Meeting Date: 1/7/2014
Report Type: Staff/Discussion
Report ID: 2014-00037

Title: 600 K Street Resolution of Necessity and Order of Prejudgment Possession (Two-Thirds Vote Required)

Location: 600 K Street, District 4

Issue: The City of Sacramento is pursuing the development of an entertainment and sports center and an adjacent public plaza (“ESC” or “the Project”). The City is making efforts to assemble the site and acquire the necessary parcels through negotiated settlement and in accordance with state law. One of the necessary properties for the project is the former “Macy’s building” site located at 600 K Street (Exhibit “C”). This property is owned by CalPERS. U.S. Bank holds a ground lease on the property. The City obtained an appraisal of the property, and has attempted to negotiate with CalPERS and U.S. Bank to purchase the property. However, to date, a negotiated settlement has not been achieved. Because the City needs site control to proceed with the ESC Project, the City needs to consider exercising its eminent domain authority to acquire the property.

Recommendation: Pass a Resolution of Necessity determining that the public interest and necessity require the acquisition of certain property interests by eminent domain; authorizing the City Attorney to commence eminent domain proceedings; authorizing the filing of a motion for an order for prejudgment possession; and authorizing the City Manager to take the necessary budget and accounting actions to properly account for this transaction.

Contact: John Dangberg, Assistant City Manager, (916) 808-5704; Desmond Parrington, ESC Project Manager, (916) 808-5704, Office of the City Manager

Presenter: John Dangberg, Assistant City Manager, (916) 808-5704, Office of the City Manager

Department: City Manager
Division: Executive Office

Attachments:
1-Description/Analysis
2-Resolution
3-Exhibit A
4-Exhibit B
5 Exhibit C
City Attorney Review
Approved as to Form
Matthew Ruyak
12/24/2013 11:41:23 AM

Approvals/Acknowledgements
Department Director or Designee: Desmond Parrington - 12/24/2013 11:06:17 AM
Description/Analysis

**Issue Detail:** The economic stability of the downtown core has been on a steady decline as evidenced by the decline of the Downtown Plaza where the new ESC would be located. This property was valued by the Sacramento County assessor at approximately $128 million in 2008. In just five years the assessed value has declined $106 million to approximately $22 million representing an 83% drop in value. The Downtown Plaza currently has a vacancy rate of 51%. When including the vacant 600 K Street building, the combined vacancy rate is 61% with concurrent declines in taxable sales. The City’s public investment in the ESC would, in part, reverse the rapid economic decline in the City’s core.

The Sleep Train Arena is the Sacramento region’s primary multipurpose event facility and the home of Sacramento’s National Basketball Association (NBA) team, the Sacramento Kings. This arena, constructed 25 years ago, is outmoded and located outside of the Sacramento region’s downtown core. Its location, design, and condition render it obsolete for many events and uses to benefit the community. Further, it is not serviced by the region’s existing heavy and light rail transportation networks.

The City is pursuing a new City-owned downtown Entertainment and Sports Center (ESC) project. The ESC will be developed under a public-private partnership between the City of Sacramento and Sacramento Basketball Holdings, the owners of the Sacramento Kings. Under the proposed terms of the non-binding Term Sheet approved by the City Council on March 26, 2013 and modified on December 17, 2013, the City would own the ESC, the land it resides on and all or part of the public plaza. However, the City of Sacramento does not possess the staff, financial, or technical resources to independently finance, design, construct, and operate a major multi-purpose facility such as the planned ESC. SBH is therefore responsible for leading the design, entitlement, construction, and operation of the ESC on behalf of the City. SBH is responsible for predevelopment professional service costs during the predevelopment period. The City’s direct capital (cash and property) contribution to the development of the ESC is $258 million. SBH will contribute the balance, estimated to be $189 million, and cover any cost overruns.

The state-of-the-art multipurpose Entertainment and Sports Center will host a wide range of events, including exhibitions, conventions, and sporting events, as well as musical, artistic, civic, and cultural events in downtown Sacramento. The new downtown ESC will include a large outdoor civic plaza and pedestrian corridors designed to accommodate public use and access through and around the ESC. The civic plaza is being designed to
accommodate community events, exhibitions, performances, public art and other recreational purposes. The planned civic plaza and new pedestrian corridors would correct pedestrian and accessibility barriers created by the current Downtown Plaza.

The City of Sacramento itself would use the ESC to host up to nine (9) civic-oriented events per year. The Sacramento Convention and Visitors Bureau, the Sacramento Convention Center, and similar entities would have access to host events at the ESC as well. For civic oriented events, the City would pay no rent or use fee, retain all event-related revenues and only be required to pay the incremental out-of-pocket costs incurred by the ESC operator in hosting the event. Further, the City would directly use the ESC for meetings, banquets, or other small events throughout the year. The City would also have the rights to one suite and event tickets for any official City purpose.

The project would generate thousands of jobs, including employees hired both during construction and for the operation of the ESC. Surrounding development and uses — including hospitality, office, restaurant, and retail — may provide substantial additional job generation.

The National Basketball Association has stipulated a schedule with deadlines under which elements of the ESC must be achieved. The NBA has further stipulated performance penalties, including the potential relocation of the Sacramento Kings to another city if the ESC is not completed by 2017. In that case, the City’s proposed partnership with SBH for a new multi-purpose event facility would be terminated and this important public benefit project abandoned. Therefore staff seeks authorization to file a motion with the court for an Order of Prejudgment Possession so that the Project may proceed on schedule.

**Special Legislation Supporting the ESC Project**

The California Legislature recently enacted special legislation in support of this important public project. Senate Bill No. 743 was approved by the Governor on September 27, 2013, and became effective on January 1, 2014. SB 743 is an act to amend Sections 65088.1 and 65088.4 of the Government Code, and to amend Sections 21181, 21183, 21186, 21187, 21189.1, and 21189.3 of, to add Section 21155.4 to, to add Chapter 2.7 (commencing with Section 21099) to Division 13 of, to add and repeal Section 21168.6.6 of, and to repeal and add Section 21185 of, the Public Resources Code, relating to environmental quality.
In adopting SB 743, the Legislature found and declared all of the following with regards to the Sacramento Entertainment and Sports Center:

(a) The Federal Reserve has stated that “[m]ost policymakers estimate the longer-run normal rate of unemployment is between 5.2 and 6 percent.” At 7.6 percent, the current United States unemployment rate remains markedly higher than the normal rate and both the unemployment rates in Sacramento County and California are higher than the current national unemployment rate.

(b) The California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) requires that the environmental impacts of development projects be identified and mitigated. The act also guarantees the public an opportunity to review and comment on the environmental impacts of a project and to participate meaningfully in the development of mitigation measures for potentially significant environmental impacts.

(c) The existing home of the City of Sacramento’s National Basketball Association (NBA) team, the Sleep Train Arena, is an old and outmoded facility located outside of the City of Sacramento’s downtown area and is not serviced by the region’s existing heavy and light rail transportation networks. It was constructed 25 years ago and a new, more efficient Entertainment and Sports Center located in downtown Sacramento is needed to meet the city’s and region’s needs.

(d) The City of Sacramento and the region would greatly benefit from the addition of a multipurpose event center capable of hosting a wide range of events including exhibitions, conventions, sporting events, as well as musical, artistic, and cultural events in downtown Sacramento.

(e) The proposed Entertainment and Sports Center project is a public-private partnership between the City of Sacramento and the applicant that will result in the construction of a new state-of-the-art multipurpose event center, and surrounding infill development in downtown Sacramento as described in the notice of preparation released by the City of Sacramento on April 12, 2013.
(f) The project will generate over 4,000 full-time jobs including employees hired both during construction and operation of the Entertainment and Sports Center project. This employment estimate does not include the substantial job generation that will occur with the surrounding development uses, which will generate additional hospitality, office, restaurant, and retail jobs in Sacramento’s downtown area.

(g) The project also presents an unprecedented opportunity to implement innovative measures that will significantly reduce traffic and air quality impacts and mitigate the greenhouse gas emissions resulting from the project. The project site is located in downtown Sacramento near heavy and light rail transit facilities, situated to maximize opportunities to encourage non-automobile modes of travel to the Entertainment and Sports Center project, and is consistent with the policies and regional vision included in the Sustainable Communities Strategy adopted pursuant to Chapter 728 of the Statutes of 2008 by the Sacramento Area Council of Governments in April of 2012. The project is also located within close proximity to three major infill development areas including projects (The Bridge District, Railyards, and Township Nine) that received infill infrastructure grants from the state pursuant to Proposition 1C.

(h) It is in the interest of the state to expedite judicial review of the Entertainment and Sports Center project, as appropriate, while protecting the environment and the right of the public to review, comment on, and, if necessary, seek judicial review of, the adequacy of the environmental impact report for the project.

The Legislature further declared:

With respect to certain provisions of this measure, the Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique need for the development of an Entertainment and Sports Center project in the City of Sacramento in an expeditious manner.
Findings Required to Support Adoption of Resolution of Necessity

The City Council must adopt a resolution of necessity prior to exercising the power of eminent domain. (Code of Civil Procedure, § 1240.040.) A resolution of necessity must contain certain findings. These findings are supported as follows:

**A general statement of the public use for which the property is to be taken and a reference to the statute that authorizes the public entity to acquire the property by eminent domain.**

Where the California Legislature has provided by statute that a use, purpose, object, or function is one for which the power of eminent domain may be exercised, such action is deemed to be a declaration by the Legislature that such use, purpose, object or function is a public use. (California Code of Civil Procedure §1240.010.)

In adopting SB 743, the California Legislature has declared that the ESC Project is a public use for which the City of Sacramento may exercise its eminent domain authority to acquire the 600 K Street property.

In addition to SB 743, California Government Code §37501 authorizes a city to exercise its eminent domain authority to acquire property for a public assembly or convention hall. Moreover, Government Code §37350.5 authorizes a city to exercise its eminent domain authority to carry out any of its powers and functions.

**A description of the general location and extent of the property to be taken, with sufficient detail for reasonable identification.**

The property interests to be acquired include fee simple title in and to the subject property at 600 K Street, Sacramento, California. With the exception of the City of Sacramento’s ownership interest in two garage levels on the property, the City’s proposed acquisition of the property will include fee title in and to the property, including any and all leases, improvements, or other encumbrances on the property. The legal description for the proposed acquisition is set forth in Exhibit “A” attached to this Notice. A map depicting the location of the proposed acquisition (in shades of light and dark green) is attached to this Notice and marked Exhibit “B.” The property interests are being acquired for a public project, i.e., the aforementioned Entertainment and Sports Center Project.
A declaration that the governing body of the public entity has found and determined each of the following:

(1) The public interest and necessity require the proposed project.

As discussed above, the economic stability of the downtown core has been on a steady decline. A new City-owned state-of-the art multi-purpose Entertainment and Sports Center will generate significant job growth. In addition, because the Sleep Train Arena is outmoded and obsolete, a new ESC will allow the City to maintain its relationship with the Sacramento Kings’ basketball franchise.

The California Legislature has even enacted special legislation declaring the public benefit and use of the ESC Project, as well as the need of the City to acquire the 600 K Street property for the Project. The Legislature expressly granted the City eminent domain authority to acquire the 600 K Street property for the Project.

As part of SB 743, the Legislature added Public Resources Code section 21168.6, permitting the City to “prosecute an eminent domain action… through an order of possession pursuant to the ’Eminent Domain Law’… prior to completing the environmental review” under the amended California Environmental Quality Act (“CEQA”).

(2) The proposed project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.

As previously explained, the 600 K Street property and surrounding area is near heavy and light rail transit facilities and is in need of economic revitalization. While the building on the site was formerly used by Macy’s as a retail store site, Macy’s has vacated the premises. CalPERS owns the property, and U.S. Bank holds a ground lease, but neither occupies the premises.

Again, as part of SB 743, the Legislature adds Public Resources Code section 21168.6, permitting the City to “prosecute an eminent domain action… through an order of possession pursuant to the ’Eminent Domain Law’… prior to completing the environmental review” under the amended California Environmental Quality Act (“CEQA”).
(3) The property described in the resolution is necessary for the proposed project.

For all the reasons previously stated, the 600 K Street property is necessary for the ESC Project.

(4) That either the offer required by Section 7267.2 of the Government Code has been made to the owner or owners of record, or the offer has not been made because the owner cannot be located with reasonable diligence.

The City retained a qualified MAI (Member Appraisal Institute) commercial appraiser to value the 600 K Street property. The City sent a written offer to CalPERS (the owner of the property) and offered to purchase the property for its full appraised value. The City then attempted to negotiate in good faith with both CalPERS and U.S. Bank (the holder of a ground lease on the property). The City has not received a counter-offer and has not been able to successfully negotiate a purchase and sale of the property.

**Policy Considerations:** The acquisition of this property is necessary for the development of the ESC. The ESC and adjoining civic plaza will collectively be used for the benefit of the public for civic events, public open space and pedestrian access. The development of the ESC project will help transform Downtown Plaza into a center of entertainment and activity and provide Sacramento with a first-class venue for sports, entertainment and cultural events. Completion of the ESC will fulfill several critical policy objectives. Specifically, the ESC will retain existing jobs and create thousands of new ones. In addition, it will help spur additional investment along K Street, in Old Sacramento and throughout downtown. The project will serve as a catalyst for economic development in downtown. The ESC is an important part of realizing the City’s General Plan vision of creating the most livable city in America.

**Economic Impact:** The acquisition of this property is necessary for the development of the ESC. The project is expected to create thousands of new jobs and spur additional development in and around the downtown.

**Environmental Considerations:** Pursuant to Public Resources Code section 21168.6.6.(b)(1), the city may prosecute an eminent domain action for 545 and 600 K Street, Sacramento, California, and surrounding publicly accessible areas and rights-of-way within 200 feet of 600 K Street, Sacramento, California, through order of possession pursuant to the Eminent Domain Law.
prior to completing the environmental review. The actual development of the ESC is subject to review pursuant to the California Environmental Quality Act (CEQA). This review and any legal challenges to such review are set forth in SB 743.

**Sustainability:** Not applicable.

**Commission/Committee Action:** Not applicable.

**Rationale for Recommendation:** The acquisition of this property by the City is critical for the development of a new ESC at Downtown Plaza. The project will serve as an economic catalyst for downtown. It will ensure that the City has a suitable entertainment and sports venue and enhance the entertainment and cultural opportunities in downtown and the region. The Project will also generate thousands of jobs, including employees hired both during construction and for the operation of the Entertainment and Sports Center.

**Financial Considerations:** There are no new financial considerations for the actions recommended in this report. The costs associated with the actions recommended in this report were previously addressed under the Property Acquisition Cost, Defense, and Indemnity Agreement (Agreement #2013-0826) between the City of Sacramento and SBH on August 13, 2013.

**Emerging Small Business Development (ESBD):** Not applicable.
RESOLUTION NO. 2014-
Adopted by the Sacramento City Council

DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF THE PROPERTY AT 600 K STREET, SACRAMENTO, CALIFORNIA, AND DIRECTING THE FILING OF EMINENT DOMAIN PROCEEDINGS FOR THE ENTERTAINMENT AND SPORTS CENTER PROJECT

BACKGROUND

A. The City of Sacramento requires the acquisition of the property located at 600 K Street (“Subject Property”), which is owned by the California Public Employees Retirement System (“CalPERS”).

B. The City of Sacramento is pursuing a new City-owned Entertainment and Sports Center Project (“Project”). This state-of-the-art multipurpose Entertainment and Sports Center will host a wide range of events, including exhibitions, conventions, and sporting events, as well as musical, artistic and cultural events in downtown Sacramento. The Project will also generate thousands of jobs, including employees hired both during construction and for the operation of the Entertainment and Sports Center.

C. The California Legislature recently enacted special legislation relating to this important public Project, including express authorization for the City to acquire certain property by eminent domain. In particular, Senate Bill No. 743, which was approved by the Governor of the State of California on September 27, 2013, and which became effective on January 1, 2014, is an act to amend Sections 65088.1 and 65088.4 of the Government Code, and to amend Sections 21181, 21183, 21186, 21187, 21189.1, and 21189.3 of, to add Section 21155.4 to, to add Chapter 2.7 (commencing with Section 21099) to Division 13 of, to add and repeal Section 21168.6.6 of, and to repeal and add Section 21185 of, the Public Resources Code, relating to environmental quality.

D. For the aforementioned reasons, it is desirable and necessary for the City of Sacramento to acquire fee simple title in the property located at 600 K
Street, Sacramento, California, as more particularly described in Exhibit “A” and Exhibit “B,” which exhibits are attached hereto and made a part hereof by this reference and hereinafter referred to the “Subject Property.”

E. The City of Sacramento is vested with the power of eminent domain to acquire all real property interests by virtue of Article 1, Section 19, of the Constitution of the State of California; California Code of Civil Procedure sections 1240.010 - 1240.050, 1240.110, 1240.120, and 1240.220; California Senate Bill No. 743; California Government Code section 37501; and/or California Government Code section 37350.5.

F. Pursuant to Code of Civil Procedure section 1245.235, the City of Sacramento has provided the owner of the Subject Property, a copy of the “Notice of Intention to Adopt Resolution of Necessity” informing it of the date and time any interested person can be heard before the City Council, on the following matters, and to have the City Council give consideration to testimony prior to deciding whether or not to adopt the proposed Resolution of Necessity to commence eminent domain proceedings:

1) Whether the public interest and necessity require the Project;

2) Whether the Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury;

3) Whether the property sought to be acquired is necessary for said Project;

4) Whether the property is being acquired for a compatible use under Code of Civil Procedure section 1240.510 in that the City’s use of the property will not interfere with or impair the continued public use as it now exists or may reasonably be expected to exist in the future;

5) Whether the property is being acquired for a more necessary public use under the Code of Civil Procedure section 1240.610 in that the
City’s use of the property is a more necessary public use than the use to which the property is appropriated; and

6) Whether the offer required by Government Code section 7267.2 has been made to the owner of record.

G. Pursuant to the provisions of section 7267.2 of the Government Code of the State of California, the City of Sacramento has made an offer to the owner of record to acquire the Subject Property for just compensation and provided same with an appraisal summary statement.

H. Newly enacted Senate Bill No. 743 provides a statutory process whereby the City of Sacramento may prosecute an eminent domain action through an order for possession prior to completing the environmental review on the Entertainment and Sports Center Project under the California Environmental Quality Act (“CEQA”). The City of Sacramento will comply with the requirements of CEQA pursuant to this newly enacted statutory process.

I. The City Council considered this matter as an item placed on its agenda at its regular meeting of January 7, 2013.

J. All the findings and conclusions made by the City Council pursuant to this Resolution are based upon substantial evidence in the entire record before the City Council, and are not based solely on the information provided in this Resolution.

K. Prior to taking action, the City Council has heard, been presented with, reviewed and considered all of the information and data in the administrative record, including each of the Project-related documents relevant to the adoption of this Resolution, including but not limited to, Senate Bill No. 743, the Report to Council, and all oral and written evidence presented to it during all meetings and hearings.

L. The City Council has duly considered all pertinent information presented to it on the issue before it, and specifically whether: (1) the public interest and necessity require the Project; (2) the Project is planned or located in the manner that will be the most compatible with the greatest public good and the least private injury; and (3) the Subject Property is necessary for the Project.

M. All other legal prerequisites to the adoption of the Resolution have
BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The above recitals are true and correct and are matters on which these findings are based.

Section 2. The public interest and necessity require this Project.

Section 3. The Project is planned and located in the manner that will be most compatible with the greatest public good and the least private injury as determined.

Section 4. The taking in fee simple title of the real property more particularly described in Exhibit “A” and Exhibit “B” is necessary for the Project.

Section 5. The offer required by Government Code section 7267.2 was made to the owner of record on September 5, 2013.

Section 6. The proposed use of the Subject Project will not unreasonably interfere with or impair the continuance of the public use as it currently exists or may reasonably be expected to exist in the future, pursuant to California Code of Civil Procedure section 1240.510.

Section 7. The use for which the Subject Property is sought to be taken is a more necessary public use than the use to which the property is currently appropriated, pursuant to California Code of Civil Procedure Section 1240.610.

Section 8. While continuing to make every reasonable effort to acquire the Subject Property interests by negotiation, the City Attorney of the City of Sacramento or his duly authorized designee be, and is hereby, authorized and directed to institute and conduct to conclusion an action in eminent domain for the acquisition of the Subject Property and to take such action as may be deemed advisable or necessary in connection therewith.

Section 9. An order for prejudgment possession may be obtained in said
action and a warrant issued to the State Treasury Condemnation
Fund, in the amount determined by the Court to be so deposited,
as a condition to the right of immediate possession.

Section 10. The City Manager is authorized to take the necessary budget and
accounting actions to properly account for this transaction.
EXHIBIT “A”

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

PARCEL 1:


FURTHER EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCELS A, B, AND C:

PARCEL A:

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF SACRAMENTO, CALIFORNIA DESCRIBED AS FOLLOWS:

G-1

ALL THAT PORTION OF THE BLOCK BOUNDED BY 6TH AND 7TH, "K" AND "L" STREETS OF THE CITY OF SACRAMENTO, THE OFFICIAL PLAT OF WHICH IS RECORDED IN BOOK 1 OF MAPS, MAP NO. 3, COUNTY OF SACRAMENTO, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF SAID BLOCK, LYING BETWEEN TWO HORIZONTAL PLANES, THE UPPER OF WHICH HAVING AN ELEVATION OF 29.09 FEET, AND THE LOWER OF WHICH HAVING AN ELEVATION OF 19.67 FEET, AS SAID ELEVATIONS ARE REFERRED TO A BRASS DISC SET IN CONCRETE ON TOP OF THE NORTH END OF A CONCRETE WALL LOCATED AT THE SOUTHEAST CORNER OF 5TH AND "J"
STREETS MARKED "CITY OF SACRAMENTO, ELEVATION 28.28, February 1970", MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST LINE OF LOT 8 OF SAID BLOCK FROM WHICH THE SOUTHWEST CORNER THEREOF BEARS SOUTH 18° 29' 30" WEST 16.78 FEET, AND RUNNING THENCE ALONG THE EAST LINE OF 6TH STREET, NORTH 18° 29' 30" EAST 323.94 FEET, TO THE NORTHWEST CORNER OF LOT 1 OF SAID BLOCK; THENCE ALONG THE SOUTH LINE OF "K" STREET SOUTH 71° 29' 30" EAST 220.67 FEET TO THE NORTHEAST CORNER OF THE WEST 3/4 OF LOT 3 OF SAID BLOCK; THENCE ALONG THE EAST LINE OF THE WEST 3/4 OF SAID LOT 3 AND THE SOUTHERLY PRODUCTION THEREOF; SOUTH 18° 29' 51" WEST 180.25 FEET, TO A POINT ON THE NORTH LINE OF LOT 6 OF SAID BLOCK; THENCE ALONG THE NORTH LINE OF SAID LOT 6, SOUTH 71° 31' 17" EAST 0.06 FEET, TO A POINT FROM WHICH THE NORTHEAST CORNER OF SAID LOT 6 BEARS SOUTH 71° 31' 17" EAST 20.00 FEET; THENCE SOUTH 18° 29' 40" WEST 126.17 FEET; THENCE SOUTH 71° 33' 00" EAST 10.50 FEET; THENCE SOUTH 18° 27' 00" WEST 34.00 FEET, TO A POINT ON THE SOUTH FACE OF THE BUILDING SITED WITHIN PORTIONS OF LOTS 1, 2, 3, 6, 7 AND 8 OF SAID BLOCK, FROM WHICH POINT THE SOUTHEAST CORNER OF SAID LOT 6 BEARS SOUTH 71° 33' 00" EAST 9.46 FEET AND SOUTH 18° 29' 53" WEST 0.07 FEET; THENCE ALONG THE SOUTHERLY FACE OF SAID BUILDING, NORTH 71° 33' 00" WEST 27.00 FEET; THENCE NORTH 18° 27' 00" EAST 16.71 FEET; THENCE NORTH 71° 33' 00" WEST 88.09 FEET; THENCE NORTH 18° 27' 00" EAST 2.12 FEET; THENCE NORTH 71° 33' 00" WEST 2.67 FEET; THENCE NORTH 18° 27' 00" EAST 23.28 FEET; THENCE NORTH 71° 33' 00" WEST 22.38 FEET; THENCE SOUTH 18° 27' 00" WEST 23.34 FEET; THENCE NORTH 71° 33' 00" WEST 2.65 FEET; THENCE SOUTH 18° 27' 00" WEST 2.20 FEET; THENCE NORTH 71° 27' 30" WEST 88.43 FEET, TO THE POINT OF BEGINNING.

EXCEPTING FROM PARCEL A THE FOLLOWING DESCRIBED PARCEL:

BEGINNING AT A POINT ON THE NORTH LINE OF LOT 6 OF SAID BLOCK, FROM WHICH THE NORTHEAST CORNER THEREOF BEARS SOUTH 71° 31' 17" EAST 20.00 FEET, SAID POINT OF BEGINNING HAVING AN ELEVATION 29.09 FEET, AND RUNNING THENCE HORIZONTALLY SOUTH 18° 29' 40" WEST 119.17 FEET, TO A POINT ON THE NORTHERLY FACE OF THE LOADING DOCK OF THE BUILDING SITED WITHIN PORTIONS OF LOTS 1, 2, 3, 6, 7 AND 8 OF SAID BLOCK; THENCE HORIZONTALLY ALONG THE NORTHERLY FACE OF SAID LOADING DOCK, THE EASTERLY FACE OF SAID BUILDING, AND THE SOUTHERLY FACE OF THE PORTION OF SAID BUILDING LYING WITHIN LOT 3 OF SAID BLOCK AND LYING BELOW ELEVATION 29.09 FEET, THE FOLLOWING THREE (3) COURSES AND DISTANCES: (1) NORTH 71° 33' 00" WEST 16.47 FEET, (2) NORTH 18° 27' 00" EAST 172.99 FEET AND (3) SOUTH 71° 33' 00" EAST 16.55 FEET, TO A POINT ON THE EAST LINE OF THE WEST 3/4 OF LOT 3 OF SAID BLOCK; THENCE HORIZONTALLY ALONG THE EAST LINE OF THE WEST 3/4 OF SAID LOT 3; SOUTH 18° 29' 51" WEST 53.82 FEET, TO A POINT ON THE NORTH LINE OF SAID LOT 6; THENCE HORIZONTALLY ALONG THE NORTH LINE OF SAID LOT 6, SOUTH 71° 31' 17" EAST 0.06 FEET, TO THE POINT OF BEGINNING; THENCE VERTICALLY DOWNWARD 9.42 FEET, TO A POINT HAVING AN ELEVATION OF 19.67 FEET; THENCE HORIZONTALLY SOUTH 18° 29' 40" WEST 19.17 FEET; THENCE ALONG AN INCLINED PLANE, RISING SOUTHWESTERLY WITH A ZENITH DISTANCE OF 84° 44' 00" SOUTH 18° 29' 40" WEST 60.25 FEET MEASURED ALONG SAID INCLINED PLANE (HORIZONTAL DISTANCE = 60.00 FEET) TO AN ELEVATION OF 25.20 FEET; THENCE ALONG AN INCLINED PLAN, RISING SOUTHWESTERLY WITH A ZENITH DISTANCE OF 89° 34' 15" SOUTH 18° 29' 40" WEST 40.00 FEET MEASURED ALONG SAID INCLINED PLAN (HORIZONTAL DISTANCE = 40.00 FEET) TO AN ELEVATION OF 25.50 FEET ON THE NORTHERLY FACE OF SAID LOADING DOCK; THENCE HORIZONTALLY ALONG THE NORTHERLY FACE OF SAID LOADING DOCK, NORTH 71° 33' 00" WEST 16.47 FEET, TO A POINT ON THE EASTERLY FACE OF SAID BUILDING; THENCE ALONG THE EASTERLY FACE OF SAID BUILDING THE FOLLOWING THREE (3) COURSES AND DISTANCES: (1) ALONG AN INCLINED PLANE, FALLING NORTHEASTERLY WITH A ZENITH DISTANCE OF 90° 25' 45" NORTH 18° 27' 00" EAST 40.00 FEET MEASURED ALONG SAID INCLINED PLACE (HORIZONTAL DISTANCE = 40.00 FEET) TO AN ELEVATION OF 25.20 FEET, (2) ALONG AN INCLINED PLANE, FALLING NORTHEASTERLY
WITH A ZENITH DISTANCE OF 95° 16' 00" NORTH 18° 27' 00" EAST 60.25 FEET MEASURED ALONG SAID INCLINED PLANE (HORIZONTAL DISTANCE = 60.00 FEET) NORTH 18° 27' 00" EAST 72.99 FEET, TO A POINT ON THE SOUTHERLY FACE OF SAID BUILDING LYING WITHIN LOT 3 OF SAID BLOCK AND LYING BELOW ELEVATION OF 29.09 FEET; THENCE HORIZONTALLY ALONG SAID SOUTHERLY FACE SOUTH 71° 33' 00" EAST 16.55 FEET, TO A POINT ON THE EAST LINE OF THE WEST 3/4 OF LOT 3 OF SAID BLOCK; THENCE HORIZONTALLY ALONG THE EAST LINE OF THE WEST 3/4 OF SAID LOT 3, SOUTH 18° 29' 51" WEST 53.82 FEET, TO A POINT ON THE NORTH LINE OF LOT 6 OF SAID BLOCK; THENCE HORIZONTALLY ALONG THE NORTH LINE OF SAID LOT 6 SOUTH 71° 31' 17" EAST 0.06 FEET; TO A POINT FROM WHICH THE NORTHEAST CORNER OF SAID LOT 6 BEARS SOUTH 71° 31' 17" EAST 20.00 FEET, AT AN ELEVATION OF 19.67 FEET; THENCE VERTICALLY UPWARD 9.42 FEET TO THE POINT OF BEGINNING.

PARCEL "B"

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF SACRAMENTO, CALIFORNIA, DESCRIBED AS FOLLOWS:

G-4

ALL THAT PORTION OF THE BLOCK BOUNDED BY 6TH AND 7TH, "K" AND "L" STREETS OF THE CITY OF SACRAMENTO, THE OFFICIAL PLAT OF WHICH IS RECORDED IN BOOK 1 OF MAPS, MAP NO. 3, COUNTY OF SACRAMENTO, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF SAID BLOCK, LYING BETWEEN TWO HORIZONTAL PLANES, THE UPPER OF WHICH HAVING AN ELEVATION OF 19.67 FEET, AND THE LOWER OF WHICH HAVING AN ELEVATION OF 0.00 FEET, AS SAID ELEVATIONS, ARE REFERRED TO A BRASS DISC SET IN CONCRETE ON TOP OF THE NORTH AND OF A CONCRETE WALL LOCATED AT THE SOUTHEAST CORNER OF 5TH AND "J" STREETS MARKED "CITY OF SACRAMENTO, ELEVATION 28.28, February, 1970" MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 1 OF SAID BLOCK, AND RUNNING THENCE ALONG THE SOUTH LINE OF "K" STREET, SOUTH 71° 29' 30" EAST 220.67 FEET, TO THE NORTHEAST CORNER OF THE WEST 3/4 OF LOT 3 OF SAID BLOCK; THENCE ALONG THE EAST LINE OF THE WEST 3/4 OF SAID LOT 3, AND THE SOUTHERLY PRODUCTION THEREOF, SOUTH 18° 29' 51" WEST 180.25 FEET, TO A POINT ON THE NORTH LINE OF LOT 6 OF SAID BLOCK; THENCE ALONG THE NORTH LINE OF SAID LOT 6, SOUTH 71° 31' 17" EAST 0.06 FEET, TO A POINT FROM WHICH THE NORTHEAST CORNER OF SAID LOT 6 BEARS SOUTH 71° 31' 17" EAST 20.00 FEET; THENCE SOUTH 18° 29' 40" WEST 126.17 FEET;

THENCE SOUTH 71° 33' 00" EAST 10.50 FEET; THENCE SOUTH 18° 27' 00" WEST 34.00 FEET; THENCE SOUTH 71° 33' 00" EAST 9.46 FEET, TO A POINT ON THE EAST LINE OF LOT 6 OF SAID BLOCK; THENCE ALONG THE EAST LINE OF SAID LOT 6, SOUTH 18° 29' 53" WEST 0.07 FEET, TO THE SOUTHEAST CORNER THEREOF; THENCE ALONG THE NORTH LINE OF "L" STREET, NORTH 71° 33' 00" WEST 240.69 FEET, TO THE SOUTHWEST CORNER OF LOT 8 OF SAID BLOCK; THENCE ALONG THE EAST LINE OF 6TH STREET, NORTH 18° 29' 30" EAST 340.72 FEET, TO THE POINT OF BEGINNING.

PARCEL "C":

THAT PORTION OF "K" AND 6TH STREETS IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF WHICH IS RECORDED IN BOOK 1 OF MAPS, MAP NO. 3, RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:
BEGINNING AT THE NORTHWEST CORNER OF LOT 1 OF THAT CERTAIN BLOCK BOUNDED BY 6TH AND 7TH, "K" AND "L" STREETS OF THE CITY OF SACRAMENTO, ACCORDING TO THE OFFICIAL PLAT THEREOF; THENCE SOUTH 71° 30' 17" EAST 220.67 FEET ALONG THE SOUTHERLY LINE OF SAID "K" STREET TO THE NORTHEAST CORNER OF THE WEST 3/4 OF LOT 3 OF SAID BLOCK; THENCE NORTH 18° 25' 31" EAST 40.00 FEET ALONG THE NORTHERLY PROLONGATION OF THE EASTERLY LINE OF SAID WEST 3/4 OF SAID LOT 3 TO A POINT ON THE CENTER LINE OF "K" STREET; THENCE NORTH 71° 30' 17" WEST 260.62 FEET ALONG SAID CENTER LINE OF "K" STREET TO THE CENTER LINE OF 6TH STREET; THENCE SOUTH 18° 29' 28" WEST 23.33 FEET ALONG SAID CENTER LINE OF 6TH STREET TO THE NORTHWEST CORNER OF PARCEL U-5 OF THAT CERTAIN PARCEL MAP ENTITLED "PORTION OF BLOCKS BOUNDED BY 5TH, 7TH, J AND L STREETS", RECORDED IN THE OFFICE OF THE SACRAMENTO COUNTY RECORDER ON JULY 29, 1970 IN BOOK 3 OF PARCEL MAPS, AT PAGE 24; THENCE ALONG THE NORTHERLY AND PORTION OF THE EASTERLY BOUNDARY OF SAID PARCEL U-5, THE FOLLOWING FOUR (4) COURSES: (1) SOUTH 71° 30' 32" EAST 5.06 FEET, (2) NORTH 18° 29' 28" EAST 1.00 FOOT, (3) SOUTH 71° 30' 32" EAST 14.83 FEET AND (4) SOUTH 18° 29' 28" WEST 74.00 FEET; THENCE SOUTH 71° 30' 17" EAST 20.11 FEET TO THE EASTERLY LINE OF SAID 6TH STREET; THENCE NORTH 18° 29' 28" EAST 56.33 FEET ALONG SAID EASTERLY LINE TO THE POINT OF BEGINNING.

FURTHER EXCEPTING THEREFROM the building, structures, and other improvements located thereon.

PARCEL 2:


EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCELS A, B, AND C:

PARCEL A:

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF SACRAMENTO, CALIFORNIA DESCRIBED AS FOLLOWS:

G-1

ALL THAT PORTION OF THE BLOCK BOUNDED BY 6TH AND 7TH, "K" AND "L" STREETS OF THE CITY OF SACRAMENTO, THE OFFICIAL PLAT OF WHICH IS RECORDED IN BOOK 1 OF MAPS, MAP NO. 3, COUNTY OF SACRAMENTO, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF SAID BLOCK, LYING BETWEEN TWO HORIZONTAL PLANES, THE UPPER OF WHICH HAVING AN ELEVATION OF 29.09 FEET, AND THE LOWER OF WHICH HAVING AN ELEVATION OF 19.67 FEET, AS SAID ELEVATIONS ARE REFERRED TO A BRASS DISC SET IN CONCRETE ON TOP OF THE NORTH END OF A CONCRETE WALL LOCATED AT THE SOUTHEAST CORNER OF 5TH AND "J" STREETS MARKED "CITY OF SACRAMENTO, ELEVATION 28.28, February 1970", MORE PARTICULARLY DESCRIBED AS FOLLOWS:
BEGINNING AT A POINT ON THE WEST LINE OF LOT 8 OF SAID BLOCK FROM WHICH THE SOUTHWEST CORNER THEREOF BEARS SOUTH 18° 29' 30" WEST 16.78 FEET, AND RUNNING THENCE ALONG THE EAST LINE OF 6TH STREET, NORTH 18° 29' 30" EAST 323.94 FEET, TO THE NORTHWEST CORNER OF LOT 1 OF SAID BLOCK; THENCE ALONG THE SOUTH LINE OF "K" STREET SOUTH 71° 29' 30" EAST 220.67 FEET TO THE NORTHEAST CORNER OF THE WEST 3/4 OF LOT 3 OF SAID BLOCK; THENCE ALONG THE EAST LINE OF THE WEST 3/4 OF SAID LOT 3 AND THE SOUTHERLY PRODUCTION THEREOF; SOUTH 18° 29' 51" WEST 180.25 FEET, TO A POINT ON THE NORTH LINE OF LOT 6 OF SAID BLOCK; THENCE ALONG THE NORTH LINE OF SAID LOT 6, SOUTH 71° 31' 17" EAST 0.06 FEET, TO A POINT FROM WHICH THE NORTHEAST CORNER OF SAID LOT 6 BEARS SOUTH 71° 31' 17" EAST 20.00 FEET; THENCE SOUTH 18° 29' 40" WEST 126.17 FEET; THENCE SOUTH 71° 33' 00" EAST 10.50 FEET; THENCE SOUTH 18° 27' 00" WEST 34.00 FEET, TO A POINT ON THE SOUTHERLY FACE OF THE BUILDING SITED WITHIN PORTIONS OF LOTS 1, 2, 3, 6, 7 AND 8 OF SAID BLOCK, FROM WHICH POINT THE SOUTHEAST CORNER OF SAID LOT 6 BEARS SOUTH 71° 33' 00" EAST 9.46 FEET AND SOUTH 18° 29' 53" WEST 0.07 FEET; THENCE ALONG THE SOUTHERLY FACE OF SAID BUILDING, NORTH 71° 33' 00" WEST 27.00 FEET; THENCE NORTH 18° 27' 00" EAST 16.71 FEET; THENCE NORTH 71° 33' 00" WEST 88.09 FEET; THENCE NORTH 18° 27' 00" EAST 2.12 FEET; THENCE NORTH 71° 33' 00" WEST 2.67 FEET; THENCE NORTH 18° 27' 00" EAST 23.28 FEET; THENCE NORTH 71° 33' 00" WEST 22.38 FEET; THENCE SOUTH 18° 27' 00" WEST 23.34 FEET; THENCE NORTH 71° 33' 00" WEST 2.65 FEET; THENCE SOUTH 18° 27' 00" WEST 2.20 FEET; THENCE NORTH 71° 27' 30" WEST 88.43 FEET, TO THE POINT OF BEGINNING.

EXCEPTING FROM PARCEL A THE FOLLOWING DESCRIBED PARCEL:

BEGINNING AT A POINT ON THE NORTH LINE OF LOT 6 OF SAID BLOCK, FROM WHICH THE NORTHEAST CORNER THEREOF BEARS SOUTH 71° 31' 17" EAST 20.00 FEET, SAID POINT OF BEGINNING HAVING AN ELEVATION 29.09 FEET, AND RUNNING THENCE HORIZONTALLY SOUTH 18° 29' 40" WEST 119.17 FEET, TO A POINT ON THE NORTHERLY FACE OF THE LOADING DOCK OF THE BUILDING SITED WITHIN PORTIONS OF LOTS 1, 2, 3, 6, 7 AND 8 OF SAID BLOCK, THENCE HORIZONTALLY ALONG THE NORTHERLY FACE OF SAID LOADING DOCK, THE EASTERLY FACE OF SAID BUILDING, AND THE SOUTHERLY FACE OF THE PORTION OF SAID BUILDING LYING WITHIN LOT 3 OF SAID BLOCK AND LYING BELOW ELEVATION 29.09 FEET, THE FOLLOWING THREE (3) COURSES AND DISTANCES: (1) NORTH 71° 33' 00" WEST 16.47 FEET, (2) NORTH 18° 27' 00" EAST 172.99 FEET AND (3) SOUTH 71° 33' 00" EAST 16.55 FEET, TO A POINT ON THE EAST LINE OF THE WEST 3/4 OF LOT 3 OF SAID BLOCK; THENCE HORIZONTALLY ALONG THE EAST LINE OF THE WEST 3/4 OF SAID LOT 3; SOUTH 18° 29' 51" WEST 53.82 FEET, TO A POINT ON THE NORTH LINE OF SAID LOT 6; THENCE HORIZONTALLY ALONG THE NORTH LINE OF SAID LOT 6, SOUTH 71° 31' 17" EAST 0.06 FEET, TO THE POINT OF BEGINNING; THENCE VERTICALLY DOWNWARD 9.42 FEET, TO A POINT HAVING AN ELEVATION OF 19.67 FEET; THENCE HORIZONTALLY SOUTH 18° 29' 40" WEST 19.17 FEET; THENCE ALONG AN INCLINED PLANE, RISING SOUTHWESTERLY WITH A ZENITH DISTANCE OF 84° 44' 00" SOUTH 18° 29' 40" WEST 60.25 FEET MEASURED ALONG SAID INCLINED PLANE (HORIZONTAL DISTANCE = 60.00 FEET) TO AN ELEVATION OF 25.20 FEET; THENCE ALONG AN INCLINED PLAN, RISING SOUTHWESTERLY WITH A ZENITH DISTANCE OF 89° 34' 15" SOUTH 18° 29' 40" WEST 40.00 FEET MEASURED ALONG SAID INCLINED PLAN (HORIZONTAL DISTANCE = 40.00 FEET) TO AN ELEVATION OF 25.50 FEET ON THE NORTHERLY FACE OF SAID LOADING DOCK; THENCE HORIZONTALLY ALONG THE NORTHERLY FACE OF SAID LOADING DOCK, NORTH 71° 33' 00" WEST 16.47 FEET, TO A POINT ON THE EASTERLY FACE OF SAID BUILDING; THENCE ALONG THE EASTERLY FACE OF SAID BUILDING THE FOLLOWING THREE (3) COURSES AND DISTANCES: (1) ALONG AN INCLINED PLANE, FALLING NORTHEASTERLY WITH A ZENITH DISTANCE OF 90° 25' 45" NORTH 18° 27' 00" EAST 40.00 FEET MEASURED ALONG SAID INCLINED PLANE (HORIZONTAL DISTANCE = 40.00 FEET) TO AN ELEVATION OF 25.20 FEET, (2) ALONG AN INCLINED PLANE, FALLING NORTHEASTERLY WITH A ZENITH DISTANCE OF 95° 16' 00" NORTH 18° 27' 00" EAST 60.25 FEET MEASURED ALONG SAID INCLINED PLANE (HORIZONTAL DISTANCE = 60.00 FEET) NORTH 18° 27' 00" EAST 72.99 FEET, TO A POINT ON THE SOUTHERLY FACE OF SAID BUILDING LYING WITHIN LOT 3 OF SAID BLOCK AND
LYING BELOW ELEVATION OF 29.09 FEET; THENCE HORIZONTALLY ALONG SAID SOUtherLY FACE SOUTH 71° 33' 00" EAST 16.55 FEET, TO A POINT ON THE EAST LINE OF THE WEST 3/4 OF LOT 3 OF SAID BLOCK; THENCE HORIZONTALLY ALONG THE EAST LINE OF THE WEST 3/4 OF SAID LOT 3, SOUTH 18° 29' 51" WEST 53.82 FEET, TO A POINT ON THE NORTH LINE OF LOT 6 OF SAID BLOCK; THENCE HORIZONTALLY ALONG THE NORTH LINE OF SAID LOT 6 SOUTH 71° 31' 17" EAST 0.06 FEET; TO A POINT FROM WHICH THE NORTHEAST CORNER OF SAID LOT 6 BEARS SOUTH 71° 31' 17" EAST 20.00 FEET, AT AN ELEVATION OF 19.67 FEET; THENCE VERTICALLY UPWARD 9.42 FEET TO THE POINT OF BEGINNING.

PARCEL "B"

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF SACRAMENTO, CALIFORNIA, DESCRIBED AS FOLLOWS:

G-4

ALL THAT PORTION OF THE BLOCK BOUNDED BY 6TH AND 7TH, "K" AND "L" STREETS OF THE CITY OF SACRAMENTO, THE OFFICIAL PLAT OF WHICH IS RECORDED IN BOOK 1 OF MAPS, MAP NO. 3, COUNTY OF SACRAMENTO, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF SAID BLOCK, LYING BETWEEN TWO HORIZONTAL PLANES, THE UPPER OF WHICH HAVING AN ELEVATION OF 19.67 FEET, AND THE LOWER OF WHICH HAVING AN ELEVATION OF 0.00 FEET, AS SAID ELEVATIONS, ARE REFERRED TO A BRASS DISC SET IN CONCRETE ON TOP OF THE NORTH AND OF A CONCRETE WALL LOCATED AT THE SOUTHEAST CORNER OF 5TH AND "J" STREETS MARKED "CITY OF SACRAMENTO, ELEVATION 28.28, February, 1970" MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 1 OF SAID BLOCK, AND RUNNING THENCE ALONG THE SOUTH LINE OF "K" STREET, SOUTH 71° 29' 30" EAST 220.67 FEET, TO THE NORTHEAST CORNER OF THE WEST 3/4 OF LOT 3 OF SAID BLOCK; THENCE ALONG THE EAST LINE OF THE WEST 3/4 OF SAID LOT 3, AND THE SOUTHERLY PRODUCTION THEREOF, SOUTH 18° 29' 51" WEST 180.25 FEET, TO A POINT ON THE NORTH LINE OF LOT 6 OF SAID BLOCK; THENCE ALONG THE NORTH LINE OF SAID LOT 6, SOUTH 71° 31' 17" EAST 0.06 FEET, TO A POINT FROM WHICH THE NORTHEAST CORNER OF SAID LOT 6 BEARS SOUTH 71° 31' 17" EAST 20.00 FEET; THENCE SOUTH 18° 29' 40" WEST 126.17 FEET;

THENCE SOUTH 71° 33' 00" EAST 10.50 FEET; THENCE SOUTH 18° 27' 00" WEST 34.00 FEET; THENCE SOUTH 71° 33' 00" EAST 9.46 FEET, TO A POINT ON THE EAST LINE OF LOT 6 OF SAID BLOCK; THENCE ALONG THE EAST LINE OF SAID LOT 6, SOUTH 18° 29' 53" WEST 0.07 FEET, TO THE SOUTHEAST CORNER THEREOF; THENCE ALONG THE NORTH LINE OF "L" STREET, NORTH 71° 33' 00" WEST 240.69 FEET, TO THE SOUTHWEST CORNER OF LOT 8 OF SAID BLOCK; THENCE ALONG THE EAST LINE OF 6TH STREET, NORTH 18° 29' 30" EAST 340.72 FEET, TO THE POINT OF BEGINNING.

PARCEL "C":

THAT PORTION OF "K" AND 6TH STREETS IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF WHICH IS RECORDED IN BOOK 1 OF MAPS, MAP NO. 3, RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 1 OF THAT CERTAIN BLOCK BOUNDED BY 6TH AND 7TH, "K" AND "L" STREETS OF THE CITY OF SACRAMENTO, ACCORDING TO THE OFFICIAL PLAT THEREOF; THENCE SOUTH 71° 30' 17" EAST 220.67 FEET ALONG THE SOUTHERLY LINE OF SAID "K" STREET TO THE NORTHEAST CORNER OF THE WEST 3/4 OF LOT 3 OF SAID BLOCK; THENCE NORTH
18° 25' 31" EAST 40.00 FEET ALONG THE NORTHERLY PROLONGATION OF THE EASTERLY LINE OF
SAID WEST 3/4 OF SAID LOT 3 TO A POINT ON THE CENTER LINE OF "K" STREET; THENCE NORTH 71°
30' 17" WEST 260.62 FEET ALONG SAID CENTER LINE OF "K" STREET TO THE CENTER LINE OF 6TH
STREET; THENCE SOUTH 18° 29' 28" WEST 23.33 FEET ALONG SAID CENTER LINE OF 6TH STREET TO
THE NORTHWEST CORNER OF PARCEL U-5 OF THAT CERTAIN PARCEL MAP ENTITLED "PORTION OF
BLOCKS BOUNDED BY 5TH, 7TH, J AND L STREETS", RECORDED IN THE OFFICE OF THE SACRAMENTO
COUNTY RECORDER ON July 29, 1970 IN BOOK 3 OF PARCEL MAPS, AT PAGE 24; THENCE ALONG THE
NORTHERLY AND PORTION OF THE EASTERLY BOUNDARY OF SAID PARCEL U-5, THE FOLLOWING
FOUR (4) COURSES; (1) SOUTH 71° 30' 32" EAST 5.06 FEET, (2) NORTH 18° 29' 28" EAST 1.00 FOOT,
(3) SOUTH 71° 30' 32" EAST 14.83 FEET AND (4) SOUTH 18° 29' 28" WEST 74.00 FEET; THENCE SOUTH
71° 30' 17" EAST 20.11 FEET TO THE EASTERLY LINE OF SAID 6TH STREET; THENCE NORTH 18° 29'
28" EAST 56.33 FEET ALONG SAID EASTERLY LINE TO THE POINT OF BEGINNING.

FURTHER EXCEPTIONING THEREFROM the building, structures, and other improvements located
thereon.

PARCEL 3:

THE NORTH 20.00 FEET OF LOT 5 IN THE BLOCK BOUNDED BY 6TH AND 7TH, "K" AND "L" STREETS OF
THE CITY OF SACRAMENTO, ACCORDING TO THE OFFICIAL PLAT THEREOF. TOGETHER WITH THE
SOUTH 1/2 OF THE ALLEY IN THE BLOCK BOUNDED BY 6TH AND 7TH, "K" AND "L" STREETS OF THE
CITY OF SACRAMENTO, ACCORDING TO THE OFFICIAL PLAT THEREOF, LYING BETWEEN THE
NORTHERLY PRODUCTION OF THE WEST LINE OF LOT 5 IN SAID BLOCK AND THE WEST LINE OF SAID
7TH STREET, AND THE WEST 1/2 OF 7TH STREET OF THE CITY OF SACRAMENTO, ACCORDING TO THE
OFFICIAL PLAT THEREOF, LYING BETWEEN THE EASTERLY PRODUCTION OF THE CENTER LINE OF THE
ALLEY IN THE BLOCK BOUNDED BY 6TH AND 7TH, "K" AND "L" STREETS OF THE CITY OF
SACRAMENTO, AS SHOWN ON SAID PLAT, AND THE EASTERLY PRODUCTION OF THE SOUTH LINE OF THE
NORTH 20.00 FEET OF LOT 5 IN SAID BLOCK.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCELS A, B, AND C:

PARCEL A:

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF SACRAMENTO, CALIFORNIA DESCRIBED
AS FOLLOWS:

G-1

ALL THAT PORTION OF THE BLOCK BOUNDED BY 6TH AND 7TH, "K" AND "L" STREETS OF THE CITY OF
SACRAMENTO, THE OFFICIAL PLAT OF WHICH IS RECORDED IN BOOK 1 OF MAPS, MAP NO. 3, COUNTY
OF SACRAMENTO, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF SAID BLOCK, LYING BETWEEN TWO HORIZONTAL PLANES, THE UPPER OF
WHICH HAVING AN ELEVATION OF 29.09 FEET, AND THE LOWER OF WHICH HAVING AN ELEVATION
OF 19.67 FEET, AS SAID ELEVATIONS ARE REFERRED TO A BRASS DISC SET IN CONCRETE ON TOP OF
THE NORTH END OF A CONCRETE WALL LOCATED AT THE SOUTHEAST CORNER OF 5TH AND "J"
STREETS MARKED "CITY OF SACRAMENTO, ELEVATION 28.28, February 1970", MORE PARTICULARLY
DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST LINE OF LOT 8 OF SAID BLOCK FROM WHICH THE SOUTHWEST
CORNER THEREOF BEARS SOUTH 18° 29' 30" WEST 16.78 FEET, AND RUNNING THENCE ALONG THE
EAST LINE OF 6TH STREET, NORTH 18° 29' 30" EAST 323.94 FEET, TO THE NORTHWEST CORNER OF
LOT 1 OF SAID BLOCK; THENCE ALONG THE SOUTH LINE OF "K" STREET SOUTH 71° 29' 30" EAST 220.67 FEET TO THE NORTHEAST CORNER OF THE WEST 3/4 OF LOT 3 OF SAID BLOCK; THENCE ALONG THE EAST LINE OF THE WEST 3/4 OF SAID LOT 3 AND THE SOUTHERLY PRODUCTION THEREOF; SOUTH 18° 29' 51" WEST 180.25 FEET, TO A POINT ON THE NORTH LINE OF LOT 6 OF SAID BLOCK; THENCE ALONG THE NORTH LINE OF SAID LOT 6, SOUTH 71° 31' 17" EAST 0.06 FEET, TO A POINT FROM WHICH THE NORTHEAST CORNER OF SAID LOT 6 BEARS SOUTH 71° 31' 17" EAST 20.00 FEET; THENCE SOUTH 18° 29' 40" WEST 126.17 FEET; THENCE SOUTH 71° 33' 00" EAST 10.50 FEET; THENCE SOUTH 18° 27' 00" WEST 34.00 FEET, TO A POINT ON THE SOUTHERLY FACE OF THE BUILDING SITED WITHIN PORTIONS OF LOTS 1, 2, 3, 6, 7 AND 8 OF SAID BLOCK, FROM WHICH POINT THE SOUTHEAST CORNER OF SAID LOT 6 BEARS SOUTH 71° 33' 00" EAST 9.46 FEET AND SOUTH 18° 29' 53" WEST 0.07 FEET; THENCE ALONG THE SOUTHERLY FACE OF SAID BUILDING, NORTH 71° 33' 00" WEST 27.00 FEET; THENCE NORTH 18° 27' 00" EAST 16.71 FEET; THENCE NORTH 71° 33' 00" WEST 88.09 FEET; THENCE NORTH 18° 27' 00" EAST 2.12 FEET; THENCE NORTH 71° 33' 00" WEST 2.67 FEET; THENCE NORTH 18° 27' 00" EAST 23.28 FEET; THENCE NORTH 71° 33' 00" WEST 22.38 FEET; THENCE SOUTH 18° 27' 00" WEST 23.34 FEET; THENCE NORTH 71° 33' 00" WEST 2.65 FEET; THENCE SOUTH 18° 27' 00" WEST 2.20 FEET; THENCE NORTH 71° 27' 30" WEST 88.43 FEET, TO THE POINT OF BEGINNING.

EXCEPTING FROM PARCEL A THE FOLLOWING DESCRIBED PARCEL:

BEGINNING AT A POINT ON THE NORTH LINE OF LOT 6 OF SAID BLOCK, FROM WHICH THE NORTHEAST CORNER THEREOF BEARS SOUTH 71° 31' 17" EAST 20.00 FEET, SAID POINT OF BEGINNING HAVING AN ELEVATION 29.09 FEET, AND RUNNING THENCE HORIZONTALLY SOUTH 18° 29' 40" WEST 119.17 FEET, TO A POINT ON THE NORTHERLY FACE OF THE LOADING DOCK OF THE BUILDING SITED WITHIN PORTIONS OF LOTS 1, 2, 3, 6, 7 AND 8 OF SAID BLOCK; THENCE HORIZONTALLY ALONG THE NORTHERLY FACE OF SAID LOADING DOCK, THE EASTERLY FACE OF SAID BUILDING, AND THE SOUTHERLY FACE OF THE PORTION OF SAID BUILDING LYING WITHIN LOT 3 OF SAID BLOCK AND LYING BELOW ELEVATION 29.09 FEET, THE FOLLOWING THREE (3) COURSES AND DISTANCES: (1) NORTH 71° 33' 00" WEST 16.47 FEET, (2) NORTH 18° 27' 00" EAST 172.99 FEET AND (3) SOUTH 71° 33' 00" EAST 16.55 FEET, TO A POINT ON THE EAST LINE OF THE WEST 3/4 OF LOT 3 OF SAID BLOCK; THENCE HORIZONTALLY ALONG THE EAST LINE OF THE WEST 3/4 OF SAID LOT 3; SOUTH 18° 29' 51" WEST 53.82 FEET, TO A POINT ON THE NORTH LINE OF SAID LOT 6; THENCE HORIZONTALLY ALONG THE NORTH LINE OF SAID LOT 6, SOUTH 71° 31' 17" EAST 0.06 FEET, TO THE POINT OF BEGINNING; THENCE VERTICALLY DOWNWARD 9.42 FEET, TO A POINT HAVING AN ELEVATION OF 19.67 FEET; THENCE HORIZONTALLY SOUTH 18° 29' 40" WEST 19.17 FEET; THENCE ALONG AN INCLINED PLANE, RISING SOUTHWESTERLY WITH A ZENITH DISTANCE OF 84° 44' 00" SOUTH 18° 29' 40" WEST 60.25 FEET MEASURED ALONG SAID INCLINED PLANE (HORIZONTAL DISTANCE = 60.00 FEET) TO AN ELEVATION OF 25.20 FEET; THENCE ALONG AN INCLINED PLAN, RISING SOUTHWESTERLY WITH A ZENITH DISTANCE OF 89° 34' 15" SOUTH 18° 29' 40" WEST 40.00 FEET MEASURED ALONG SAID INCLINED PLAN (HORIZONTAL DISTANCE = 40.00 FEET) TO AN ELEVATION OF 25.50 FEET ON THE NORTHERLY FACE OF SAID LOADING DOCK; THENCE HORIZONTALLY ALONG THE NORTHERLY FACE OF SAID LOADING DOCK, NORTH 71° 33' 00" WEST 16.47 FEET, TO A POINT ON THE EASTERLY FACE OF SAID BUILDING; THENCE ALONG THE EASTERLY FACE OF SAID BUILDING THE FOLLOWING THREE (3) COURSES AND DISTANCES: (1) ALONG AN INCLINED PLANE, FALLING NORTHEASTERLY WITH A ZENITH DISTANCE OF 90° 25' 45" NORTH 18° 27' 00" EAST 40.00 FEET MEASURED ALONG SAID INCLINED PLACE (HORIZONTAL DISTANCE = 40.00 FEET) TO AN ELEVATION OF 25.20 FEET, (2) ALONG AN INCLINED PLANE, FALLING NORTHEASTERLY WITH A ZENITH DISTANCE OF 95° 16' 00" NORTH 18° 27' 00" EAST 60.25 FEET MEASURED ALONG SAID INCLINED PLANE (HORIZONTAL DISTANCE = 60.00 FEET) NORTH 18° 27' 00" EAST 72.99 FEET, TO A POINT ON THE SOUTHERLY FACE OF SAID BUILDING LYING WITHIN LOT 3 OF SAID BLOCK AND LYING BELOW ELEVATION OF 29.09 FEET; THENCE HORIZONTALLY ALONG SAID SOUTHERLY FACE SOUTH 71° 33' 00" EAST 16.55 FEET, TO A POINT ON THE EAST LINE OF THE WEST 3/4 OF LOT 3 OF SAID BLOCK; THENCE HORIZONTALLY ALONG THE EAST LINE OF THE WEST 3/4 OF SAID LOT 3,
SOUTH 18° 29' 51" WEST 53.82 FEET, TO A POINT ON THE NORTH LINE OF LOT 6 OF SAID BLOCK; THENCE HORIZONTALLY ALONG THE NORTH LINE OF SAID LOT 6 SOUTH 71° 31' 17" EAST 0.06 FEET; TO A POINT FROM WHICH THE NORTHEAST CORNER OF SAID LOT 6 BEARS SOUTH 71° 31' 17" EAST 20.00 FEET, AT AN ELEVATION OF 19.67 FEET; THENCE VERTICALLY UPWARD 9.42 FEET TO THE POINT OF BEGINNING.

PARCEL "B"

ALL THAT CERTAIN REAL PROPERTY SITUATE IN THE CITY OF SACRAMENTO, CALIFORNIA, DESCRIBED AS FOLLOWS:

G-4

ALL THAT PORTION OF THE BLOCK BOUNDED BY 6TH AND 7TH, "K" AND "L" STREETS OF THE CITY OF SACRAMENTO, THE OFFICIAL PLAT OF WHICH ISRecorded in Book 1 of Maps, Map No. 3, County of SACRAMENTO, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF SAID BLOCK, LYING BETWEEN TWO HORIZONTAL PLANES, THE UPPER OF WHICH HAVING AN ELEVATION OF 19.67 FEET, AND THE LOWER OF WHICH HAVING AN ELEVATION OF 0.00 FEET, AS SAID ELEVATIONS, ARE REFERRED TO A BRASS DISC SET IN CONCRETE ON TOP OF THE NORTH AND OF A CONCRETE WALL LOCATED AT THE SOUTHEAST CORNER OF 5TH AND "J" STREETS MARKED "CITY OF SACRAMENTO, ELEVATION 28.28, February, 1970" MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 1 OF SAID BLOCK, AND RUNNING THENCE ALONG THE SOUTH LINE OF "K" STREET, SOUTH 71° 29' 30" EAST 220.67 FEET, TO THE NORTHEAST CORNER OF THE WEST 3/4 OF LOT 3 OF SAID BLOCK; THENCE ALONG THE EAST LINE OF THE WEST 3/4 OF SAID LOT 3, AND THE SOUTHERLY PRODUCTION THEREOF, SOUTH 18° 29' 51" WEST 180.25 FEET, TO A POINT ON THE NORTH LINE OF LOT 6 OF SAID BLOCK; THENCE ALONG THE NORTH LINE OF SAID LOT 6, SOUTH 71° 31' 17" EAST 0.06 FEET, TO A POINT FROM WHICH THE NORTHEAST CORNER OF SAID LOT 6 BEARS SOUTH 71° 31' 17" EAST 20.00 FEET; THENCE SOUTH 18° 29' 40" WEST 126.17 FEET;

THENCE SOUTH 71° 33' 00" EAST 10.50 FEET; THENCE SOUTH 18° 27' 00" WEST 34.00 FEET; THENCE SOUTH 71° 33' 00" EAST 9.46 FEET, TO A POINT ON THE EAST LINE OF LOT 6 OF SAID BLOCK; THENCE ALONG THE EAST LINE OF SAID LOT 6, SOUTH 18° 29' 53" WEST 0.07 FEET, TO THE SOUTHEAST CORNER THEREOF; THENCE ALONG THE NORTH LINE OF "L" STREET, NORTH 71° 33' 00" WEST 240.69 FEET, TO THE SOUTHWEST CORNER OF LOT 8 OF SAID BLOCK; THENCE ALONG THE EAST LINE OF 6TH STREET, NORTH 18° 29' 30" EAST 340.72 FEET, TO THE POINT OF BEGINNING.

PARCEL "C";

THAT PORTION OF "K" AND 6TH STREETS IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF WHICH IS RECORDED IN BOOK 1 OF MAPS, MAP NO. 3, RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT 1 OF THAT CERTAIN BLOCK BOUNDED BY 6TH AND 7TH, "K" AND "L" STREETS OF THE CITY OF SACRAMENTO, ACCORDING TO THE OFFICIAL PLAT THEREOF; THENCE SOUTH 71° 30' 17" EAST 220.67 FEET ALONG THE SOUTHERLY LINE OF SAID "K" STREET TO THE NORTHEAST CORNER OF THE WEST 3/4 OF LOT 3 OF SAID BLOCK; THENCE NORTH 18° 25' 31" EAST 40.00 FEET ALONG THE NORTHERLY PROLONGATION OF THE EASTERN LINE OF SAID WEST 3/4 OF SAID LOT 3 TO A POINT ON THE CENTER LINE OF "K" STREET; THENCE NORTH 71° 30' 17" WEST 260.62 FEET ALONG SAID CENTER LINE OF "K" STREET TO THE CENTER LINE OF 6TH
STREET; THENCE SOUTH 18° 29' 28" WEST 23.33 FEET ALONG SAID CENTER LINE OF 6TH STREET TO THE NORTHWEST CORNER OF PARCEL U-5 OF THAT CERTAIN PARCEL MAP ENTITLED "PORTION OF BLOCKS BOUNDED BY 5TH, 7TH, J AND L STREETS", RECORDED IN THE OFFICE OF THE SACRAMENTO COUNTY RECORDER ON July 29, 1970 IN BOOK 3 OF PARCEL MAPS, AT PAGE 24; THENCE ALONG THE NORTHERLY AND PORTION OF THE EASTERN BOUNDARY OF SAID PARCEL U-5, THE FOLLOWING FOUR (4) COURSES: (1) SOUTH 71° 30' 32" EAST 5.06 FEET, (2) NORTH 18° 29' 28" EAST 1.00 FOOT, (3) SOUTH 71° 30' 32" EAST 14.83 FEET AND (4) SOUTH 18° 29' 28" WEST 74.00 FEET; THENCE SOUTH 71° 30' 17" EAST 20.11 FEET TO THE EASTERLY LINE OF SAID 6TH STREET; THENCE NORTH 18° 29' 28" EAST 56.33 FEET ALONG SAID EASTERLY LINE TO THE POINT OF BEGINNING.

FURTHER EXCEPTING FROM PARCEL THREE the building, structures, and other improvements located thereon.

PARCEL 4:

A NON-EXCLUSIVE EASEMENT FOR PEDESTRIAN INGRESS AND/OR EGRESS, ON, OVER AND ACROSS THE FOLLOWING:

THAT PORTION OF "K" AND 6TH STREETS IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT OF WHICH IS RECORDED IN BOOK 1 OF MAPS, MAP NO. 3, RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

THAT AREA BOUNDED VERTICALLY ON THE LOWER LIMIT BY A PLANE REPRESENTING THE FINISHED SURFACE AT STREET LEVEL AND ON THE HIGHER LIMIT BY A PLANE TWELVE FEET (12') ABOVE AND CONTIGUOUS WITH SAID STREET LEVEL PLAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTHERLY LINE OF "K" STREET, 80 FEET IN WIDTH, AND THE WESTERLY LINE OF 7TH STREET, 80 FEET IN WIDTH; THENCE NORTH 71° 30' 17" WEST 360.76 FEET ALONG SAID NORTHERLY LINE OF "K" STREET TO A POINT ON THE CENTER LINE OF 6TH STREET; THENCE SOUTH 18° 27' 12" WEST 40.00 FEET ALONG SAID CENTER LINE OF 6TH STREET TO A POINT ON THE CENTER LINE OF "K" STREET; THENCE SOUTH 18° 29' 28" WEST 2.61 FEET ALONG SAID CENTER LINE OF 6TH STREET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE EASTERY, HAVING A RADIUS OF 30.50 FEET, A RADIAL LINE TO SAID CURVE BEARS SOUTH 76° 10' 56" WEST; THENCE SOUTHEASTERLY 24.78 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 46° 33' 35" TO A NON-TANGENT LINE; THENCE SOUTH 18° 29' 28" WEST 80.10 FEET; THENCE SOUTH 71° 30' 17" EAST 20.11 FEET TO A POINT ON THE EASTERN LINE OF SAID 6TH STREET; THENCE NORTH 18° 29' 28" EAST 78.27 FEET ALONG SAID EASTERLY LINE OF 6TH STREET AND THE NORTHERLY PROLATION OF SAID EASTERLY LINE OF 6TH STREET; THENCE SOUTH 66° 52' 24" EAST 67.26 FEET; THENCE SOUTH 23° 07' 36" WEST 16.56 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID "K" STREET; THENCE SOUTH 71° 30' 17" EAST 72.24 FEET ALONG SAID SOUTHERLY LINE OF "K" STREET; THENCE NORTH 23° 07' 36" EAST 10.73 FEET; THENCE SOUTH 66° 52' 24" EAST 68.00 FEET; THENCE SOUTH 23° 07' 36" WEST 5.22 FEET TO A POINT ON SAID SOUTHERLY LINE OF "K" STREET; THENCE SOUTH 71° 30' 17" EAST 15.61 FEET ALONG SAID SOUTHERLY LINE OF "K" STREET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY HAVING A RADIUS OF 38.50 FEET, SAID POINT OF CURVATURE BEARS SOUTH 71° 30' 17" EAST 1.10 FEET FROM THE NORTHEAST CORNER OF THE WEST 3/4 OF LOT 3 OF SAID BLOCK; THENCE NORTHERLY 61.98 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 92° 13' 58" TO A POINT ON THE CENTER LINE OF "K" STREET; THENCE SOUTH 71° 30' 17" EAST 60.47 FEET ALONG SAID CENTER LINE OF "K" STREET TO A POINT ON THE SOUTHERLY PROLATION OF THE WESTERLY LINE OF SAID 7TH STREET; THENCE NORTH 18° 31' 53" EAST 40.00 FEET ALONG SAID SOUTHERLY PROLATION OF THE WESTERLY LINE OF 7TH STREET TO THE POINT OF BEGINNING.
THE FOREGOING AREA OF PEDESTRIAN INGRESS AND EGRESS SHALL BE CONTAINED WITHIN BUT
SHALL NOT OCCUPY ALL OF THE ABOVE DESCRIBED AREA. THE SPECIFIC AREAS OF PEDESTRIAN
ACCESS SHALL BE LIMITED TO THE PEDESTRIAN WALKWAYS, RAMPS, THROUGHWAYS AND OTHER
PEDESTRIAN ELEMENTS TO BE DEVELOPED WITH SUCH AREA IN ACCORDANCE WITH THE PLANS AND
SPECIFICATION APPROVED BY GRANTEE.

PARCEL 5:

NON-EXCLUSIVE EASEMENTS, APPURTEANT, AS PROVIDED FOR IN THAT CERTAIN EASEMENT,
RESTRICTION AND OPERATING AGREEMENT, SET FORTH AS EXCEPTION NO. 18 HEREIN, AND
RECORDED October 31, 1979 IN BOOK 7910-31 OF OFFICIAL RECORDS, AS PAGE 202, AND
AMENDMENT THERETO RECORDED MAY 22, 1980, BOOK 8005-22, PAGE 274, OFFICIAL RECORDS.

PARCEL 6:

EASEMENTS FOR PEDESTRIAN INGRESS PURPOSES AS SET FORTH IN GRANT OF EASEMENT
RECORDED IN BOOK 930628 PAGE 1934 June 28, 1993 OFFICIAL RECORDS SACRAMENTO COUNTY
RECORDS.

PARCEL 7:

EASEMENTS CONTAINED IN THAT CERTAIN CROSS EASEMENT AGREEMENT RECORDED IN BOOK
931015 PAGE 2018 October 15, 1993 OFFICIAL RECORDS SACRAMENTO COUNTY CALIFORNIA.