AFTER RECORDING MAIL TO:
FEY'S CANYON FINANCIAL SERVICES
P. O. BOX 2849
PALM SPRINGS, CA 92263

MAIL TAX STATEMENTS TO:
Marc F. Hettinger
3216 East Colter St.
Phoenix AZ 85018

PSL- 53A
Tract 3582
Lot 2 Unit 14

2015-0282890
07/01/2015 10:31 AM Fee: $ 93.00
Page 1 of 27
Recorded in Official Records
County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder

					R	A	Exam: 508	
Page	DA	PCOR	Misc	Long	RFD	1st Pg	Adtl Pg	Cert	CC
27									1
SIZE	NCOR	SMF	NCHG	T: 011					

94.50

TRA # 011-003
A.P.N.# 009-602-640
CITY: PALM SPRINGS

D.D.T. $ 2.20

SUCCESSOR PROPRIETARY SUBLEASE

TITLE OF DOCUMENT

THIS AREA FOR RECORDER'S USE ONLY

THIS PAGE ADDED TO PROVIDE ADEQUATE SPACE FOR RECORDING INFORMATION
($3.00 ADDITIONAL RECORDING FEE APPLIES)

RIVERSIDE COUNTY

STC SCSD 3964 Rev 3/97

RECORDING REQUESTED BY
AND WHEN RECORDED, RETURN TO:

Fey's Canyon Financial Services
P.O. Box 2849
Palm Springs, CA 92263

(NO CHANGE IN ADDRESS FOR TAX STATEMENTS)

APN: 009-602-640
TRA: 011-003

SUCCESSOR PROPRIETARY SUBLEASE

Master Lease(s) No. PSL-53 & 53(A)
LOT 2 UNIT 14 TRACT 3582
PARCEL NO.:______ UNIT __________
RECORD OF SURVEY: BK ____ PG ____

THIS SUCCESSOR PROPRIETARY SUBLEASE, (hereinafter called "Lease" or "Sublease") is made this **31st** day of **March, 2015** by and between CANYON VIEW ESTATES, LTD, A Limited Partnership (hereinafter referred to as "Lessor"),and **Marc F. Hettinger, Trustee of the Marc F. Hettinger Trust as executed or amended dated June 20, 2012** the current assignee (hereinafter referred to as "Lessee"), who is the successor in interest to the original sublessee, FEY CONSTRUCTION CO., A CALIFORNIA CORPORATION (identified herein for informational purposes only).

WITNESSETH

WHEREAS, the Lessor is leasing, as a successor lessee, the real property of which the premises sublet hereunder are a part under that certain Business Lease No. PSL-53, Contract No. 14-20-0550-910, dated June 8, 1961, as assigned, amended and supplemented by various Supplemental Agreements. The most recent assignment, amendment and supplement of the aforementioned Business Lease occurred on **February 11, 2015**, and allowed the Lessee to obtain from the lessors under Business Lease No. PSL-53 (collectively referred to herein as the "Master Lessor") a long-term extension, as reflected by Master Lease No. PSL-53(A).

WHEREAS, said Supplemental Agreement No. 5 of Master Lease PSL-53 and the extension obtained through Master Lease PSL-53(A) (the "Extension Lease") was approved by the Secretary of the Interior, Area Director, Bureau of Indian Affairs (hereinafter the "Secretary"), on **February 11, 2015**.

WHEREAS, the Sublease (as defined below) is located within the boundaries of the real property subject to Supplemental Agreement No. 5 of Master Lease PSL-53 and the Extension Lease, Master Lease PSL-53(A) (the "Master Lease").

WHEREAS, in the absence of entering into this Successor Proprietary Sublease, the Sublease would continue to be interpreted by the provisions of Supplemental Agreement No. 5 of Lease PSL-53, without enjoying the initial extension of the Master Lease term provided under the Extension Lease. Upon recordation of this Successor Proprietary Sublease in the Official Records of Riverside County, California, the Sublessee shall be considered to be bound under the terms of the Extension Lease, subject to the provisions of this Successor Proprietary Sublease.

WHEREAS, this Successor Proprietary Sublease constitutes a complete and total amendment of the existing Sublease, and any amendments thereto executed prior to the date of this Successor Proprietary Lease.

NOW THEREFORE, for good and valuable consideration for the extension of this Successor Proprietary Sublease, and in consideration of the rents, taxes, insurance and other charges and amounts and the performance of all the covenants, agreements, terms, provisions and conditions of this Successor Proprietary Sublease by Lessee and the sublease extension granted to Lessee by Lessor, Lessor and Lessee hereby agree to this Successor Proprietary Sublease, described below as follows:

1. LEASED PREMISES. This Successor Proprietary Sublease pertains to that certain sublease created under Master Lease PSL-53, between CANYON VIEW ESTATES, LTD., a limited partnership, Lessor, and the original sublessee, identified as: FEY CONSTRUCTION CO., A CALIFORNIA CORPORATION which was dated **5/1/1967** and was recorded in the Official Records of Riverside County, California, on **5/29/1967** as Instrument No. **46072** (the "Lease" or "Sublease"). See attached Exhibit "A".

2. BOUND BY PSL-53(A). With the execution of this Successor Proprietary Sublease, Lessee agrees to be bound by the terms and conditions of Master Lease No. PSL-53(A). Upon recordation of this Successor Proprietary Sublease, Sublessee shall no longer be bound by the terms of Supplemental Agreement No. 5 of Master Lease PSL-53, or any of the predecessor Supplemental Agreements, but rather, the Sublease shall be subject only to the terms and conditions of the Extension Lease, with the exception that any Encumbrancer who fails to approve this Successor Proprietary Sublease will continue to be bound by the terms of the Sublease under the provisions of Master Lease PSL-53, as amended by the applicable Supplements, and not under the terms of the Extension Lease.

3. TERM. The term of this Successor Proprietary Sublease shall be extended until the **10th** day of **February, 2080**, subject to earlier termination as hereinafter provided

in Paragraph 19 of this Successor Proprietary Sublease and shall not exceed the term of the Successor Lease PSL-53(A).

4. USE OF PREMISES. During the term of this Successor Proprietary Sublease, Lessee shall use the leased premises solely for private residential purposes, and Lessee shall not erect or maintain thereon or suffer or permit to be erected or maintained thereon more than one single-family dwelling. Lessee shall not use or suffer or permit any person to use said leased premises, or any portion thereof, or to disturb the neighborhood or occupants of adjoining property, or to constitute a nuisance, or in violation of any public law, ordinance, or regulation in anywise applicable thereto.

5. IMPROVEMENTS. All structures that are erected or maintained on the leased premises shall comply with, and shall have received, the appropriate approvals of the building department of the City of Palm Springs. No material addition to or alteration of any structure erected on the leased premises shall be commenced unless and until plans and specifications covering the proposed addition or alteration shall have been first submitted to, and approved by, the City of Palm Springs. When the construction of any building or other structure on said premises, or any addition thereto or alteration thereof, is commenced, the same shall be prosecuted with reasonable diligence until completed, and shall conform to all public laws, ordinances and regulations applicable thereto, and shall be constructed and completed at the sole cost and expense of Lessee and without any cost, expense or liability of the Lessor or Master Lessor whatsoever. When said dwelling and appurtenant improvements shall have been erected and installed on the leased premises, the same shall not be sold or transferred or assigned except with the full transfer or assignment of this Successor Proprietary Sublease, and shall not be encumbered or be removed, torn down, or otherwise altered or destroyed without the prior written approval and consent of Lessor in each instance, except as otherwise provided in this Successor Proprietary Sublease. Notwithstanding the Lessee must comply with all applicable laws, ordinances, rules, regulations, and other legal requirements under §162.014.

6. RENTAL.

A. In consideration for the extended lease termination date as described in Article 3 of this Successor Proprietary Sublease, the minimum monthly rental shall be established as set forth in this Article 6.

B. As minimum rental for the use and occupancy of the leased premises, Lessee agrees to pay to Lessor the sum of **One hundred, sixty and 00/100** Dollars ($ **160.00**) per month, subject to adjustment as set forth below in paragraph 7, payable in advance on the first (1st) day of each month throughout the term hereof. (Rent for the period between the date of this Successor Proprietary Sublease and the first (1st) day of the month subsequent to the date hereof shall be pro rated). All such payments shall be made to Lessor at P.O. Box 2849, Palm Springs, CA 92263, or at such other place as Lessor may, from time to time, indicate

C. If Lessee should fail to pay the full minimum rental amount by the fourteenth (14th) day of each month in which the minimum rental is due, the Lessee shall incur a late charge equal to ten percent (10%) of the rental due ("Late Charge"). In addition to said Late Charge, for any period of time that the minimum monthly rental remains delinquent following a period of thirty (30) days after the due date, the minimum monthly rental amount due shall bear interest at the rate of ten percent (10%) per annum. (In the event the Late Charge or interest rate are determined to exceed the highest rate permissible under California law, the Late Charge or interest rate shall be limited to the highest permissible rate then in effect). Lessee shall also pay to Lessor any collection charges or attorneys' fees incurred by Lessor by reason of Lessee's failure to pay said minimum rental amount when due. The parties agree that this Late Charge and interest on any delinquent rent represents a fair and reasonable estimate of the costs that Lessor will incur by reason of late payment by the Lessee. Acceptance of any Late Charge and interest, without curing the entire default, shall not constitute a waiver of Lessee's default with respect to the overdue amount, or prevent Lessor from exercising any of the other rights and remedies under this Successor Proprietary Sublease.

D. The fees requiring periodic adjustment under the terms of this Successor Proprietary Sublease, as described in paragraphs 17 and 18 (each of which are individually referred to as an "Adjustment Item") shall be subject to adjustment on October 1, 2016, and every five (5) years thereafter, on 1st day of October of each applicable year, with an increase of fifteen percent (15%) over the amount of any Adjustment Item, as established during the prior five (5) year period.

7. <u>RENTAL ADJUSTMENT</u>. This Successor Proprietary Sublease shall be subject to periodic adjustments to the minimum monthly rental based on the cost of living index described in this paragraph. The minimum monthly rental payable by Lessee shall be adjusted on October 1, 2016, and on fifth (5th) anniversary of said date, every five (5) years thereafter, and shall be increased by the same percentage as the cost of living index has changed during the preceding five (5) year period, based on the base index as defined herein (i.e., the index for June 2011); provided, however, that: (i) such increase shall not exceed twenty-five percent (25%) for any five-year period; and (ii) in no event shall the minimum monthly rental after adjustment be less than the minimum monthly rental provided for during the prior period. The base for computing the adjustment is the Consumer Price Index for All Urban Consumers, Los Angeles-Anaheim-Riverside, California (1982-84=100) published by the Bureau of Labor Statistics of the United States Department of Labor ("Index"), which is in effect on the date of the date described below ("Beginning Index"). The Index published for the month of June most immediately preceding the adjustment date in question ("Adjustment Index") is to be used in determining the amount of the adjustment. If the Adjustment Index has increased over the Beginning Index, the minimum monthly rental for the following five (5) years (until the next adjustment) shall be set by multiplying the minimum monthly rental by a fraction, the numerator of which is the Adjustment Index and the denominator of which is the Beginning Index. If for any reason whatsoever, there is any

monthly rental by a fraction, the numerator of which is the Adjustment Index and the denominator of which is the Beginning Index. If for any reason whatsoever, there is any change in the method of calculation or formulation of said price index, a price index generally recognized as authoritative shall be selected by Lessor. In any event, the base used by any new index shall be reconciled to the 1982 index. It is agreed for purposes of this cost of living formula that the base Beginning Index shall be the Consumer Price Index above referred to issued as of June 2011. In the event that this Successor Proprietary Sublease is entered into following the first adjustment date (i.e., October 1, 2016), the first adjustment to the minimum monthly rental shall be made on the next adjustment date, as described above.

8. TAXES AND OTHER CHARGES. In addition to the rents hereinabove provided, Lessee shall pay, when and as the same become due and payable, but not later than thirty (30) days prior to the delinquency date thereof, all taxes, general and special assessments and other charges of every description which may be levied or assessed during the term of this Successor Proprietary Sublease upon or against the leased premises and all interests therein and improvements and other property thereon, whether belonging to the Lessee or Lessor, and Lessee agrees to protect and hold harmless the Lessor, Master Lessor and the United States Government and the leased premises and all interests therein and improvements thereon from any and all such liens, assessments and other charges, including any interest, penalties and other expenses which may thereby be imposed and from any lien therefor or sale or other proceedings to enforce payment thereof. Provided, that during the term hereof, all taxes and assessments levied upon or against any improvements and personal property situated in, on or about the leased premises may be levied or assessed separately from the leased premises and be paid before the same become a lien upon said premises. Notwithstanding the above, the provisions of 25 CFR subpart D shall supersede the above provisions where applicable.

9. UTILITIES. During the term hereof, Lessee shall pay all charges for water, sewage, gas, electricity, cable television, trash collection and other utility services supplied to and used on the leased premises. All such charges shall be paid before delinquency, and Lessor and said leased premises shall be protected and held harmless by Lessee therefrom.

10. REPAIRS, ADDITIONS AND ALTERATIONS. During the term of this Successor Proprietary Sublease, Lessor shall not be called upon or be required to make any changes, alterations, additions, improvements or repairs in, on or about the leased premises, or any part thereof.

At all times during said term Lessee shall, without any cost or expense to Lessor, keep and maintain, or cause to be kept and maintained, the leased premises and every part thereof in a clean, sanitary and orderly condition, and all walks, curbs, parkways, and other facilities and improvements constructed and installed on said premises in good order and repair and in safe condition, and Lessee shall cause to be constructed, maintained and repaired all walls, sewers, drains and other improvements which may be required at any time by law to be constructed, maintained and repaired upon or adjoining or in connection with or for the use of the leased premises, or any part thereof, and Lessee shall make or cause to be made any and all additions to or alterations or repairs in any structure or other facility erected or installed in, on or about said premises which may be required by, and Lessee shall otherwise observe and comply with, any public law, ordinance and regulation for the time being applicable to said of this Article as hereinabove provided.

All repairs, additions and alterations in and about said premises as hereinabove in this article provided shall conform to all public laws, ordinances and regulations thereto and all work in connection therewith shall be prosecuted and the same shall be completed with reasonable diligence, and the work thereon shall be done at the sole cost and expense of Lessee without any cost or expense on the part of the Master Lessor or Lessor.

Should Lessee fail or refuse to make any repairs, additions, or alterations as required by the terms of this Article after sixty (60) days written notice from Lessor so to do, then Lessor may, at its option, make such repair, addition, or alteration, and all costs, expenses, and other sums incurred or paid by Lessor in connection therewith shall be paid to Lessor by Lessee, including interest at the rate of ten percent (10%) per annum from the date incurred or paid until repaid. (In the event the foregoing interest rate should be determined to exceed the highest rate permissible under California law, said interest rate shall be limited to the highest permissible rate then in effect). Any default in such repayment shall constitute a breach of the covenants and conditions of this Successor Proprietary Sublease.

11. FIRE AND DAMAGE INSURANCE.

A. Lessee shall at all times keep the improvements on the leased premises insured against loss or damage from fire, vandalism, malicious mischief and the perils of the extended coverage endorsement to the California standard fire policy, or any form of coverage providing equal or greater protection, which insurance shall be carried in the amount of the full replacement cost of such improvements. The policy or policies representing such insurance shall name the Lessor as additional named insureds, and shall contain a loss payable endorsement in favor of any Approved Encumbrancer (as hereinafter described). Such insurance shall be primary insurance and shall be carried with responsible insurance companies, who are admitted carriers in the State of California, having a rating of at least A plus -- Class XI in the current edition of Best's Insurance Guide. Lessee shall pay all premiums and other charges payable in respect to such insurance. Lessee shall deliver certificates of insurance with respect to the policies required by this Article to Lessor on or before ten (10) days prior to the effective date of said policies. Each policy shall have attached thereto, and the certificates of insurance shall so reflect, endorsements to the effect that such policy shall not be canceled or modified without at least thirty (30) day's prior written notice to Lessor and that no act or omission of Lessee shall affect or limit the obligation of the insurer to pay the amount of any loss sustained.

Without limiting the foregoing, the insurance required by this Article shall in all events be sufficient to comply with the requirements of any Approved Encumbrancer (as said term is hereinafter defined). Additionally, Lessee shall maintain such other insurance and in such amounts as may from time to time be reasonably required by Lessor against other insurable hazards, casualties and liabilities which at the time are commonly insured against in the case of premises similarity situated or used and occupied. Further, if by reason of changed conditions, economic or otherwise, the insurance amounts referred to in this Article become inadequate, Lessee agrees to increase the amounts thereof within sixty (60) days after Lessor's written request.

Lessee agrees to release Lessor, Master Lessor and the Bureau of Indian Affairs, and their respective authorized representatives, from any claims for damage to the leased premises and the building and other improvements located on the leased premises, and to the fixtures, personal property, tenant's improvements, and alterations of Lessee in or on the leased premises that are caused by or result from risks insured against under any insurance policies carried by the parties and in force at the time of such damage. Lessee further agrees to waive on its own behalf, and on behalf of each carrier under each policy required under this Article, all rights of recovery by way of subrogation against Lessor, Master Lessor and the Bureau of Indian Affairs.

B. Except as otherwise provided in Subparagraph C. of this Article, in the event of any loss or damage for which insurance funds are received, all funds shall be paid by joint check to the Lessee and Lessor. Within sixty (60) days after issuance of said check, the parties shall agree upon a method for using said funds for the restoration of the leased premises. If the parties are unable to reach agreement regarding the distribution of said funds within sixty (60) days after the issuance of the check for the insurance funds, the funds so received shall be deposited into an escrow approved by Lessor, together with funds supplied by Lessee from other sources to make up any deficiency in such insurance proceeds so as to comply with Article 12 hereof, RESTORATION OF PREMISES. The escrow instructions for said escrow shall provide that all funds so deposited shall be used to pay the cost of work required of Lessee under said Article 12, upon proper architect's, engineer's or contractor's certificates, or in such other manner as shall be approved by Lessor. Said funds shall be disbursed during the progress of work of repair, restoration or replacement upon architect's, engineer's or contractor's certificates in such amounts as may be necessary to pay the cost of such repair, restoration or replacement.

If there has been no default on the part of Lessee in the performance of the covenants, agreements, terms provisions and conditions of this Successor Proprietary Sublease, any excess money received from insurance proceeds after such repair, reconstruction and replacement of such buildings, structures and other improvements have been completed shall be paid to Lessee; if a default has taken place, said excess shall be placed in a neutral escrow and shall remain in escrow as security for performance by Lessee until said default shall have been corrected, after which funds remaining shall be paid to Lessee. If Lessee fails to correct such default, then such funds shall be paid to Lessor. Should the cost of work required of Lessee under said Article 12 be less than Fifty Thousand Dollars ($50,000.00), this subparagraph B. shall not apply.

C. In the event of loss or damage to any improvements on the leased premises while an Approved Encumbrance remains unpaid, the proceeds of such insurance (but not exceeding the amount of the Approved Encumbrance) shall be paid to the Approved Encumbrancer. If such proceeds paid to the Approved Encumbrancer are sufficient to repair the loss or damage with respect to which the same were paid (or if such amount is deficient with respect to such purposes, but Lessor and Lessee, within ninety (90) days after such payment by the insurer to the Approved Encumbrancer, deposits with the Approved Encumbrancer such deficiency), then the Approved Encumbrancer shall, upon written order of Lessor and Lessee, pay such monies for such repair and it shall not be deemed a payment or credit on the encumbrance. However, if prior to the expiration of such ninety (90) day period, the Lessor and Lessee shall not so deposit money with the encumbrancer, the said sum so paid by the insurer to the encumbrancer shall be applied and credited upon the Approved Encumbrance.

12. RESTORATION OF PREMISES. In the event of partial or total destruction of, or any damage to, any building, structure or other improvement on the leased premises, then or after as the same shall occur, Lessee, at Lessee's sole cost and expense, whether or not such destruction or damage shall have been insured and whether or not insurance proceeds, if any, shall be sufficient for the purpose and whether or not the Approved Encumbrancer shall permit such insurance proceeds to be used for such purposes, shall promptly repair, restore and replace such building, structure or other improvement at least to the extent of the value and as nearly as possible to the character of the improvement existing immediately before such occurrence and, in all events, in accordance with detailed building plans and specifications as shall have been previously approved as set forth in Article 5 above. Without limiting the foregoing, Lessee shall commence such repair, restoration and replacement work within one hundred and eighty (180) days of such destruction or damage and shall complete such work with due diligence within one (1) year of such commencement date.

Should Lessee fail or refuse to repair or restore said damaged dwelling or to clean up and restore said leased premises as hereinabove provided, or if the Lessee or Approved Encumbrancer, if any, after thirty (30) days written notice by Lessor as provided in Article 21 hereof, shall fail or refuse to undertake and complete such work on behalf of Lessee, then in either of such events, all insurance proceeds so collected shall be forthwith paid to Lessor and this Successor Proprietary Sublease shall continue in force and effect until terminated as elsewhere herein. The receipt of any such insurance proceeds by Lessor under this paragraph shall not be deemed a waiver of the Lessee's obligation to complete such repair, restoration and replacement work.

This Successor Proprietary Sublease shall not be affected in any manner by reason of any partial or total destruction of, or any damage to, any building, structure or other improvement on the leased premises, or by reason of the untenantability of the leased premises or any such improvement for any reason whatsoever, and Lessee, notwithstanding any present or future law, waives any and all rights to quit or surrender the leased premises or any part thereof.

Lessee's agreements and obligations under this Successor Proprietary Sublease, including the payment of rent and all other amounts, shall continue the same as though none of said events had occurred and without abatement, suspension or reduction of any kind.

13. PUBLIC LIABILITY INSURANCE. Lessee shall obtain, pay for and at all times during the term of this Successor Proprietary Sublease maintain in full force and effect a One Million Dollar ($1,000,000.00) combined single limit public liability and property damage policy of insurance, insuring against any and all loss arising out of or in connection with any use or occupation of or activity of Lessee on the leased premises. The policy or policies representing such insurance shall name the Lessor, Master Lessor and the Bureau of Indian Affairs as additional named insureds. Such insurance shall be primary insurance and shall be carried with responsible insurance companies, who are admitted carriers in the State of California, having a rating of at least A plus -- Class XI in the current edition of Best's Insurance Guide. All premiums and other charges payable in respect to such insurance shall be paid by Lessee. Lessee shall deliver certificates of insurance with respect to the policies required by this Article to Lessor on or before ten (10) days prior to the effective date of said policies. Each policy shall have attached thereto, and the certificates of insurance shall so reflect, endorsements to the effect that such policy shall not be canceled or modified without at least thirty (30) day's prior written notice to Lessor and that no act or omission of Lessee shall affect or limit the obligation of the insurer to pay the amount of any loss sustained.

Lessee agrees to release Lessor, Master Lessor and the Bureau of Indian Affairs, and their respective authorized representatives, from any claims for public liability that are caused by or result from risks insured against under any insurance policies carried by the parties and in force at the time of such damage. Lessee further agrees to waive on its own behalf, and on behalf of each carrier under each policy required under this Article, all rights of recovery by way of subrogation against Lessor, Master Lessor and the Bureau of Indian Affairs.

14. LIENS AND CLAIMS. Lessee shall not suffer or permit to be enforced against the leased premises, or any part thereof, any mechanic's, laborer's, materialmen's, contractor's, subcontractor's or other liens arising from or any claim for damages growing out of any work of construction, repair, restoration, replacement or improvement as in this Successor Proprietary Sublease authorized or provided, or any other claim or demand howsoever the same may arise, but Lessee shall pay or cause to be paid all of said liens, claims and demands before any action is brought to enforce the same against the said premises; and Lessee hereby indemnifies and agrees to hold the Master Lessor and Lessor and said premises free and harmless from all liability for any and all such liens, claims and demands, together with all costs and expenses in connection herewith; provided that if Lessee shall in good faith contest the validity of any such lien, claim or demand, then Lessee shall, at its expense, defend itself and Lessor and the Master Lessor against the same and shall pay and satisfy any adverse judgment that may be rendered before the enforcement thereof against Lessor or the Master Lessor, or the leased premises, and if Lessor and/or Master Lessor shall require, Lessee shall furnish to Lessor and/or the Master Lessor a surety bond satisfactory to them in an amount equal to the contested lien, claim or demand indemnifying Lessor and Master Lessor against liability for the same.

At least fifteen (15) days before the commencement of any work of construction of any building, structure or other improvement on the leased premises, or of any substantial repairs, alterations, additions, or replacements or restorations costing in excess of $50,000 in and about said premises as in this lease provided, Lessee shall give or cause to be given to Lessor written notice thereof specifying the nature and location of the intended work and the expected date of commencement thereof; and Lessor, and the Master Lessor, shall have the right at any time and from time to time to post and maintain on said premises, or any part thereof, such notices of non-responsibility as may be provided by law.

In the event that Lessee should commence any work of construction in connection with any building, structure or other improvement on the leased premises costing in excess of $50,000, or of any substantial repairs, alterations, additions, or replacements or restorations costing in excess of $50,000 in and about said premises as in this lease provided, Lessee shall furnish to Lessor a surety bond or other security, in such form and in such amount as shall be approved by Lessor, guaranteeing the completion of any such work free and clear of any of the liens, claims and demands hereinabove specified.

15. LESSOR'S NON-LIABILITY. Lessor, the United States Government and the Master Lessor shall not be liable for any loss, damage or injury of any kind or character to any person or property arising from any use of the leased premises, or any part thereof, caused by or arising from any act or omission of Lessee or any of its agents, employees, subtenants, licensees or invitees or by or from any accident on the leased premises or any fire or other casualty thereon or occasioned by the failure of Lessee or any subtenant, licensee or invitee of Lessee to maintain said leased premises or cause the same to be maintained in safe condition or by any nuisance made or suffered thereon, or arising from any other cause whatsoever; and Lessee, as a material part of the consideration of this Successor Proprietary Lease, hereby waives on its behalf all claims and demands against Lessor, the United States Government and the Master Lessor and hereby indemnifies and agrees to hold Lessor, the United States Government and the Master Lessor entirely free and harmless from all liability for claims of other persons for any such loss, damage or injury, together with all costs and expenses arising therefrom, including any and all actual attorneys' fees.

16. LESSOR'S PAYING CLAIMS. Should Lessee fail to pay and discharge or cause to be paid and discharged, when due and payable as herein provided in Article 8 hereof, any tax assessment or other charge upon or in connection with the leased premises, or any insurance premium or other charge in connection therewith as hereinabove provided in Articles 11 and 13 hereof, or any claim or lien for labor or material employed or used in, or any claim for damages arising out of, the construction, repair, replacement, maintenance and use of said premises and the buildings, structures, facilities and other improvements thereon, or to satisfy any judgment rendered on any such contested lien or claim as hereinabove provided in Article 14 hereof, and if Lessee, after thirty (30) days written notice from Lessor, shall fail to pay and discharge the same, then Lessor may, at its option, pay any such tax, assessment, insurance premium or expense, lien, claim or demand, or settle or discharge any action therefor or satisfy any judgment thereon, and all costs, expenses and other sums incurred or paid by Lessor in connection therewith shall be paid to Lessor by Lessee

upon written demand, together with interest thereon at the rate of twelve percent (12%) per annum from date incurred or paid until repaid, and any default in any such repayment shall constitute a breach of the covenants and conditions of this Successor Proprietary Sublease. (In the event the foregoing interest rate should be determined to exceed the highest rate permissible under California law, said interest rate shall be limited to the highest permissible rate then in effect). The option herein provided Lessor shall not, however, serve as a waiver of any breach or default on the part of Lessee, but shall be construed as an additional and cumulative remedy hereby granted Lessor.

17. ASSIGNMENT AND SUBLETTING. Lessee shall not sublease, assign or otherwise transfer this Successor Proprietary Sublease, or any right or interest herein, or in or to any of the buildings and improvements on the leased premises, nor shall Lessee sublet said premises or any part thereof for a term longer than twelve (12) months (including extensions of an existing sublease, or a new sublease to an existing tenant), without first obtaining the written consent of Lessor, which consent may not be unreasonably withheld, and until Lessee or the transferee shall pay to Lessor a transfer fee consisting of twelve (12) months of the then existing minimum monthly rental [together with an administrative fee to Lessor's agent not to exceed Three Hundred Twenty Five Dollars (S325.00), subject to adjustment in accordance with Article 6.D., above]. Transfer fee shall not apply to title being transferred into a living trust, where the trustor and trustee are one and the same. No such encumbrance, assignment or transfer, whether voluntary or involuntary, by operation of law under legal process or proceedings (including, but not limited to, transfers resulting from a probate or nonprobate transfer following the death of a Lessee), by assignment for benefit of creditors, by receivership, in bankruptcy, or otherwise, and subletting for a term longer than twelve (12) months, shall be valid or effective without such prior written consent and approval. Should Lessee attempt to make or suffer to be made any such encumbrance, assignment, transfer or subletting, except as specifically authorized above, or should any right or interest of Lessee under this Successor Proprietary Sublease be attached, levied upon, seized under legal process and the same shall not have been released therefrom within thirty (30) days, or should a receiver or liquidator be appointed to take possession of the leased premises, or should Lessee be adjudged a bankrupt or insolvent, and such appointment or adjudication shall not have been discharged within thirty (30) days, then any of the foregoing events shall be deemed a breach of the conditions and restrictions of this Successor Proprietary Sublease, and thereupon Lessor may, at its option terminate this Successor Proprietary Sublease forthwith by written notice to Lessee and upon such termination, this Successor Proprietary Sublease shall cease and end and thenceforth be of no further force or effect, except as hereinafter otherwise provided. Should Lessor consent to any such encumbrance, assignment, transfer or subletting, none of the restrictions of this Article shall be thereby waived, but the same shall apply to each successive encumbrance, assignment, transfer or subletting hereunder and shall be severally binding upon each and every encumbrancer, assignee, transferee, subtenant and other successor in interest of Lessee.

If Lessee is a partnership, a withdrawal or change, voluntary, involuntary, or by operation of law, of the partner or partners owning more than fifty-one percent (51%) or more of the partnership, or the dissolution of the partnership shall be deemed a voluntary assignment. If Lessee consists of more than one person, a purported assignment, voluntary, involuntary, or by operation of law, from a majority of the persons to others, or other third parties, shall be deemed a voluntary assignment; provided, however, that: (i) if Lessee is comprised of joint tenant owners, the death of a joint tenant sublessee, resulting in the transfer of the leasehold title to the remaining joint tenant(s), shall not be deemed an assignment requiring the approval or consent of Lessor; or (ii) if Lessee is comprised of community property owners, the death of a one spouse, resulting in the transfer of the leasehold title to the remaining community property spouse, shall not be deemed an assignment requiring the approval or consent of Lessor. If Lessee is a limited liability company, a withdrawal or change, voluntary, involuntary, or by operation of law, of the member or members owning more than fifty-one percent (51 %) or more of the limited liability company, or the dissolution of the limited liability company shall be deemed a voluntary assignment. If Lessee is a corporation, any dissolution, merger, consolidation, or other reorganization of Lessee, or the sale or other transfer of a controlling percentage of the capital stock of Lessee, or the sale of at least fifty-one percent (51 %) of the value of the assets of the corporation, shall be deemed a voluntary assignment. The phrase "controlling percentage" means the ownership of, and the right to vote, stock possessing at least fifty-one percent (51%) of the total combined voting power of all classes of the corporation's capital stock issued, outstanding, and entitled to vote for the election of directors. The provisions of this paragraph shall not apply to corporations the stock of which is traded through an exchange or over the counter.

If Lessee is the trustee of an irrevocable trust, or the trustee of a revocable trust which subsequently becomes irrevocable, a change, whether voluntary, involuntary, or by operation of law, in the beneficial interests under the trust of more than fifty-one percent (51 %) of the beneficial interests, or the termination of the trust, shall be deemed a voluntary assignment requiring the consent of the Lessor; (the foregoing shall not apply to revocable grantor trusts). If the Lessee is the trustee of a trust, whether irrevocable or revocable, the following provisions shall apply: (i) if the trustee should be changed following the assumption of the Lease, the Lessee shall provide the Lessor with written notice of the identity and address of the new successor trustee; (ii) the trust instrument shall contain appropriate provisions empowering the trustee to lease real property; and (iii) the trust instrument shall not contain language that effectively permits the trustee to abandon the leased premises.

Lessor agrees that it will not unreasonably withhold its consent to any assignment or transfer requiring its prior approval hereunder, but Lessor may withhold such consent if Lessee or any of Lessee's successors or assigns shall be then in default hereunder, and unless and until the transferee shall covenant in writing to keep, perform and be bound by each and all of the covenants and conditions of this Successor Proprietary Sublease herein provided to be kept and performed by Lessee, and unless and until: (1) the transferor or transferee shall pay the transfer fee provided above, and (2) the assignment forms prescribed by Lessor and approved by the Secretary are signed in form acceptable to Lessor. Provided, however, that nothing herein contained shall alter or impair the provisions of Article 18, below.

18. HYPOTHECATION.

A. This Successor Proprietary Sublease, or any right to or interest herein may not be encumbered without the prior written approval of the Lessor and the

Secretary, which approval shall not be unreasonably withheld, and no encumbrance shall be valid without such approval.

B. Except as otherwise provided in the Article of the Master Lease entitled ENCUMBRANCE, the property interest affected by an encumbrance of this Successor Proprietary Sublease shall be limited to the leasehold estate created hereby and shall be governed by the terms and conditions of this Successor Proprietary Sublease. Said Article of the Master Lease is incorporated herein and made a part hereof by reference and the provisions of said Article, to the extent the same are applicable, shall govern the rights of Lessee, Lessor, Master Lessor, the Secretary and the encumbrancer with respect to any encumbrance of this Successor Proprietary Sublease, and to any present or future encumbrance of the Master Lease.

C. Notwithstanding anything to the contrary hereinabove contained in Article 17, if requested by Lessee, Lessor agrees to furnish its written approval to the assignment of this Successor Proprietary Sublease by one or more mortgages or deeds of trust (hereinafter referred to as "approved trust deed") in favor of one or more lenders (hereinafter referred to as "Approved Encumbrancer") upon and subject to the following covenants and conditions, each and all of which shall be binding upon and inure to the benefit of the Approved Encumbrancer and its successors and assigns, as follows:

(1) That except as otherwise expressly provided herein, the approved trust deed and all rights acquired thereunder shall be subject to each and all of the covenants, agreements, terms, provisions and conditions set forth in this Successor Proprietary Sublease and to all rights and interests of Lessor therein;

(2) That should there be any conflict between the provisions of this Successor Proprietary Sublease and the provisions of the approved trust deed, the provisions of this Successor Proprietary Sublease shall control;

(3) That if the leasehold interest of Lessee shall be transferred at foreclosure sale under the approved trust deed (whether by judicial or nonjudicial sale), such transfer shall not require the approval of Lessor (including payment of transfer fees relating to transfers), provided that the Successor Proprietary Sublease is not in default at the time of such foreclosure. Within fifteen (15) days following any foreclosure, however, Lessor shall be provided with a document, in form acceptable to Lessor, whereby Lessee acknowledges that Lessee shall be bound by each and all of the covenants, agreements, terms, provisions and conditions of this Successor Proprietary Sublease herein provided to be kept and performed by Lessee. Any subsequent transfer of such leasehold shall be subject to the covenants and conditions relating thereto as hereinabove set forth in Article 17, including the requirement to obtain consent and payment of transfer fees relating to transfers;

(4) That Lessor agrees that it will not terminate this Successor Proprietary Sublease because of any default or breach on the part of Lessee if the

Approved Encumbrancer, within sixty (60) days after service of written notice from Lessor of its intention to terminate this Successor Proprietary Sublease for such default or breach, shall cure such default or breach if the same can be cured by the payment or expenditure of money, or if such default or breach is not so curable, if the Approved Encumbrancer, within said sixty (60) day period, shall commence and thereafter diligently pursue to completion proceedings for foreclosure and sale pursuant to the approved trust deed, and shall keep and perform all of the covenants, agreements, terms, provisions, and conditions of this Successor Proprietary Sublease requiring the payment or expenditure of money by Lessee until such time as such leasehold shall be sold upon foreclosure pursuant to the approved trust deed or shall be released or reconveyed thereunder; provided, however, that if the Approved Encumbrancer shall fail or refuse to comply with any and all of the conditions of this subparagraph (4), then and thereupon Lessor shall be released automatically and unconditionally from the covenant of forbearance contained in this subparagraph (4).

(5) The Secretary of the Interior or his authorized representative and the Lessor must approve any such encumbrance in writing. Lessee agrees to furnish as requested any financial statement or analyses pertinent to the encumbrance that Lessor or the Secretary may deem necessary to justify the amount and terms of said encumbrances.

(6) Lessee or the Approved Encumbrancer shall pay to Lessor an approval fee equal to Six (6) months of the then existing minimum monthly rental (together with an administrative fee to Lessor's agent of not to exceed One Hundred Seventy Five Dollars ($175.00), subject to adjustment in accordance with Article 6.D., above).

D. In the event of default by Lessee of the terms of an approved trust deed, the Approved Encumbrancer may exercise any rights provided in such approved trust deed, provided that before any sale of the leasehold, whether under power of sale or foreclosure, the Approved Encumbrancer shall give to the Secretary of the Interior and Lessor notice of the same character and duration as is required to be given to Lessee by such approved trust deed and/or the laws of the State of California, but in all events no less than a fifteen (15) day's prior written notice. Any such notice given by the trustee under an approved trust deed shall be deemed notice given by the Approved Encumbrancer.

E. If such sale of the leasehold shall occur under the approved trust deed, or if notice of such sale shall be given, and the default(s) or any of them upon which such notice of sale is based shall continue, Lessor shall have the right to correct such defaults (in the event sale has not occurred) or to pay to the then owner of the leasehold (if sale has occurred) the aggregate amount, including expenses of foreclosure and/or sale, which would have been required to correct all delinquencies under the approved trust deed if sale or foreclosure had not occurred, and to terminate such leasehold upon first either: (i) paying to the Approved Encumbrancer or the then owner of the leasehold, if sale or foreclosure has occurred, the amount of the principal and accrued interest that remains unpaid, (or in the event of sale or foreclosure, the amount which would have remained unpaid if sale or foreclosure had not occurred), such amount (such amount being hereafter called "balance of the encumbrance"); or (ii) executing to the Approved Encumbrancer, or to the then owner of the leasehold, if sale or foreclosure has occurred, a promissory note and encumbrance (herein called "new encumbrance") for the balance of the encumbrance upon the same terms and conditions as originally provided by the approved trust deed, and delivering to the Approved Encumbrancer or owner of the leasehold a policy of title insurance in the amount of the balance of the encumbrance issued by a reputable title insurance company and insuring that the new encumbrance is a first encumbrance upon the leasehold subject only to current taxes, and to conditions, restrictions, reservations and other exceptions of record at the time of recording the approved trust deed and any other exceptions approved or permitted by the Approved Encumbrancer. If the sale of the leasehold shall have occurred under the approved trust deed and Lessor elects to exercise Lessor's rights under this paragraph (whether to terminate the leasehold or to effectuate a new encumbrance), then Lessor must advise the then owner of the leasehold of such election within forty-five (45) days of the foreclosure sale of the leasehold.

F. In the case of any sale or foreclosure of the leasehold under an approved trust deed, and the purchaser is not the Approved Encumbrancer, the purchaser of the leasehold at such sale may only assign or transfer this Successor Proprietary Sublease with the prior written approval of Lessor, in accordance with the provisions of Article 17, ASSIGNMENT AND SUBLETTING, requiring consent to assignment and the payment of a transfer fee. Any such purchaser shall be bound by each and all of the covenants, agreements, terms, provisions and conditions of this Successor Proprietary Sublease herein provided to be kept and performed by Lessee and shall assume and agree so to keep and perform same by an instrument in writing, delivered to Lessor within fifteen (15) days following such sale or foreclosure, in form, substance and execution satisfactory to Lessor.

G. In the event that this Successor Proprietary Sublease is not approved and agreed to by an existing Encumbrancer (i.e., an Encumbrancer with a secured interest in the Premises at the time this Successor Proprietary Sublease is entered into between Lessor and Lessee), said Encumbrancer will continue to be bound by the terms of the Sublease under the provisions of Master Lease PSL-53, as amended by the applicable Supplements; the Encumbrancer shall not be bound by the terms of the Extension Lease and shall not be afforded the rights (including the extension of the term of the Sublease) described under this Successor Proprietary Sublease.

19. TERMINATION. Each of the following shall be a default or breach by Lessee under this Successor Proprietary Sublease:

(a) Lessee's failure to pay any installment of rent or any part thereof or any other payments of money, costs, expenses or fees to be paid by Lessee under this Successor Proprietary Sublease, when due, and the continuance of such failure for a period of thirty (30) days after written notice from Lessor specifying such failure;

(b) Lessee's failure to keep, observe or perform one or more of the covenants, agreements, terms, provisions and conditions of this Successor Proprietary Sublease and the continuance of such failure for period of ninety (90) days after written notice from Lessor specifying such failure (unless such failure requires work to be performed, acts to be done or conditions to be removed which cannot by their nature reasonably be performed, done or removed, as the case may be, within such ninety (90) day period, in which case no default or breach shall be deemed to exist so long as Lessee shall have commenced curing the same within such ninety (90) day period, and shall diligently and continuously prosecute the same to completion).

(c) Lessee's use of the leased premises or Lessee's permitting the leased premises to be used for any purpose other than as authorized in the Successor Proprietary Sublease .

(d) Lessee's failure to maintain Lessee's improvements or to carry out the work of repair or restoration (including removal of debris) required of Lessee in the event of damage to or destruction of such improvements at the times and in the manner herein provided;

(e) Lessee's failure to pay or caused to be paid any tax, assessment, insurance premium, lien, judgment or other charge provided in this Successor Proprietary Sublease to be paid or cause to be paid by Lessee at the times and in the manner herein provided;

(f) Should Lessee be in default under the terms of any encumbrance of this leasehold; or

(g) Should any right or interest of Lessee under this leasehold be attached, levied upon or seized under legal process and the same shall not have been released therefrom within thirty (30) days or should a receiver or liquidator be appointed to take possession of the leased premises or should Lessee be adjudged bankrupt or insolvent, and such appointment or adjudication shall not have been discharged within thirty (30) days.

If any such default or breach shall continue uncured or rectified for a period of thirty (30) days for items (a), (c), (d), (e), (f) and (g), and ninety (90) days for item (b), from and after written notice thereof by Lessor to Lessee, in which notice Lessor shall specify the nature of the claimed default or breach, then and in any such event

Lessor shall have the following rights and remedies:

(1) Lessor may cause Lessee to pay all collection and attorney's fees in connection with the breach of this Successor Proprietary Lease by Lessee, whether or not Lessor commences an action to enforce or protect its rights and remedies herein.

(2) Lessor may terminate this Successor Proprietary Sublease or the leasehold interest created by it, by giving written notice of such termination and thereupon this sublease shall cease and terminate and Lessee's rights in and to the leased premises and all buildings, structures, improvements and facilities thereon shall cease and end, and Lessor may, without further notice or demand or legal process, reenter and take possession of the leased premises and all buildings, structures, improvements and facilities thereon and oust Lessee and all persons claiming under Lessee therefrom, and Lessee and all such persons shall quit and surrender possession of the leased premises and all buildings, structures, improvements and facilities thereon to Lessor; provided, however, that such termination shall not relieve Lessee from the payment of any monies then due and payable from Lessee. Additionally, upon such termination, Lessor may recover from Lessee all damages incurred by reason of such default or breach, including:

(i) The worth at the time of the award of the unpaid rent which had been earned at the time of termination;

(ii) The worth at the time of the award of the amount by which the unpaid rent which would have been earned after termination until the time of the award exceeds the amount of such rental loss that Lessee proves could have been reasonably avoided;

(iii) The worth at the time of the award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss for such period that Lessee proves could have been reasonably avoided; and

(iv) Any other amount necessary to compensate Lessor for all detriment proximately caused by Lessee's failure to perform his obligations under this Successor Proprietary Sublease or which in the ordinary course of things would be likely to result therefrom.

The "worth at the time of the award" of the amounts referred to in subparagraphs (i) and (ii) hereinabove is computed by allowing interest at the rate of ten percent (10%) per annum. The "worth at the time of the award" of the amount referred to in subparagraph (iii) hereinabove is computed by discounting such amount at the discount rate of the time of the award plus one percent (1 %). Lessor may relet the leased premises prior to the time of the award for breach of this Successor Proprietary Sublease by Lessee.

(3) Efforts by Lessor to mitigate the damages caused by Lessee's breach of this Successor Proprietary Sublease do not waive Lessor's right to recover damages under this Article and nothing herein shall effect the right of Lessor to indemnification for personal liability arising prior to termination of this Successor Proprietary Sublease for personal injuries or property damage as otherwise provided in this Successor Proprietary Sublease.

(4) Anything to the contrary notwithstanding, as an additional option, even though Lessee has breached this Successor Proprietary Sublease and abandoned the leased premises, this Lease continues in effect for so long as Lessor does not enforce all his rights and remedies under this Successor Proprietary Sublease including the right to recover rent as it becomes due under this Successor Proprietary Sublease, this remedy being granted pursuant to the provisions of Section 1951.4 of the Civil Code of the State of California. For purposes of this section, the following acts do not constitute a termination of Lessee's right to possession:

(i) Acts of maintenance or preservation or efforts to relet the property; and

(ii) The appointment of a receiver on initiative of Lessor to protect his interest under this Successor Proprietary Sublease.

20. REMOVAL. All buildings and improvements, excluding removable personal property and trade fixtures, on the leased premises shall remain on said property after the termination of this Successor Proprietary Sublease and shall thereupon become the property of the Lessor or Master Lessor, as the case may be. The term "removable personal property" as used in this Article shall not include property which normally would be attached or affixed to the buildings, improvements or land in such a way that it would become a part of the realty, regardless of whether such property is in fact so placed in or on or affixed or attached to the buildings, improvements or land in such a way as to legally retain the characteristics of personal property. The Lessee expressly waives the provisions of Section 1013.5 of the California Civil Code pertaining to improvements affixed to the land by any person acting in good faith and erroneously believing because of a mistake either of law or fact that he has a right to remove such improvements.

21. PAYMENTS AND NOTICES. All rents payable to Lessor hereunder shall be paid to Lessor's account at Post Office Box 2849, Palm Springs, California, 92263. All other sums payable by Lessee to Lessor hereunder shall be paid to Lessor at its business mailing address at Post Office Box 2849, Palm Springs, California, 92263, or at

such other place as Lessor may hereafter designate in writing. Any notice to be given or other document to be delivered by either party to the other hereunder may be delivered in person, or may be deposited in the United States mail in the State of California duly registered with postage prepaid, and addressed to the party for whom intended as follows: to Lessor at Post Office Box 2849, Palm Springs, California, 92263, and Lessee at Lessee's last known address as maintained by the Lessor (any notice to Lessor shall be directed to the General Partner Lessor, or the President of Lessor's designated lease administrator).

Either party hereto may from time to time, by written notice to the other, designate a different address which shall be substituted for the one above. Notice to the Secretary of the Interior shall be addressed c/o the Area Director, Bureau of Indian Affairs, Palm Springs Office, P. 0. Box 2245, Palm Springs, California 92263. If any notice or other document is sent by registered mail, as aforesaid, the same shall be deemed served or delivered forty-eight (48) hours after the mailing thereof as above provided. Should Lessee consist of more than one person, the personal delivery or mailing of such notice to any one of such persons shall constitute complete service upon all such persons. Any notice provided in Article 21 hereof to be given by Lessor to any Approved Encumbrancer of Lessee shall be served in the same manner as hereinabove provided and shall be delivered or directed to the Approved Encumbrancer and at its address as last shown on the records of Lessor.

22. REMEDIES. Each right and remedy of Lessor provided for in this Successor Proprietary Sublease shall be cumulative and shall be in addition to every other right or remedy provided for in this Successor Proprietary Sublease or now and hereafter existing at law or in equity or by statute or otherwise, and the exercise or the beginning of the exercise by Lessor of any one or more of the rights or remedies provided for in this Successor Proprietary Sublease or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by Lessor of any or all other rights and remedies. No failure by Lessor to insist upon the strict performance of any covenant, agreement, term, provision or condition herein or to exercise any right or remedy consequent upon the default or breach thereof, and no acceptance of full or partial rent or any other payment during the continuance of any such default or breach shall constitute a waiver of any such default or breach of such covenant, agreement, term, provision or condition. No covenants, agreements, terms, provisions or conditions herein to be performed or complied with by Lessee, and no default or breach hereof, shall be waived, altered or modified except by a written instrument executed by Lessor. No waiver of any default or breach shall affect nor alter this Successor Proprietary Sublease, but each and every covenant, agreement, term, provision and condition herein shall continue in full force and effect with respect to any other then existing or subsequent default or breach thereof. No receipt of any monies by Lessor from Lessee after termination hereof, or after giving of any notice of termination of this Successor Proprietary Sublease, shall reinstate, continue or extend the term of this Successor Proprietary Sublease or affect any notice theretofore given to Lessee, or operate as a waiver of any right of Lessor to enforce the payment of rent and any other sums of money and other charges herein agreed to be paid by Lessee then due or thereafter falling due, or operate as a waiver of the right of Lessor to recover possession of the leased

premises by proper remedy. In the event of any breach or threatened breach by Lessee of any of the covenants, agreements, terms, provisions and conditions contained herein, Lessor shall be entitled to enjoin such breach or threatened breach and shall have the right to invoke any right or remedy allowed at law or in equity or by statute or otherwise as though reentry, summary proceedings and other remedies were not provided for herein. Lessee shall pay upon demand all late charges, interest, Lessor's costs, expenses and fees, including the fees of attorneys, agents and others retained by Lessor, incurred by Lessor to enforce Lessee's agreements and obligation herein or incurred by Lessor in any litigation, negotiation or transaction in which Lessee causes Lessor to become involved or concerned.

Should Lessor institute any collection activities or any action to enforce or protect or establish any of its rights and remedies hereunder, then Lessee agrees to pay Lessor all costs incurred in said action, including a reasonable sum as collection costs and attorneys' fees, whether said collection activities or action is prosecuted to judgment or not. In the event that Lessee should default under the terms of this Successor Proprietary Sublease, Lessor shall have the right, but not the obligation, to record a "Notice of Sublease Default" in the Official Records of Riverside County, California, giving public notice of a default under the terms of this Successor Proprietary Sublease. Should Lessor elect to record a "Notice of Sublease Default," Lessee shall be responsible for all reasonable costs associated with the preparation and recording of such notice, including its removal from title should Lessee cure the default.

23. CONDEMNATION. If at any time during the term hereof the leased_premises, or any part hereof, is taken or condemned by public authority' under the laws of eminent domain, then and in every such case, the leasehold estate and interest of Lessee in said premises, or part thereof taken, shall forthwith terminate, and all compensation awarded by reason of such condemnation (other than dwelling houses and appurtenant improvements) shall be payable to and be the sole property of Master Lessor, and such compensation as shall be awarded for the taking of or injury to any building then located on the leased land shall be paid to Lessee, Lessor and Master Lessor as their interests may appear, and unless all of the leased premises shall be so taken or Lessee shall exercise the option to terminate this Successor Proprietary Sublease as hereinafter provided, this Successor Proprietary Sublease shall continue in force and effect as to the remainder of the leased premises and Lessee shall forthwith rebuild or repair the dwelling house and/or the appurtenant improvements taken or injured or substitute another therefor upon the remainder of said premises in accordance with and subject to the requirements of Article 5 hereof, and the compensation received by the Lessee for such taking or injury shall be applied to the cost of such rebuilding or repairs. If only a part of the leased premises shall be taken or condemned and this Successor Proprietary Sublease shall continue as to the remainder thereof, the rent thereafter payable hereunder for the remainder of the term hereof shall be reduced in the proportion that the area of land so taken shall bear to the area hereby leased, and Lessor shall refund to Lessee the unearned portion, if any, of the monthly installment of rent which shall have been

paid by Lessee in advance. Provided, however, that if such public taking or condemnation shall prevent Lessee's use and occupancy of his dwelling, then Lessee shall have the option to terminate this Successor Proprietary Sublease, which option to terminate shall be conditioned upon Lessee's restoring said premises as hereinabove provided in Article 20 hereof, and paying to Lessor any rent accruing hereunder to the date of termination and all unpaid taxes and assessments then a lien upon said premises.

24. HOLDING OVER. This Successor Proprietary Sublease shall terminate and become null and void without further notice upon the expiration of the term herein specified; and any holding over by Lessee after the expiration of said term shall not constitute a renewal hereof or give Lessee any rights hereunder or in or to the leased premises, except as otherwise provided herein, it being understood and agreed that this Successor Proprietary Sublease cannot be renewed, extended or in any manner modified except in writing signed by both parties hereto and consented to by the United States Secretary of the Interior, provided, however, that nothing in this Article shall be construed to alter or impair the provisions of Article 20 hereof.

25. REPRESENTATIONS. Lessee covenants and agrees that he has examined the leased premises and that the same are delivered to him in good order and condition and that no representations as to said premises have been made by Lessor or by any person or agent acting for Lessor, and subject to the provisions of Article 26 hereof, it is agreed that this document contains the entire agreement between the parties hereto and that there are no verbal agreements, representations, warranties, or other understandings affecting the same, and Lessee, as a material part of this consideration hereof, hereby waives all claims against Lessor for rescission, damages or otherwise by reason of any alleged covenant, agreement or understanding not contained in this Successor Proprietary Lease.

26. SUBLEASE SUBJECT TO MASTER LEASE. It is specifically understood and agreed by the parties hereto that this Successor Proprietary Sublease and shall be subject to each and all of the covenants, conditions, and restrictions set forth in the Master Lease and to the rights and interests of the Master Lessor thereunder.

27. SURRENDER. The voluntary or other surrender of the Master Lease by the lessee thereof (the Lessor herein) to the Master Lessor or the mutual cancellation thereof shall not serve to cancel this Successor Proprietary Sublease and/or any sub-tenancy hereunder but shall only operate as an assignment to the Master Lessor of the Lessor's interest in this Successor Proprietary Sublease. Until the Lessee is notified of any such surrender or cancellation of the Master Lease by the Master Lessor, there shall be no liability to the Master Lessor for the performance of the covenants and conditions herein which have been performed for the benefit of the Lessor herein.

28. <u>CONSTRUCTION AND EFFECT.</u> Time is of the essence of this Successor Proprietary Sublease. The Article headings herein are used only for the purpose of convenience and shall not be deemed to contain the subject matter of the articles hereof, nor to be considered in the construction hereof. This Successor Proprietary Sublease and each and all of the covenants, conditions and restrictions hereof shall inure to the benefit of and shall bind the successors and assigns of Lessors, and subject to the restrictions of Article 17 hereof, the heirs, executors, legal representatives, encumbrancers, assignees, successors and sub-tenants of Lessee. If Lessee consists of more than one person, the covenants and obligations of Lessee hereunder shall be the joint and several covenants and obligations of such persons. The masculine gender includes the feminine and neuter, and the singular number includes the plural, wherever the context so requires.

IN WITNESS WHEREOF, the parties hereto, on the date set forth above, executed this Extension and Successor Proprietary Sublease.

LESSOR:

CANYON VIEW ESTATES, LTD. A Limited Partnership
By: Fey-Canyon View Trust, General Partner

Julie Fey-Clark

Julie Fey-Clark

the Marc F. Hettinger Trust as executed or amended dated June 20, 2012

LESSEE: Marc F. Hettinger TTEE

Marc F. Hettinger, Trustee

PSL-53A
Tract 3582

EXHIBIT "A"

Lot No. 2 of Tract 3582, as per Map recorded in book 57, at page(s) 34, of Maps, Records of the County Recorder, County of Riverside, California.

But only to the extent of the following:

1. Parcel 1: That portion of Lot 2 of said tract 3582, shown and defined as Unit 14 on Plan attached as Schedule "A" to that certain Declaration of Covenants, Conditions and Restrictions, recorded in the Office of the County Recorder of Riverside County on 11/29/1967 as Instrument No. 104758; and

2. An undivided one twenty-fourth (1/24th) interest in and to that portion of Lot No. 2 of said Tract 3582 shown and defined as Common Area in said Plan.

State of AZ ARIZONA)
County of Maricopa)

On April 20, 2015 before me, A. Adams, notary public, personally appeared Marc F. Hettinger
____,

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 AZ ARIZONA that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [signature]

A. ADAMS
NOTARY PUBLIC - ARIZONA
MARICOPA COUNTY
My Comm. Exp.:October 24, 2017

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT CIVIL CODE § 1050

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Riverside

On 6-17-2015 before me, David G. Driskill, a notary public personally appeared ----------Julie Fey-Clark--------------

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.

DAVID G. DRISKILL
Commission # 2032208
Notary Public - California
Riverside County
My Comm. Expires Jul 2, 2017

Signature

(Seal)

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
PALM SPRINGS AGENCY

APPROVAL
OF
SUCCESSOR PROPRIETARY SUBLEASE

Under Master Ground Lease

PSL-53(A)

Tract 3582

Lot 2

Unit 14

The within SUCCESSOR PROPRIETARY SUBLEASE between CANYON VIEW ESTATES, LTD, A LIMITED PARTNERSHIP, Lessor, and MARC F. HETTINGER, TRUSTEE OF THE MARC F. HETTINGER TRUST AS EXECUTED OR AMENDED DATED JUNE 20, 2012, Lessee, consisting of twenty-five (25) pages including Exhibit "A" is hereby approved.

Date: JUN 23 2015

Superintendent, Palm Springs Agency
Bureau of Indian Affairs

Pursuant to the authority delegated by 209 DM 8, 230 DM 1, and 3 IAM 4 and Sacramento Redelegation Order No. 1 (43 F. R. 30131, dated July 13, 1978).