

RECORDING REQUESTED BY
and When Recorded Mail to:

Attn: _____
BLA No. 259, AD No. 86

STATE OF CALIFORNIA/CITY OF LONG BEACH
OFFICIAL BUSINESS

(Document entitled to free recordation
pursuant to Government Code Sections
6103 and 27383.)

No Tax Due _____

NOTE: The conveyances contained in this Agreement are
entered into solely for the purpose of perfecting
title to the property herein described and,
accordingly, do not involve a change in ownership
pursuant to Section 62(b) of the California Revenue
and Taxation Code.

PACIFIC COAST CLUB
BOUNDARY LINE AGREEMENT AND
CONVEYANCE OF
AND WAIVER OF CLAIM OF
PUBLIC ACCESS AND RECREATION EASEMENT

Instructions to the County Recorder of the County of
Los Angeles:

This document operates (i) as a quitclaim deed from
CIFICAP Corporation, a California corporation, to the
City of Long Beach and State of California, (ii) as a
quitclaim deed from the City of Long Beach, a municipal
corporation, and the State of California, acting by and
through the State Lands Commission, to the CIFICAP
Corporation, (iii) to establish an Agreed Boundary Line
between the parties, (iv) as an easement deed from the
CIFICAP Corporation to the City of Long Beach, and (v) as
a waiver and relinquishment of easement claim by the
State of California and the City of Long Beach to
CIFICAP Corporation. Therefore, please index this
document as follows:

<u>GRANTOR</u>	<u>GRANTEE</u>	<u>PROPERTY</u>
CIFICAP Corporation	City of Long Beach State of California	Quitclaim of property southerly of Chapter 138 Line
City of Long Beach State of California	CIFICAP Corporation	Quitclaim of sovereign interest in property described in Exhibit "A" hereto except for the easement in the pro- perty described in Exhibit "C" hereto
CIFICAP Corporation	City of Long Beach	Grant of Public Access and Recreation Easement over property described in Exhibit "C" hereto
City of Long Beach State of California	CIFICAP Corporation	Waiver and relin- quishment of implied dedication easement claim over property described in Exhibit "A" hereto except for the property described in Exhibit "C" hereto

PACIFIC COAST CLUB
BOUNDARY LINE AGREEMENT AND
CONVEYANCE OF
AND WAIVER OF CLAIM OF
PUBLIC ACCESS AND RECREATION EASEMENT

THIS PACIFIC COAST CLUB BOUNDARY LINE AGREEMENT AND
CONVEYANCE OF AND WAIVER OF CLAIM OF PUBLIC ACCESS AND RECREATION
EASEMENT (hereinafter "Agreement") is made and entered into by
and between: THE STATE OF CALIFORNIA, acting by and through the

STATE LANDS COMMISSION (hereinafter referred to as "the State"); the ATTORNEY GENERAL OF THE STATE OF CALIFORNIA (hereinafter referred to as "the Attorney General"); the CITY OF LONG BEACH, a municipal corporation of the State of California (hereinafter referred to as "the City"); and CIFICAP Corporation, a California corporation (hereinafter referred to as "CIFICAP").

R E C I T A L S

WHEREAS, this Agreement concerns the site of the former Pacific Coast Club at 850 East Ocean Avenue in the City of Long Beach (hereinafter the "Pacific Coast Club Site" or "Site"), described in Exhibit "A" and depicted on Exhibit "B" attached hereto and by this reference made a part hereof, and adjacent sovereign tidelands southerly thereof legislatively conveyed, in trust, by the State of California to the City of Long Beach; and

WHEREAS, the State of California acquired title to tidelands and submerged lands within its boundaries (lands located below the ordinary high-water mark) by virtue of its sovereignty upon its admission to the Union; and

WHEREAS, by Chapter 676, Statutes of 1911, Chapter 102, Statutes of 1925, and Chapter 158, Statutes of 1935, the State of California granted to the City of Long Beach, in trust for the public, all of its right, title and interest in and to all of the State's tidelands and submerged lands in the City of Long Beach,

including those sovereign tidelands and submerged lands adjacent to said Pacific Coast Club Site; and

WHEREAS, CIFICAP Corporation is the record owner of the Pacific Coast Club Site, which is an upland parcel derived in title from the Rancho Los Alamitos (private title confirmed by patent of federal government, Book 1, pages 453-63 of Patents in the Office of the County Recorder of Los Angeles County), which parcel has as its southerly boundary the ordinary high-water mark of the Pacific Ocean; and

WHEREAS, a bona fide dispute has arisen over the precise, true, lawful location of the ordinary high-water mark which constitutes the boundary line between the upland Pacific Coast Club Site and the adjacent tidelands due to inadequate prior mapping, arguments over the effect of various man-made works and potential disputes over the law to be applied; and

WHEREAS, negotiations have been conducted among representatives of the parties concerning resolution of this boundary dispute; and

WHEREAS, in 1964 the state Legislature enacted Chapter 138, Statutes of 1964, First Extraordinary Session, which established an upland/tideland boundary for the City of Long Beach, including the area in the vicinity of the Pacific Coast Club Site, and the City and State subsequently settled litigation

between them over the location of the upland/tideland boundary by adopting said line (hereinafter referred to as the "Chapter 138 Line"); and

WHEREAS, said Chapter 138 Line was thereafter surveyed by the State, said official survey being recorded on March 11, 1968 as Document 1498 in Book M2796 at pages 449-586, and filed as F-2167 in the Office of the Los Angeles County Recorder; that portion of said Chapter 138 Line in the vicinity of the Pacific Coast Club Site being shown on sheet 11 of said survey, and recorded as page 522, a copy of which is attached hereto as Exhibit "E" and made a part hereof; and

WHEREAS, State, City and CIFICAP agree that said Chapter 138 Line is a reasonable and best good faith fixing of the ordinary high-water mark in its last natural position in the area of the Pacific Coast Club Site; and

WHEREAS, CIFICAP is willing to join in the adoption of said Chapter 138 Line as the permanent and fixed tideland boundary between the respective uplands of CIFICAP and the tidelands owned by the City pursuant to legislative trust grant from the State; and

WHEREAS, the State Lands Commission has found that it is prudent, expedient, in the best interest of the State and the public, and in furtherance of commerce, navigation and fishery

that the aforementioned Boundary Line Agreement be effectuated by the execution of this Agreement; and

WHEREAS, it is in the best interest of the State, the City, members of the general public and CIFICAP for the parties hereto to resolve their dispute by settlement, thereby avoiding substantial costs, time delays and uncertainties of litigation; and

WHEREAS, the State is authorized by Division 6 of the Public Resources Code, including Section 6357, to enter into boundary line agreements; and

WHEREAS, the parties have reached a settlement of this matter whereby CIFICAP will relinquish all of its right, title and interest, if any, in and to all property located southerly of the Chapter 138 Line between the southerly prolongation of the easterly and westerly boundary lines of the Pacific Coast Club Site, said Chapter 138 Line to become the agreed boundary line between said Pacific Coast Club Site and the adjacent sovereign tidelands, and in exchange, the State and the City will relinquish to CIFICAP their property claims, if any, derived respectively from sovereign title and legislative trust grant, except for the easement described in paragraph 4 hereof, over the Pacific Coast Club Site, that is, northerly of said Chapter 138 Line; and

WHEREAS, the California Supreme Court in the case of Gion v. City of Santa Cruz (1970) 2 Cal. 3d 29 recognized that the doctrine of implied dedication applies to shoreline areas whereby public access and recreational easements over such areas can arise from the public using them as if they were public land for the prescriptive period of five years, without asking or receiving permission from the owner, with actual or presumed knowledge of the owner, the owner not having attempted to halt such public use in any significant way during said period; and

WHEREAS, the Attorney General represents the State in boundary settlement and implied dedication matters; and

WHEREAS, based upon an investigation which included a physical inspection of the property and discussions with members of the general public, it is the opinion of the State, the Attorney General and City that portions of the upland Pacific Coast Club Site are subject to a public access and recreation easement as a result of public use of portions of the site for access and recreational purposes over a period of many years; and

WHEREAS, CIFICAP denies the existence of any such public access and recreation easement or implied dedication, and alleges that the Pacific Coast Club Site has been fenced and exclusively occupied over the last thirty years, that prior to then it was partly subject to action from the waves by reason of actions by the City, that for many years of the prior period the

Club had erected and maintained a sea-brake wall to protect said Site, that the public did not use said Site as if it were public property, that any public use of said Site that may be claimed has for thirty years been abandoned due to the filling in of the tidelands and the migration southward of the ocean interface, and that the City has granted many permits over the years for construction of private works on said Site and is estopped from claiming any public easement; and

WHEREAS, the State, the Attorney General and the City allege that the public used portions of the Site for access and recreational purposes as if they were public lands for over fifty years without asking or receiving permission from the owner, with actual or presumed knowledge of the owner, the owner not having attempted to halt such public use during said period, that this public use took place both while the lands were submerged and after they were filled, the filling merely changing the public uses that were made of the lands, that the public access and recreation easement thus arose for submerged lands purposes and for sandy beach purposes, that once having arisen, the public access and recreation easement or implied dedication was not abandoned by the State, the Attorney General or the City and cannot be affected by any action of the owner, including fencing, that the City has not granted permits for construction of private works on said portions of the Site and is not estopped from continuing to claim the existence of a public access and

recreation easement on portions of the Site by reason of implied dedication; and

WHEREAS, there is a controversy over the existence and extent, area and true boundaries of any public access and recreation easement which may exist by virtue of implied dedication; and

WHEREAS, under California law, it is within the authority of the Attorney General, on behalf of the State and public, and within the authority of the City to investigate, assert, establish, compromise and settle claims of the public to access and recreation easements which have arisen in favor of the public by virtue of implied dedication in accordance with the case of Gion v. City of Santa Cruz, supra; and

WHEREAS, defining the extent of the public claims of implied dedication and the location and area of that portion of the Pacific Coast Club Site over which such claims exist would require protracted and costly investigation and litigation; and

WHEREAS, it is in the best interest of the State, the City, members of the general public and CIFICAP for the parties hereto to resolve their dispute by settlement, thereby avoiding substantial costs, time delays and uncertainties of litigation; and

WHEREAS, in compromise of any public claims of implied dedication on the Pacific Coast Club Site, the parties hereto have reached an agreement whereby CIFICAP will grant to City, in trust for the public, a nonexclusive easement for public access and public recreational purposes over a portion of the Site, the lands burdened by said easement being described in Exhibit "C" and depicted on Exhibit "D", attached hereto and by this reference made a part hereof, in exchange for a relinquishment by the State, the Attorney General and City of any claim that the remainder of the Pacific Coast Club Site may be subject to a public access and recreation easement by virtue of implied dedication; and

WHEREAS, the Attorney General and the City, who are parties hereto, have made an investigation and review of the facts and circumstances relating to the public's claim that portions of the Pacific Coast Club Site are subject to an implied dedication easement for purposes of access and recreation and CIFICAP's vigorous dispute of these claims, and have concluded that the Agreement reached herein which will confirm and compromise said claim is just, equitable and in the best interest of the public, the City and the State; and

WHEREAS, the State Lands Commission having also reviewed the facts and circumstances relating to the aforementioned implied dedication claims of the public, is in

agreement with the aforementioned conclusion of the Attorney General and the City; and

WHEREAS, the State Lands Commission has approved and authorized execution and delivery of this Agreement at its Public Meeting in Sacramento, California, on December 13, 1988, Calendar and Minute Item No. 38, and the City Council of the City has authorized execution and delivery of this Agreement at its Public Meeting in the City on November 29, 1988.

NOW, THEREFORE, in consideration of the foregoing premises and of the mutual covenants and agreements contained herein, it is agreed as follows:

1. In order to effectuate this Agreement and to locate, describe and permanently establish and fix the common boundary between City-owned tidelands held by virtue of legislative trust grants from the State, and the adjacent upland Pacific Coast Club Site owned by CIFICAP, the State of California, acting by and through the State Lands Commission, the City of Long Beach, a municipal corporation of the State of California, and CIFICAP Corporation, a California corporation, do hereby agree that said common boundary shall be that portion of the Chapter 138 Line (depicted on Exhibit "E" hereto) lying between the southerly prolongation of the easterly and westerly boundary lines of the Pacific Coast Club Site, which portion is hereinafter referred to as the "Agreed Boundary Line." Said Agreed Boundary Line, depicted on Exhibit "B" hereto, shall be

permanent and fixed and shall not move by reason of accretion, reliction, avulsion, erosion, or any other natural or artificial causes or events.

2. In order to further effectuate this Agreement, CIFICAP Corporation hereby quitclaims, releases and remises all of its right, title and interest, if any, in and to those lands located southerly of the Agreed Boundary Line; that is, southerly of that portion of the Chapter 138 Line lying between the southerly prolongation of the easterly and westerly boundaries of the Pacific Coast Club Site, as depicted on Exhibit "B" hereto, to the City of Long Beach, as trustee of the State of California in accordance with the provisions of Chapter 676, Statutes of 1911, Chapter 102, Statutes of 1925, and Chapter 158, Statutes of 1935, excepting therefrom all those rights and interests retained and reserved by the State of California by virtue of said tideland trust grant, and to the State of California to the same extent and upon the same tenure as the State holds all of said rights and interests retained and reserved by the State by virtue of Chapter 676, Statutes of 1911, Chapter 102, Statutes of 1925, and Chapter 158, Statutes of 1935.

3. In order to further effectuate this Agreement, the State of California, acting by and through the State Lands Commission, and the City of Long Beach, hereby quitclaim, release and remise to CIFICAP Corporation all of their right, title and interest, if any, held by virtue of sovereign ownership or

legislative trust grant, respectively, in those lands located northerly of said Agreed Boundary Line; that is, northerly of that portion of the Chapter 138 Line located between the southerly prolongation of the easterly and westerly boundaries of the Pacific Coast Club Site, as depicted on Exhibit "B" hereto, except that this quitclaim shall in no way affect that easement for public access and recreational purposes described in paragraph 4 hereof.

4. In order to further effectuate this Agreement, CIFICAP Corporation hereby grants to the City of Long Beach, in trust for the public, a nonexclusive easement for public access and recreational purposes over that property described in Exhibit "C" and depicted on Exhibit "D" attached hereto, hereinafter referred to as the "Easement Area." Said public access and recreational purposes shall include, but shall not be limited to: ingress, egress, viewing, strolling, running, photographing, painting, fishing, swimming, bathing, surfing, picnicking, sunbathing, playing beach games, and all other uses associated with beach and shoreline recreational areas, together with the right of the City to provide trash pickup and other beach cleaning and maintenance services, including the deposition and leveling of additional beach material. The construction of any permanent structures on said property by the City or the State shall not be allowed. Within 120 days from the effective date of this Agreement, CIFICAP shall, at its own expense, remove the existing chain link fence from the perimeter of the Easement

Area, remove the existing 20-foot by 57-foot concrete slab lying within the Easement Area, and place the Easement Area in a clean, sandy beach condition usable by the public as a public beach. Should CIFICAP desire to construct a fence on its property northerly of the Easement Area, CIFICAP shall apply for necessary and appropriate permits to do so. The City hereby grants to CIFICAP a temporary construction encroachment permit for the use of the Easement Area for a period of thirty (30) months from the effective date of this Agreement or until completion of a project on the Pacific Coast Club Site, whichever occurs earlier. Said permit shall be exercised by CIFICAP and said Easement Area shall be secured and occupied by CIFICAP only during periods of actual construction and only if necessary for the staging of materials and equipment or for public safety purposes. Additional reasonable terms and conditions, not inconsistent with the above, will be set forth in the construction encroachment permit to the satisfaction of the City. CIFICAP may apply for an extension of the temporary encroachment permit, if needed. At the expiration of the temporary construction encroachment permit, CIFICAP shall, at its own expense, immediately place the Easement Area in a clean, sandy beach condition, usable by the public as a public beach.

5. The City of Long Beach, as trustee by virtue of and subject to the provisions of Chapter 676, Statutes of 1911, Chapter 102, Statutes of 1925, and Chapter 158, Statutes of 1935,

hereby accepts the conveyance contained in Paragraph 2 hereof as sovereign tidelands and submerged lands, and as trustee for the public accepts the conveyance contained in Paragraph 4 hereof as an easement appurtenant to the tidelands and submerged lands, and consents to the recordation of this document; the State of California hereby accepts the conveyance contained in Paragraph 2 hereof as sovereign tidelands and submerged lands and consents to the recordation of this document.

6. The State, acting with the consent of its Attorney General, and the City, both in consideration of Paragraph 4 hereof, hereby waive and relinquish any claim that any portion of the Pacific Coast Club Site; that is, any lands located north of the Agreed Boundary Line, except those lands constituting the Easement Area referred to in paragraph 4 hereof and described in Exhibit "C" and depicted on Exhibit "D" hereto, is subject to any easement for public access or recreational purposes by reason of implied dedication.

7. Pursuant to the provisions of Section 6357 of the Public Resources Code, the State Lands Commission hereby finds and declares that the Chapter 138 Line is a reasonable and best good faith fixing of the ordinary high-water mark of the Pacific Ocean in its last natural position in the area of the Pacific Coast Club Site.

8. CIFICAP shall provide the City and State with a Preliminary Title Report dated as of December 31, 1988 for those lands located fifty (50) feet southerly of the Agreed Boundary Line, that is, fifty (50) feet southerly of that portion of the Chapter 138 Line lying between the southerly prolongation of the easterly and westerly boundaries of the Pacific Coast Club Site, as depicted on Exhibit "B" hereto; as well as for those lands referred to as the Easement Area and described in Exhibit "C" and depicted on Exhibit "D" hereto. Within 10 days of its receipt, the City shall notify CIFICAP in writing whether the condition of title is such that upon execution and recordation of this Agreement, title will become vested in the City and State in a condition satisfactory to the City and State. If, in the opinion of the City and State, the condition of title is not such that it will vest in the City and State in a satisfactory condition, execution of this Agreement by the City and State will be delayed until impediments to satisfactory title have been removed, or the appropriate actions have been taken to place title in a satisfactory condition.

9. This Agreement shall become effective upon its execution by all parties hereto, and thereupon, all the terms, provisions and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, administrators, executors, successors and assigns.

10. This Agreement is prepared and submitted in a bona fide effort to compromise and settle long-standing existing controversies between CIFICAP, the State and the City. In the event this Agreement is not approved, does not become effective, or is determined to be null, void or invalid, nothing contained in this Agreement shall constitute any, or be, an admission of any party with respect to any of the recitations contained in the Agreement and shall not be used by any party hereto in any proceeding, whether judicial or otherwise, to evidence the location, character, condition or legal status of any property, land or interest therein that is the subject of this Agreement, or to evidence the belief, statement, knowledge or intent of any party with respect thereto. This Agreement shall not constitute nor be deemed to be an admission of any party hereto in any judicial or other proceeding as to any right, title or interest of any party in lands other than the lands concerned in this Agreement.

11. The parties hereto agree that upon and after the effective date of this Agreement, each provision of this Agreement is intended to be severable, separate and distinct from the other provisions herein and shall continue in full force and effect notwithstanding that other provisions hereof may be determined invalid or void for any reason. Nothing herein, however, shall affect or diminish the rights of any party hereto at law or in equity, or both, to enforce any provision of this Agreement against any other party.

12. As used herein, whenever the context so requires, the neuter gender includes the masculine and feminine, and the singular includes the plural and vice versa. Defined terms are to have their defined meaning regardless of the grammatical form, number or tense of such terms.

13. This Agreement may be executed in any number of counterparts and each executed counterpart shall have the same force and effect as an original and as if all of the parties to the aggregate counterparts had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more additional signature pages. In the execution of this Agreement each party hereto shall furnish such acknowledgments and certifications as may be necessary to duly record, in the Office of the County Recorder of Los Angeles County, its execution thereof.

14. The City shall record this Agreement in the Office of the County Recorder of Los Angeles County within 10 days after the effective date of this Agreement. Failure to record within this period shall not affect the validity of this Agreement.

15. The premiums and costs of any title insurance policies shall be borne by the party requesting such insurance.

16. This Agreement and all actions required to effectuate this Agreement are exempt from the provisions of the Subdivision Map Act (Gov. Code, §66412(e)), the California Coastal Act (Pub. Resources Code, §30416(c)), and the California Environmental Quality Act (Pub. Resources Code, §21080.11).

17. Each of the parties hereto will do such further acts and execute, acknowledge and deliver all further documents and instruments as may be necessary or appropriate to effectuate fully the provisions of this Agreement and to assure any other party all of the respective properties, rights, titles, interests, remedies, powers and privileges to be conveyed or provided for herein.

18. This Agreement constitutes the entire agreement among the parties and none of the parties relies upon any warranty or representation not contained herein.

19. This Agreement is solely for the purpose of settling the above described title dispute and does not operate, by implication or otherwise, to satisfy or affect the mitigation, regulatory requirements or jurisdiction of any public agency or body.

20. All notices required or permitted to be given to a party hereto by the provisions of this Agreement shall be deemed to have been given twenty-four (24) hours after such notice is

deposited in the United States mail, as registered or certified mail with postage thereon fully prepaid, addressed to such party at its address set forth below, or when such notice is filed as a telegram with Western Union Telegraph Company, or any successor in interest in said telegraph company, addressed as above provided with all charges thereon fully prepaid. Any notice given in any other fashion shall be deemed to have been given when actually received by the addressee. Any party may change its address by giving written notice to all other parties. The addresses of the parties hereto are as follows:

(a) "CIFICAP"

CIFICAP
c/o Charles Greenberg and
Agnes Mulhearn
Ball, Hunt, Hart, Brown and Baerwitz
P.O. Box 1287
Long Beach, California 90801

(b) "The City"

James C. Hankla, City Manager
333 West Ocean Boulevard
Long Beach, California 90802

(c) "The State"

State Lands Commission
1807 - 13th Street
Sacramento, California 95814-9990
Attention: Executive Officer

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed.

STATE OF CALIFORNIA
STATE LANDS COMMISSION

Date: June 22, 1989

By: James F. Trout
ASSISTANT EXECUTIVE OFFICER

STATE OF CALIFORNIA
ATTORNEY GENERAL

Date: March 15, 1989

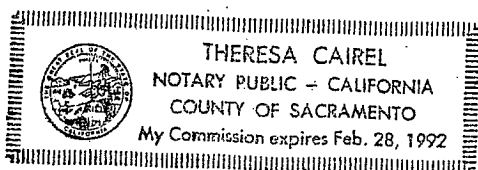
By: Theresa Cairel
Deputy Attorney General

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) SS

On this 22nd day of JUNE, 1989,
before me, the undersigned, a Notary Public in and for the State of California, with principal
office in the County of Sacramento, personally appeared JAMES F. TROUT
personally known to me
(or proved to me on the basis of satisfactory evidence) to be the person who executed this
instrument as ASSISTANT EXECUTIVE OFFICER

of the STATE LANDS COMMISSION, STATE OF CALIFORNIA, the Commission that
executed the within instrument, known to be the person who executed the within instrument,
on behalf of the Commission there named, and acknowledged to me that such Commission
executed the within instrument pursuant to a resolution of its Commissioners.

WITNESS my hand and official seal.



Theresa Cairel
NOTARY PUBLIC IN AND FOR THE
STATE OF CALIFORNIA

IN APPROVAL WHEREOF,

I, GEORGE DEUKMEJIAN,

Governor of the State of California, have set my hand and caused the seal of the State of California to be hereunto affixed pursuant to Section 6107 of the Public Resources Code of the State of California. Given under my hand at the City of Sacramento, this, the 19 day of July, in the year one thousand nine hundred and eightyeight.

George Deukmejian
Governor

ATTEST:

Manh Tong Eu
Secretary of State

By: _____
Deputy Secretary of State



THE CITY OF LONG BEACH

By: James Hankela

Attest: Shelba Powell
City Clerk

APPROVED AS TO FORM

March 3, 19 89

JOHN R. CALHOUN, City Attorney

By: William H. Keiser
Deputy City Attorney

CIFICAP CORPORATION,
a California corporation

By: [Signature]
President

MAR 02 1989

STATE OF CALIFORNIA

COUNTY OF Los Angeles)
) ss.

On this 2nd day of MARCH, in the year 1989,
before me GEORGIA A. VINES, a Notary Public,
personally appeared Robert R. Bellevue, personally known to me
(or proved to me on the basis of satisfactory evidence) to be
the person who executed the within instrument as the President
of the corporation therein named, and acknowledged to me that
such corporation executed the within instrument pursuant to its
bylaws or a resolution of its board of directors.

Georgia A. Vines
NOTARY PUBLIC IN AND FOR SAID
COUNTY AND STATE

(Seal)

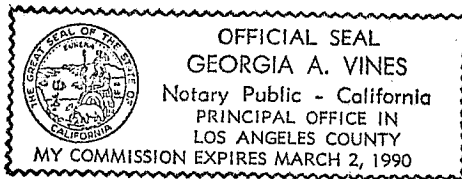


EXHIBIT "A"

PACIFIC COAST CLUB SITE

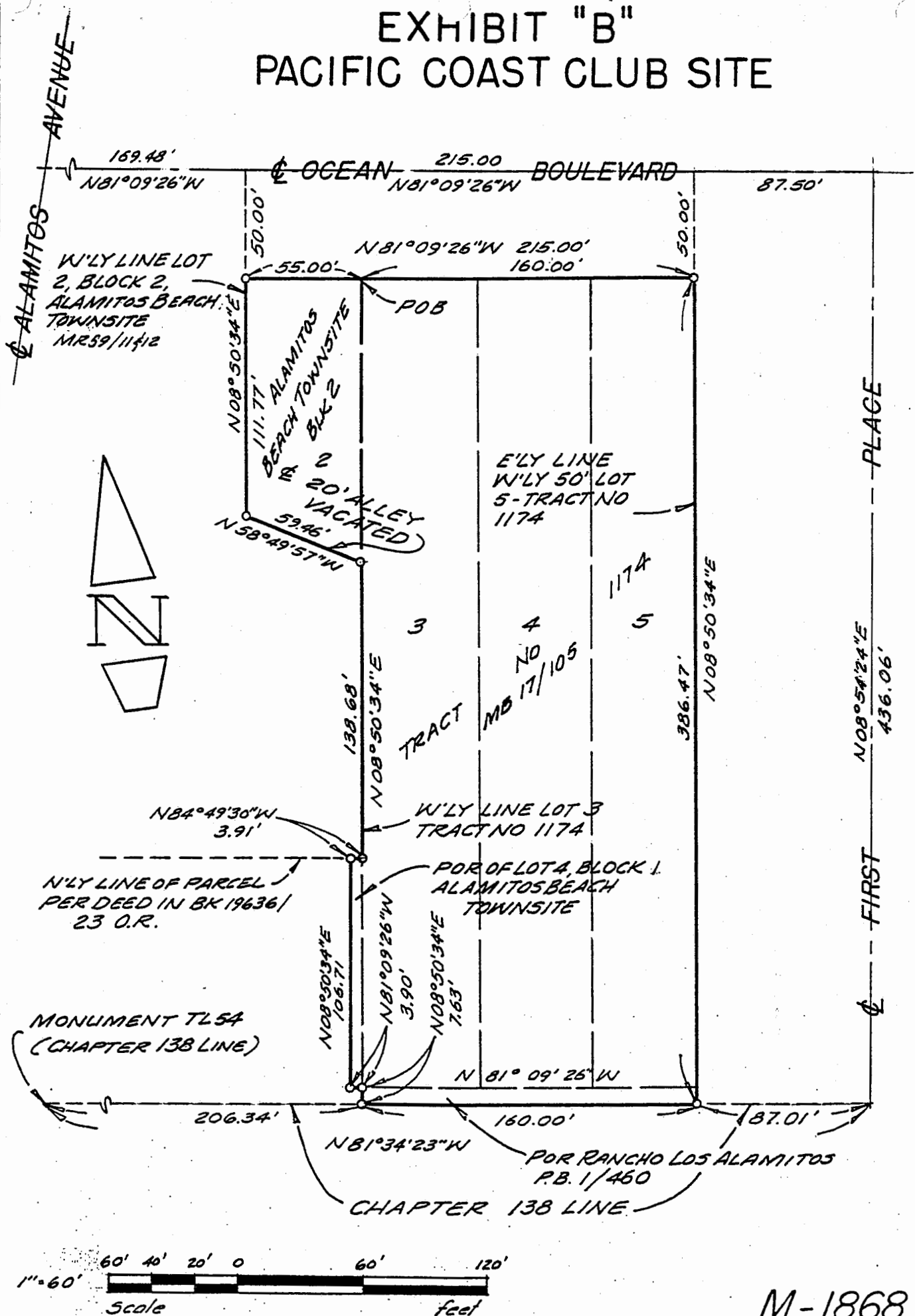
Lots 3, 4 and a portion of Lot 5, Tract No. 1174, in the City of Long Beach, County of Los Angeles, State of California, as per map recorded in Book 17, Page 105 of maps, in the office of the County Recorder of said County; Lot 2, Block 2 and a portion of Lot 4, Block 1, Alamitos Beach Townsite, in said City, County and State, as per map recorded in Book 59, Pages 11 and 12 of Miscellaneous Records, in said County Recorder's office; a portion of an alley in said City, County and State, 20 feet in width, now vacated by City Ordinance No. 179 of the City Council of Long Beach, on file in the offices of the City Clerk of said City; and a portion of Rancho Los Alamitos, in said City, County and State, as per map recorded in Book 1, Pages 460 through 462 of Patents, in said County Recorder's office, lying northerly of the survey of "The Compromise Tideland Boundary", as recorded in Book M2796, Pages 449 through 586 of Official Records, in said County Recorder's office, more particularly described as follows:

Beginning at the northwesterly corner of said Lot 3 in Tract No. 1174; thence easterly along the northerly line of said Tract No. 1174, also being the southerly line of Ocean Boulevard, 100 feet wide, South $81^{\circ} 09' 26''$ East 160.00 feet to the easterly line of the westerly 50 feet of said Lot 5 in Tract No. 1174; thence south $08^{\circ} 50' 34''$ West 386.47 feet along said easterly line and the southerly prolongation thereof to said "Compromise Tideland Boundary"; thence North $81^{\circ} 34' 23''$ West 160.00 feet along said "Compromise Tideland Boundary" to the southerly prolongation of the westerly line of said Lot 3 in Tract No. 1174; thence along said southerly prolongation North $08^{\circ} 50' 34''$ East 7.63 feet to the southwesterly corner of said Lot 3; thence North $81^{\circ} 09' 26''$ West 3.90 feet along the westerly prolongation of the southerly line of said Lot 3 to a line parallel with and distant 3.90 feet westerly, measured at right angles, from said westerly line; thence North $08^{\circ} 50' 34''$ East 106.71 feet along said last mentioned parallel line to the northerly line of that certain parcel of land described in the deed to the City of Long Beach, Recorded in Book 19636, Page 23 of Official Records, in said County Recorder's office; thence along said northerly line South $84^{\circ} 49' 30''$ East 3.91 feet to a point on the westerly line of said Lot 3, said point being distant 273.04 feet southerly, measured along said westerly line, from the northwesterly corner of said Lot; thence North $08^{\circ} 50' 34''$ East 138.68 feet along the westerly line of said Lot 3 to the southerly line of the northerly half of that certain alley, 20 feet wide, vacated by said City Ordinance No. 179, said alley being shown on said map of Alamitos

Beach Townsite as lying within Block 2; thence North $58^{\circ} 49' 57''$ West 59.46 feet along said southerly line to the southerly prolongation of the westerly line of said Lot 2, Block 2, Alamitos Beach Townsite; thence North $08^{\circ} 50' 34''$ East 111.77 feet along said southerly prolongation and along said westerly line of Lot 2, to the northwesterly corner of said Lot in the southerly line of said Ocean Boulevard, 100 feet wide; thence South $81^{\circ} 09' 26''$ East 55.00 feet along the northerly line of said Lot 2 to the point of beginning.

EXHIBIT "B"

PACIFIC COAST CLUB SITE



M-1868

EXHIBIT "C"

PUBLIC ACCESS AND RECREATION EASEMENT

A nonexclusive easement for public access and recreational purposes exists over a portion of Lots 3, 4 and 5, Tract No. 1174, in the City of Long Beach, County of Los Angeles, State of California, as per map recorded in Book 17, Page 105 of Maps, in the office of the County Recorder of said County; a portion of Lot 4, Block 1, Alamitos Beach Townsite, in said City, County and State, as per map recorded in Book 59, Pages 11 and 12 of Miscellaneous Records, in said County Recorder's office; and a portion of Rancho Los Alamitos, in said City, County and State, as per map recorded in Book 1, Pages 460 through 462 of Patents, in said County Recorder's office, lying northerly of the survey of "The Compromise Tideland Boundary", as recorded in Book M2796, Pages 449 through 586 of Official Records, in said County Recorder's office, more particularly described as follows:

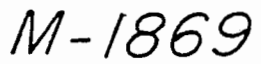
Beginning at the northwesterly corner of said Lot 3 in Tract No. 1174; thence easterly along the northerly line of said Tract No. 1174, also being the southerly line of Ocean Boulevard, 100 feet wide, South 81° 09' 26" East 160.00 feet to the easterly line of the westerly 50 feet of said Lot 5 in Tract No. 1174; thence South 08° 50' 34" West 386.47 feet along said easterly line and the southerly prolongation thereof to said "Compromise Tideland Boundary"; thence North 81° 34' 23" West 160.00 feet along said "Compromise Tideland Boundary" to the southerly prolongation of the westerly line of said Lot 3 in Tract No. 1174; thence along said southerly prolongation North 08° 50' 34" East 7.63 feet to the southwesterly corner of said Lot 3; thence North 81° 09' 26" West 3.90 feet along the westerly prolongation of the southerly line of said Lot 3 to a line parallel with and distant 3.90 feet westerly, measured at right angles, from said westerly line; thence North 08° 50' 34" East 106.71 feet along said last mentioned parallel line to the northerly line of that certain parcel of land described in the deed to the City of Long Beach, recorded in Book 19636, Page 23 of Official Records, in said County Recorder's office; thence along said northerly line South 84° 49' 30" East 3.91 feet to a point on the westerly line of said Lot 3, said point being distant 273.04 feet southerly, measured along said westerly line, from the northwesterly corner of said Lot; thence North 08° 50' 34" East 138.68 feet along the westerly line of said Lot 3 to the southerly line of the northerly half of that certain alley, 20 feet wide, vacated by said City Ordinance No. 179, said alley being shown on said map of Alamitos Beach Townsite as lying within Block 2; thence

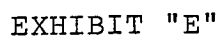
North 58° 49' 57" West 59.46 feet along said southerly line to the southerly prolongation of the westerly line of said Lot 2, Block 2, Alamitos Beach Townsite; thence North 08° 50' 34" East 111.77 feet along said southerly prolongation and along said westerly line of Lot 2, to the northwesterly corner of said Lot in the southerly line of said Ocean Boulevard, 100 feet wide; thence South 81° 09' 26" East 55.00 feet along the northerly line of said Lot 2 to the point of beginning.

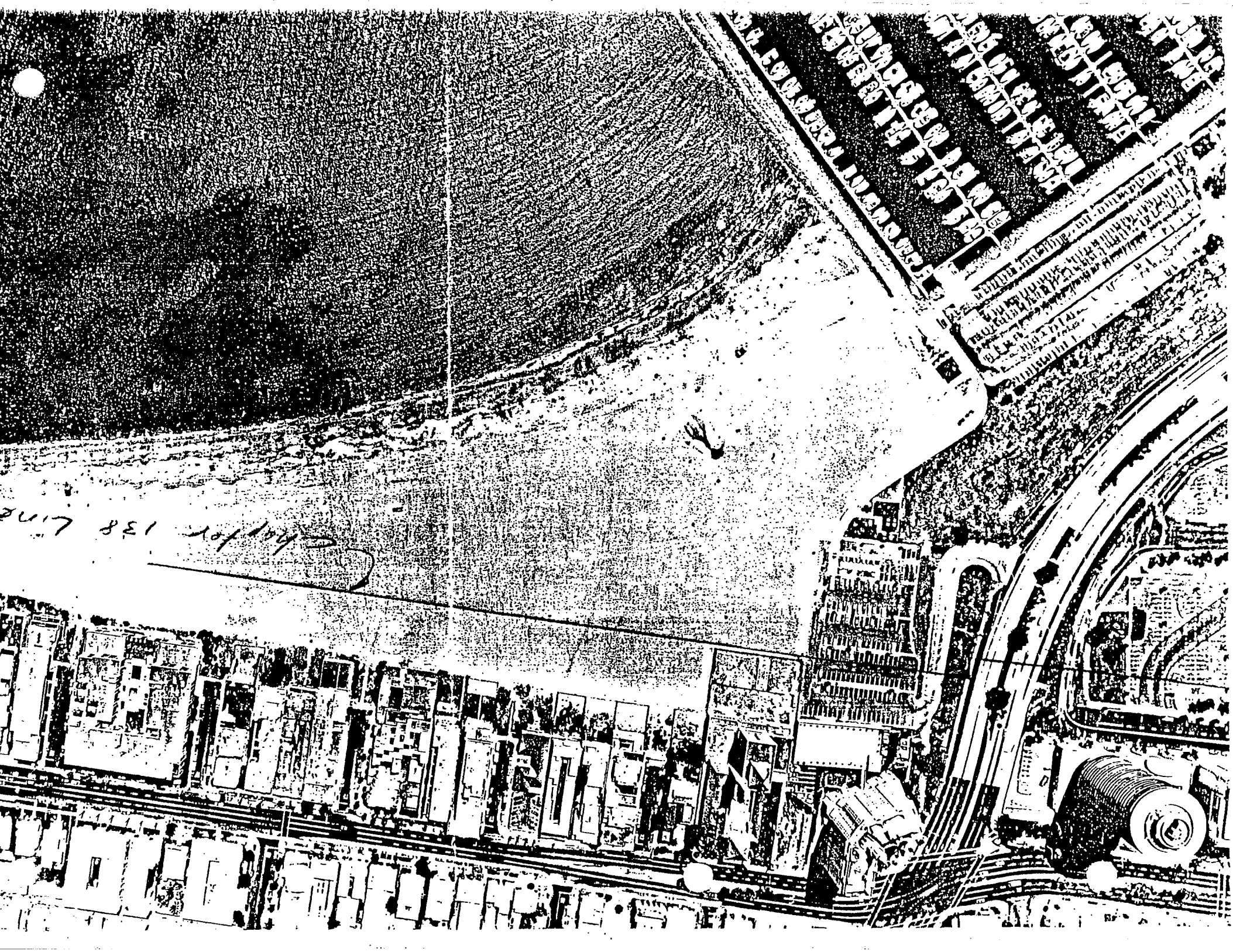
EXCEPT THEREFROM those lands lying north of the following described line:

The easterly terminus of said line being a point on said easterly line of the westerly 50 feet of Lot 5 in Tract No. 1174 lying 313.63 feet southerly, measured along said easterly line, from the northerly line of said Lot 5; the westerly terminus being a point on said line that is parallel with and distant 3.90 feet westerly, measured at right angles, from the westerly line of Lot 3, Tract No. 1174, said westerly terminus lying 39.57 feet southerly measured along said parallel line from the northerly terminus of that certain course previously described as having a bearing and distance of North 08° 50' 34" East 106.71 feet.

EASEMENT AREA







When recorded mail to:

Kenneth K. Williams
One World Trade Center
Suite 1600
501 West Ocean Blvd.
Long Beach, Ca. 90831-1600

9-1268842

AD 860

RECORDED IN OFFICIAL RECORDS
OF LOS ANGELES COUNTY, CA.

AUG 8 1989 AT 8 A.M.

Recorder's Office

T86235

DEED OF PARTIAL RECONVEYANCE

FEE \$13	G
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Transamerica Title Insurance Company, a California corporation, as trustee under deed of trust dated December 30, 1986 made by Cificap Corporation, a California corporation, as trustor and recorded on January 16, 1987, as Instrument No. 87-69174, Official Records of the County Recorder of Los Angeles County, California, has received from beneficiary thereunder, Continental Machines, Inc., Employee Pension Plan, a written request to reconvey in accordance with the terms of said deed of trust all estate now held by such trustee under said deed of trust in and to the property described in Exhibit 1 hereto and the easement described in Exhibit 2 hereto which exhibits by this reference are incorporated herein.

Therefore Transamerica Title Insurance Company, the trustee, does hereby reconvey, without warranty, to the person or persons legally entitled thereto, all estate now held by trustee under said deed of trust, in and to said property described in Exhibit 1 hereto and said easement described in Exhibit 2 hereto.

The remaining property described in said deed of trust shall continue to be held by trustee under the terms thereof, and as provided therein. This partial reconveyance is made without affecting the personal liability of any person for payment of the indebtedness secured by the deed of trust or the effect of the deed of trust on the remainder of the property covered thereby.

This instrument is intended to be complementary to that certain PACIFIC COAST CLUB BOUNDARY LINE AGREEMENT AND CONVEYANCE OF AND WAIVER OF CLAIM OF PUBLIC ACCESS AND RECREATION EASEMENT executed by Cificap Corporation on March 2, 1989, shall be recorded concurrently therewith and this instrument shall be effective only upon said agreement becoming effective pursuant to the provisions of Paragraph 9 thereof.

181

89-1268842

EXHIBIT 1.

That certain property lying within the City of Long Beach, County of Los Angeles, State of California, described as follows:

PARCEL 1.

All that property, if any, lying within the area described in that certain deed of trust recorded on January 16, 1987 as Instrument No. 87-69174 Official Records of said county that lies southerly of that survey line depicted on Page 11 of that official survey recorded on March 11, 1968 as Document 1498 in Book M2796 at pages 449-586 and filed as F-2167 in the Office of the Los Angeles County Recorder, said survey line being hereby referred to as the "Chapter 138 Line."

PARCEL 2.

All that property, if any, within the area described in that certain deed of trust recorded on January 16, 1987 as Instrument No. 87-69174, Official Records of said county, that lies southerly of the westerly extension of the southerly line of Lot 3 of Tract No. 1174 in the City of Long Beach, County of Los Angeles, State of California, as per map recorded in Book 17, Page 105 of maps, in the office of the County Recorder of said County, and westerly of the southerly extension of the westerly line of said Lot 3.

EXHIBIT 2.

That certain nonexclusive easement for public access and recreational purposes that is created by the PACIFIC COAST CLUB BOUNDARY LINE AGREEMENT AND CONVEYANCE OF AND WAIVER OF CLAIM OF PUBLIC ACCESS AND RECREATION EASEMENT executed on March 2, 1989 by Cificap Corporation and recorded concurrently herewith that is described in Exhibit "C" thereto as follows:

EXHIBIT "C"

PUBLIC ACCESS AND RECREATION EASEMENT

A nonexclusive easement for public access and recreational purposes exists over a portion of Lots 3, 4 and 5, Tract No. 1174, in the City of Long Beach, County of Los Angeles, State of California, as per map recorded in Book 17, Page 105 of Maps, in the office of the County Recorder of said County; a portion of Lot 4, Block 1, Alamitos Beach Townsite, in said City, County and State, as per map recorded in Book 59, Pages 11 and 12 of Miscellaneous Records, in said County Recorder's office; and a portion of Rancho Los Alamitos, in said City, County and State, as per map recorded in Book 1, Pages 460 through 462 of Patents, in said County Recorder's office, lying northerly of the survey of "The Compromise Tideland Boundary", as recorded in Book M2796, Pages 449 through 586 of Official Records, in said County Recorder's office, more particularly described as follows:

Beginning at the northwesterly corner of said Lot 3 in Tract No. 1174; thence easterly along the northerly line of said Tract No. 1174, also being the southerly line of Ocean Boulevard, 100 feet wide, South 81° 09' 26" East 160.00 feet to the easterly line of the westerly 50 feet of said Lot 5 in Tract No. 1174; thence South 08° 50' 34" West 386.47 feet along said easterly line and the southerly prolongation thereof to said "Compromise Tideland Boundary"; thence North 81° 34' 23" West 160.00 feet along said "Compromise Tideland Boundary" to the southerly prolongation of the westerly line of said Lot 3 in Tract No. 1174; thence along said southerly prolongation North 08° 50' 34" East 7.63 feet to the southwesterly corner of said Lot 3; thence North 81° 09' 26" West 3.90 feet along the westerly prolongation of the southerly line of said Lot 3 to a line parallel with and distant 3.90 feet westerly, measured at right angles, from said westerly line; thence North 08° 50' 34" East 106.71 feet along said last mentioned parallel line to the northerly line of that certain parcel of land described in the deed to the City of Long Beach, recorded in Book 19636, Page 23 of Official Records, in said County Recorder's office; thence along said northerly line South 84° 49' 30" East 3.91 feet to a point on the westerly line of said Lot 3, said point being distant 273.04 feet southerly, measured along said westerly line, from the northwesterly corner of said Lot; thence

89-1268842

North 08° 50' 34" East 138.68 feet along the westerly line of said Lot 3 to the southerly line of the northerly half of that certain alley, 20 feet wide, vacated by said City Ordinance No. 179, said alley being shown on said map of Alamitos Beach Townsite as lying within Block 2; thence North 58° 49' 57" West 59.46 feet along said southerly line to the southerly prolongation of the westerly line of said Lot 2, Block 2, Alamitos Beach Townsite; thence North 08° 50' 34" East 111.77 feet along said southerly prolongation and along said westerly line of Lot 2, to the northwesterly corner of said Lot in the southerly line of said Ocean Boulevard, 100 feet wide; thence South 81° 09' 26" East 55.00 feet along the northerly line of said Lot 2 to the point of beginning.

EXCEPT THEREFROM those lands lying north of the following described line:

The easterly terminus of said line being a point on said easterly line of the westerly 50 feet of Lot 5 in Tract No. 1174 lying 313.63 feet southerly, measured along said easterly line, from the northerly line of said Lot 5; the westerly terminus being a point on said line that is parallel with the distant 3.90 feet westerly, measured at right angles, from the westerly line of Lot 3, Tract No. 1174, said westerly terminus lying 39.57 feet southerly measured along said parallel line from the northerly terminus of that certain course previously described as having a bearing and distance of North 08° 50' 34" East 106.71 feet.

Recording requested by:
Commonwealth Land Title Insurance

89-1270775

When recorded mail to:
Kenneth K. Williams
One World Trade Center, #1600
Long Beach, CA 90831-1600

RECORDED IN OFFICIAL RECORDS
RECORDER'S OFFICE
LOS ANGELES COUNTY
CALIFORNIA

1 MIN. 12 P.M. AUG 8 1989
PAST.

DEED OF PARTIAL
RECONVEYANCE

FEE \$13 G
5

Commonwealth Land Title Insurance Company, a California corporation, as trustee under a deed of trust dated April 10, 1986 made by Cificap Corporation, a California corporation as trustor and recorded on April 11, 1986 as Instrument No. 86-451576, Official Records of the County Recorder of Los Angeles County, California, (hereinafter "said deed of trust"), as supplemented by an assignment executed by Cificap Corporation to the Minneapolis Employee's Retirement Fund, a Minnesota public corporation, of all right title and interest as to future leases, as additional security for the payment of the indebtedness secured by the deed of trust recorded April 11, 1986, as Instrument No. 86-451576, which assignment was recorded April 11, 1986 as Instrument No. 86-451577, Official Records of said County, (hereinafter, "said assignment"), as modified by an instrument dated September 10, 1987, executed by Cificap Corporation and the Minneapolis Employee's Retirement Fund recorded November 4, 1987 as Instrument No. 87-1770164, Official Records of said County, (hereinafter, "said modification"), has received from beneficiary thereunder, said Minneapolis Employee's Retirement Fund, a written request to reconvey in accordance with the terms of such deed of trust all estate now held by such trustee under said deed of trust, as supplemented by said assignment, and modified by said modification, in and to the property described in Exhibit 1. hereto and the easement described in Exhibit 2. hereto, which exhibits by this reference are incorporated herein.

Therefore Commonwealth Land Title Insurance Company, the trustee, does hereby reconvey, without warranty, to the person or persons legally entitled thereto, all estate now held by trustee under said deed of trust, as supplemented by said assignment and modified by said modification, in and to said property described in Exhibit 1. hereto and said easement described in Exhibit 2. hereto.

The remaining property described in said deed of trust as supplemented by said assignment, and modified by said modification, shall continue to be held by trustee under the terms thereof, and as provided therein. This partial reconveyance is made without affecting the personal liability of any person for payment of the indebtedness secured by the deed of trust or the effect of the deed of trust on the remainder of the property covered thereby.

96-46134-22

This instrument is intended to be complementary to that certain PACIFIC COAST CLUB BOUNDARY LINE AGREEMENT AND CONVEYANCE OF AND WAIVER OF CLAIM OF PUBLIC ACCESS AND RECREATION EASEMENT executed by CIFICAP CORPORATION on March 2, 1989, shall be recorded concurrently therewith and this instrument shall be effective only upon said agreement becoming effective pursuant to the provisions of numbered Paragraph 9 thereof.

IN WITNESS WHEREOF, Commonwealth Land Title Insurance Company, as trustee, has executed this DEED OF PARTIAL RECONVEYANCE on AUGUST 7, 1989.

COMMONWEALTH LAND TITLE
INSURANCE COMPANY, a California
corporation

BY: [Signature] VICE PRESIDENT
Name and Title: CHRISTOPHER D. WHITE

BY: _____
Name and Title: _____

STATE OF CALIFORNIA)
) SS
COUNTY OF)

On AUGUST 7, 1989, 1989, before me, the undersigned, a Notary Public in and for said State, personally appeared _____

CHRISTOPHER D. WHITE
personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the VICE PRESIDENT and _____

_____ personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the _____ of the Corporation, that executed the within instrument and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws or a resolution of its Board of Directors.

WITNESS my hand and official seal.

Signature Miriam H. Gottlieb



89-1270775

EXHIBIT 1.

That certain property lying within the City of Long Beach, County of Los Angeles, State of California, described as follows:

PARCEL 1.

All that property, if any, lying within the area described in that certain deed of trust recorded on April 11, 1986 as Instrument No. 86-451576 Official Records of said county that lies southerly of that survey line depicted on Page 11 of that official survey recorded on March 11, 1968 as Document 1498 in Book M2796 at pages 449-586 and filed as F-2167 in the Office of the Los Angeles County Recorder, said survey line being hereby referred to as the "Chapter 138 Line."

PARCEL 2.

All that property, if any, within the area described in that certain deed of trust recorded on April 11, 1986 as Instrument No. 86-451576, Official Records of said county, that lies southerly of the westerly extension of the southerly line of Lot 3 of Tract No. 1174 in the City of Long Beach, County of Los Angeles, State of California, as per map recorded in Book 17, Page 105 of maps, in the office of the County Recorder of said County, and westerly of the southerly extension of the westerly line of said Lot 3.

89-1270775

EXHIBIT 2.

That certain nonexclusive easement for public access and recreational purposes that is created by the PACIFIC COAST CLUB BOUNDARY LINE AGREEMENT AND CONVEYANCE OF AND WAIVER OF CLAIM OF PUBLIC ACCESS AND RECREATION EASEMENT executed on March 2, 1989 by Cificap Corporation and recorded concurrently herewith that is described in Exhibit "C" thereto as follows:

EXHIBIT "C"

PUBLIC ACCESS AND RECREATION EASEMENT

A nonexclusive easement for public access and recreational purposes exists over a portion of Lots 3, 4 and 5, Tract No. 1174, in the City of Long Beach, County of Los Angeles, State of California, as per map recorded in Book 17, Page 105 of Maps, in the office of the County Recorder of said County; a portion of Lot 4, Block 1, Alamitos Beach Townsite, in said City, County and State, as per map recorded in Book 59, Pages 11 and 12 of Miscellaneous Records, in said County Recorder's office; and a portion of Rancho Los Alamitos, in said City, County and State, as per map recorded in Book 1, Pages 460 through 462 of Patents, in said County Recorder's office, lying northerly of the survey of "The Compromise Tideland Boundary", as recorded in Book M2796, Pages 449 through 586 of Official Records, in said County Recorder's office, more particularly described as follows:

Beginning at the northwesterly corner of said Lot 3 in Tract No. 1174; thence easterly along the northerly line of said Tract No. 1174, also being the southerly line of Ocean Boulevard, 100 feet wide, South $81^{\circ} 09' 26''$ East 160.00 feet to the easterly line of the westerly 50 feet of said Lot 5 in Tract No. 1174; thence South $08^{\circ} 50' 34''$ West 386.47 feet along said easterly line and the southerly prolongation thereof to said "Compromise Tideland Boundary"; thence North $81^{\circ} 34' 23''$ West 160.00 feet along said "Compromise Tideland Boundary" to the southerly prolongation of the westerly line of said Lot 3 in Tract No. 1174; thence along said southerly prolongation North $08^{\circ} 50' 34''$ East 7.63 feet to the southwesterly corner of said Lot 3; thence North $81^{\circ} 09' 26''$ West 3.90 feet along the westerly prolongation of the southerly line of said Lot 3 to a line parallel with and distant 3.90 feet westerly, measured at right angles, from said westerly line; thence North $08^{\circ} 50' 34''$ East 106.71 feet along said last mentioned parallel line to the northerly line of that certain parcel of land described in the deed to the City of Long Beach, recorded in Book 19636, Page 23 of Official Records, in said County Recorder's office; thence along said northerly line South $84^{\circ} 49' 30''$ East 3.91 feet to a point on the westerly line of said Lot 3, said point being distant 273.04 feet southerly, measured along said westerly line, from the northwesterly corner of said Lot; thence

89-1270775

North 08° 50' 34" East 138.68 feet along the westerly line of said Lot 3 to the southerly line of the northerly half of that certain alley, 20 feet wide, vacated by said City Ordinance No. 179, said alley being shown on said map of Alamitos Beach Townsite as lying within Block 2; thence North 58° 49' 57" West 59.46 feet along said southerly line to the southerly prolongation of the westerly line of said Lot 2, Block 2, Alamitos Beach Townsite; thence North 08° 50' 34" East 111.77 feet along said southerly prolongation and along said westerly line of Lot 2, to the northwesterly corner of said Lot in the southerly line of said Ocean Boulevard, 100 feet wide; thence South 81° 09' 26" East 55.00 feet along the northerly line of said Lot 2 to the point of beginning.

EXCEPT THEREFROM those lands lying north of the following described line:

The easterly terminus of said line being a point on said easterly line of the westerly 50 feet of Lot 5 in Tract No. 1174 lying 313.63 feet southerly, measured along said easterly line, from the northerly line of said Lot 5; the westerly terminus being a point on said line that is parallel with the distant 3.90 feet westerly, measured at right angles, from the westerly line of Lot 3, Tract No. 1174, said westerly terminus lying 39.57 feet southerly measured along said parallel line from the northerly terminus of that certain course previously described as having a bearing and distance of North 08° 50' 34" East 106.71 feet.

LONG BEACH REGISTERED BY AND MAIL TO
KENNETH R. WILLIAMS
ONE WORLD TRADE CENTER, SUITE 1600
LONG BEACH, CA. 90831-1600

89-1257278

RECORDED IN OFFICIAL RECORDS
RECORDER'S OFFICE
LOS ANGELES COUNTY
CALIFORNIA
1 MIN. 4 P.M. AUG 4 1989
PAST.

SUBORDINATION OF CLAIM
OF MECHANIC'S LIEN TO
PACIFIC COAST CLUB
AGREEMENT

FEE \$ 71 80

THIS AGREEMENT is entered into between CLEVELAND WRECKING COMPANY, a California corporation, (hereinafter "CLEVELAND") and CIFICAP CORPORATION, a California corporation (hereinafter "CIFICAP").

WHEREAS, CLEVELAND is the claimant under that certain mechanic's lien recorded January 23, 1989 as Instrument No. 89-113436, Official Records of the County of Los Angeles, State of California (hereafter "Mechanic's Lien"), and

WHEREAS, CIFICAP is the owner of certain property described in said Mechanic's Lien and to which by its terms said Mechanic's Lien purports to apply, and

WHEREAS, CIFICAP has, on March 2, 1989, executed an agreement between CIFICAP, the State of California acting by and through the STATE LANDS COMMISSION, and the CITY OF LONG BEACH, which agreement is entitled PACIFIC COAST CLUB BOUNDARY LINE AGREEMENT AND CONVEYANCE OF AND WAIVER OF CLAIM OF PUBLIC ACCESS AND RECREATION EASEMENT, (hereinafter "PACIFIC COAST CLUB AGREEMENT"), which agreement is attached hereto as Exhibit "A" and by this reference made a part hereof, and

WHEREAS, said PACIFIC COAST CLUB AGREEMENT would define permanently the southerly boundary of that certain property that is the object of CLEVELAND'S Mechanic's Lien, which boundary has arguably been in doubt as to its true location, and would grant the CITY OF LONG BEACH a nonexclusive easement for public access and recreational purposes over an "Easement Area", an area of the property described in said Mechanic's Lien that lies southerly of the northerly face of, and prolongation of, the existing wooden bulkhead as established per City of Long Beach Field Book 1135/185, said "Easement Area" being described in Exhibit "C", and illustrated by Exhibit "D" of said PACIFIC COAST CLUB AGREEMENT, and

WHEREAS the CITY OF LONG BEACH and the STATE OF CALIFORNIA require, pursuant to numbered paragraph 8 of said PACIFIC COAST CLUB AGREEMENT that CLEVELAND subordinate its Mechanic's Lien to the terms

of said PACIFIC COAST CLUB AGREEMENT, and CLEVELAND is willing to do so, in order to resolve prospective litigation that would have raised title questions in that property that is the object of said Mechanic's Lien.

NOW THEREFORE, CLEVELAND and CIFICAP agree as follows:

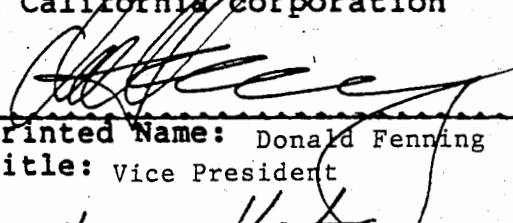
1. That certain Mechanic's Lien, recorded January 23, 1989 as Instrument No. 89-113436, Official Records of said County shall be deemed subordinate to and governed by the terms and effect of said PACIFIC COAST CLUB AGREEMENT attached hereto as Exhibit "A", upon said PACIFIC COAST CLUB AGREEMENT becoming effective pursuant to numbered paragraph 9, thereof.

2. This agreement shall in no way otherwise affect the priority of said Mechanic's Lien to any other lien or interest, or in any way otherwise add to or detract from the force, effect and validity of said Mechanic's Lien.

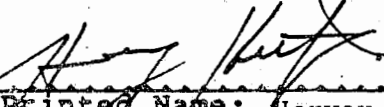
Signed: May 3, , 1989

CLEVELAND WRECKING COMPANY,
a California Corporation

BY


Printed Name: Donald Fenning
Title: Vice President

BY


Printed Name: Harvey Kritzer
Title: Assistant Secretary

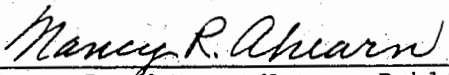
STATE OF CALIFORNIA)

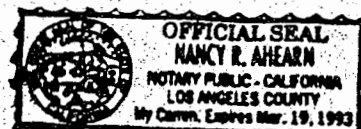
COUNTY OF LOS ANGELES)

On May 3, 1989, before me, the undersigned, a Notary Public in and for said State, personally appeared DONALD FENNING, personally known to me or proved to me on the basis of satisfactory evidence to be the person who executed the within instrument as the Vice President, and HARVEY KRITZER, personally known to me or proved to me on the basis of satisfactory evidence to be the

(ACKNOWLEDGEMENT)

person who executed the within instrument as the Assistant Secretary of the Corporation that executed the within instrument.


Nancy R. Ahearn, Notary Public



89-1257278

Signed: , 1989.

CIFICAP CORPORATION,
a California corporation

BY: _____

Printed Name: ROBERT R. BELLEVUE

Title: President

(ACKNOWLEDGEMENT)

69-1257278

RECORDING REQUESTED BY
and When Recorded Mail to:

Attn: _____
BLA No. 259, AD No. 86

STATE OF CALIFORNIA/CITY OF LONG BEACH
OFFICIAL BUSINESS
(Document entitled to free recordation
pursuant to Government Code Sections
6103 and 27383.)

No Tax Due _____

NOTE: The conveyances contained in this Agreement are entered into solely for the purpose of perfecting title to the property herein described and, accordingly, do not involve a change in ownership pursuant to Section 62(b) of the California Revenue and Taxation Code.

PACIFIC COAST CLUB
BOUNDARY LINE AGREEMENT AND
CONVEYANCE OF
AND WAIVER OF CLAIM OF
PUBLIC ACCESS AND RECREATION EASEMENT

Instructions to the County Recorder of the County of
Los Angeles:

This document operates (i) as a quitclaim deed from CIFICAP Corporation, a California corporation, to the City of Long Beach and State of California, (ii) as a quitclaim deed from the City of Long Beach, a municipal corporation, and the State of California, acting by and through the State Lands Commission, to the CIFICAP Corporation, (iii) to establish an Agreed Boundary Line between the parties, (iv) as an easement deed from the CIFICAP Corporation to the City of Long Beach, and (v) as a waiver and relinquishment of easement claim by the State of California and the City of Long Beach to CIFICAP Corporation. Therefore, please index this document as follows:

EXHIBIT A

89-1257278

<u>GRANTOR</u>	<u>GRANTEE</u>	<u>PROPERTY</u>
CIFICAP Corporation	City of Long Beach State of California	Quitclaim of property southerly of Chapter 138 Line
City of Long Beach State of California	CIFICAP Corporation	Quitclaim of sovereign interest in property described in Exhibit "A" hereto except for the easement in the pro- perty described in Exhibit "C" hereto
CIFICAP Corporation	City of Long Beach	Grant of Public Access and Recreation Easement over property described in Exhibit "C" hereto
City of Long Beach State of California	CIFICAP Corporation	Waiver and relin- quishment of implied dedication easement claim over property described in Exhibit "A" hereto except for the property described in Exhibit "C" hereto

PACIFIC COAST CLUB
BOUNDARY LINE AGREEMENT AND
CONVEYANCE OF
AND WAIVER OF CLAIM OF

PUBLIC ACCESS AND RECREATION EASEMENT

THIS PACIFIC COAST CLUB BOUNDARY LINE AGREEMENT AND
CONVEYANCE OF AND WAIVER OF CLAIM OF PUBLIC ACCESS AND RECREATION
EASEMENT (hereinafter "Agreement") is made and entered into by
and between: THE STATE OF CALIFORNIA, acting by and through the

STATE LANDS COMMISSION (hereinafter referred to as "the State"); the ATTORNEY GENERAL OF THE STATE OF CALIFORNIA (hereinafter referred to as "the Attorney General"); the CITY OF LONG BEACH, a municipal corporation of the State of California (hereinafter referred to as "the City"); and CIFICAP Corporation, a California corporation (hereinafter referred to as "CIFICAP").

R E C I T A L S

WHEREAS, this Agreement concerns the site of the former Pacific Coast Club at 850 East Ocean Avenue in the City of Long Beach (hereinafter the "Pacific Coast Club Site" or "Site"), described in Exhibit "A" and depicted on Exhibit "B" attached hereto and by this reference made a part hereof, and adjacent sovereign tidelands southerly thereof legislatively conveyed, in trust, by the State of California to the City of Long Beach; and

WHEREAS, the State of California acquired title to tidelands and submerged lands within its boundaries (lands located below the ordinary high-water mark) by virtue of its sovereignty upon its admission to the Union; and

WHEREAS, by Chapter 676, Statutes of 1911, Chapter 102, Statutes of 1925, and Chapter 158, Statutes of 1935, the State of California granted to the City of Long Beach, in trust for the public, all of its right, title and interest in and to all of the State's tidelands and submerged lands in the City of Long Beach,

including those sovereign tidelands and submerged lands adjacent to said Pacific Coast Club Site; and

WHEREAS, CIFICAP Corporation is the record owner of the Pacific Coast Club Site, which is an upland parcel derived in title from the Rancho Los Alamitos (private title confirmed by patent of federal government, Book 1, pages 453-63 of Patents in the Office of the County Recorder of Los Angeles County), which parcel has as its southerly boundary the ordinary high-water mark of the Pacific Ocean; and

WHEREAS, a bona fide dispute has arisen over the precise, true, lawful location of the ordinary high-water mark which constitutes the boundary line between the upland Pacific Coast Club Site and the adjacent tidelands due to inadequate prior mapping, arguments over the effect of various man-made works and potential disputes over the law to be applied; and

WHEREAS, negotiations have been conducted among representatives of the parties concerning resolution of this boundary dispute; and

WHEREAS, in 1964 the state Legislature enacted Chapter 138, Statutes of 1964, First Extraordinary Session, which established an upland/tideland boundary for the City of Long Beach, including the area in the vicinity of the Pacific Coast Club Site, and the City and State subsequently settled litigation

between them over the location of the upland/tideland boundary by adopting said line (hereinafter referred to as the "Chapter 138 Line"); and

WHEREAS, said Chapter 138 Line was thereafter surveyed by the State, said official survey being recorded on March 11, 1968 as Document 1498 in Book M2796 at pages 449-586, and filed as F-2167 in the Office of the Los Angeles County Recorder; that portion of said Chapter 138 Line in the vicinity of the Pacific Coast Club Site being shown on sheet 11 of said survey, and recorded as page 522, a copy of which is attached hereto as Exhibit "E" and made a part hereof; and

WHEREAS, State, City and CIFICAP agree that said Chapter 138 Line is a reasonable and best good faith fixing of the ordinary high-water mark in its last natural position in the area of the Pacific Coast Club Site; and

WHEREAS, CIFICAP is willing to join in the adoption of said Chapter 138 Line as the permanent and fixed tideland boundary between the respective uplands of CIFICAP and the tidelands owned by the City pursuant to legislative trust grant from the State; and

WHEREAS, the State Lands Commission has found that it is prudent, expedient, in the best interest of the State and the public, and in furtherance of commerce, navigation and fishery

that the aforementioned Boundary Line Agreement be effectuated by the execution of this Agreement; and

WHEREAS, it is in the best interest of the State, the City, members of the general public and CIFICAP for the parties hereto to resolve their dispute by settlement, thereby avoiding substantial costs, time delays and uncertainties of litigation; and

WHEREAS, the State is authorized by Division 6 of the Public Resources Code, including Section 6357, to enter into boundary line agreements; and

WHEREAS, the parties have reached a settlement of this matter whereby CIFICAP will relinquish all of its right, title and interest, if any, in and to all property located southerly of the Chapter 138 Line between the southerly prolongation of the easterly and westerly boundary lines of the Pacific Coast Club Site, said Chapter 138 Line to become the agreed boundary line between said Pacific Coast Club Site and the adjacent sovereign tidelands, and in exchange, the State and the City will relinquish to CIFICAP their property claims, if any, derived respectively from sovereign title and legislative trust grant, except for the easement described in paragraph 4 hereof, over the Pacific Coast Club Site, that is, northerly of said Chapter 138 Line; and

WHEREAS, the California Supreme Court in the case of Gion v. City of Santa Cruz (1970) 2 Cal. 3d 29 recognized that the doctrine of implied dedication applies to shoreline areas whereby public access and recreational easements over such areas can arise from the public using them as if they were public land for the prescriptive period of five years, without asking or receiving permission from the owner, with actual or presumed knowledge of the owner, the owner not having attempted to halt such public use in any significant way during said period; and

WHEREAS, the Attorney General represents the State in boundary settlement and implied dedication matters; and

WHEREAS, based upon an investigation which included a physical inspection of the property and discussions with members of the general public, it is the opinion of the State, the Attorney General and City that portions of the upland Pacific Coast Club Site are subject to a public access and recreation easement as a result of public use of portions of the site for access and recreational purposes over a period of many years; and

WHEREAS, CIFICAP denies the existence of any such public access and recreation easement or implied dedication, and alleges that the Pacific Coast Club Site has been fenced and exclusively occupied over the last thirty years, that prior to then it was partly subject to action from the waves by reason of actions by the City, that for many years of the prior period the

Club had erected and maintained a sea-brake wall to protect said Site, that the public did not use said Site as if it were public property, that any public use of said Site that may be claimed has for thirty years been abandoned due to the filling in of the tidelands and the migration southward of the ocean interface, and that the City has granted many permits over the years for construction of private works on said Site and is estopped from claiming any public easement; and

WHEREAS, the State, the Attorney General and the City allege that the public used portions of the Site for access and recreational purposes as if they were public lands for over fifty years without asking or receiving permission from the owner, with actual or presumed knowledge of the owner, the owner not having attempted to halt such public use during said period, that this public use took place both while the lands were submerged and after they were filled, the filling merely changing the public uses that were made of the lands, that the public access and recreation easement thus arose for submerged lands purposes and for sandy beach purposes, that once having arisen, the public access and recreation easement or implied dedication was not abandoned by the State, the Attorney General or the City and cannot be affected by any action of the owner, including fencing, that the City has not granted permits for construction of private works on said portions of the Site and is not estopped from continuing to claim the existence of a public access and

recreation easement on portions of the Site by reason of implied dedication; and

WHEREAS, there is a controversy over the existence and extent, area and true boundaries of any public access and recreation easement which may exist by virtue of implied dedication; and

WHEREAS, under California law, it is within the authority of the Attorney General, on behalf of the State and public, and within the authority of the City to investigate, assert, establish, compromise and settle claims of the public to access and recreation easements which have arisen in favor of the public by virtue of implied dedication in accordance with the case of Gion v. City of Santa Cruz, supra; and

WHEREAS, defining the extent of the public claims of implied dedication and the location and area of that portion of the Pacific Coast Club Site over which such claims exist would require protracted and costly investigation and litigation; and

WHEREAS, it is in the best interest of the State, the City, members of the general public and CIFICAP for the parties hereto to resolve their dispute by settlement, thereby avoiding substantial costs, time delays and uncertainties of litigation; and

WHEREAS, in compromise of any public claims of implied dedication on the Pacific Coast Club Site, the parties hereto have reached an agreement whereby CIFICAP will grant to City, in trust for the public, a nonexclusive easement for public access and public recreational purposes over a portion of the Site, the lands burdened by said easement being described in Exhibit "C" and depicted on Exhibit "D", attached hereto and by this reference made a part hereof, in exchange for a relinquishment by the State, the Attorney General and City of any claim that the remainder of the Pacific Coast Club Site may be subject to a public access and recreation easement by virtue of implied dedication; and

WHEREAS, the Attorney General and the City, who are parties hereto, have made an investigation and review of the facts and circumstances relating to the public's claim that portions of the Pacific Coast Club Site are subject to an implied dedication easement for purposes of access and recreation and CIFICAP's vigorous dispute of these claims, and have concluded that the Agreement reached herein which will confirm and compromise said claim is just, equitable and in the best interest of the public, the City and the State; and

WHEREAS, the State Lands Commission having also reviewed the facts and circumstances relating to the aforementioned implied dedication claims of the public, is in

agreement with the aforementioned conclusion of the Attorney General and the City; and

WHEREAS, the State Lands Commission has approved and authorized execution and delivery of this Agreement at its Public Meeting in Sacramento, California, on December 13, 1988, Calendar and Minute Item No. 38, and the City Council of the City has authorized execution and delivery of this Agreement at its Public Meeting in the City on November 29, 1988.

NOW, THEREFORE, in consideration of the foregoing premises and of the mutual covenants and agreements contained herein, it is agreed as follows:

1. In order to effectuate this Agreement and to locate, describe and permanently establish and fix the common boundary between City-owned tidelands held by virtue of legislative trust grants from the State, and the adjacent upland Pacific Coast Club Site owned by CIFICAP, the State of California, acting by and through the State Lands Commission, the City of Long Beach, a municipal corporation of the State of California, and CIFICAP Corporation, a California corporation, do hereby agree that said common boundary shall be that portion of the Chapter 138 Line (depicted on Exhibit "E" hereto) lying between the southerly prolongation of the easterly and westerly boundary lines of the Pacific Coast Club Site, which portion is hereinafter referred to as the "Agreed Boundary Line." Said Agreed Boundary Line, depicted on Exhibit "B" hereto, shall be

permanent and fixed and shall not move by reason of accretion, reliction, avulsion, erosion, or any other natural or artificial causes or events.

2. In order to further effectuate this Agreement, CIFICAP Corporation hereby quitclaims, releases and remises all of its right, title and interest, if any, in and to those lands located southerly of the Agreed Boundary Line; that is, southerly of that portion of the Chapter 138 Line lying between the southerly prolongation of the easterly and westerly boundaries of the Pacific Coast Club Site, as depicted on Exhibit "B" hereto, to the City of Long Beach, as trustee of the State of California in accordance with the provisions of Chapter 676, Statutes of 1911, Chapter 102, Statutes of 1925, and Chapter 158, Statutes of 1935, excepting therefrom all those rights and interests retained and reserved by the State of California by virtue of said tideland trust grant, and to the State of California to the same extent and upon the same tenure as the State holds all of said rights and interests retained and reserved by the State by virtue of Chapter 676, Statutes of 1911, Chapter 102, Statutes of 1925, and Chapter 158, Statutes of 1935.

3. In order to further effectuate this Agreement, the State of California, acting by and through the State Lands Commission, and the City of Long Beach, hereby quitclaim, release and remise to CIFICAP Corporation all of their right, title and interest, if any, held by virtue of sovereign ownership or

legislative trust grant, respectively, in those lands located northerly of said Agreed Boundary Line; that is, northerly of that portion of the Chapter 138 Line located between the southerly prolongation of the easterly and westerly boundaries of the Pacific Coast Club Site, as depicted on Exhibit "B" hereto, except that this quitclaim shall in no way affect that easement for public access and recreational purposes described in paragraph 4 hereof.

4. In order to further effectuate this Agreement, CIFICAP Corporation hereby grants to the City of Long Beach, in trust for the public, a nonexclusive easement for public access and recreational purposes over that property described in Exhibit "C" and depicted on Exhibit "D" attached hereto, hereinafter referred to as the "Easement Area." Said public access and recreational purposes shall include, but shall not be limited to: ingress, egress, viewing, strolling, running, photographing, painting, fishing, swimming, bathing, surfing, picnicking, sunbathing, playing beach games, and all other uses associated with beach and shoreline recreational areas, together with the right of the City to provide trash pickup and other beach cleaning and maintenance services, including the deposition and leveling of additional beach material. The construction of any permanent structures on said property by the City or the State shall not be allowed. Within 120 days from the effective date of this Agreement, CIFICAP shall, at its own expense, remove the existing chain link fence from the perimeter of the Easement

Area, remove the existing 20-foot by 57-foot concrete slab lying within the Easement Area, and place the Easement Area in a clean, sandy beach condition usable by the public as a public beach. Should CIFICAP desire to construct a fence on its property northerly of the Easement Area, CIFICAP shall apply for necessary and appropriate permits to do so. The City hereby grants to CIFICAP a temporary construction encroachment permit for the use of the Easement Area for a period of thirty (30) months from the effective date of this Agreement or until completion of a project on the Pacific Coast Club Site, whichever occurs earlier. Said permit shall be exercised by CIFICAP and said Easement Area shall be secured and occupied by CIFICAP only during periods of actual construction and only if necessary for the staging of materials and equipment or for public safety purposes. Additional reasonable terms and conditions, not inconsistent with the above, will be set forth in the construction encroachment permit to the satisfaction of the City. CIFICAP may apply for an extension of the temporary encroachment permit, if needed. At the expiration of the temporary construction encroachment permit, CIFICAP shall, at its own expense, immediately place the Easement Area in a clean, sandy beach condition, usable by the public as a public beach.

5. The City of Long Beach, as trustee by virtue of and subject to the provisions of Chapter 676, Statutes of 1911, Chapter 102, Statutes of 1925, and Chapter 158, Statutes of 1935,

hereby accepts the conveyance contained in Paragraph 2 hereof as sovereign tidelands and submerged lands, and as trustee for the public accepts the conveyance contained in Paragraph 4 hereof as an easement appurtenant to the tidelands and submerged lands, and consents to the recordation of this document; the State of California hereby accepts the conveyance contained in Paragraph 2 hereof as sovereign tidelands and submerged lands and consents to the recordation of this document.

6. The State, acting with the consent of its Attorney General, and the City, both in consideration of Paragraph 4 hereof, hereby waive and relinquish any claim that any portion of the Pacific Coast Club Site; that is, any lands located north of the Agreed Boundary Line, except those lands constituting the Easement Area referred to in paragraph 4 hereof and described in Exhibit "C" and depicted on Exhibit "D" hereto, is subject to any easement for public access or recreational purposes by reason of implied dedication.

7. Pursuant to the provisions of Section 6357 of the Public Resources Code, the State Lands Commission hereby finds and declares that the Chapter 138 Line is a reasonable and best good faith fixing of the ordinary high-water mark of the Pacific Ocean in its last natural position in the area of the Pacific Coast Club Site.

8. CIFICAP shall provide the City and State with a Preliminary Title Report dated as of December 31, 1988 for those lands located fifty (50) feet southerly of the Agreed Boundary Line, that is, fifty (50) feet southerly of that portion of the Chapter 138 Line lying between the southerly prolongation of the easterly and westerly boundaries of the Pacific Coast Club Site, as depicted on Exhibit "B" hereto; as well as for those lands referred to as the Easement Area and described in Exhibit "C" and depicted on Exhibit "D" hereto. Within 10 days of its receipt, the City shall notify CIFICAP in writing whether the condition of title is such that upon execution and recordation of this Agreement, title will become vested in the City and State in a condition satisfactory to the City and State. If, in the opinion of the City and State, the condition of title is not such that it will vest in the City and State in a satisfactory condition, execution of this Agreement by the City and State will be delayed until impediments to satisfactory title have been removed, or the appropriate actions have been taken to place title in a satisfactory condition.

9. This Agreement shall become effective upon its execution by all parties hereto, and thereupon, all the terms, provisions and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, administrators, executors, successors and assigns.

10. This Agreement is prepared and submitted in a bona fide effort to compromise and settle long-standing existing controversies between CIFICAP, the State and the City. In the event this Agreement is not approved, does not become effective, or is determined to be null, void or invalid, nothing contained in this Agreement shall constitute any, or be, an admission of any party with respect to any of the recitations contained in the Agreement and shall not be used by any party hereto in any proceeding, whether judicial or otherwise, to evidence the location, character, condition or legal status of any property, land or interest therein that is the subject of this Agreement, or to evidence the belief, statement, knowledge or intent of any party with respect thereto. This Agreement shall not constitute nor be deemed to be an admission of any party hereto in any judicial or other proceeding as to any right, title or interest of any party in lands other than the lands concerned in this Agreement.

11. The parties hereto agree that upon and after the effective date of this Agreement, each provision of this Agreement is intended to be severable, separate and distinct from the other provisions herein and shall continue in full force and effect notwithstanding that other provisions hereof may be determined invalid or void for any reason. Nothing herein, however, shall affect or diminish the rights of any party hereto at law or in equity, or both, to enforce any provision of this Agreement against any other party.

12. As used herein, whenever the context so requires, the neuter gender includes the masculine and feminine, and the singular includes the plural and vice versa. Defined terms are to have their defined meaning regardless of the grammatical form, number or tense of such terms.

13. This Agreement may be executed in any number of counterparts and each executed counterpart shall have the same force and effect as an original and as if all of the parties to the aggregate counterparts had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more additional signature pages. In the execution of this Agreement each party hereto shall furnish such acknowledgments and certifications as may be necessary to duly record, in the Office of the County Recorder of Los Angeles County, its execution thereof.

14. The City shall record this Agreement in the Office of the County Recorder of Los Angeles County within 10 days after the effective date of this Agreement. Failure to record within this period shall not affect the validity of this Agreement.

15. The premiums and costs of any title insurance policies shall be borne by the party requesting such insurance.

16. This Agreement and all actions required to effectuate this Agreement are exempt from the provisions of the Subdivision Map Act (Gov. Code, §66412(e)), the California Coastal Act (Pub. Resources Code, §30416(c)), and the California Environmental Quality Act (Pub. Resources Code, §21080.11).

17. Each of the parties hereto will do such further acts and execute, acknowledge and deliver all further documents and instruments as may be necessary or appropriate to effectuate fully the provisions of this Agreement and to assure any other party all of the respective properties, rights, titles, interests, remedies, powers and privileges to be conveyed or provided for herein.

18. This Agreement constitutes the entire agreement among the parties and none of the parties relies upon any warranty or representation not contained herein.

19. This Agreement is solely for the purpose of settling the above described title dispute and does not operate, by implication or otherwise, to satisfy or affect the mitigation, regulatory requirements or jurisdiction of any public agency or body.

20. All notices required or permitted to be given to a party hereto by the provisions of this Agreement shall be deemed to have been given twenty-four (24) hours after such notice is

deposited in the United States mail, as registered or certified mail with postage thereon fully prepaid, addressed to such party at its address set forth below, or when such notice is filed as a telegram with Western Union Telegraph Company, or any successor in interest in said telegraph company, addressed as above provided with all charges thereon fully prepaid. Any notice given in any other fashion shall be deemed to have been given when actually received by the addressee. Any party may change its address by giving written notice to all other parties. The addresses of the parties hereto are as follows:

(a) "CIFICAP"

CIFICAP
c/o Charles Greenberg and
Agnes Mulhearn
Ball, Hunt, Hart, Brown and Baerwitz
P.O. Box 1287
Long Beach, California 90801

(b) "The City"

James C. Hankla, City Manager
333 West Ocean Boulevard
Long Beach, California 90802

(c) "The State"

State Lands Commission
1807 - 13th Street
Sacramento, California 95814-9990
Attention: Executive Officer

89-1257278

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed.

STATE OF CALIFORNIA
STATE LANDS COMMISSION

Date: _____

By: _____

STATE OF CALIFORNIA
ATTORNEY GENERAL

Date: _____

By: _____
Deputy Attorney General

IN APPROVAL WHEREOF,

I, GEORGE DEUKMEJIAN,

Governor of the State of California, have set my hand and caused the seal of the State of California to be hereunto affixed pursuant to Section 6107 of the Public Resources Code of the State of California. Given under my hand at the City of Sacramento, this, the ____ day of _____, in the year one thousand nine hundred and eighty-eight.

Governor

ATTEST:

Secretary of State

By: _____
Deputy Secretary of State

THE CITY OF LONG BEACH

By: _____

Attest: _____
City Clerk

APPROVED AS TO FORM

_____, 1988

JOHN R. CALHOUN, City Attorney

By: _____

CIFICAP CORPORATION,
a California corporation

By: _____
President

Attest: _____

APPROVED AS TO FORM

_____, 1988

By: _____
Kenneth K. Williams

STATE OF CALIFORNIA

COUNTY OF Los Angeles

)
) ss.
)

On this 2nd day of March, in the year 89,
before me GEORGIA A. VINES, a Notary Public,
personally appeared Robert R. Bellevue, personally known to me
(or proved to me on the basis of satisfactory evidence) to be
the person who executed the within instrument as the President
of the corporation therein named, and acknowledged to me that
such corporation executed the within instrument pursuant to its
bylaws or a resolution of its board of directors.

Georgia A. Vines
NOTARY PUBLIC IN AND FOR SAID
COUNTY AND STATE

(Seal)

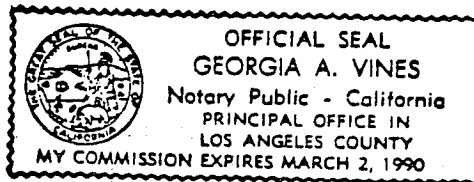


EXHIBIT "A"

PACIFIC COAST CLUB SITE

Lots 3, 4 and a portion of Lot 5, Tract No. 1174, in the City of Long Beach, County of Los Angeles, State of California, as per map recorded in Book 17, Page 105 of maps, in the office of the County Recorder of said County; Lot 2, Block 2 and a portion of Lot 4, Block 1, Alamitos Beach Townsite, in said City, County and State, as per map recorded in Book 59, Pages 11 and 12 of Miscellaneous Records, in said County Recorder's office; a portion of an alley in said City, County and State, 20 feet in width, now vacated by City Ordinance No. 179 of the City Council of Long Beach, on file in the offices of the City Clerk of said City; and a portion of Rancho Los Alamitos, in said City, County and State, as per map recorded in Book 1, Pages 460 through 462 of Patents, in said County Recorder's office, lying northerly of the survey of "The Compromise Tideland Boundary", as recorded in Book M2796, Pages 449 through 586 of Official Records, in said County Recorder's office, more particularly described as follows:

Beginning at the northwesterly corner of said Lot 3 in Tract No. 1174; thence easterly along the northerly line of said Tract No. 1174, also being the southerly line of Ocean Boulevard, 100 feet wide, South $81^{\circ} 09' 26''$ East 160.00 feet to the easterly line of the westerly 50 feet of said Lot 5 in Tract No. 1174; thence south $08^{\circ} 50' 34''$ West 386.47 feet along said easterly line and the southerly prolongation thereof to said "Compromise Tideland Boundary"; thence North $81^{\circ} 34' 23''$ West 160.00 feet along said "Compromise Tideland Boundary" to the southerly prolongation of the westerly line of said Lot 3 in Tract No. 1174; thence along said southerly prolongation North $08^{\circ} 50' 34''$ East 7.63 feet to the southwesterly corner of said Lot 3; thence North $81^{\circ} 09' 26''$ West 3.90 feet along the westerly prolongation of the southerly line of said Lot 3 to a line parallel with and distant 3.90 feet westerly, measured at right angles, from said westerly line; thence North $08^{\circ} 50' 34''$ East 106.71 feet along said last mentioned parallel line to the northerly line of that certain parcel of land described in the deed to the City of Long Beach, Recorded in Book 19636, Page 23 of Official Records, in said County Recorder's office; thence along said northerly line South $84^{\circ} 49' 30''$ East 3.91 feet to a point on the westerly line of said Lot 3, said point being distant 273.04 feet southerly, measured along said westerly line, from the northwesterly corner of said Lot; thence North $08^{\circ} 50' 34''$ East 138.68 feet along the westerly line of said Lot 3 to the southerly line of the northerly half of that certain alley, 20 feet wide, vacated by said City Ordinance No. 179, said alley being shown on said map of Alamitos

Beach Townsite as lying within Block 2; thence North $58^{\circ} 49' 57''$ West 59.46 feet along said southerly line to the southerly prolongation of the westerly line of said Lot 2, Block 2, Alamitos Beach Townsite; thence North $08^{\circ} 50' 34''$ East 111.77 feet along said southerly prolongation and along said westerly line of Lot 2, to the northwesterly corner of said Lot in the southerly line of said Ocean Boulevard, 100 feet wide; thence South $81^{\circ} 09' 26''$ East 55.00 feet along the northerly line of said Lot 2 to the point of beginning.

EXHIBIT "C"

PUBLIC ACCESS AND RECREATION EASEMENT

A nonexclusive easement for public access and recreational purposes exists over a portion of Lots 3, 4 and 5, Tract No. 1174, in the City of Long Beach, County of Los Angeles, State of California, as per map recorded in Book 17, Page 105 of Maps, in the office of the County Recorder of said County; a portion of Lot 4, Block 1, Alamitos Beach Townsite, in said City, County and State, as per map recorded in Book 59, Pages 11 and 12 of Miscellaneous Records, in said County Recorder's office; and a portion of Rancho Los Alamitos, in said City, County and State, as per map recorded in Book 1, Pages 460 through 462 of Patents, in said County Recorder's office, lying northerly of the survey of "The Compromise Tideland Boundary", as recorded in Book M2796, Pages 449 through 586 of Official Records, in said County Recorder's office, more particularly described as follows:

Beginning at the northwesterly corner of said Lot 3 in Tract No. 1174; thence easterly along the northerly line of said Tract No. 1174, also being the southerly line of Ocean Boulevard, 100 feet wide, South 81° 09' 26" East 160.00 feet to the easterly line of the westerly 50 feet of said Lot 5 in Tract No. 1174; thence South 08° 50' 34" West 386.47 feet along said easterly line and the southerly prolongation thereof to said "Compromise Tideland Boundary"; thence North 81° 34' 23" West 160.00 feet along said "Compromise Tideland Boundary" to the southerly prolongation of the westerly line of said Lot 3 in Tract No. 1174; thence along said southerly prolongation North 08° 50' 34" East 7.63 feet to the southwesterly corner of said Lot 3; thence North 81° 09' 26" West 3.90 feet along the westerly prolongation of the southerly line of said Lot 3 to a line parallel with and distant 3.90 feet westerly, measured at right angles, from said westerly line; thence North 08° 50' 34" East 106.71 feet along said last mentioned parallel line to the northerly line of that certain parcel of land described in the deed to the City of Long Beach, recorded in Book 19636, Page 23 of Official Records, in said County Recorder's office; thence along said northerly line South 84° 49' 30" East 3.91 feet to a point on the westerly line of said Lot 3, said point being distant 273.04 feet southerly, measured along said westerly line, from the northwesterly corner of said Lot; thence North 08° 50' 34" East 138.68 feet along the westerly line of said Lot 3 to the southerly line of the northerly half of that certain alley, 20 feet wide, vacated by said City Ordinance No. 179, said alley being shown on said map of Alamitos Beach Townsite as lying within Block 2; thence

North 58° 49' 57" West 59.46 feet along said southerly line to the southerly prolongation of the westerly line of said Lot 2, Block 2, Alamitos Beach Townsite; thence North 08° 50' 34" East 111.77 feet along said southerly prolongation and along said westerly line of Lot 2, to the northwesterly corner of said Lot in the southerly line of said Ocean Boulevard, 100 feet wide; thence South 81° 09' 26" East 55.00 feet along the northerly line of said Lot 2 to the point of beginning.

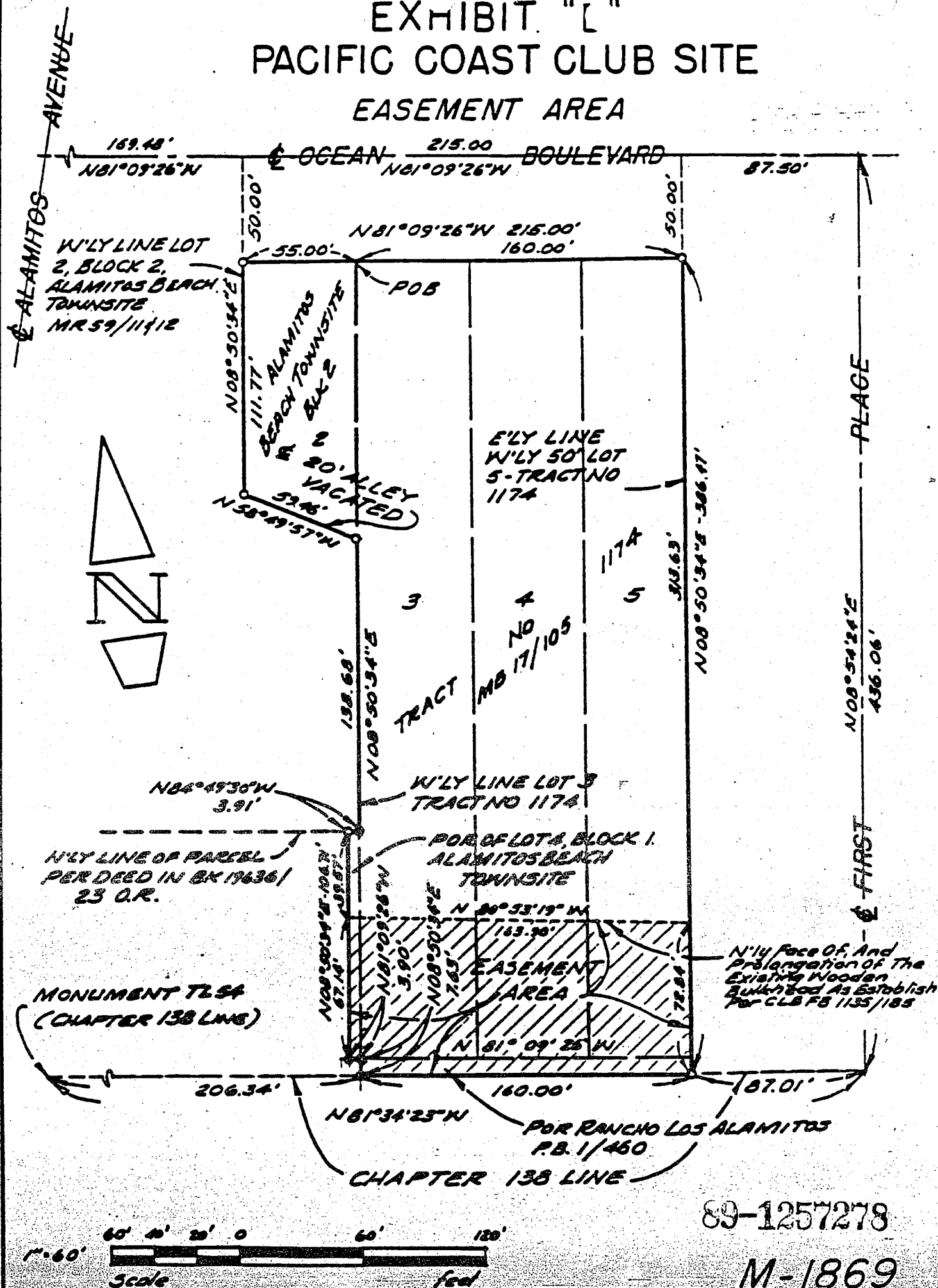
EXCEPT THEREFROM those lands lying north of the following described line:

The easterly terminus of said line being a point on said easterly line of the westerly 50 feet of Lot 5 in Tract No. 1174 lying 313.63 feet southerly, measured along said easterly line, from the northerly line of said Lot 5; the westerly terminus being a point on said line that is parallel with and distant 3.90 feet westerly, measured at right angles, from the westerly line of Lot 3, Tract No. 1174, said westerly terminus lying 39.57 feet southerly measured along said parallel line from the northerly terminus of that certain course previously described as having a bearing and distance of North 08° 50' 34" East 106.71 feet.

EXHIBIT "L"

PACIFIC COAST CLUB SITE

EASEMENT AREA

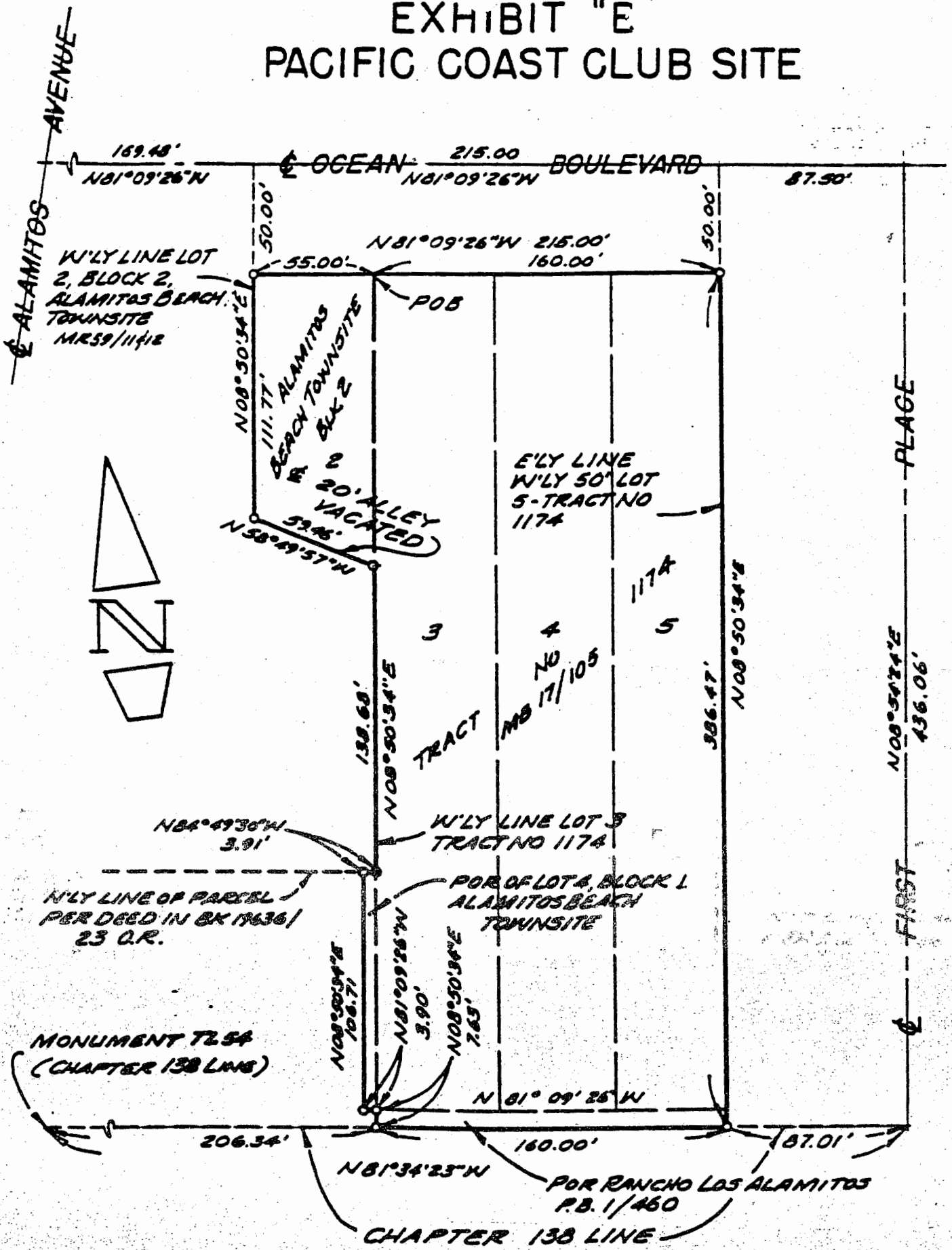


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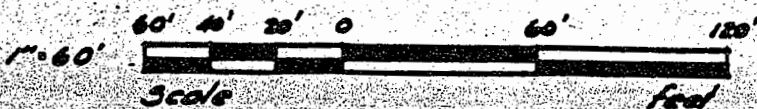
EXHIBIT "E"

PACIFIC COAST CLUB SITE



89-1257278

M-1868





POLICY OF TITLE INSURANCE

ISSUED BY



COMMONWEALTH
LAND TITLE INSURANCE COMPANY

A Reliance Group Holdings Company

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, COMMONWEALTH LAND TITLE INSURANCE COMPANY, a Pennsylvania corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land;
and in addition, as to an insured lender only:
5. The invalidity or unenforceability of the lien of the insured mortgage upon the title;
6. The priority of any lien or encumbrance over the lien of the insured mortgage, said mortgage being shown in Schedule B in the order of its priority;
7. The invalidity or unenforceability of any assignment of the insured mortgage, provided the assignment is shown in Schedule B, or the failure of the assignment shown in Schedule B to vest title to the insured mortgage in the named insured assignee free and clear of all liens.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title or the lien of the insured mortgage, as insured, but only to the extent provided in the Conditions and Stipulations.

IN WITNESS WHEREOF, Commonwealth Land Title Insurance Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Policy to become valid when countersigned on Schedule A by an authorized officer or agent of the Company.



Attest:

James J. D. Lynch Jr.
Secretary

By

Joseph A. Burke

President

COMMONWEALTH LAND TITLE INSURANCE COMPANY

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
(b) Any governmental policy power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
(a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
(b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
(c) resulting in no loss or damage to the insured claimant;
(d) attaching or created subsequent to Date of Policy; or
(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.

CONDITIONS AND STIPULATIONS

1. DEFINITION OF TERMS.

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors. The term "insured" also includes

(i) the owner of the indebtedness secured by the insured mortgage and each successor in ownership of the indebtedness except a successor who is an obligor under the provisions of Section 12(c) of these Conditions and Stipulations (reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor insured, unless the successor acquired the indebtedness as a purchaser for value without knowledge of the asserted defect, lien, encumbrance, adverse claim or other matter insured against by this policy as affecting title to the estate or interest in the land);

(ii) any governmental agency or governmental instrumentality which is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the indebtedness secured by the insured mortgage, or any part thereof, whether named as an insured herein or not;

(iii) the parties designated in Section 2 (a) of these Conditions and Stipulations.

(b) "insured claimant": an insured claiming loss or damage.

(c) "insured lender": the owner of an insured mortgage.

(d) "insured mortgage": a mortgage shown in Schedule B, the owner of which is named as an insured in Schedule A.

(e) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.

(f) "land": the land described or referred to in Schedule (A), and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule (A), nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(g) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(h) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.

(i) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A or the insured mortgage to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE.

(a) After Acquisition of Title by Insured Lender. If this policy insures the owner of the indebtedness secured by the insured mortgage, the coverage of this policy shall continue in force as of Date of Policy in favor of (i) such insured lender who acquires all or any part of the estate or interest in the land by foreclosure, trustee's sale, conveyance in lieu of foreclosure, or other legal manner which discharges the lien of the insured mortgage; (ii) a transferee of the estate or interest so acquired from an insured corporation, provided the transferee is the parent or wholly-owned subsidiary of the insured corporation, and their corporate successors by operation of law and not by purchase, subject to any rights or defenses the Company may have against any predecessor insureds; and (iii) any governmental agency or governmental instrumentality which acquires all or any part of the estate or interest pursuant to a contract of insurance or guaranty insuring or guaranteeing the indebtedness secured by the insured mortgage.

(b) After Conveyance of Title by an Insured. The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from an insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to an insured.

(c) Amount of Insurance. The amount of insurance after the acquisition or after the conveyance by an insured lender shall in neither event exceed the least of:

(i) The amount of insurance stated in Schedule A;

(ii) The amount of the principal of the indebtedness secured by the insured mortgage as of Date of Policy, interest thereon, expenses of foreclosure, amounts advanced pursuant to the insured mortgage to assure compliance with laws or to protect the lien of the insured mortgage prior to the time of acquisition of the estate or interest in the land and secured thereby and reasonable amounts expended to prevent deterioration of improvements, but reduced by the amount of all payments made; or

(iii) The amount paid by any governmental agency or governmental instrumentality, if the agency or the instrumentality is the insured claimant, in the acquisition of the estate or interest in satisfaction of its insurance contract or guaranty.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

An insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest or the lien of the insured mortgage, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest or the lien of the insured mortgage, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to that insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) Upon written request by an insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of such insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of such insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by an insured in the defense of those causes of action which allege matters not insured against by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured, or to prevent or reduce loss or damage to an insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, an insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such insured for this purpose. Whenever requested by the Company, an insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured. If the Company is prejudiced by the failure of an insured to furnish the required cooperation, the Company's obligations to such insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

5. PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by each insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of an insured claimant to provide the required proof of loss or damage, the Company's obligations to such insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, an insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by an insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of an insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that insured for that claim.

6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.

(i) to pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay; or

(ii) in case loss or damage is claimed under this policy by the owner of the indebtedness secured by the insured mortgage, to purchase the indebtedness secured by the insured mortgage for the amount owing thereon together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of purchase and which the Company is obligated to pay.

If the Company offers to purchase the indebtedness as herein provided, the owner of the indebtedness shall transfer, assign, and convey the indebtedness and the insured mortgage, together with any collateral security, to the Company upon payment therefor.

Upon the exercise by the Company of the option provided for in paragraph (i), all liability and obligations to the insured under this policy, other than to make the payment required in that paragraph, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

Upon the exercise by the Company of the option provided for in paragraph (ii) the Company's obligation to an insured Lender under this policy for the claimed loss or damage, other than the payment required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

(b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs b(i) or b(ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

Conditions and Stipulations Continued Inside Cover

CLTA STANDARD COVERAGE POLICY
ISSUED BY
COMMONWEALTH LAND TITLE INSURANCE COMPANY
PHILADELPHIA, PENNSYLVANIA
SCHEDULE A

Policy/File Number: 86-61275-22

Amount of Insurance: \$500,000.00
Premium: \$894.00
Date of Policy: August 15, 1989 at 2:01 p.m.

1. Name of Insured:

THE CITY OF LONG BEACH, as trustee by virtue of and subject to the provisions of Chapter 676, Statutes of 1911, Chapter 102, Statutes of 1925, and Chapter 158, Statutes of 1935.

2. The estate or interest in the land described herein and which is covered by this policy is:

a nonexclusive easement for public access and recreational purposes

3. The estate or interest referred to herein is at Date of Policy vested in:

THE CITY OF LONG BEACH, as trustee by virtue of and subject to the provisions of Chapter 676, Statutes of 1911, Chapter 102, Statutes of 1925, and Chapter 158, Statutes of 1935.

4. The land referred to in this policy is situated in the County of Los Angeles, State of California, and is more particularly described in Exhibit "A" attached hereto and made a part hereof.

EXHIBIT "A"

The land referred to in this policy is situated in the County of Los Angeles, State of California, and is more particularly described as follows:

A nonexclusive easement for public access and recreational purposes over a portion of Lots 3, 4 and 5, Tract No. 1174, in the City of Long Beach, County of Los Angeles, State of California, as per map recorded in Book 17 Page 105 of Maps, in the office of the County Recorder of said County; a portion of Lot 4, Block 1, Alamitos Beach Townsite, in said City, County and State, as per map recorded in Book 59 Pages 11 and 12 of Miscellaneous Records, in said County Recorder's office; and a portion of Rancho Los Alamitos, in said City, County and State, as per map recorded in Book 1 Pages 460 through 462, of Patents, in said County Recorder's office, lying Northerly of the survey of "The Compromise Tideland Boundary", as recorded in Book M-2796 Pages 449 through 586, of Official Records, in said County Recorder's Office, more particularly described as follows:

Beginning at the Northwestern corner of said Lot 3 in Tract No. 1174; thence Easterly along the Northerly line of said Tract No. 1174; also being the Southerly line of Ocean Boulevard, 100 feet wide, South $81^{\circ} 09' 26''$ East 160.00 feet to the Easterly line of the Westerly 50 feet of said Lot 5 in Tract No. 1174; thence South $08^{\circ} 50' 34''$ West 386.47 feet along said Easterly line and the Southerly prolongation thereof to said "Compromise Tideland Boundary"; thence North $81^{\circ} 34' 23''$ West 160.00 feet along said "Compromise Tideland Boundary" to the Southerly prolongation of the Westerly line of said Lot 3 in Tract No. 1174; thence along said Southerly prolongation North $08^{\circ} 50' 34''$ East 7.63 feet to the Southwesterly corner of said Lot 3; thence North $81^{\circ} 09' 26''$ West 3.90 feet along the Westerly prolongation of the Southerly line of said Lot 3 to a line parallel with and distant 3.90 feet Westerly, measured at right angles, from said Westerly line; thence North $08^{\circ} 50' 34''$ East 106.71 feet along said last mentioned parallel line to the Northerly line of that certain parcel of land described in the deed to the City of Long Beach, recorded in Book 19636 Page 23, Official Records, in said County Recorder's Office; thence along said Northerly line South $84^{\circ} 49' 30''$ East 3.91 feet to a point on the Westerly line of said Lot 3; said point being distant 273.04 feet Southerly, measured along said Westerly line, from the Northwestern corner of said Lot; thence North $08^{\circ} 50' 34''$ East 138.68 feet along the Westerly line of said Lot 3 to the Southerly line of the Northerly half of that certain alley, 20 feet wide, vacated by said City Ordinance No. 179, said alley being shown on said map of Alamitos Beach Townsite as lying within Block 2; thence North $58^{\circ} 49' 57''$ West 59.46 feet along said Southerly line to the Southerly prolongation of the Westerly line of said Lot 2, Block 2, Alamitos Beach Townsite; thence North $08^{\circ} 50' 34''$ East 111.77 feet along said Southerly prolongation and along said Westerly line of Lot 2, to the Northwestern corner of said Lot in the Southerly line of said Ocean Boulevard, 100 feet wide; thence South $81^{\circ} 09' 26''$ East 55.00 feet along the Northerly line of said Lot 2 to the point of beginning.

86-61275

EXCEPT THEREFROM those lands lying North of the following described line:

The Easterly terminus of said line being a point on said Easterly line of the Westerly 50 feet of Lot 5 in Tract No. 1174, lying 313.63 feet Southerly, measured along said Easterly line, from the Northerly line of said Lot 5; the Westerly terminus being a point on said line that is parallel with and distant 3.00 feet Westerly, measured at right angles, from the Westerly line of Lot 3, Tract No. 1174, said Westerly terminus lying 39.57 feet Southerly measured along said parallel line from the Northerly terminus of that certain course previously described as having a bearing and distance of North 08° 50' 34" East 106.71 feet.

SCHEDULE B

THIS POLICY DOES NOT INSURE AGAINST LOSS OR DAMAGES, NOR AGAINST COSTS, ATTORNEYS' FEES OR EXPENSES, ANY OR ALL OF WHICH ARISE BY REASONS OF THE FOLLOWING.

PART I

ALL MATTERS SET FORTH IN PARAGRAPHS NUMBERED 1 TO 5 INCLUSIVE, ON THE FRONT COVERS OF THIS POLICY UNDER THE HEADING - EXCLUSIONS FROM COVERAGE.

PART II

EXCEPTIONS FROM COVERAGE

THIS POLICY DOES NOT INSURE AGAINST LOSS OR DAMAGE (AND THE COMPANY WILL NOT PAY COSTS, ATTORNEYS' FEES OR EXPENSES) WHICH ARISE BY REASON OF:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.

Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.

2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

SCHEDULE B

PART III

1. General and special taxes, including any assessments collected with taxes, to be levied for the fiscal year 1989-1990, which are a lien not yet payable.

1a. Said property has been declared tax defaulted for non-payment of delinquent taxes for the fiscal year 1986-1987 (and subsequent years, if any). Amount to redeem prior to August 31, 1989 is \$205,531.16.

1b. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 3.5 (commencing with Section 75) of the Revenue and Taxation Code of the State of California.

2. An oil and gas lease, affecting the premises herein stated, executed by and between the parties named herein, for the term and upon the terms and provisions therein provided.

Dated: March 12, 1954
Lessor: Los Angeles Athletic Club
Lessee: Albert Stevenson
Recorded: in Book 49958, Page 127, Official Records

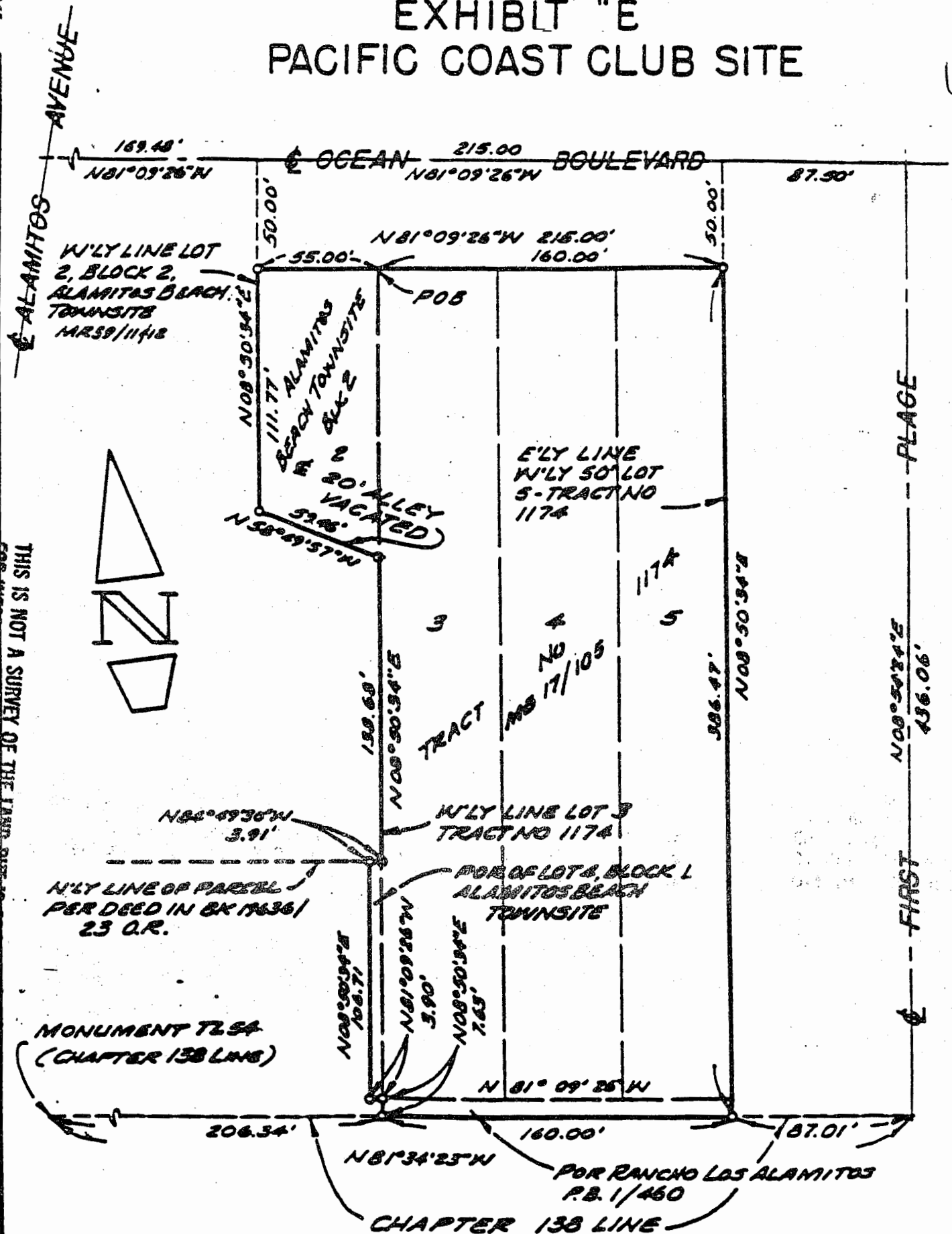
Affects that portion of land lying below a depth of 500 feet from the surface thereof.

No assurance is made as to the present ownership of said leasehold or matters affecting the rights or interest of the lessor or lessee in said lease.

3. The terms and conditions of that certain agreement entitled "Pacific Coast Club Boundary line Agreement and Conveyance of Public Access and Recreation Easement", by and between the State of California, the City of Long Beach and CIFICAP Corporation, recorded August 15, 1989 as Instrument No. 89-1312352, Official Records.

EXHIBIT "E" PACIFIC COAST CLUB SITE

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THIS IS NOT A SURVEY OF THE LAND BUT IS COMPILED FOR INFORMATION ONLY BY THIS COMPANY FROM DATA SHOWN BY THE VARIOUS RECORDS.

ISSUED FROM THE
OFFICE OF



COMMONWEALTH
LAND TITLE INSURANCE COMPANY

LOS ANGELES COUNTY

20750 VENTURA BLVD., STE. 350
WOODLAND HILLS, CA 91364
(818) 888-7655/(213) 556-1300
(818) 448-4026/(213) 641-9080
(213) 872-3903/(800) 526-4422
(800) 536-0158

ORANGE COUNTY

200 WEST SANTA ANA BLVD.
SUITE 700
P.O. BOX 117
SANTA ANA, CA 92702
(714) 835-8511/(800) 458-9994
SOUTH ORANGE COUNTY
(714) 496-3152

SAN BERNARDINO COUNTY

275 W. HOSPITALITY LANE, STE. 100
P.O. BOX 5789
SAN BERNARDINO, CA 92408
(714) 888-7541/(800) 472-5613

VENTURA COUNTY

300 ESPLANADE DRIVE
SUITE 410
FINANCIAL PLAZA
OXNARD, CA 93030
(805) 485-8895
(805) 647-4427/(805) 522-2500

CLTA Standard Coverage Policy Form - 1988

POLICY
OF
TITLE
INSURANCE



Issued by

COMMONWEALTH
LAND TITLE INSURANCE COMPANY
A Reliance Group Holdings Company

Title Insurance Since 1876

HOME OFFICE
EIGHT PENN CENTER
PHILADELPHIA, PA 19103-2198

B-1156-3

ISSUED FROM THE
OFFICE OF



COMMONWEALTH
LAND TITLE INSURANCE COMPANY

LOS ANGELES COUNTY

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WOODLAND HILLS, CA 91364
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(805) 485-8895
(805) 647-4427/(805) 522-2500

7. DETERMINATION AND EXTENT OF LIABILITY.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described:

(a) The liability of the Company under this policy to an insured lender shall not exceed the least of:

(i) The Amount of Insurance stated in Schedule A, or, if applicable, the amount of insurance as defined in Section 2 (c) of these Conditions and Stipulations;

(ii) the amount of the unpaid principal indebtedness secured by the insured mortgage as limited or provided under Section 8 of these Conditions and Stipulations or as reduced under Section 9 of these Conditions and Stipulations, at the time the loss or damage insured against by this policy occurs, together with interest thereon; or

(iii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) In the event the insured lender has acquired the estate or interest in the manner described in Section 2 (a) of these Conditions and Stipulations or has conveyed the title, then the liability of the Company shall continue as set forth in Section 7(a) of these Conditions and Stipulations.

(c) The liability of the Company under this policy to an insured owner of the estate or interest in the land described in Schedule A shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A; or,

(ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(d) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. LIMITATION OF LIABILITY.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, or otherwise establishes the lien of the insured mortgage, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title, or, if applicable, to the lien of the insured mortgage, as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

(d) The Company shall not be liable to an insured lender for: (i) any indebtedness created subsequent to Date of Policy except for advances made to protect the lien of the insured mortgage and secured thereby and reasonable amounts expended to prevent deterioration of improvements; or (ii) construction loan advances made subsequent to Date of Policy, except construction loan advances made subsequent to Date of Policy for the purpose of financing in whole or in part the construction of any improvement to the land which at Date of Policy were secured by the insured mortgage and which the insured was and continued to be obligated to advance at and after Date of Policy.

9. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

(a) All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of insurance pro tanto. However, as to an insured lender, any payments made prior to the acquisition of title to the estate or interest as provided in Section 2 (a) of these Conditions and Stipulations shall not reduce pro tanto the amount of insurance afforded under this policy as to any such insured, except to the extent that the payments reduce the amount of the indebtedness secured by the insured mortgage.

(b) Payment in part by any person of the principal of the indebtedness, or any other obligation secured by the insured mortgage, or any voluntary partial satisfaction or release of the insured mortgage, to the extent of the payment, satisfaction or release, shall reduce the amount of insurance pro tanto. The amount of insurance may thereafter be increased by accruing interest and advances made to protect the lien of the insured mortgage and secured thereby, with interest thereon, provided in no event shall the amount of insurance be greater than the Amount of Insurance stated in Schedule A.

(c) Payment in full by any person or the voluntary satisfaction or release of the insured mortgage shall terminate all liability of the Company to an insured lender except as provided in Section 2(a) of these Conditions and Stipulations.

10. LIABILITY NONCUMULATIVE

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

The provisions of this Section shall not apply to an insured lender, unless such insured acquires title to said estate or interest in satisfaction of the indebtedness secured by an insured mortgage.

11. PAYMENT OF LOSS

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

12. SUBROGATION UPON PAYMENT OR SETTLEMENT

(a) The Company's Right of Subrogation

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated (i) as to an insured owner, to all rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss; and (ii) as to an insured lender, to all rights and remedies of the insured claimant after the insured claimant shall have recovered its principal, interest, and costs of collection.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(b) The Insured's Rights and Limitations.

Notwithstanding the foregoing, the owner of the indebtedness secured by an insured mortgage, provided the priority of the lien of the insured mortgage or its enforceability is not affected, may release or substitute the personal liability of any debtor or guarantor, or extend or otherwise modify the terms of payment, or release a portion of the estate or interest from the lien of the insured mortgage, or release any collateral security for the indebtedness.

When the permitted acts of the insured claimant occur and the insured has knowledge of any claim of title or interest adverse to the title to the estate or interest or the priority or enforceability of the lien of an insured mortgage, as insured, the Company shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(c) The Company's Rights Against Non-Insured Obligor.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

The Company's right of subrogation shall not be avoided by acquisition of an insured mortgage by an obligor (except an obligor described in Section 1(a)(ii) of these Conditions and Stipulations) who acquires the insured mortgage as a result of an indemnity, guarantee, other policy of insurance, or bond and the obligor will not be an insured under this policy, notwithstanding Section 1(a)(i) of these Conditions and Stipulations.

13. ARBITRATION.

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance of \$1,000,000 or less shall be arbitrated at the option of either the Company or the insured. All arbitrable matters when the Amount of Insurance is in excess of \$1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

14. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the lien of the insured mortgage or of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

15. SEVERABILITY.

In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

16. NOTICES, WHERE SENT.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to the Company at Commonwealth Land Title Insurance Company, Eight Penn Center, Philadelphia, Pennsylvania 19103.