. In the alternative, and at Buyer’s option, in its sole and absolute discretion, Buyer may pay the Base Purchase Price at any time on or prior to January 10, 2007, in which case Escrow shall close upon payment of the Base Purchase Price, and the provisions of Section 17 shall be in effect. If, for any reason, Buyer chooses to close Escrow after January 10, 2007 and prior to obtaining the Entitlements, the provisions of Section 17 shall not be in effect. Buyer’s election to close escrow on or before January 10, 2007 shall be evidence that all conditions to the Close of Escrow (except for the conditions described in Section 8.3.7) have been met or waived; provided, however, that nothing herein impairs or affects Buyer’s rights under Section 17.

8.3 Buyer’s Conditions to Close of Escrow. The Close of Escrow and Buyer’s obligations to close Escrow under this Agreement are subject to the satisfaction or waiver, not later than Close of Escrow (unless otherwise provided), of the following conditions (and certain of the obligations of the parties with respect to such conditions are as follows):

8.3.1 Seller’s Representations. Seller’s representations and warranties set forth in Section 15 [entitled "Seller’s Representations and Warranties"] shall be true and correct as of the date of this Agreement and as of the Close of Escrow.

8.3.2 Seller’s Deliveries and Default. Seller shall have delivered to Buyer and Escrow Holder all documents required to be delivered by Seller to Buyer and Escrow Holder, respectively, pursuant to the terms of this Agreement and Seller shall not be in Default.
EXHIBIT "E"

under the terms of this Agreement and no event shall have occurred which would constitute a Default by Seller under the terms of this Agreement but for the requirement that notice be given or time elapse or both.

8.3.3 Title. The legal description of the Property and any matters of title affecting the Property shall have been approved by Buyer or shall have been approved within the time periods and as specified in this Section 8.3.3. Within ten (10) business days after the opening of Escrow, Seller shall cause the Title Company to prepare and deliver to Buyer a current preliminary title report with respect to the Property prepared on the basis that an ALTA Extended Coverage Owner’s Policy of Title Insurance will be issued ("Title Report") and complete and legible copies of all documents and a plot of all easements reflected as exceptions in the Title Report. The Title Report and such documents and plot shall be referred to collectively in this Section as the "Title Documents." At the sole discretion of Buyer, Buyer may, at its cost and expense, cause a survey of the Property to be prepared by a surveyor acceptable to Buyer ("Survey"). Buyer shall have until twenty (20) days prior to the date that the Due Diligence Period ends ("Buyer’s Notice Date") within which to give Seller and Escrow Holder written notice ("Buyer’s Notice") of Buyer’s disapproval of any exceptions to title shown in the Title Report or items disclosed in the Survey. The exceptions as shown in the Title Report and items disclosed in the Survey shall be referred to in this Section as the "Title Exceptions." The failure of Buyer to give Buyer’s Notice shall be deemed to constitute Buyer’s approval of all of the Title Exceptions. In the event of Buyer’s disapproval of any of the Title Exceptions and within ten (10) business days after Seller’s receipt of Buyer’s Notice ("Seller’s Notice Date"), Seller shall give Buyer written notice ("Seller’s Notice") of any disapproved Title Exceptions which Seller will attempt to eliminate from Buyer’s Title Policy and as exceptions to title to the Property. Prior to the Close of Escrow, Seller shall eliminate, at its sole cost and expense, all such disapproved Title Exceptions set forth in Seller’s Notice from Buyer’s Title Policy and as exceptions to title to the Property. If Seller’s Notice does not include all Title Exceptions disapproved by Buyer, or if Seller fails to deliver Seller’s Notice, or if Seller is ultimately unable to eliminate any such disapproved Title Exceptions, Buyer shall have the right to (i) terminate this Agreement in accordance with the terms of Section 8.6.4 [entitled "Failure Without Default"] or (ii) acquire the Property subject to the disapproved Title Exceptions not included within Seller’s Notice or unable to be removed by Seller. Such right shall be exercised by Buyer by giving either written notice of such termination or written notice of such acquisition ("Acquisition Notice") to Seller and Escrow Holder within five (5) business days after Buyer’s receipt of (i) Seller’s Notice (or, if Seller fails to deliver Seller’s Notice, within five (5) business days after Seller’s Notice Date) or (ii) written notice from Seller that Seller has is unable to eliminate any disapproved Title Exception that Seller agreed to attempt to eliminate in Seller’s Notice. Buyer’s failure to give the Acquisition Notice at the time and in the manner set forth in the preceding sentence shall be deemed to constitute Buyer’s election to terminate the Agreement in accordance with the terms of Section 8.6.4. If Buyer acquires the Property pursuant to the Acquisition Notice, Buyer shall be deemed to have accepted all previously disapproved Title Exceptions and shall have no recourse against Seller on account of such disapproved Title Exceptions.

8.3.4 Feasibility and Inspections. Not later than the last day of the Due Diligence Period, Buyer shall have approved, in its sole and absolute discretion, the results of
any and all feasibility, marketing, entitlement and other studies, inspections, appraisals, audits, tests, evaluations, investigations, surveys and reports of the Property and other property in the vicinity of the Property (including, without limitation, all engineering and environmental audits, evaluations and tests relative to the presence of any Hazardous Material within, under, upon or in the vicinity of the Property (collectively, "Inspections")). Buyer may elect to make or obtain. The failure of Buyer to notify Seller in writing during the Due Diligence Period of Buyer's approval of the results of the Inspections shall be deemed to constitute Buyer's approval of such results. The cost of any such Inspections shall be borne by Buyer. If Buyer disapproves such results this Agreement shall be deemed terminated in accordance with the terms of Section 8.6.4 [entitled "Failure Without Default"]. Buyer is aware that several regulatory agencies, including the California Regional Water Quality Control Board, Ventura County Regional Sanitation District, and California Integral Solid Waste Management Board have jurisdiction over the Property and may assert regulatory control over the sale of the Property and/or Buyer's efforts to remediate conditions at the Property. Buyer will, during the Due Diligence Period, exercise the right to investigate the jurisdiction of these agencies over the Property and the position of these agencies with respect to the purchase and sale of the Property. In the event the Buyer is dissatisfied with the results of any such investigations or in the event regulatory agencies fail or refuse to take action, if any, necessary to permit the Close of Escrow pursuant to this Agreement, this Agreement shall be terminated in accordance with the terms of Section 8.6.4.

8.3.5 Buyer's Title Insurance. The Title Company shall have committed in writing to issue Buyer's Title Policy to Buyer in compliance with the requirements of Section 6.2 [entitled "Title Insurance"].

8.3.6 Material Changes. There shall not have been any material adverse change in the condition of the Property or any material adverse change or proposed or contemplated material adverse change in any Laws applicable to the Property after the date of this Agreement.

8.3.7 Entitlements. Buyer shall have obtained the Entitlements, unless Buyer elects to close Escrow in accordance with Section 17, in which event, the terms and provisions of Section 17 shall apply with respect to the Entitlements.

The foregoing conditions are solely for the benefit of Buyer and may be waived only by Buyer. Buyer shall at all times have the right to waive any condition, which waiver or waivers must be in writing to be effective. Neither the waiver by Buyer of any condition nor the satisfaction of any condition shall relieve Seller of any liability or obligation as respects any representation, warranty or covenant of Seller under this Agreement unless Buyer shall so agree in writing. All approvals and disapprovals given by Buyer under this Section 8.3 (except disapprovals deemed to have been made by Buyer) and any acknowledgments given by Buyer of the satisfaction or failure of any conditions set forth in this Section 8.3 must be in writing to be effective.

8.4 Seller's Conditions to Close of Escrow. The Close of Escrow and Seller's obligations to close Escrow under this Agreement are subject to the satisfaction or waiver, not later than Close of Escrow (unless otherwise provided), of the following conditions:
EXHIBIT "E"

8.4.1 **Buyer's Representations.** Buyer's representations and warranties set forth in Section 14 [entitled "Buyer's Representations and Warranties"] shall be true and correct as of the date of this Agreement and as of the Close of Escrow.

8.4.2 **Buyer's Deliveries and Default.** Buyer shall have delivered to Seller and Escrow Holder all funds and documents required to be delivered by Buyer to Seller and Escrow Holder, respectively, pursuant to the terms of this Agreement, and Buyer shall not be in Default under the terms of this Agreement and no event shall have occurred which would constitute a Default by Buyer under the terms of this Agreement but for the requirement that notice be given or time elapse or both.

The foregoing conditions are solely for the benefit of Seller and may be waived only by Seller. Seller shall at all times have the right to waive any condition, which waiver or waivers must be in writing to be effective. Neither the waiver by Seller of any condition nor the satisfaction of any condition shall relieve Buyer of any liability or obligation as respects any representation, warranty or covenant of Buyer under this Agreement unless Seller shall so agree in writing.

8.5 **Cooperation Regarding Conditions.** Except as otherwise provided herein, neither Seller nor Buyer shall act or fail to act for the purpose of permitting or causing any condition to fail. Each party shall cooperate with the other party, at the written request of the other party, in the other party's efforts with respect to the satisfaction of the conditions; provided, however, that the reasonable costs of such cooperation shall be borne by the party making the request.

8.6 **Failure of Conditions to Close of Escrow.** If any of the conditions set forth in Sections 8.3 or 8.4 are not satisfied or waived as of the Closing Date:

8.6.1 **Termination.** This Agreement, Escrow and the rights and obligations of Buyer and Seller shall terminate, except as otherwise provided in this Agreement.

8.6.2 **Failure Due to Seller Default.** If Escrow fails to close because the conditions set forth in Section 8.3.1 [entitled "Seller's Representations"] or Section 8.3.2 [entitled "Seller's Deliveries and Default"] are not satisfied and not waived, the nonsatisfaction of the conditions shall be treated as a Default by Seller and the terms of Section 18.3 [entitled "Default by Seller"] shall be applicable and shall control.

8.6.3 **Failure Due to Buyer Default.** If Escrow fails to close because the conditions set forth in Section 8.4.1 [entitled "Buyer's Representations"] or Section 8.4.2 [entitled "Buyer's Deliveries and Default"] are not satisfied and not waived, the nonsatisfaction of the conditions shall be treated as a Default by Buyer and the terms of Section 18.2 [entitled "Default by Buyer"] shall be applicable and shall control.

8.6.4 **Failure Without Default.** If Escrow fails to close because Buyer terminates this Agreement, pursuant to the provisions of Section 8.3.3 [entitled "Title"] or Section 8.3.4 [entitled "Feasibility and Inspections"] or Section 8.3.5 [entitled "Buyer's Title
EXHIBIT "E"

Insurance" as qualified and implemented by Section 6.2 [entitled "Title Insurance"], Escrow Holder shall promptly return to Buyer the deposit and any interest accrued thereon, and any other funds deposited to Escrow by Buyer, less Buyer’s share of the charges provided for in Section 8.7.

8.6.5 Return of Funds/Documents. Subject to the foregoing terms, Escrow Holder is instructed promptly to return to Seller and Buyer all remaining funds and documents deposited by them, respectively, into Escrow which are held by Escrow Holder on the date of such termination (unless the party entitled to such funds is required to pay cancellation and other charges under the following Section 8.7, in which case the Escrow Holder shall deduct the amount of such charges from the funds to which such party is entitled).

8.7 Cancellation Fees and Expenses. If Escrow terminates because of the nonsatisfaction of the conditions set forth in Section 8.3.1 [entitled "Seller’s Representations"] or Section 8.3.2 [entitled "Seller’s Deliveries and Default"], the payment of the cancellation and other charges required to be paid by and to Escrow Holder and the Title Company shall be governed by Section 17.3 [entitled "Default by Seller"]. If Escrow terminates because of the nonsatisfaction of the conditions set forth in Section 8.4.1 [entitled "Buyer’s Representations"] or Section 8.4.2 [entitled "Buyer’s Deliveries and Default"], the payment of the cancellation and other charges required to be paid by and to Escrow Holder and the Title Company shall be governed by the terms of Section 17.2 [entitled "Buyer’s Default"]. If Escrow terminates because any of the other conditions set forth in Sections 8.3 or 8.4 are not satisfied for a reason other than the Default of Buyer or Seller under this Agreement, Buyer and Seller shall each be responsible for the payment of one-half of the cancellation and other charges required to be paid by and to the Escrow Holder and the Title Company.

9. Closing Costs. If Escrow closes, (a) the premium for Buyer’s Title Policy shall be allocated as provided in Section 6.2 above. (b) documentary transfer taxes and similar taxes and fees shall be paid by Buyer; (c) recording costs and filing fees (other than documentary transfer taxes and other similar taxes and fees) shall be paid by Buyer; (d) the escrow fee of Escrow Holder shall be paid one half by Buyer and one half by Seller; and (e) all other costs shall be allocated between Buyer and Seller in accordance with customary practice in the County.

10. Prorations. The Property currently is not on the tax rolls and not subject to taxation. Buyer will be responsible for all taxes and assessments on the Property after closing.

11. Deliveries to Escrow Holder.

11.1 Deliveries by Seller. Prior to the Close of Escrow (unless otherwise provided), Seller shall deposit the following documents into Escrow:

11.1.1 Grant Deed. The Grant Deed duly executed by Seller, notarized and in recordable form.
EXHIBIT "E"

11.1.2 Seller’s Proof of Authority. Such proof of Seller’s authority to enter into this Agreement and to perform the transactions contemplated by this Agreement as reasonably may be required by the Title Company and/or Buyer.

11.1.3 Other informational documents or certificates reasonably required by escrow holder.

11.1.4 [Intentionally deleted].

11.2 Deliveries by Buyer. Prior to the Close of Escrow (unless otherwise provided), Buyer shall have deposited the following items into Escrow:

11.2.1 Balance of Purchase Price. The entire Purchase Price in accordance with Section 5.2.

11.2.2 Buyer’s Proof of Authority. Such proof of Buyer’s authority to enter into this Agreement and to perform the transactions contemplated by this Agreement as reasonably may be required by the Title Company and/or Seller.

11.2.3 Other informational documents or certificates reasonably required by escrow holder.

12. [Intentionally deleted].

13. Disbursements and Other Actions by Escrow Holder. Upon Close of Escrow, Escrow Holder promptly shall undertake all of the following:

13.1 Disburse Purchase Price. Disburse all funds deposited with Escrow Holder by Buyer in payment of the Purchase Price as follows:

13.1.1 Deduction of Closing Costs. Deduct all items chargeable to the account of Seller under Section 9 [entitled “Closing Costs"] and pay the amount of such items to the Persons entitled to the items.

13.1.2 Deduction of Prorations. If as a result of the prorations under Section 10 [entitled “Prorations"] amounts are to be charged to the account of Seller, deduct the total amount of such charges and pay and credit as appropriate the amount of such charges to Buyer.

13.1.3 Disburse to Seller. Disburse the remaining balance of the funds to Seller, or in accordance with Seller’s written instructions, promptly upon the Close of Escrow.

13.2 Buyer’s Closing Costs. Bill Buyer for all items chargeable to Buyer under Section 9 [entitled “Closing Costs”], for which items Buyer agrees to be responsible.
13.3 Recordation. Cause the Grant Deed (with documentary transfer tax information to be affixed after recording) and any other documents which the parties may mutually direct to be recorded in the Official Records of the County.

13.4 Copies of Grant Deed. Prepare and deliver to each of Buyer and Seller two conformed copies of the Grant Deed.

13.5 Deliver Buyer's Title Policy. Cause the Title Company to issue Buyer's Title Policy to Buyer.

13.6 Deliver Seller's Proof of Authority. Deliver to Buyer the proof of authority deposited into Escrow by Seller pursuant to Section 11.1.2 [entitled "Seller's Proof of Authority"].

13.7 Deliveries. Deliver to Buyer any certifications deposited into Escrow by Seller pursuant to Section 11.1.3

13.8 Deliver Buyer's Proof of Authority. Deliver to Seller the proof of authority deposited into Escrow by Buyer pursuant to Section 11.2.2 [entitled "Buyer's Proof of Authority"].

14. Buyer's Representations and Warranties. Buyer represents and warrants to Seller as follows:

14.1 Authority. Buyer has the right, power, legal capacity and authority to enter into and perform its obligations under this Agreement. Those individuals executing this Agreement on behalf of Buyer have the right, power, legal capacity and authority to enter into this Agreement on behalf of Buyer and to execute all other documents and perform all other acts as may be necessary to perform all of Buyer’s obligations under this Agreement. No approval or consent not previously obtained by any Person is necessary in connection with the execution of this Agreement by Buyer or the performance of Buyer's obligations under this Agreement.

14.2 No Violations of Agreements. Neither this Agreement nor anything provided to be done under this Agreement violates or shall violate any contract, document, understanding, agreement or instrument to which Buyer is a party or by which it may be bound.

14.3 Binding Agreement. The Agreement constitutes the legally valid and binding obligation of Buyer and is enforceable against Buyer in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws, or by equitable principles relating to or limiting the rights of creditors generally.

14.4 No Violation of Laws. The consummation of the transactions contemplated by this Agreement do not violate any Law.

14.5 Brokers. No broker, salesperson or finder has been engaged by Buyer in connection with the transactions contemplated by this Agreement.
EXHIBIT "E"

Each of the foregoing representations and warranties shall be, and Buyer shall cause them to be, true in all respects on and as of the date of this Agreement and on and as of the Close of Escrow as though made at that time.

15. **Seller’s Representations and Warranties.** Seller represents and warrants to Buyer as follows:

15.1 **Authority.** Seller is a municipal corporation, duly organized and validly existing under the laws of the State of California. Seller has the right, power, legal capacity and authority to enter into and perform its obligations under this Agreement. Those individuals executing this Agreement on behalf of Seller have the right, power, legal capacity and authority to enter into this Agreement on behalf of Seller and to execute all other documents and perform all other acts as may be necessary to perform all of Seller’s obligations under this Agreement. Seller’s City Manager or his designee is authorized to execute all such documents and take all such actions on behalf of the Seller.

15.2 **No Consents.** No approval or consent not previously obtained by any Person is necessary in connection with the execution of this Agreement by Seller or the performance of Seller’s obligations under this Agreement; provided, however, that Seller is aware that the Property is a former dumpsite and that it is under the jurisdiction of several regulatory agencies including the California Regional Water Quality Control Board, Ventura County Regional Sanitation District and California Integral Solid Waste Management Board.

15.3 **No Violations of Agreements.** Neither this Agreement nor anything provided to be done under this Agreement violates or shall violate any contract, document, understanding, agreement or instrument to which Seller is a party or by which it may be bound; provided, however, that Seller is aware that the Property is a former dumpsite and that it is under the jurisdiction of several regulatory agencies including the California Regional Water Quality Control Board, Ventura County Regional Sanitation District and California Integral Solid Waste Management Board.

15.4 **Binding Agreement.** The Agreement constitutes the legally valid and binding obligation of Seller and is enforceable against Seller in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws, or by equitable principals relating to or limiting the rights of creditors generally.

15.5 **No Violation of Laws.** The consummation of the transactions contemplated by this Agreement does not violate any Law.

15.6 **Broker.** No broker, salesperson or finder has been engaged by Seller in connection with the transactions contemplated by this Agreement.

15.7 **Contracts.** As of the date of this Agreement, there are no Contracts.
EXHIBIT "E"

Each of the foregoing representations and warranties shall be, and Seller shall cause them to be, true in all respects on and as of the date of this Agreement and on and as of the Close of Escrow as though made at that time.


16.1 Entry on Property. Buyer and its representatives and designees shall have the right to enter upon the Property at any reasonable time during the term of this Agreement, at its own cost and expense entirely, for any purpose in connection with its proposed purchase or use of the Property including, without limitation, the right to make such studies, inspections, appraisals, audits, tests, evaluations, investigations, surveys and reports of the Property and other reasonable diligence as Buyer may elect to make or obtain (including, without limitation, the taking of soil and water samples in connection with any environmental audit of the Property). Seller acknowledges that all entries by Buyer on the Property prior to the date of this Agreement were with Seller's consent. All entries by Buyer upon the Property shall be in compliance with all applicable Laws. Buyer shall keep the Property free and clear of any mechanic's or materialmen's liens arising out of any such entry. Buyer shall, at its own cost and expense entirely, repair any damage to the Property resulting from any such entry. Buyer hereby agrees to indemnify, defend and hold harmless Seller and the Property from and against any and all claims, liabilities, costs, liens, actions or judgments (including, without limitation, reasonable attorneys' fees and costs) resulting from Buyer's or any of its employees, agents or independent contractors entrance or activities on or about the Property prior to the Close of Escrow.

16.2 Other Due Diligence Activities. Buyer and its representatives and designees shall have the right to contact any third parties (including, without limitation, public, quasi-public and private agencies and utilities, adjacent landowners, Seller's lenders for the Property, developers, builders, tenants, contractors and consultants and prior owners of the Property) and discuss and/or negotiate with, disclose any matter to and enter into agreements or understandings with, third parties concerning or related to all or any portion of the Property (including, without limitation, the financing, development and condition of the Property) so long as such agreements and understandings are not binding upon the Property before the Close of Escrow or upon Seller at any time without Seller's prior written consent. Buyer shall attempt to advise Seller from time to time of the names or types of third parties it intends to contact, but shall not have any liability for failing to do so. Seller consents to all such activities undertaken by Buyer and its representatives and designees prior to the date of this Agreement.

16.3 Encumbrancing. After the date of this Agreement, Seller shall not subject or suffer to be subjected, without the prior written consent of Buyer, the Property to any mortgage, deed of trust, lien (other than non-delinquent tax liens), license, encumbrance, claim, charge, equity, writ, injunction, decree, order, judgment, covenant, condition, restriction, easement, right, right of way, lease, tenancy, occupancy agreement or similar right or other matter affecting the Property and shall not enter, without the prior written consent of Buyer, into any agreement to do, permit or suffer any of the above.
EXHIBIT "E"

16.4 **Contracts.** After the date of this Agreement, Seller shall not, without the prior written consent of Buyer, enter into any Contracts applicable to the Property without Buyer's prior written consent.

16.5 **Entitlements.** Buyer shall diligently pursue the Entitlements, including the Tentative Map until the earlier to occur of (i) termination of this Agreement, (ii) issuance of the Entitlements, or (iii) the date on which, in the reasonable discretion of Buyer, the City, any member of its City Council, or any officer or managing employee of the City communicates to Buyer and affirmatively establishes, through action, inaction or other conduct that the Entitlements cannot be obtained.

16.6 **Plans and Reports.** After the date of this Agreement, Seller shall not, without the prior written consent of Buyer, prepare or cause to be prepared any Plans and Reports which may adversely affect the Property.

16.7 **Permits.** Intentionally omitted.

16.8 **Maintenance of and Changes to Property.** Prior to the Close of Escrow, Seller shall, at Seller's own cost and expense entirely, maintain the Property in substantially the condition it is in on execution of this Agreement. Unless required by law, Seller shall not make any physical addition to or change or alteration of the Property without the prior written consent of Buyer.

17. **Repurchase Provision.**

17.1 **General Terms.** The provisions of this Section 17 shall apply in the event that pursuant to Buyer's exercise of the option granted to Buyer in Section 8.2.2, Close of Escrow occurs on or prior to January 10, 2007 and Buyer has not, prior to such date, obtained the Entitlements. In such event, Buyer will at Close of Escrow pay the Base Purchase Price and purchase the Property without the Entitlements. Buyer acknowledges that at the Close of Escrow, Buyer will have limited or no right to develop the Property or construct improvements thereon. Following the Close of Escrow, Buyer will apply for and diligently pursue the Entitlements. When and if Buyer obtains the Entitlements, the Adjustment Amount shall be determined in accordance with the terms and provisions of Section 4. If the Adjustment Amount is required to be a subtracted from the Base Purchase Price, then Seller shall pay the amount of the Adjustment Amount to Buyer within sixty (60) days of the date Buyer obtains the Entitlements. If the Adjustment Amount is required to be a added to the Base Purchase Price, then Buyer shall pay the amount of the Adjustment Amount to Seller within sixty (60) days of the date Buyer obtains the Entitlements.

17.2. Seller agrees that subject to the terms and provisions of this Section 17, Seller shall be irrevocably obligated to purchase the Property from Buyer no later than sixty (60) days after the date on which Buyer provides a written demand to Seller requiring that Seller purchase the Property pursuant to this Section 17.

17.3 The right of Buyer to demand that Seller purchase the Property shall, in
any event, regardless of efforts of Buyer to obtain Entitlements, and regardless of whether Buyer
does or does not obtain Entitlements, expire on the earlier to occur of (i) March 14, 2008, or (ii)
the date that is thirty (30) days after the date on which the Entitlements have been obtained.

17.4 The price that the Seller shall pay for the Property, in the event the Buyer
makes a demand for purchase under this Section 17, shall be equal to the Base Purchase Price,
minus $250,000, which equals $23,648,000. Such $250,000 represents consideration for the
Agreement contained in this Section 17, as well as reimbursement for the Seller for its costs,
expenses and lost opportunity in connection with the transaction.

17.5 Buyer shall not substantially change the physical condition of the Property
from Close of Escrow to the time the Seller purchases the Property. Buyer will be entitled to no
credits or reimbursements for expenses incurred by Buyer in connection with the Property or for
improvements created by the Buyer. Buyer shall not damage, impair or change the condition of
the Property. Buyer shall maintain the Property in accordance with all federal, State and local
laws. Notwithstanding anything herein to the contrary, if Seller purchases the Property from
Buyer in accordance with this Section 17, then Seller shall also indemnify, hold harmless and
defend Buyer, its shareholders, affiliates, members, officers, employees, representatives and
agents of Buyer from all liability, claims, demands, actions (whether in contract or tort, including
injury, death at any time, or property damage), costs and financial loss, including all
expenses and fees of litigation and arbitration that derive directly or indirectly from any claims relating in
any way to the condition of the Property, to the extent that such claims have not occurred as a
result of actions of Buyer.

17.6 Buyer shall convey title to the Property in the same condition as at Close
of Escrow. The condition of title shall be evidenced by a CLTA policy of title insurance
provided at the time of purchase at Buyer’s expense.

17.7 The rights of Buyer under this Section 17 may be exercised only with
respect to the entire Property. Seller cannot be required to buy back only the 10-acre site or only
the 4-acre site.

17.8 Subject to the terms and provisions of Section 17.5, Buyer agrees to
indemnify, hold harmless and defend Seller, its City Council, and each member thereof, and
every officer, employee, representative or agent of City, from any and all liability, claims,
demands, actions, damages (whether in contract or tort, costs and financial loss, including all
costs and expenses and fees of litigation or arbitration, that arise directly or indirectly from the
participation by the Seller in making and/or carrying out the agreements contained in this Section
17.

17.9 The purchase described in this Section 17 shall be accomplished through
an escrow with Escrow Holder. Buyer will pay all costs incurred in connection with such
escrow. The parties will execute such deeds, documents, and instructions as are required to
accomplish the purchase.

17.10 Seller presently maintains on the 10-acre property a deep water well and a
maintenance yard. Buyer shall grant to Seller, for $1.00, a license in substantially the same form as the license attached hereto as Exhibit C, pursuant to which Seller shall have the right to maintain and access such facilities until the date on which Buyer obtains the Entitlements. No later than sixty (60) days after the date on which Buyer obtains the Entitlements, Seller shall remove, at its sole cost and expense, any and all fixtures, improvements and personal property located on the Property and used in conjunction with such facilities.

18. Default.

18.1 Events of Default. The occurrence of any one or more of the following events before the Close of Escrow shall constitute a Default by a party under this Agreement:

18.1.1 Notice/Cure Period. The failure of the party to perform any material obligation contained in this Agreement on its part to be performed if the failure should continue uncured for a period of fifteen (15) days after written notice is given to the party of the occurrence of the failure; provided, however, that the failure shall not be deemed to have occurred if the failure is of a nature that reasonably requires more than fifteen (15) days to cure, is capable of being cured fully before the Close of Escrow and the party is proceeding continuously and diligently to cure the failure and does cure the failure before Close of Escrow;

18.1.2 Representation/Warranty. Any representation or warranty made by the party in this Agreement proves to have been materially incorrect as of the date made or as of any other date on which the representation and warranty was required by the terms of this Agreement to be true;

18.1.3 Relief of Debtors. Institution by the party of proceedings under any law of the United States or of any state or foreign jurisdiction for the relief of debtors;

18.1.4 General Assignment. A general assignment by the party for the benefit of creditors or the filing of a voluntary petition in bankruptcy;

18.1.5 Bankruptcy. The filing of an involuntary petition in bankruptcy against the party by the creditors of such party, such petition remaining undischarged for a period of thirty (30) days after the date the same was filed (or to the date of Close of Escrow if such date occurs before the expiration of the thirty (30) day period);

18.1.6 Receiver. The appointment of a receiver to take possession of any of the assets of the party, such receivership remaining undischarged for a period of thirty (30) days from the date of its appointment (or to the date of Close of Escrow if such date occurs before the expiration of the thirty (30) day period); or

18.1.7 Attachment. The attachment, execution or other judicial seizure of the party’s interest in this Agreement (and, in the case of Seller, in the Property), such attachment, execution or seizure being in an amount not less than Fifty Thousand Dollars ($50,000) and remaining undismissed or undischarged for a period of thirty (30) days after the levy of the attachment, execution or seizure (or to the date of Close of Escrow if such date occurs before the expiration of the thirty (30) day period).
EXHIBIT "E"

18.2 DEFAULT BY BUYER. SELLER AND BUYER AGREE THAT THE AMOUNT OF DAMAGES TO SELLER IN THE CASE OF BUYER'S MATERIAL DEFAULT ON OR BEFORE THE DATE OF CLOSE OF ESCROW SET FORTH IN SECTION 8.2 [ENTITLED "CLOSE OF ESCROW"] WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO FIX. THEREFORE, BUYER AND SELLER AGREE THAT IF BUYER MATERIALLY DEFAULTS UNDER THIS AGREEMENT ON OR BEFORE THE DATE OF CLOSE OF ESCROW:

18.2.1 TERMINATION. THIS AGREEMENT, ESCROW AND THE RIGHTS AND OBLIGATIONS OF BUYER AND SELLER UNDER THIS AGREEMENT SHALL TERMINATE, EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT.

18.2.2 LIQUIDATED DAMAGES. SELLER SHALL BE ENTITLED TO RECEIVE AND RETAIN AS LIQUIDATED DAMAGES AND AS SELLER'S SOLE AND EXCLUSIVE REMEDY AGAINST BUYER (MEANING SELLER HEREBY WAIVES, AMONG OTHER THINGS, THE RIGHTS TO SEEK SPECIFIC PERFORMANCE OF THE AGREEMENT AND TO RECEIVE DAMAGES), THE AMOUNT OF THE DEPOSIT (PLUS ANY INTEREST ACCRUED THEREON) DEPOSITED INTO ESCROW BY BUYER PURSUANT TO AND AS PROVIDED IN SECTION 5 [ENTITLED "PAYMENT OF PURCHASE PRICE"]). BUYER AND SELLER AGREE THAT THE FOREGOING AMOUNT IS A REASONABLE ESTIMATE OF SELLER'S DAMAGES IN THE EVENT OF A MATERIAL DEFAULT BY BUYER UNDER THIS AGREEMENT.

18.2.3 RETURN OF FUNDS/DOCUMENTS. SUBJECT TO THE FOREGOING PROVISIONS, ESCROW HOLDER IS INSTRUCTED PROMPTLY TO RETURN TO BUYER AND SELLER ALL REMAINING FUNDS AND DOCUMENTS DEPOSITED BY THEM, RESPECTIVELY, INTO ESCROW WHICH ARE HELD BY ESCROW HOLDER ON THE DATE OF TERMINATION (LESS IN BUYER'S CASE, HOWEVER, THE AMOUNT OF ANY CANCELLATION AND OTHER CHARGES REQUIRED TO BE PAID BY AND TO ESCROW HOLDER AND THE TITLE COMPANY, FOR WHICH CHARGES BUYER SHALL BE RESPONSIBLE).

SELLER AND BUYER ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND THE TERMS OF THIS SECTION 18.2 AND BY THEIR INITIALS IMMEDIATELY BELOW AGREE TO BE BOUND BY ITS TERMS.

SELLER: ________________________ BUYER: ________________________

18.3 Default by Seller. If Seller shall materially default under any of the terms of this Agreement before the date of Close of Escrow set forth in Section 8.2 [entitled "Close of Escrow"], Buyer shall have all rights and remedies which it may have at law or in equity, including, without limitation, the right (i) to seek specific performance of this Agreement, or (ii) to terminate this Agreement by giving written notice of such termination to Seller and Escrow Holder, and to seek damages at law, provided, however, that the amount of damages to which Buyer shall be entitled in any claim, action or proceeding of any nature for damages shall not exceed $500,000. Upon the giving of such termination notice:
EXHIBIT "E"

18.3.1 Termination. This Agreement, Escrow and the rights and obligations of Buyer and Seller under this Agreement shall terminate, except for Buyer's rights and remedies and as otherwise provided in this Agreement.

18.3.2 Return of Funds/Documents. Escrow Holder is instructed promptly to return to Buyer the Deposits (plus any interest accrued thereon) and to return to Buyer and Seller all other funds and documents deposited by them, respectively, into Escrow which are held by Escrow Holder on the date of termination (less in Seller's case, however, the amount of any cancellation and other charges required to be paid by and to Escrow Holder and the Title Company, for which charges Seller shall be responsible).


19.1 Legal Fees. In the event of the bringing of any action or suit by either party against the other party by reason of any breach of any of the covenants, conditions, agreements or provisions on the part of the other party arising out of this Agreement, the party in whose favor final judgment shall be entered shall be entitled to have and recover of and from the other party all costs and expenses of suit, including reasonable attorneys' fees (or, in the event of any action to enforce this Agreement, the prevailing party shall be entitled to recover all of its costs and expenses of the action, including reasonable attorney's fees), as determined by a court of competent jurisdiction.

19.2 Notices. All notices or other communication provided for under this Agreement shall be in writing, and shall be delivered personally, sent by reputable overnight mail equivalent carrier, or sent by registered or certified mail, return receipt requested, postage prepaid, addressed to the person to receive such notice or communication at the following address and shall be effective upon receipt or refusal to accept delivery:

To Seller:

To Buyer:
City of Oxnard
300 West Third Street, Suite 302
Oxnard, CA 93030
Attn: Michael More, Financial Services Manager
(805) 385-7480

with copies to:
City of Oxnard
300 West Third Street, Suite 300
Oxnard, CA 93030
Attn: Alan Holmberg, Assistant City Attorney
(805) 385-7427
EXHIBIT "E"

Escrow Holder:

First American Title Insurance Company
520 North Central Ave., 8th Floor
Glendale, California 91203
Telephone (818) 550-2521
Attn: Barbara Laffer

Notice of change of address shall be given by written notice in the manner set forth in this Section.

19.3 Survival. All of the covenants, representations, warranties and indemnities set forth in this Agreement shall survive the Close of Escrow, the delivery of the Grant Deed and any inspection by the parties. Where the context shall require, the provisions of this Agreement shall survive the termination of this Agreement prior to the Close of Escrow.

19.4 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective heirs, executors, administrators, successors and assigns; provided, however, prior to the Close of Escrow, neither party to this Agreement shall assign or transfer this Agreement or the Property, or any interest, right or obligation in this Agreement or the Property, without the prior written consent of the other party and any such assignment or transfer without such written consent shall be null and void; except that Buyer may, at any time prior to the Close of Escrow and upon prior written notice to Seller, assign its right, title, and interest in this Agreement to an Affiliate of Buyer or to any entity in which Buyer or an Affiliate of Buyer has an equity interest without the consent of Seller, and upon the Close of Escrow, Buyer shall be relieved of any further obligation under this Agreement or under any document or instrument executed pursuant hereto.

19.5 Required Actions of Buyer and Seller. Buyer and Seller agree to execute all instruments and documents and to take all actions as may be required in order to consummate the transactions contemplated by this Agreement and shall use their reasonable efforts to accomplish the Close of Escrow in accordance with the provisions of this Agreement.

19.6 Entire Agreement. This Agreement contains the entire agreement between the parties concerning the subject matter of this Agreement and supersedes any prior agreements, understandings or negotiations. No addition or modification of any term or provision shall be effective unless set forth in writing and signed by both Seller and Buyer.

19.7 Time of Essence. Time is of the essence of each and every term, condition, obligation and provision of this Agreement.

19.8 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.
19.9 **Severability.** If any portion of this Agreement shall be declared by any court of competent jurisdiction to be invalid, illegal or unenforceable, such portion shall be deemed severed from this Agreement, and the remaining parts of this Agreement shall remain in full force and effect, as fully as though such invalid, illegal or unenforceable portion had never been part of this Agreement.

19.10 **Headings.** Headings at the beginning of each section and are solely for convenience of reference and are not a part of this Agreement.

19.11 **Construction.**Whenever the context of this Agreement requires the same, the singular shall include the plural and the masculine, feminine and neuter shall include the others. Without limitation, any defined term used in the plural shall refer to all members of the relevant class, and any defined term used in the singular shall refer to any number of the relevant class. This Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties had prepared the same. Unless otherwise indicated, all references to sections are to this Agreement. All exhibits are incorporated in this Agreement by reference. The term "Agreement" includes such exhibits (as exhibits and, if appropriate, as subsequently executed agreements and instruments). If the day on which Buyer or Seller is required to take any action under the terms of this Agreement is not a business day, the action shall be taken on the next succeeding business day. Any reference in this Agreement to an agreement or other instrument shall mean such agreement or instrument as it may from time to time be supplemented, modified, amended and extended in accordance with the terms of this Agreement. This Agreement is executed and delivered in the State of California and shall be construed and enforced in accordance with, and governed by, the laws of the State of California. The headings of sections in this Agreement are for convenience, and shall not be used in interpretation of this Agreement.

19.12 **No Waiver.** No waiver by a party of any Default by the other party under this Agreement shall be implied from any omission or delay by the nondefaulting party to take action on account of the Default if the Default persists or is repeated. Any waiver of any covenant, term or condition contained in this Agreement must be in writing. Any such express written waiver shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition, nor shall it affect any Default other than the Default expressly made the subject of the waiver. Any such express waiver shall be operative only for the time and to the extent stated in the waiver. The consent or approval by a party to or of any act by the other party shall not be deemed to waive or render unnecessary consent or approval to or of any subsequent act.

19.13 **Police Power, Regulatory Authority.** This Agreement is entered into by the City in its proprietary capacity. Nothing in this Agreement is intended to preempt, influence or affect in any way the City's rights and duties as a governmental and legislative body. Nothing in this Agreement limits the City in the exercise of its ad judicatory, regulatory, or police powers. The City may and will make decisions concerning land use associated with the project contemplated by this Agreement independent of, and without regard to, any of the provisions of this Agreement.
19.14 **Relationship Between Parties.** Seller and Buyer agree that (a) the relationship between them is, is intended to be and shall at all times remain, in connection with the transactions contemplated by this Agreement, that of Seller and purchaser and (b) neither party is, is intended to be or shall be construed as a partner, joint venturer, alter ego, manager, controlling person or other business associate or participant of any kind of the other party or any of its Affiliates and neither party intends to ever assume such status.

19.15 **Third Parties Not Benefited.** This Agreement is made for the purpose of defining and setting forth certain rights and obligations of Buyer and Seller. It is made for the sole protection of Buyer and Seller, and Buyer's and Seller's heirs, executors, administrators, successors and assigns. No other Person shall have any rights of any nature under or by reason of this Agreement.

19.16 **Minor Modifications, Implementation.** The City Manager is authorized to sign modifications to this Agreement and documents to implement in its provisions if and to the extent that the modifications or implementing documents do not, in the opinion of the City Attorney, change the provisions hereof in a material way.

19.17 **Tax-Deferred Exchange.** Each party shall reasonably cooperate with the other if such other party elects to either acquire the Property or convey the Property in connection with a tax-deferred exchange within the meaning of Section 1031 of the Internal Revenue Code of 1986, as amended, provided that (a) either party’s election to effect a tax-deferred exchange shall not create any additional conditions to the Close of Escrow or extend the Closing Date; and (b) Seller shall not be obligated in any event to take or receive title to any other real property in connection with such exchange. Any such exchange shall be accomplished by supplemental instructions, exchange documents and exchange accommodator, if any, reasonably acceptable to both parties. The party electing to enter into a tax-deferred exchange shall bear all costs in connection therewith and indemnify and hold the other party harmless from and against any and all liens, claims, damages, liabilities, losses, costs and expenses, including reasonable attorneys’ fees, arising out of or relating to the cooperating party’s participation in the tax-deferred exchange contemplated in this Section 19.17. The Close of Escrow shall not be conditioned on the closing of any proposed tax-deferred exchange, and if such proposed tax-deferred exchange is not in a position to close concurrently with the Close of Escrow, Buyer and Seller shall nevertheless be obligated to complete the purchase and sale of the Property on the Closing Date on the terms and conditions of this Agreement.

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

[SIGNATURES ON FOLLOWING PAGE]
EXHIBIT "E"
[SIGNATURE PAGE TO PURCHASE AND SALE AGREEMENT]

Buyer:
CASDEN OXNARD, LLC
by CASDEN PROPERTIES, LLC

By: ____________________________

Print Name: Howard J. Katz

Seller:
CITY OF OXNARD

By: ____________________________

Thomas B. Holden, Mayor

APPROVED AS TO FORM:

By: ________________

Gary Gittings, City Attorney

Accepted and agreed to this 6th day of December, 2006.

FIRST AMERICAN TITLE INSURANCE COMPANY

By ____________________________
EXHIBIT "E"

EXHIBIT A

4.68 Acre Parcel

A portion of Subdivision 7 of the Rancho el Rio de Santa Clara o’ la Colonia in the City of Oxnard, County of Ventura, State of California, as shown on the map filed in the office of the County Clerk of said County in that certain action entitled “Thomas A. Scott, et al., Plffs., vs. Rafael Gonzales, et al., Defts.” described as follows:

Lots 36 and 32 of Tract No. 5032, per map filed in Book 145, Pages 7 through 12, inclusive, of Miscellaneous Records (Maps), in the office of the County Recorder of said County.

9.54 Acre Parcel

A portion of Subdivision 7 of the Rancho el Rio de Santa Clara o’ la Colonia in the City of Oxnard, County of Ventura, State of California, as shown on the map filed in the office of the County Clerk of said County in that certain action entitled “Thomas A. Scott, et al., Plffs., vs. Rafael Gonzales, et al., Defts.” described as follows:

Lot 43 of Tract No. 5032, per map filed in Book 145, Pages 7 through 12, inclusive, of Miscellaneous Records (Maps), in the office of the County Recorder of said County.
EXHIBIT "E"

EXHIBIT B

VINEYARD AVENUE SITE

[Attached]
LEGAL DESCRIPTION

A PART OF SUBDIVISION 7 OF THE RANCHO EL RIO DE SANTA CLARA O'LA COLONIA, PARTLY IN THE CITY OF OXNARD, IN THE COUNTY OF VENTURA, STATE OF CALIFORNIA, AS PER PARISHION MAP FILED IN THE OFFICE OF THE COUNTY CLERK OF SAID COUNTY IN THAT CERTAIN ACTION ENTITLED "THOMAS A. SCOTT, ET AL., PLAINTIFFS VS RAFAEL GONZALEZ, ET AL., DEFENDANTS," SAID REAL PROPERTY PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WESTERLY LINE OF VENTURA ROAD, 60 FEET WIDE, AS SHOWN ON SAID MAP AT THE SOUTHEASTERLY CORNER OF THE LAND DESCRIBED IN DEED TO CITY OF OXNARD, RECORDED JANUARY 21, 1968 AS INSTRUMENT NO. 3070, IN BOOK 2032, PAGE 7 OF OFFICIAL RECORDS; THENCE ALONG WESTERLY LINE OF VENTURA ROAD,

1ST: SOUTH 2781.48 FEET, MORE OR LESS, TO THE NORTHEASTERLY CORNER OF TRACT 1809-1, AS PER MAP RECORDED IN BOOK 48, PAGE 47 OF MISCELLANEOUS RECORDS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE NORTHERLY LINE OF SAID TRACT 1809-1 AND ITS WESTERLY PROLONGATION;

2ND: SOUTH 89° 57' 11" WEST 1480.44 FEET, MORE OR LESS, TO A POINT IN THE EASTERNLY LINE OF THE LAND DESCRIBED IN THE DEED TO ARNOLD DONALD DATED DECEMBER 1, 1988 AND RECORDED IN BOOK 19, PAGE 120 OF DEEDS; THENCE ALONG SAID EASTERNLY LINE TO AND ALONG THE WESTERLY LINE OF THE LAND DESCRIBED IN THE DEED TO THE CITY OF OXNARD RECORDED MAY 27, 1988, AS INSTRUMENT NO. 28341, IN BOOK 3308, PAGE 552 OF OFFICIAL RECORDS.

3RD: NORTH 1845.00 FEET, MORE OR LESS, TO THE SOUTHWESTERN CORNER OF THE HEREINBEFORE FIRST MENTIONED LAND OF THE CITY OF OXNARD; THENCE ALONG THE SOUTHERLY LINE OF SAID LAND,

4TH: NORTH 58° 47' 27" EAST 1726.31 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

EXCEPT THAT PORTION LYING SOUTHEAST OF THE NORTHERLY LINE OF VINEYARD AVENUE, AS SET FORTH IN INSTRUMENT RECORDED NOVEMBER 10, 1983, AS INSTRUMENT NO. 120420 OF OFFICIAL RECORDS.

ALSO EXCEPT THAT PORTION AS GRANTED TO THE CITY OF OXNARD, COUNTY OF VENTURA, STATE OF CALIFORNIA, IN DEED RECORDED DECEMBER 18, 1985 AS INSTRUMENT NO. 144796 OF OFFICIAL RECORDS.

ALSO EXCEPT ALL OILS AND MINERALS LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE OF SAID LAND WITHOUT THE RIGHT TO ENTER UPON THE SURFACE THEREOF, AS RESERVED BY IDA E. SWIFT, TRUSTEE OF THE IDA E. SWIFT TRUST DATED AUGUST 6, 1970 RECORDED APRIL 20, 1979, AS INSTRUMENT NO. 40494 OF OFFICIAL RECORDS.

LICENSE AGREEMENT

This License Agreement ("License") is entered into effective this ___ day of __________, by and between the City of Oxnard ("Licensee") and ____________________________ ("Licensor").

WHEREAS, the Licensor owns the property shown on the attached Exhibit A (the "Property"); and

WHEREAS, Licensee owns and operates certain facilities on the Property used for maintenance and a deep water well; and

WHEREAS, Licensee desires to continue its operation of the facilities (the "Activity") for the time stated herein; and

WHEREAS, Licensor desires to make the Property available to Licensee to conduct the Activity as set forth below.

NOW, THEREFORE, Licensee and Licensor agree:

1. License Grant:
   A. On the conditions contained in this License, Licensor grants to Licensee a license to conduct the Activity on the Property.
   B. The fee for this License is $1.00, receipt of which is acknowledged.

2. Maintenance. In consideration for this License, Licensee shall at all times:
   (1) Cooperate with Licensor as requested and appropriate to coordinate the Activity with other uses of the Property.
   (2) Conduct the Activity in a safe, sane and reasonable manner so as not to cause injury to persons or property.
   (3) Not change the condition of Property from its condition as of the date of this License.

3. Term of License. The term of this License shall begin on January 10, 2007, and shall terminate as provided for herein.
EXHIBIT "E"

4. **Termination.** This License may be terminated on 30 days notice by Licensor by notifying Licensee in writing that Licensor has obtained Entitlements for the Property as provided in that certain Purchase and Sale Agreement dated ________________ between Licensor and Licensee.

5. **Permits, Licenses and Certificates.** Licensor, at Licensor’s expense, shall obtain and maintain during the term of this License, all permits, licenses and certificates required in connection with the conduct of the Activity.

6. **Indemnity by Licensee.**

   A. Licensee agrees to indemnify, hold harmless and defend the Licensor from any and all liability, claims, demands, actions, damages (whether in contract or tort, including personal injury, death at any time, or property damage), costs and financial loss, including all costs and expenses and fees of litigation or arbitration, that arise directly or indirectly from any acts or omissions related to this License and/or the Activity, and any other acts or omissions with respect to the Property by Licensor or its agents, employees, or other persons acting on Licensee’s behalf. This agreement to indemnify, hold harmless and defend shall apply whether such acts or omissions are the product of active negligence, passive negligence, willfulness or acts for which Licensee or its agents, employees or other persons acting on Licensee’s behalf would be held strictly liable.

   B. Licensee’s obligation to defend shall arise when a claim, demand or action is made or filed, whether or not such claim, demand or action results in a determination of liability or damages as to which Licensee is obligated to indemnify and hold harmless.

7. **Insurance.** Licensee is self-insured under California law.

8. **Governing Law.** The construction and interpretation of this License and the right and duties of the Licensee and Licensor hereunder shall be governed by the laws of the State of California.

9. **Compliance with Laws.** Licensee shall comply with all State, federal, and local laws, rules and regulations, now or hereafter in force, pertaining to Licensee’s use of the Property.

10. **Notices.**

    A. Any notices to Licensee may be delivered by mail addressed to City Manager’s Office, 300 W. Third Street, Fourth Floor, Oxnard, California 93030, with a copy to: City Attorney’s Office, Attention: Alan Holmberg, 300 W. Third Street, Suite 300, Oxnard, California 93030.
EXHIBIT "E"

B. Any notice to Licensor may be delivered by mail addressed to: Howard J. Katz, Vice President, Community Development Casden Properties, LLC, 9090 Wilshire Blvd., Beverly Hills, CA 90211.

11. Assignment. Licensee may not delegate its rights or duties under this License without the written consent of Licensor, which consent may not be unreasonably withheld for any reason.

12. Successors and Assigns. This License shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the Licensee and Licensor, for the benefit of the Property.

13. Amendment. This License may be reviewed or amended at any time. Any amendments to this License shall become effective only when agreed to in writing by both the Manager and Licensor.

14. Entire Agreement. This License constitutes the entire agreement of the Licensee and Licensor regarding the subject matter hereof and supersedes all prior communications, agreements and promises, either oral or written.

[SIGNATURES ON FOLLOWING PAGE]
EXHIBIT "E"

[SIGNATURE PAGE TO LICENSE AGREEMENT]

CITY OF OXNARD

CASDEN OXNARD, LLC
By Casden Properties, LLC

EXHIBIT ____________________________
Edmund F. Sotelo, City Manager

APPROVED AS TO FORM:

EXHIBIT ____________________________
Gary L. Gillig, City Attorney

APPROVED AS TO INSURANCE:

EXHIBIT ____________________________
Mike Moret, Risk Manager

APPROVED AS TO CONTENT:

EXHIBIT ____________________________
Michael Henderson,
Deputy Public Works Director
EXHIBIT "E"
Agreement No. 6802

FIRST ADDENDUM TO PURCHASE AND SALE AGREEMENT
AND ESCROW INSTRUCTIONS

THIS FIRST ADDENDUM TO PURCHASE AND SALE AGREEMENT AND
ESCROW INSTRUCTIONS (this "Addendum") is made as of the 21st day of December, 2006,
by and between Casden Oxnard, LLC, a Delaware limited liability company ("Buyer"), and The
City of Oxnard ("Sellers").

Recitals

A. Seller and Buyer entered into that certain Purchase and Sale Agreement and
Escrow Instructions dated as of November 28, 2006 (the "Original Agreement"). All capitalized
terms used herein and not otherwise defined have the meanings ascribed to them in the Original
Agreement.

B. On December 5, 2006, under the Original Agreement, Escrow Holder opened
Escrow No. NCS 244155-LA 1, and Buyer deposited the Deposit with Escrow Holder.

C. Pursuant to Section 8.3.3 of the Original Agreement, on December 18, 2006,
Buyer delivered Buyer's Notice to Seller, containing its disapproval of certain Title Exceptions
and Survey items, relating to a portion of the Property.

D. Seller and Buyer now desire to amend and modify the Original Agreement to i)
correct an inadvertent error which should have identified the 4-acre site as including Lots 34 and
36 (and not Lot 32), ii) acknowledge that Buyer has not received a Title Report for Lot 34
resulting from this inadvertent error, iii) extend the date by which Buyer must review and
approve title and survey, (iv) amend the definition of Entitlements, and (v) correct the notice
provision.

E. NOW, THEREFORE, Seller and Buyer agree that the Original Agreement is
hereby modified as follows:

1. The definition for the word "Entitlements" set forth in Section 1 is hereby deleted
in its entirety and replaced with the following:

"Entitlements' means approval of a general and specific plan amendment,
environmental impact report certification, approvals and other entitlements,
including but not limited to: 1) the Tentative Map (but not the Final Map)
necessary to develop the Property and Buyer's Vineyard Avenue site, which is
described on Exhibit B, as well as such entitlements as may be necessary and
required to permit the development of (i) the 10-acre site and the 4-acre site as
provided and described herein; and (ii) the Buyer's original Vineyard Avenue site
with 161 residential units; 2) elimination to the Buyer's satisfaction of certain
access and surface entry rights established in favor of Cambrian Energy Systems,
as reflected in Exception 22 of the Lot 43 PTR and more particularly described in
Buyer's Notice delivered December 18, 2006 as item 10; and 3) creation of a
recorded easement or such other right satisfactory to Buyer, evidencing of record,
the current encroachment of the flood control channel and access road,
prosumably in favor of the Ventura County Flood Control District, as reflected in
EXHIBIT "E"

Agreement No. 6802

Exception 22 of the Lot 43 PTR and more particularly described in Buyer’s Notice delivered December 18, 2006 as item 12a.”

2. The second (2nd) sentence of Section 8.3.3 is hereby deleted in its entirety and a new second (2nd) sentence is added as follows: “On or before December 22, 2006, Seller shall cause the Title Company to prepare and deliver to Buyer a current preliminary title report with respect to the Property (including Lot 34) prepared on the basis that an ALTA Extended Coverage Owner’s Policy of Title Insurance will be issued ("Title Report") including legible copies of all documents and a plot of all easements reflected as exceptions in such Title Report.”

3. The fifth (5th) sentence of Section 8.3.3 is hereby deleted in its entirety and a new 5th sentence is added as follows: “Buyer shall have through December 27, 2006 ("Buyer’s Notice Date") within which to give Seller and Escrow Holder an amended written notice ("Buyer’s Notice") of Buyer’s disapproval of any exceptions to title shown in the Title Report or items disclosed in the Survey.”

4. The eighth (8th) sentence of Section 8.3.3 is hereby deleted in its entirety and a new 8th sentence is added as follows: “In the event of Buyer’s disapproval of any of the Title Exceptions as set forth in Buyer’s Notice, then Seller shall, no later than January 3, 2007 (Seller’s Notice Date”), give Buyer written notice ("Seller’s Notice") of any disapproved Title Exceptions which Seller will attempt to eliminate from Buyer’s Title Policy and as exceptions to title to the Property.”

5. The addresses for Buyer and Seller set forth in Section 19.2 are hereby deleted in their entirety and the following new addresses are added as follows:

   To Seller:
   City of Oxnard
   300 West Third Street, Suite 302,
   Oxnard, CA 93030
   Attn: Michael More, Financial Services Manager
   (805) 385-7480

   With a copy to:
   City of Oxnard
   300 West Third Street, Suite 300,
   Oxnard, CA 93030
   Attn: Alan Holmberg, Assistant City Attorney
   (805) 385-7427

   To Buyer:
   Casden Oxnard, LLC
   9090 Wilshire Boulevard
   Beverly Hills, CA 90211
   Attention: Legal Department
   (310) 385-3057

6. The first line of the second paragraph of the legal description of the 4-acre site identified as the 4.68 Acre Parcel on Exhibit A shall be deleted and replaced in its entirety as follows: “Lots 36 and 34 of Tract No. 5032, per map filed in Book 145, Pages 7 through 12, inclusive, of...”

7. Upon receipt of this Addendum executed by Seller and Buyer, Escrow Holder will execute this Addendum and return fully executed counterparts to the parties hereto.

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8. Except as amended hereby, the terms and provisions of the Original Agreement remain unmodified, and are ratified and confirmed.

9. This Addendum may be executed in any number of counterparts, each of which will be an original, but all of the counterparts together will constitute one and the same instrument. This Addendum may be executed by facsimile signature. The signature page of any counterpart may be detached without impairing the legal effect of the signature(s) provided that the signature page is attached to any other identical counterpart.

IN WITNESS WHEREOF, Seller and Buyer have caused this Addendum to be executed as of the day and year first above written.

"BUYER": CASDEN OXNARD, LLC,
a Delaware limited liability company

By: Casden Properties, LLC,
a Delaware limited liability company,
it sole member

By: [Signature]
Name: [Name]
Its: [Title]

"SELLER": CITY OF OXNARD

By: [Signature]
Name: [Name]
Its: [Title]

"ESCROW HOLDER": FIRST AMERICAN TITLE INSURANCE COMPANY

By: [Signature]
Name: [Name]
Its: [Title]

Approved as to Form:

By: [Signature]
Name: Alan Holmberg,
Assistant City Attorney, City of Oxnard
EXHIBIT "E"

3. Except as amended hereby, the terms and provisions of the Original Agreement remain unmodified, and are ratified and confirmed.

9. This Addendum may be executed in any number of counterparts, each of which will be an original, but all of the counterparts together will constitute one and the same instrument. This Addendum may be executed by facsimile signature. The signature page of any counterpart may be detached without impairing the legal effect of the signature(s) provided that the signature page is attached to any other identical counterpart.

IN WITNESS WHEREOF, Seller and Buyer have caused this Addendum to be executed as of the day and year first above written.

"BUYER": CAEDEN OXNARD, LLC,
a Delaware limited liability company

By: Casden Properties, LLC,
a Delaware limited liability company,
its sole member

By: ____________________________  
Name: __________________________  
Its: _____________________________

"SELLER": CITY OF OXNARD

By: ____________________________  
Name: __________________________  
Its: _____________________________

"ESCROW HOLDER": FIRST AMERICAN TITLE INSURANCE COMPANY

By: ____________________________  
Name: __________________________  
Its: _____________________________

Approved as to Form

By: ____________________________  
Name: __________________________  
Its: _____________________________

Attachment 4
Page 70 of 97
SECOND ADDENDUM TO PURCHASE AND SALE AGREEMENT
AND ESCROW INSTRUCTIONS

THIS SECOND ADDENDUM TO PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS (this "Addendum") is made as of the 9th day of January, 2007, by and between Casden Oxnard, LLC, a Delaware limited liability company ("Buyer"), and The City of Oxnard ("Seller").

Recitals

A. Seller and Buyer entered into that certain Purchase and Sale Agreement and Escrow Instructions dated as of November 28, 2006, as modified by a First Addendum to Purchase and Sale Agreement and Escrow Instructions dated December 21, 2006 (as so amended, the "Original Agreement"). All capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Original Agreement.

B. Seller and Buyer now desire to amend and modify the Original Agreement to, among other things, further amend the definition of Entitlements.

C. NOW, THEREFORE, Seller and Buyer agree that the Original Agreement is hereby modified as follows:

1. The definition for the word "Entitlements" set forth in Section 1 is hereby deleted in its entirety and replaced with the following:

   "Entitlements" means approval of a general and specific plan amendment, environmental impact report certification, approvals and other entitlements, including but not limited to:

   1) the Tentative Map (but not the Final Map) necessary to develop the Property and Buyer's Vineyard Avenue site, which is described on Exhibit B, as well as such entitlements as may be necessary and required to permit the development of (i) the 10-acre site and the 4-acre site as provided and described herein, and (ii) the Buyer's original Vineyard Avenue site with 161 residential units;

   2) elimination to the Buyer's satisfaction of certain access, surface entry and all other rights established in favor of Cambrian Energy Systems, whether or not reflected in Exception 13 of the Title Report dated December 13, 2006 and more particularly described in Buyer's Notice delivered December 27, 2006 as item A.12.;

   3) creation of a recorded easement or such other right satisfactory to Buyer, evidencing of record, the current encroachment of the flood control channel and access road, presumably in favor of the Ventura County Flood Control District, as reflected in Exception 22 of the initial Title Report for the 10-acre site or as reflected in Buyer's Notice delivered December 27, 2006 as item B.1.b.(i);
EXHIBIT E

Agreement No. 6802

4) the irrevocable termination, to Buyer's satisfaction and at an expense acceptable to Buyer in Buyer's sole discretion, of the following instruments, as well as all easements, benefits and rights held by Southern California Edison Company and any other person arising thereunder: (i) document recorded March 21, 1975 in Book 4382, Page 579 of Official Records of the County of Ventura, California, and (ii) document recorded October 12, 1984 as Instrument No. 84-115744 of Official Records of the County of Ventura, California; and

5) the removal or relocation, to Buyer's satisfaction and at an expense acceptable to Buyer in Buyer's sole discretion, of (i) those underground gas lines (presumably owned by Sempra Energy) located on the 10-acre site, one of which runs parallel to the eastern border of the 10-acre site as indicated on that certain ALTA/ACSM Survey prepared by HMK Engineering, Inc. for Lot 43 under Work Order 06 732, a copy of which is attached hereto as Exhibit A ("Lot 43 Survey"), and (ii) the right-of-way located near the northerly boundary of the 10-acre site and is captioned on the Lot 43 Survey as "Sempra Energy Right of Way Per Sempra Map".

2. At the Close of Escrow, Seller shall, pursuant to an instrument and upon terms and conditions mutually acceptable to Buyer and Seller, be permitted to reserve, from its conveyance of the Property to Buyer, an easement along the southerly boundary of the 10-acre site solely for drainage purposes. The proposed metes and bounds description of such easement is as set forth on Exhibit B hereto.

3. Upon receipt of this Addendum executed by Seller and Buyer, Escrow Holder will execute this Addendum and return fully executed counterparts to the parties hereto.

4. Except as amended hereby, the terms and provisions of the Original Agreement remain unmodified, and are ratified and confirmed.

5. This Addendum may be executed in any number of counterparts, each of which will be an original, but all of the counterparts together will constitute one and the same instrument. This Addendum may be executed by facsimile signature. The signature page of any counterpart may be detached without impairing the legal effect of the signature(s) provided that the signature page is attached to any other identical counterpart.

*The signature page follows this page.*
EXHIBIT E

Agreement No. 6802

IN WITNESS WHEREOF, Seller and Buyer have caused this Addendum to be executed as of the day and year first above written.

"BUYER": CASDEN Oxnard, LLC,
a Delaware limited liability company
By: Casden Properties, LLC,
a Delaware limited liability company,
it's sole member
By: [Signature]
Name: Daniel J. Heald
Its: Chief Financial Officer

"SELLER": CITY OF OXNARD
By: Edmund F. Sotelo, City Manager

"ESCROW HOLDER": FIRST AMERICAN TITLE INSURANCE COMPANY
By: [Signature]
Name: ________________________________
Its: ________________________________

Approved as to Form:

By: ________________________________
Alan Holmberg,
Assistant City Attorney, City of Oxnard
IN WITNESS WHEREOF, Seller and Buyer have caused this Addendum to be executed as of the day and year first above written.

"BUYER": CASDEN OXNARD, LLC, a Delaware limited liability company

By: Casden Properties, LLC, a Delaware limited liability company, its sole member

By: ____________________________
Name: __________________________
Its: ____________________________

"SELLER": CITY OF OXNARD

By: ____________________________
Name: __________________________
Its: ____________________________

"ESCROW HOLDER": FIRST AMERICAN TITLE INSURANCE COMPANY

By: ____________________________
Name: __________________________
Its: ____________________________

Approved as Attorney:

By: ____________________________
Name: __________________________
Its: ____________________________

Alan H. Rosenberg, Assistant City Attorney, City of Oxnard
EXHIBIT E

Agreement No. 6802

Exhibit A
Lot 43 Survey
(attached)
An easement for storm drain purposes, 30 feet wide, within Lot 43 of Tract No. 5032 in the City of Oxnard as per map filed in Book 145 of Miscellaneous Records (Maps) at Pages 7 through 12, inclusive, in the office of the County Recorder of Ventura County, California, the centerline of which is more particularly described as follows:

BEGINNING at a point on the Easterly line of said Lot 43, from which the Southeasterly corner thereof bears South 00°00'17" East, 15.00 feet; thence

1st:  South 89°58'52" West, 42.45 feet; thence

2nd:  South 42°41'32" West, 62.39 feet; thence

3rd:  South 49°17'52" West, 87.64 feet; thence

4th:  South 63°02'04" West, 60.44 feet to the beginning of a tangent curve, having a radius of 131.00 feet; thence

5th:  Northwesterly along said curve, through a central angle of 78°30'36", an arc distance of 179.50 feet to the Westerly line of said Lot 43.

The sidelines of said easement shall be prolonged or foreshortened so as to terminate at the boundaries of said Lot 43.
SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT
AND ESCROW INSTRUCTIONS

This Second Amendment to Purchase and Sale Agreement and Escrow Instructions ("Second Amendment") entered effective as of January 31, 2008, amends the Purchase and Sale Agreement and Escrow Instructions ("Agreement") entered effective as of November 28, 2006, between Casden Oxnard, LLC ("Buyer") and the City of Oxnard ("Seller"). All initially capitalized terms in this Second Amendment have the same meaning as the same terms in the Agreement. The Agreement previously has been amended by an Addendum to Purchase and Sale Agreement and Escrow Instructions ("Addendum") entered as of the 21st day of December 2006.

1. Section 17.1 of the Agreement provides in part:
   "...Buyer will apply for and diligently pursue the entitlements...."

Buyer and Seller agree that Buyer to date has diligently pursued the entitlements as of the date of this Second Amendment.

2. Section 17.2 of the Agreement provides:
   "Seller agrees that subject to the terms and provisions of this Section 17, Seller shall be irrevocably obligated to purchase the property from Buyer no later than sixty (60) days after the date on which Buyer provides a written demand to Seller requiring that Seller purchase the Property pursuant to this Section 17."

Section 17.3 of the Agreement presently provides:

"The right of Buyer to demand that Seller purchase the Property shall, in any event, regardless of efforts of Buyer to obtain entitlements, and regardless of whether Buyer does or does not obtain Entitlements, expire on the earlier to occur of (i) March 14, 2008 or (ii) the date that is thirty (30) days after the date on which the Entitlements have been obtained."

3. Buyer and Seller wish to amend, and by this Second Amendment do hereby amend in its entirety Section 17.3 of the Agreement so that Section 17.3 of the Agreement shall read as follows:
   "The right of Buyer to demand that Seller purchase the Property shall, in any event, regardless of efforts of Buyer to obtain Entitlements, and regardless of whether Buyer does or does not obtain Entitlements, expire on the earlier to occur of (i) June 16, 2008, or (ii) the date that is thirty (30) days after the date on which the Entitlements have been obtained."
4. Section 19.6 of the Agreement provides:

"The City Manager is authorized to sign modifications to this Agreement and documents to implement in [sic] its provisions if and to the extent that the modifications or implementing documents do not, in the opinion of the City Attorney, change the provisions hereof in a material way."

Seller's City Attorney has determined and by executing approval as to the form of this Agreement opines that the modification provided by this Second Amendment does not change the provisions of the Agreement in a material way, but rather allows the parties an additional time period to implement the Agreement.

5. Except as amended by this Second Amendment, the Agreement as amended by the Addendum remains in full force and effect.

"BUYER": CASDEN OXNARD, LLC,
a Delaware limited liability company

By: Casden Properties, LLC,
a Delaware limited liability company,
its sole member

By: ________________________________
Name:  ______________________________________
Its:  ______________________________________

"SELLER": CITY OF OXNARD

By: ________________
Edmundo F. Sotelo, City Manager

APPROVED AS TO FORM:

By: ________________________________
Gary L. Gillig,
City Attorney, City of Oxnard
THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT
AND ESCROW INSTRUCTIONS

This Third Amendment to Purchase and Sale Agreement and Escrow Instructions
(“Second Amendment”) entered effective as of May 15, 2008, amends that Purchase and Sale
Agreement and Escrow Instructions (“Agreement”) entered effective as of November 28, 2006,
between Casden Oxnard, LLC (“Buyer”) and the City of Oxnard (“Seller”). All initially
capitalized terms in this Third Amendment have the same meaning as the same terms in the
Agreement. The Agreement previously has been amended by a First Addendum to Purchase and
Sale Agreement and Escrow Instructions (“Addendum”) entered as of the 21st day of December
2006, a Second Addendum to Purchase and Sale Agreement and Escrow Instructions (“Second
Addendum”) dated as of January 9, 2003, and a Second Amendment to Purchase and Sale
Agreement and Escrow Instructions (“Second Amendment”) dated as of January 31, 2008. There
is no document titled “First Amendment to Purchase and Sale Agreement and Escrow
Instructions.”

1. Section 17.1 of the Agreement provides in part:

“...Buyer will apply for and diligently pursue the Entitlements....”

Buyer and Seller agree that Buyer to date has diligently pursued the Entitlements as of
the date of this Third Amendment.

2. Section 17.2 of the Agreement provides:

“Seller agrees that subject to the terms and provisions of this Section 17,
Seller shall be irrevocably obligated to purchase the property from Buyer no later
than sixty (60) days after the date on which Buyer provides a written demand to
Seller requiring that Seller purchase the Property pursuant to this Section 17.”

Section 17.3 of the Agreement as amended by the Second Amendment presently
provides:

“The right of Buyer to demand that Seller purchase the Property shall, in
any event, regardless of efforts of Buyer to obtain Entitlements, and regardless of
whether Buyer does or does not obtain Entitlements, expire on the earlier to occur
of (i) June 16, 2008, or (ii) the date that is thirty (30) days after the date on which
the Entitlements have been obtained.”

3. Buyer and Seller wish to amend, and by this Third Amendment do hereby amend
in its entirety Section 17.3 of the Agreement so that Section 17.3 of the Agreement shall read as
follows:

“The right of Buyer to demand that Seller purchase the Property shall, in
any event, regardless of efforts of Buyer to obtain Entitlements, and regardless of
EXHIBIT E

whether Buyer does or does not obtain Entitlements, expire on September 3, 2008, provided, however, that if the City meets the milestones set forth below, such rights shall expire on the earlier to occur of (i) November 14, 2008, or (ii) the date that is thirty (30) days after the date on which the Entitlements have been obtained:

(a) Release Draft Environmental Impact Report to State Clearinghouse on May 28, 2008, so that

(b) Environmental Impact Report comment review period ends on Monday, July 14; and

(c) Review, prepare and print Final Environmental Impact Report on or before August 21, 2008.”

4. Section 19.6 of the Agreement provides:

“The City Manager is authorized to sign modifications to this Agreement and documents to implement in [sic] its provisions if and to the extent that the modifications or implementing documents do not, in the opinion of the City Attorney, change the provisions hereof in a material way.”

Seller’s City Attorney has determined, and by executing approval as to the form of this Agreement, opines that the modification provided by this Third Amendment does not change the provisions of the Agreement in a material way, but rather allows the parties an additional time period to implement the Agreement.

5. Except as amended by this Third Amendment, the Agreement as amended by the Addendum remains in full force and effect.

“BUYER”: CASDEN OXNARD, LLC,
a Delaware limited liability company

By: Casden Properties, LLC,
a Delaware limited liability company,
its sole member

By: [Signature]
Name: ROBERT J. HILDESHEIM
Its: PRESIDENT
EXHIBIT E

"SELLER": CITY OF Oxnard

By: Edmund P. Soto, City Manager

APPROVED AS TO FORM:

By: Gary L. Ellis,
City Attorney
EXHIBIT E

Agreement No. 6802

FOURTH AMENDMENT TO PURCHASE AND SALE AGREEMENT
AND ESCROW INSTRUCTIONS

This Fourth Amendment to Purchase and Sale Agreement and Escrow Instructions ("Fourth Amendment") entered effective as of October 15, 2008, amends that Purchase and Sale Agreement and Escrow Instructions ("Agreement") entered effective as of November 28, 2006, between Casden Oxnard, LLC ("Buyer") and the City of Oxnard ("Seller"). All initially capitalized terms in this Fourth Amendment have the same meaning as the same terms in the Agreement. The Agreement previously has been amended by a First Addendum to Purchase and Sale Agreement and Escrow Instructions ("Addendum") entered as of the 21st day of December 2006, a Second Addendum to Purchase and Sale Agreement and Escrow Instructions ("Second Addendum") dated as of January 9, 2003, a Second Amendment to Purchase and Sale Agreement and Escrow Instructions ("Second Amendment") dated as of January 31, 2008, and a Third Amendment to Purchase and Sale Agreement and Escrow Instructions ("Third Amendment") effective as of May 15, 2008. There is no document titled "First Amendment to Purchase and Sale Agreement and Escrow Instructions."

1. Section 17.1 of the Agreement provides in part:

"...Buyer will apply for and diligently pursue the Entitlements...."

Buyer and Seller agree that Buyer has diligently pursued the Entitlements as of the date of this Fourth Amendment.

2. Section 17.2 of the Agreement provides:

"Seller agrees that subject to the terms and provisions of this Section 17, Seller shall be irrevocably obligated to purchase the property from Buyer no later than sixty (60) days after the date on which Buyer provides a written demand to Seller requiring that Seller purchase the Property pursuant to this Section 17."

Section 17.3 of the Agreement, as amended by the Third Amendment, presently provides:

"The right of Buyer to demand that Seller purchase the Property shall, in any event, regardless of efforts of Buyer to obtain Entitlements, and regardless of whether Buyer does or does not obtain Entitlements, expire on September 3, 2008, provided, however, that if the City meets the milestones set forth below, such rights shall expire on the earlier to occur of (i) November 14, 2008, or (ii) the date that is thirty (30) days after the date on which the Entitlements have been obtained:

(a) Release Draft Environmental Impact Report to State Clearinghouse on May 28, 2008, so that
EXHIBIT E

(b) Environmental Impact Report comment review period ends on Monday, July 14; and

(c) Review, prepare and print Final Environmental Impact Report on or before August 21, 2008.”

3. The milestones referenced above in paragraph 2 have been met.

4. Buyer and Seller wish to amend, and by this Fourth Amendment do hereby amend in its entirety, Section 17.3 of the Agreement so that Section 17.3 of the Agreement shall read as follows:

"The right of Buyer to demand that Seller purchase the Property shall, in any event, regardless of efforts of Buyer to obtain Entitlements, and regardless of whether Buyer does or does not obtain Entitlements, expire on the earliest to occur of (i) January 28, 2009, or (ii) the date that is thirty (30) days after the date on which the Entitlements have been obtained."

5. Section 19.6 of the Agreement provides:

"The City Manager is authorized to sign modifications to this Agreement and documents to implement in [sic] its provisions if and to the extent that the modifications or implementing documents do not, in the opinion of the City Attorney, change the provisions hereof in a material way."

Seller’s City Attorney has determined, and by executing approval as to the form of this Agreement, opines that the modification provided by this Fourth Amendment does not change the provisions of the Agreement in a material way, but rather allows the parties an additional time period to implement the Agreement.

5. Except as amended by this Fourth Amendment, the Agreement as previously amended remains in full force and effect.

"BUYER": CASDEN OXNARD, LLC,
a Delaware limited liability company

By: Casden Properties, LLC,
a Delaware limited liability company,
it’s sole member

By: [Signature]
Name: ROBERT I. HILDEBRAND
Its: PRESIDENT
EXHIBIT E

"SELLER": CITY OF OXNARD

By: _____________________________
   Edmund F. Sotelo, City Manager

APPROVED AS TO FORM:

By: _____________________________
   Alan Holmberg
   Acting City Attorney
EXHIBIT F

RECORDING REQUESTED BY:

CITY OF OXNARD

REQUEST RECORDING WITHOUT FEE. RECORD FOR BENEFIT OF CITY OF OXNARD PURSUANT TO SECTION 6103 OF GOVERNMENT CODE.

WHENRecorded PLEASE RETURN TO:

City of Oxnard
305 West Third Street
Oxnard, CA 93030

A.P.N. # 179-040-170; 179-040-180; 179-040-585, 179-040-625 ("Vineyard-Ventura Homes")

AGREEMENT

THIS AGREEMENT (hereinafter referred to as "Agreement") is entered into by and between, CASDEN OXNARD VINEYARD AVENUE LLC, a Delaware limited liability company, CASDEN OXNARD LLC, a Delaware limited liability company (Casden Oxnard Vineyard Avenue LLC and Casden Oxnard LLC are hereinafter referred to individually and collectively as "Developer") and the CITY OF OXNARD, a municipal corporation ("City"), with respect to the following facts and circumstances:

RECITALS

A. Developer is or intends to become the owner of the property located at the Northwest corner of Vineyard Avenue and Ventura Road, more particularly described as Lots 170, 180, 585, and 625 of Tract No. 070, and as Ventura County Assessor Parcel Numbers 179-040-170, 179-040-180, 179-040-585, and 179-040-625 ("the Property"). A legal description of the property is attached as Exhibit A.

B. Developer desires to construct 201 single-family homes on the approximately 25.5-acre Property (herein the "Project"), and has applied to City for a General Plan Amendment, Specific Plan Amendment, Zone Change, Planned Development Permit, Tentative Tract Map and Development Agreement to do so. This application is presently pending and such application has been designated by City as Application No. PZ 06-620-01 (GPA); PZ 06-570-02 (ZC); PZ 06-540-01 (PD); PZ 06-300-01 (TM).

C. The Project will replace undeveloped land with developed land and will have aesthetic impacts on the City that can be mitigated by adding and maintaining landscaped areas around the Project, including street landscaping ("the Improvements"). Developer will construct the Improvements as part of the Project, at Developer's own expense. City expects to seek to
form an assessment district to fund the maintenance of the Improvements. In order to induce City to form such an assessment district, Developer has entered into this Agreement.

D. The Property will receive a special benefit from the Improvements. The Improvements will mitigate the aesthetic impacts of the Project by replacing open space and vegetation lost to development with landscaped areas in and around the Project. The Improvements will also make the Project more attractive and enhance property values within the Project.

E. In planning the Project, Developer has anticipated and desires that City, at the time deemed appropriate by City, seek to form an assessment district to fund maintenance of the Improvements. In order to induce City to do so, Developer has entered into this Agreement.

F. City and Developer acknowledge that Article XIII D was added to the Constitution of the State of California by virtue of the passage of State Ballot Proposition 218 and that formation of an assessment district of the type contemplated by this Agreement is governed by Article XIII D.

G. City and Developer intend this Agreement to be consistent with the requirements of Article XIII D of the California Constitution and any statutes enacted to implement Article XIII D. The provisions of this Agreement shall be interpreted to conform to this intent.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, City and Developer agree as follows:

1. Agreement of Developer. Subject to the provisions of this Agreement, Developer, on behalf of itself and its successors in interest, and in consideration of the agreements of City herein contained, hereby irrevocably agrees as follows:

   a. To support and pay the reasonable out of pocket costs for the formation of an assessment district and the imposition of assessments on the Property to fund maintenance of the Improvements by casting a ballot in favor of the formation of such assessment district for the Property in accordance with procedures set forth in Section 4 of Article XIII D of the California Constitution and any statutes enacted to implement Article XIII D, and to give the City Clerk a proxy to cast a ballot for Developer if Developer does not do so.

   b. To participate in such district during and after the formation thereof and to cast a ballot in favor of assessments proposed by City for the Property in accordance with procedures set forth in Section 4 of Article XIII D of the California Constitution and any statutes enacted to implement Article XIII D, and to give the City Clerk a proxy to cast a ballot for Developer if Developer does not do so.

   c. That the Property will receive a special benefit from the Improvements.

   d. That, pursuant to the creation of such district, the assessments to be imposed on the Property shall not exceed the actual reasonable out of pocket cost incurred to
maintain the Improvements, consistent with the maintenance typical of similar residential developments in similar locations within the City of Oxnard.

e. If City does not form such an assessment district for the Property, to form a homeowners' or property owners' association for the Property to fund maintenance of the Improvements, if, when and as directed by City.

f. That before recording the final map for the Project, Developer shall record covenants, conditions and restrictions ("CC&Rs"), in a form satisfactory to the City Attorney, obligating the owners of all or any part of the Property, or a homeowners' or property owners' association on behalf of those owners, to assume responsibility for funding maintenance of the Improvements from and after the date that such an assessment district, after formation, is disestablished or annual assessments therein are suspended, terminated or reduced.

g. That the agreements herein stated be specifically enforceable by City.

2. Agreement of City. City agrees that installation and maintenance of the Improvements is desirable, necessary and would benefit the Property and, in consideration of the agreements of Developer herein contained, irrevocably agrees as follows:

a. When City deems it appropriate or necessary to do so, City shall seek to form an assessment district to fund the actual reasonable out of pocket cost incurred to maintain the Improvements, consistent with the maintenance typical of similar residential developments in similar locations within the City of Oxnard. If City does not deem the formation of such an assessment district to be appropriate or necessary, City shall have the right to direct Developer to form a homeowners' or property owners' association for the Property to fund maintenance of the Improvements.

b. Notwithstanding the agreement of Developer hereunder to support the formation of an assessment district to fund maintenance of the Improvements, Developer and its successors in interest shall retain the right to challenge the amount of any proposed assessment against the Property on the basis that such assessment (1) does not accurately reflect the actual reasonable out of pocket cost of maintenance of the Improvements, or that (2) the assessment is the result of an inequitable allocation of the benefits and burdens to the proposed Improvements, or that (3) the determination and allocation thereof is otherwise improper.

c. Section 4 (f) of Article XIII D of the California Constitution contemplates that an assessment imposed by a properly formed assessment district may be challenged on the grounds identified herein, and the provisions of said Section 4(f) shall, in all instances, apply to Developer's retained rights under the provisions of subsection b of this section 2 and that City shall not assert or otherwise take a position to the contrary. The provisions of subsection b of this section 2 shall be specifically enforceable by Developer.

3. Recording. The parties agree that at the request of either of them, this Agreement or a Memorandum thereof may be recorded in the official Records of the office of the Recorder for the County of Ventura, California.
4. **Binding Upon Successors.** This Agreement shall be binding upon and shall inure to the benefit of the respective successors and assigns of the parties hereto.

5. **Effective Date.** This Agreement shall be effective when executed by Developer.

---

DATED: CASDEN OXNARD VINEYARD AVENUE LLC, a Delaware limited liability company

By: Casden Properties LLC, a Delaware limited liability company, its sole member

By: ____________________________
    Robert J. Hildebrand, President
    "Developer"

DATED: CASDEN OXNARD LLC, a Delaware limited liability company

By: Casden Properties LLC, a Delaware limited liability company, its sole member

By: ____________________________
    Robert J. Hildebrand, President

DATED: CITY OF OXNARD, a municipal corporation

By: ____________________________
    "City"
STATE OF CALIFORNIA  
COUNTY OF VENTURA  

On _________________, 2008, before me, _______________________, Notary Public, personally appeared ______________________, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

STATE OF CALIFORNIA  
COUNTY OF VENTURA  

On _________________, 2008, before me, _______________________, Notary Public, personally appeared ______________________, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

Attachment 4
Page 90 of 97
EXHIBIT F

RECORDING REQUESTED BY:

CITY OF OXNARD

REQUEST RECORDING WITHOUT FEE. RECORD FOR BENEFIT OF CITY OF OXNARD PURSUANT TO SECTION 6103 OF GOVERNMENT CODE.

WHEN RECORDED PLEASE RETURN TO:

City of Oxnard
305 West Third Street
Oxnard, CA 93030

A.P.N. # 179-0-070-265 ("Ventura Road Townhomes")

AGREEMENT

THIS AGREEMENT is entered into by and between, CASDEN OXNARD LLC, a Delaware limited liability company ("Developer"), and the CITY OF OXNARD, a municipal corporation ("City"), with respect to the following facts and circumstances:

RECITALS

A. Developer is or intends to become the owner of the property located North of the intersection of Vineyard Avenue and Ventura Road, more particularly described as Lot 265 of Tract No. 070, and as Ventura County Assessor Parcel Numbers 179-0-070-265 ("the Property"). A legal description of the property is attached as Exhibit A.

B. Developer desires to construct 143 podium style townhome units on the approximately 9.6-acre Property (herein the "Project"), and has applied to City for a General Plan Amendment, Specific Plan Amendment, Zone Change, Planned Development Permit, and Tentative Tract Map to do so. This application is presently pending and such application has been designated by City as Application No. PZ 07-620-4 (GPA), 07-630-2 (SPA), 07-570-3 (ZC), 07-540-3 (PD), 07-300-11 (TSM), & 07-650-2 (DA)

C. The Project will replace undeveloped land with developed land and will have aesthetic impacts on the City that can be mitigated by adding and maintaining landscaped areas around the Project, including street landscaping ("the Improvements"). Developer will construct the Improvements as part of the Project, at Developer's own expense. City expects to seek to form an assessment district to fund the maintenance of the Improvements. In order to induce City to form such an assessment district, Developer has entered into this Agreement.
D. The Property will receive a special benefit from the Improvements. The Improvements will mitigate the aesthetic impacts of the Project by replacing open space and vegetation lost to development with landscaped areas around the Project. The Improvements will also make the Project more attractive and enhance property values within the Project.

E. In planning the Project, Developer has anticipated and desires that City, at the time deemed appropriate by City, seek to form an assessment district to fund maintenance of the Improvements. In order to induce City to do so, Developer has entered into this Agreement.

F. City and Developer acknowledge that Article XIII D was added to the Constitution of the State of California by virtue of the passage of State Ballot Proposition 218 and that formation of an assessment district of the type contemplated by this Agreement is governed by Article XIII D.

G. City and Developer intend this Agreement to be consistent with the requirements of Article XIII D of the California Constitution and any statutes enacted to implement Article XIII D. The provisions of this Agreement shall be interpreted to conform to this intent.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, City and Developer agree as follows:

1. Agreement of Developer. Subject to the provisions of this Agreement, Developer, on behalf of itself and its successors in interest, and in consideration of the agreements of City herein contained, hereby irrevocably agrees as follows:

   a. To support and pay the reasonable out of pocket costs for the formation of an assessment district and the imposition of assessments on the Property to fund maintenance of the Improvements by casting a ballot in favor of the formation of such assessment district for the Property in accordance with procedures set forth in Section 4 of Article XIII D of the California Constitution and any statutes enacted to implement Article XIII D, and to give the City Clerk a proxy to cast a ballot for Developer if Developer does not do so.

   b. To participate in such district during and after the formation thereof and to cast a ballot in favor of assessments proposed by City for the Property in accordance with procedures set forth in Section 4 of Article XIII D of the California Constitution and any statutes enacted to implement Article XIII D, and to give the City Clerk a proxy to cast a ballot for Developer if Developer does not do so.

   c. That the Property will receive a special benefit from the Improvements.

   d. That, pursuant to the creation of such district, the assessments to be imposed on the Property shall not exceed the actual reasonable out of pocket cost incurred to maintain the Improvements, consistent with the maintenance typical of similar residential developments in similar locations within the City of Oxnard.
e. If City does not form such an assessment district for the Property, to form a homeowners’ or property owners’ association for the Property to fund maintenance of the Improvements, if, when and as directed by City.

f. That before recording the final map for the Project, Developer shall record covenants, conditions and restrictions (“CC&Rs”), in a form satisfactory to the City Attorney, obligating the owners of all or any part of the Property, or a homeowners’ or property owners’ association on behalf of those owners, to assume responsibility for funding maintenance of the Improvements from and after the date that such an assessment district, after formation, is disestablished or annual assessments therein are suspended, terminated or reduced.

g. That the agreements herein stated be specifically enforceable by City.

2. Agreement of City. City agrees that installation and maintenance of the Improvements is desirable, necessary and would benefit the Property and, in consideration of the agreements of Developer herein contained, irrevocably agrees as follows:

a. When City deems it appropriate or necessary to do so, City shall seek to form an assessment district to fund the actual reasonable out of pocket cost incurred to maintain the Improvements, consistent with the maintenance typical of similar residential developments in similar locations within the City of Oxnard. If City does not deem the formation of such an assessment district to be appropriate or necessary, City shall have the right to direct Developer to form a homeowners’ or property owners’ association for the Property to fund maintenance of the Improvements.

b. Notwithstanding the agreement of Developer hereunder to support the formation of an assessment district to fund maintenance of the Improvements, Developer and its successors in interest shall retain the right to challenge the amount of any proposed assessment against the Property on the basis that such assessment (1) does not accurately reflect the actual reasonable out of pocket cost of maintenance of the Improvements, or that (2) the assessment is the result of an inequitable allocation of the benefits and burdens to the proposed Improvements, or that (3) the determination and allocation thereof is otherwise improper.

c. Section 4 (f) of Article XIII D of the California Constitution contemplates that an assessment imposed by a properly formed assessment district may be challenged on the grounds identified herein, and the provisions of said Section 4(f) shall, in all instances, apply to Developer’s retained rights under the provisions of subsection b of this section 2 and that City shall not assert or otherwise take a position to the contrary. The provisions of subsection b of this section 2 shall be specifically enforceable by Developer.

3. Recording. The parties agree that at the request of either of them, this Agreement or a Memorandum thereof may be recorded in the official Records of the office of the Recorder for the County of Ventura, California.

4. Binding Upon Successors. This Agreement shall be binding upon and shall inure to the benefit of the respective successors and assigns of the parties hereto.
5. **Effective Date.** This Agreement shall be effective when executed by Developer.

DATED: CASDEN OXNARD LLC, a Delaware limited liability company

By: Casden Properties LLC, a Delaware limited liability company, its sole member

By: ____________________________
Robert J. Hildebrand, President

DATED: CITY OF OXNARD, a municipal corporation

By: ____________________________
"City"
STATE OF CALIFORNIA )
COUNTY OF VENTURA ) ss.

On ________________________, 2008, before me, ________________________, Notary Public, personally appeared ________________________, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public
## EXHIBIT H

<table>
<thead>
<tr>
<th>Description</th>
<th>Approximate Length (ft)</th>
<th>Casden Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Water</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18” Water Line (Wagon Wheel Loop Phase 1)</td>
<td>4,300</td>
<td>0%</td>
</tr>
<tr>
<td>18” Water Line (Wagon Wheel Loop Phase 2)</td>
<td>3,300</td>
<td>0%</td>
</tr>
<tr>
<td>18” Water Line (Wagon Wheel Loop Phase 3)</td>
<td>4,800</td>
<td>38%</td>
</tr>
<tr>
<td>18” Water Line (Wagon Wheel Loop Phase 4)</td>
<td>3,900</td>
<td>38%</td>
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<tr>
<td><strong>Subtotal</strong></td>
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<td><strong>$1,484,394</strong></td>
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<tr>
<td><strong>Gravity Sewer</strong></td>
<td></td>
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</tr>
<tr>
<td>10” Gravity Sewer (Wagon Wheel to new lift station)</td>
<td>4,000</td>
<td>0%</td>
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<tr>
<td>18” Gravity Sewer (existing to new lift station)</td>
<td>1,800</td>
<td>45%</td>
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<tr>
<td>21” (Gravity Sewer (new lift station inlet)</td>
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<tr>
<td><strong>Subtotal</strong></td>
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<td><strong>$434,850</strong></td>
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<tr>
<td><strong>Sewer Force Main</strong></td>
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<tr>
<td>16” Force Main (new lift station to Gonzales Road)</td>
<td>5,400</td>
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<tr>
<td><strong>Subtotal</strong></td>
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<td><strong>$921,348</strong></td>
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<td><strong>New Lift Station</strong></td>
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<td><strong>Subtotal</strong></td>
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<td><strong>$510,000</strong></td>
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<tr>
<td><strong>Recycled Water</strong></td>
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<td>16” Recycled Water (Gonzales Road to Wagon Wheel)</td>
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<td><strong>Subtotal</strong></td>
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<td><strong>$4,976,216</strong></td>
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<td>Contingency (@20%)</td>
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<td><strong>Total</strong></td>
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<td><strong>$5,971,459</strong></td>
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