Office Memorandum
Kern County Planning and Community Development Department

To: KATHLEEN KRAUSE
Clerk of the Board

Date: __________

From: LORELEI H. OVIATT, AICP, Director
Planning and Community Development Department

By: Lonnie Bell, Planner 2
Phone: 862-8659

SUBJECT: Transmittal Memo regarding Grant of Avigation Easement
Dept. Reference: PM #12089

Please execute a Certificate of Acceptance of behalf of the County pursuant to authority of Resolution 87-127 adopted on March 3, 1987 and forward to the Kern County Recorder for concurrent recording with the referenced parcel map.

The attached document has been reviewed and approved by County Counsel.

Authorized for recordation [Signature]
RECORDING REQUESTED BY:

County of Kern

WHEN RECORDED MAIL TO:

CLERK, BOARD OF SUPERVISORS
Kern County Administrative Center
1115 Truxtun Avenue, 5th Floor
Bakersfield, CA 93301

APN 166-121-24
DEPT. REFERENCE Parcel Map 12089

No Fee Document
(Public Entity Grantee,
Gov. Code Section 27383)

GRANT OF AVIGATION EASEMENT

For a valuable consideration, receipt of which is hereby acknowledged

PC Properties, LLC, A California Limited Liability Company

hereinafter referred to as "Grantor(s)," hereby grant(s) to the COUNTY OF KERN, a political subdivision of the State of California (hereinafter referred to as "County"), for the use and benefit of the public, a perpetual and assignable easement and right-of-way, and certain rights appurtenant to said easement as hereinafter set forth, in, on and over the following described parcel of real property situated in the County of Kern, State of California, in which Grantor(s) hold(s) a fee simple estate, lying below, in whole or in part, the horizontal limits of an imaginary surface defined by those civil airport imaginary surfaces described in Federal Aviation Regulations, Part 77, whether applicable or not to the Bakersfield Municipal

Airport, situated in the County of Kern, State of California (hereinafter referred to as "Airport"), which said parcel on Grantor(s)' real property is described as follows:

Please See Attached Exhibit "A"

FORM 204 (4/2013)
That portion of said parcel of real property lying below the said imaginary surfaces described herein.

It is agreed by Grantor(s) that he/they shall not hereafter erect, enlarge or grow, or permit or suffer to remain, any building, structure, or other object, or any tree, bush, shrub or other vegetation, within or into the airspace above said imaginary surfaces overlying said real property.

Grantor(s) hereby take(s) notice, without surrendering any rights to which he/they may otherwise be entitled in law or in equity, that aircraft using Airport will produce noise, light, electromagnetic emissions, radio transmissions, vibrations, fumes, particles and other effects incident to aviation which, in turn, might affect the free use and enjoyment of his/their property.

It is further agreed by Grantor(s) that the easement and rights hereby granted to County are for the purpose of ensuring that the airspace above the said imaginary surfaces shall remain free and clear of any building, structure or other object, and or any tree, bush, shrub or other vegetation, which could constitute an obstruction or hazard to the flight of aircraft of any kind within the airspace landing at and/or taking off from said Airport. These rights shall include, but not be limited to, the following:

1. The continuing and perpetual right of County or Airport operator, at Grantor(s)' sole cost and expense, to cut off, trim and/or prune those portions of any tree, bush, shrub and/or vegetation extending, projecting or infringing into, or upon or through the airspace above said imaginary surfaces.

2. The continuing and perpetual right of County or Airport operator, at Grantor(s)' sole cost and expense, to remove, raze, modify or destroy those portions of any building, structure or other object, infringing, extending or projecting into or upon said imaginary surfaces.

3. The right of County, at Grantor(s)' sole cost and expense, to mark and light, as obstructions to air navigation, any building, structure or other object, any tree, bush, shrub or other vegetation, that may at any time infringe, project or extend into or upon said imaginary surfaces.

4. The right of County or Airport operator for ingress to, egress from, and passage on or over any or all of Grantor(s)' real property for the above purposes. County or Airport operator may exercise its right of ingress and egress hereunder only after it sends Grantor(s) notice of its intent to enter Grantor(s)' property
twenty-four (24) hours in advance, using the address specified herein, unless Grantor(s) requests County, in writing, to use a different address. County shall not be precluded from exercising its right of ingress and egress by the failure of Grantor(s) to receive notice if it has made a reasonable effort to notify Grantor(s). If, in the opinion of the Airport operator, an obstruction or hazard exists within or upon said imaginary surfaces overlying said real property, which creates an immediate danger to the flight of aircraft landing at and/or taking off from the Airport such that immediate action is necessary, County or Airport operator may exercise its right of ingress and egress for the above purposes without notice to Grantor(s), and shall thereafter notify Grantor(s).

5. The right of flight or unobstructed passage of aircraft of any kind for the use and benefit of the public, above said imaginary surfaces, as may be inherent in the navigation or flight of aircraft now or hereafter used or known, using said airspace for landing at, taking off from, or operating from, to, at, on, over or in the proximity of the said Airport.

6. Acts in violation of Federal Aviation Regulations by users of the Airport shall not be considered acts allowing Grantor(s) or their successors in interest to terminate the easement granted hereby.

The easement granted herein, and all rights appertaining thereto, are granted unto the County, its successors and assigns, until said Airport shall be abandoned and ceased to be used for airport purposes for a period of at least five (5) years, at which time they shall automatically revert to Grantor(s).

Grantor(s) agree to defend at their own cost at County's request, to hold harmless, and to indemnify County from any liability for or based upon the exercise by any person or entity other than County of the easement rights granted herein.

It is understood and agreed by Grantor(s) that this easement and the covenants and restrictions contained herein shall run with the land described above and shall be binding upon the heirs, successors and assigns of Grantor(s). For purposes of this instrument, the above-described real property shall be the servient tenement and the Airport and any hereafter acquired property used by Airport shall be dominant tenement.
ACKNOWLEDGMENT

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

State of California
County of ________________

On ______________ before me, ____________________________________________
(insert name and title of the officer)

personally appeared ______________

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature ____________________________ (Seal)
Exhibit "A"

Legal Description

The West 100 feet of the East 280 feet of the Northeast Quarter of the Northeast Quarter of the Southeast Quarter of the Northwest Quarter of Section 7, Township 30 South, Range 28 East, M.D.M., in the unincorporated area, of the County of Kern, State of California.

Containing 33,038 Square Feet more or less.

Wiley D. Hughes
L.S. 3779 Exp. 6/30/16

Date 6/2/15
CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Grant of Avigation Easement dated June 25, 2015 from PC Properties, LLC, to the County of Kern, a political subdivision of the State of California, is hereby accepted by the undersigned agent on behalf of the Board of Supervisors of said County, and the grantee consents to recordation thereof by its duly authorized agent, pursuant to the authority conferred by Resolution No. 87-127 adopted March 3, 1987.

Dated: July 31, 2015

KATHLEEN KRAUSE
Clerk of the Board of Supervisors

Karen L. Winn, Deputy Clerk

Ref:
OPERATING AGREEMENT FOR PC PROPERTIES, LLC

This Operating Agreement is entered into effective June 1, 2009, by and among Pascual Garcia and Patricia Garcia, as Trustees of the Garcia Family Trust, and Carlos Sanchez and Juana Sanchez, as Trustees of the Carlos and Juana Sanchez Family Trust (referred to individually as a Member and collectively as the Members).

A. The Members desire to form a limited liability company (Company) under the Beverly-Killea Limited Liability Company Act.

B. The Members enter into this Operating Agreement to form and provide for the governance of the Company and the conduct of its business and to specify their relative rights and obligations.

Now therefore, the Members agree as follows:

ARTICLE I: DEFINITIONS

The following capitalized terms used in this Agreement have the meanings specified in this Article or elsewhere in this Agreement and when not so defined will have the meanings set forth in California Corporations Code §17001.

1.1. “Act” means the Beverly-Killea Limited Liability Company Act (California Corporations Code §§17000-17656), including amendments from time to time.

1.2. “Agreement” means this operating agreement, as originally executed and as amended from time to time.

1.3. “Articles of Organization” is defined in California Corporations Code §17001(b) as applied to this Company.

1.4. “Assignee” means a Person who has acquired a Member’s Economic Interest in the Company, by way of a Transfer in accordance with the terms of this Agreement, but who has not become a Member.

1.5. “Assigning Member” means a Member who by means of a Transfer has transferred an Economic Interest in the Company to an Assignee.

1.6. “Book Adjustments” means, for any item of Company property for a given fiscal year, adjustments with respect to Book Value for depreciation, cost recovery, or other amortization deduction or gain or loss computed in accordance with Treasury Reg §1.704-1(b)(2)(iv)(g), including Book Depreciation.
1.7. "Book Depreciation" means, for any item of Company property for a given fiscal year, a percentage of depreciation or other cost recovery deduction allowable for federal income tax purposes for that item during that fiscal year equal to the result (expressed as a percentage) obtained by dividing (1) the Gross Asset value of that item at the beginning of the fiscal year (or the acquisition date during the fiscal year) by (2) the federal adjusted tax basis of the item at the beginning of the fiscal year (or the acquisition date during the fiscal year). If the adjusted tax basis of an item is zero, the Company may determine Book Depreciation, provided that it is done in a reasonable and consistent manner.

1.8. "Capital Account" means, for any Member, a separate account maintained and adjusted in accordance with Article III, Section 3.3.

1.9. "Capital Contribution" means, with respect to any Member, the amount of money, or services rendered or to be rendered, and the fair market value of any property contributed to the Company (net of liabilities secured by the contributed property that the Company is considered to assume or take "subject to" under IRC §752) in consideration of a Percentage Interest held by that Member. A Capital Contribution will not be deemed a loan.

1.10. "Capital Event" means a sale or disposition of any of the Company's capital assets, the receipt of insurance and other proceeds on account of an involuntary conversion of Company property, the receipt of proceeds from a refinancing of Company property, or a similar event with respect to Company property or assets.

1.11. "Company" means the company named in Article II, Section 2.2.


1.13. "Economic Interest" means a Person's right to share in the income, gains, losses, deductions, credit, or similar items of the Company, and to receive distributions from the Company under this Agreement or under the Act, but does not include any other rights of a Member, including the right to vote, the right to participate in the management of the Company, or, except as provided in Corp C §17106, any right to information concerning the business and affairs of the Company.

1.14. "Electronic transmission by the Company" and "electronic transmission to the Company" have the meanings set out in California Corp C §17001(o)(1)-(2).

1.15. "Encumber" means the act of creating or purporting to create an Encumbrance, whether or not perfected under applicable law.

1.16. "Encumbrance" means, with respect to any Membership Interest, or any part of it, a mortgage, pledge, security interest, lien, proxy coupled with an interest (other than as contemplated in this Agreement), option, or preferential right to purchase.
1.17. "Gross Asset Value" means, with respect to any item of property of the Company, the item’s adjusted basis for federal income tax purposes, except as follows:

(a) The Gross Asset Value of any item of property contributed by a Member to the Company will be the fair market value of that property, as mutually agreed by the contributing Member and the Company;

(b) The Gross Asset Value of any item of Company property will be adjusted as of the following times: (1) the acquisition of an interest or additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution; (2) the distribution of money or other property (other than a de minimis amount) by the Company to a Member as consideration for an Economic Interest in the Company; and (3) the liquidation of the Company within the meaning of Treasury Reg §1.704-1(b)(2)(ii)(g); provided, however, that adjustments under clauses (1) and (2) above will be made only if the Members have determined that the Company must revalue its assets in accordance with Treasury Reg §1.704-1(b)(2)(iv)(f);

(c) The Gross Asset Value of any Company asset distributed to any Member will be the fair market value of the asset on the date of distribution;

(d) The Gross Asset Value of Company assets will be increased (or decreased) to reflect any adjustments to the adjusted tax basis of the assets under Internal Revenue Code §734(b) or 743(b), subject to the limitations imposed by IRC §755 and only to the extent that the adjustments are taken into account in determining Capital Accounts under Treasury Reg §1.704-1(b)(2)(iv)(m); and if the Gross Asset Value of an asset has been determined or adjusted under paragraph (a), (b), or (d) this Section 1.17, the Gross Asset Value will thereafter be adjusted by the Book Adjustments, if any, taken into account with respect to the asset for purposes of computing Profits and Losses.

1.18. "Initial Member" or "Initial Members" means those Persons whose names are set forth in the first sentence of this Agreement. A reference to an "Initial Member" means any of the Initial Members.

1.19. "Involuntary Transfer" means, with respect to any Membership Interest, or any part of it, any Transfer or Encumbrance, whether by operation of law, under court order, foreclosure of a security interest, execution of a judgment or other legal process, or otherwise, including a purported transfer to or from a trustee in bankruptcy, receiver, or assignee for the benefit of creditors.

1.20. "IRC" means the Internal Revenue Code of 1986, as amended, and any successor provision.


1.22. "Majority of Members" means a Member or Members whose Percentage Interests represent more than 50 percent of the Percentage Interests of all the Members.
1.23. "Meeting" is defined in Article V, Section 5.2.

1.24. "Member" means an Initial Member or a Person who otherwise acquires a Membership Interest, as permitted under this Agreement, and who remains a Member.

1.25. "Notice" means a written notice required or permitted under this Agreement. A notice will be deemed given or sent when deposited, as certified mail or for overnight delivery, postage and fees prepaid, in the United States mails; when delivered to Federal Express, United Parcel Service, DHL WorldWide Express, or Airborne Express, for overnight delivery, charges prepaid or charged to the sender’s account; when personally delivered to the recipient; when transmitted by electronic transmission by or to the Company (see §1.14); or when delivered to the home or office of a recipient in the care of a person whom the deliverer has reason to believe will promptly communicate the notice to the recipient.

1.26. "Percentage Interest" means a fraction, expressed as a percentage, the numerator of which is the total of a Member’s Capital Account and the denominator of which is the total of all Capital Accounts of all Members.

1.27. "Person" means an individual, partnership, limited partnership, trust, estate, association, corporation, limited liability company, or other entity, whether domestic or foreign.

1.28. "Profits and Losses" means, for each fiscal year or other period specified in this Agreement, an amount equal to the Company’s taxable income or loss for the year or period, determined in accordance with IRC §703(a).

1.29. "Proxy" has the meaning set forth in the first paragraph of California Corporations Code §17001(ai). A Proxy may not be transmitted orally.

1.30. "Regulations" ("Reg") means the income tax regulations promulgated by the United States Department of the Treasury and published in the Federal Register for the purpose of interpreting and applying the provisions of the Internal Revenue Code, as those Regulations may be amended from time to time, including corresponding provisions of applicable successor regulations.

1.31. "Substituted Member" is defined in Article VIII, Section 8.8.

1.32. "Successor in Interest" means an Assignee, a successor of a Person by merger or otherwise by operation of law, or a transferee of all or substantially all of the business or assets of a Person.

1.33. "Transfer" means any sale, assignment, gift, Involuntary Transfer, Encumbrance, or other disposition of a Membership Interest or any part of a Membership Interest, directly or indirectly, other than an Encumbrance that is expressly permitted under this Agreement.
1.34. “Triggering Event” is defined in Article VIII, Section 8.3.

1.35. “Vote” means a written consent or approval, a ballot cast at a Meeting, or a voice vote.

1.36. “Voting Interest” means, with respect to a Member, the right to Vote or participate in management and any right to information concerning the business and affairs of the Company provided under the Act, except as limited by the provisions of this Agreement. A Member’s Voting Interest will be directly proportional to that Member’s Percentage Interest.

1.37. “Writing” includes any form of recorded message capable of comprehension by ordinary visual means, and when used to describe communications between the Company and its Members, “writing” will include electronic transmissions by and to the Company as defined in California Corporations Code §17001(o)(1)-(2).

1.38. “Written” or “in writing” includes facsimile and other electronic communication authorized by the California Corporations Code.

ARTICLE II: ARTICLES OF ORGANIZATION

2.1. The Articles of Organization were filed with the California Secretary of State on May 19, 2009, File Number 200914010031. A copy of the Articles of Organization as filed is attached to this Agreement as Exhibit “A”.

2.2. The name of the Company is PC Properties, LLC.

2.3. The principal executive office of the Company will be at 9100 Ming Avenue, Suite 100, Bakersfield, California 93311, or any other place or places determined by the Members from time to time.

2.4. The initial agent for service of process on the Company will be Pascual Garcia. A Majority of Members may from time to time change the Company’s agent for service of process.

2.5. The Company will be formed for the purposes of engaging in the business of purchasing and renting out residential housing units and related business activities.

2.6. The term of existence of the Company will commence on the effective date of filing of Articles of Organization with the California Secretary of State, and will continue until terminated by the provisions of this Agreement or as provided by law.

2.7. The Members will be the managers of the Company.
ARTICLE III: CAPITALIZATION

3.1. Each Member will contribute to the capital of the Company as the Member's Capital Contribution the money or property specified in Exhibit "B" to this Agreement. The Fair Market Value of each item of contributed property as agreed between the Company and the Member contributing the property is set forth in Exhibit "B". Unless otherwise agreed in writing by all Members, no Member will be required to make additional Capital Contributions.

3.2. If a Member fails to make a required Capital Contribution within 30 days after the effective date of this Agreement, that Member's entire Membership Interest will terminate and that Member will indemnify and hold the Company and the other Members harmless from any loss, cost, or expense, including reasonable attorney fees, caused by the failure to make that Capital Contribution.

3.3. An individual Capital Account will be maintained for each Member consisting of that Member's Capital Contribution, (1) increased by that Member's share of Profits, (2) decreased by that Member's share of Losses, and (3) adjusted as required in accordance with applicable provisions of the Code and Regulations.

3.4. A Member will not be entitled to withdraw any part of the Member's Capital Contribution or to receive any distributions, whether of money or property from the Company except as provided in this Agreement.

3.5. No interest will be paid on funds or property contributed to the capital of the Company or on the balance of a Member's Capital Account.

3.6. A Member will not be bound by, or be personally liable for, the expenses, liabilities, or obligations of the Company except as otherwise provided in the Act or in this Agreement.

3.7. No Member will have priority over any other Member with respect to the return of a Capital Contribution or distributions or allocations of income, gain, losses, deductions, credits, or items thereof.

ARTICLE IV: ALLOCATIONS AND DISTRIBUTIONS

4.1. The Profits and Losses of the Company and all items of Company income, gain, loss, deduction, or credit will be allocated, for Company book purposes and for tax purposes, to each Member in accordance with that Member's Percentage Interest.

4.2. If any Member unexpectedly receives any adjustment, allocation, or distribution described in Treasury Reg §1.704-1(b)(2)(ii)(d)(4)-(d)(6), items of Company gross income and gain will be specially allocated to that Member in an amount and manner sufficient to eliminate any deficit balance in the Member's Capital Account created by
the adjustment, allocation, or distribution as quickly as possible. Any special allocation under this Section 4.2 will be taken into account in computing subsequent allocations of Profits and Losses, so that the net amount of allocations of income and loss and all other items will, to the extent possible, be equal to the net amount that would have been allocated if the unexpected adjustment, allocation, or distribution had not occurred. The provisions of this Section 4.2 and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Treasury Reg §§1.704-1(b) and 1.704-2 and will be interpreted and applied in a manner consistent with those Regulations.

4.3. Any unrealized appreciation or unrealized depreciation in the values of Company property distributed in kind to all the Members will be treated in accordance with applicable law.

4.4. In the case of a Transfer of an Economic Interest during any fiscal year, the Assigning Member and Assignee will each be allocated the Economic Interest's share of Profits or Losses based on the number of days each held the Economic Interest during that fiscal year.

4.5. All cash resulting from the normal business operations of the Company and from a Capital Event will be distributed among the Members in proportion to their Percentage Interests at such times as the Members may agree.

4.6. If the proceeds from a sale or other disposition of a Company asset consist of property other than cash, the value of the property will be as determined by the Members. Noncash proceeds will then be allocated among all the Members in proportion to their Percentage Interests. If noncash proceeds are subsequently reduced to cash, the cash will be distributed to each Member in accordance with Section 4.5.

4.7. Notwithstanding any other provisions of this Agreement to the contrary, when there is a distribution in liquidation of the Company, or when any Member's Interest is liquidated, all items of income and loss first will be allocated to the Members' Capital Accounts under this Article IV, and other credits and deductions to the Members' Capital Accounts will be made before the final distribution is made. The final distribution to the Members will be made to the Members to the extent of and in proportion to their positive Capital Account balances.

ARTICLE V: MANAGEMENT

5.1. The business of the Company will be managed by all the Members. A Member will be a manager only during the time the Member is a Member of the Company. Unless otherwise provided in this Agreement, all decisions concerning the management of the Company's business will be made by the Vote of a Majority of Members.

5.2. The Members are not required to hold meetings, and decisions may be reached through one or more informal consultations followed by agreement among a Majority of Members, provided that all Members are consulted (although all Members need not be
present during a particular consultation), or by a written consent signed by a Majority of Members. In the event that Members wish to hold a formal meeting (a "Meeting") for any reason, the following procedures will apply:

(1) Any two Members may call a Meeting of the Members by giving Notice of the time and place of the Meeting at least 48 hours before the time of the holding of the Meeting. The Notice need not specify the purpose of the Meeting, or the location if the Meeting is to be held at the principal executive office of the Company.

(2) A majority of Members will constitute a quorum for the transaction of business at any Meeting of the Members.

(3) The transactions of the Members at any Meeting, however called or noticed, or wherever held, will be as valid as though transacted at a Meeting duly held after call and notice if a quorum is present and if, either before or after the Meeting, each Member not present signs a written waiver of Notice, a consent to the holding of the Meeting, or an approval of the minutes of the Meeting.

(4) Any action required or permitted to be taken by the Members under this Agreement may be taken without a Meeting if a Majority of the Members individually or collectively consent in writing to that action.

(5) Members may participate in the Meeting through the use of a conference telephone or similar communications equipment, provided that all Members participating in the Meeting can hear one another.

(6) The Members will keep or cause to be kept with the books and records of the Company full and accurate minutes of all Meetings, Notices, and waivers of Notices of Meetings, and all written consents in lieu of Meetings.

5.3. The Members as such and as managers will not be entitled to compensation for their services.

5.4. The Company may have a President, who may be, but need not be, a Member. A Majority of the Members may provide for additional officers of the Company and for their election, and may alter the powers, duties, and compensation of the President and of all other officers. The President, if there is one, will attend any Meetings of Members called under Section 5.2(1)-(6).

5.5. All assets of the Company, whether real or personal, will be held in the name of the Company.

5.6. All funds of the Company will be deposited in one or more accounts with one or more recognized financial institutions in the name of the Company, at locations determined by a Majority of Members. Withdrawal from those accounts will require the signature of the person or persons designated by a Majority of Members.
ARTICLE VI: ACCOUNTS AND RECORDS

6.1. Complete books of account of the Company's business, in which each Company transaction will be fully and accurately entered, will be kept at the Company's principal executive office and will be open to inspection and copying by each Member or the Member's authorized representatives on reasonable Notice during normal business hours. The costs of inspection and copying will be borne by the Member.

6.2. Financial books and records of the Company will be kept on the cash method of accounting, which will be the method of accounting followed by the Company for federal income tax purposes. A balance sheet and income statement of the Company will be prepared promptly following the close of each fiscal year in a manner appropriate to and adequate for the Company's business and for carrying out the provisions of this Agreement. The fiscal year of the Company will be January 1 through December 31.

6.3. At all times during the term of existence of the Company, and beyond that term if a Majority of the Members deem it necessary, the Members will keep or cause to be kept the books of account referred to in Section 6.2, and the following:

(a) A current list of the full name and last known business or residence address of each Member, together with the Capital Contribution and the share in Profits and Losses of each Member;

(b) A copy of the Articles of Organization, as amended;

(c) Copies of the Company's federal, state, and local income tax or information returns and reports, if any, for the six most recent taxable years;

(d) Executed counterparts of this Agreement, as amended;

(e) Any powers of attorney under which the Articles of Organization or any amendments were executed;

(f) Financial statements of the Company for the six most recent fiscal years; and

(g) The books and records of the Company as they relate to the Company's internal affairs for the current and past four fiscal years.

If a Majority of Members deem that any of the foregoing items will be kept beyond the term of existence of the Company, the repository of those items will be as designated by a Majority of Members.

6.4. Within 90 days after the end of each taxable year of the Company, the Company will send to each of the Members all information necessary for the Members to complete their federal and state income tax or information returns, and a copy of the Company's federal, state, and local income tax or information returns for that year.
ARTICLE VII: MEMBERS AND VOTING

7.1. There will be only one class of membership and no Member will have any rights or preferences in addition to or different from those possessed by any other Member. Each Member will Vote in proportion to the Member’s Percentage Interest as of the governing record date, determined in accordance with Section 7.2. Any action that may or that must be taken by the Members will be by a Majority of Members, except that the following actions will all require the unanimous Vote of the Members:

(a) The transfer of a Membership Interest and the admission of the Assignee as a Member of the Company;

(b) Any amendment of the Articles of Organization or this Agreement; or

(c) Compromise of the obligation of a Member to make a Capital Contribution.

7.2. The record date for determining the Members entitled to Notice of any Meeting, to Vote, to receive any distribution, or to exercise any right in connection with any other lawful action, will be the date set by a Majority of Members, provided that the record date may not be more than 60, nor less than 10 days before the date of the Meeting, nor more than 60 days before any other action.

In the absence of any action setting a record date, the record date will be determined in accordance with California Corporations Code §17104(k).

7.3. At all Meetings of Members, a Member may Vote in person or by Proxy. The Proxy will be filed with any Member before or at the time of the Meeting, and may be filed by facsimile transmission to a Member at the principal executive office of the Company or any other address given by a Majority of Members to the Members for that purpose.

ARTICLE VIII: TRANSFERS OF MEMBERSHIP INTERESTS

8.1. A Member may withdraw from the Company at any time by giving Notice of Withdrawal to all other Members at least 180 calendar days before the effective date of withdrawal. Withdrawal will not release a Member from any obligations and liabilities under this Agreement accrued or incurred before the effective date of withdrawal. A withdrawing Member will divest the Member’s entire Membership Interest before the effective date of withdrawal in accordance with the transfer restrictions and option rights set forth below.

8.2. Except as expressly provided in this Agreement, a Member will not Transfer any part of the Member’s Membership Interest in the Company, whether now owned or later acquired, unless (1) the other Members unanimously approve the transferee’s admission to the Company as a Member and (2) the Membership Interest to be Transferred, when added to the total of all other Membership Interests Transferred in
the preceding 12 months, will not cause the termination of the Company under IRC §708(b)(1)(B). No Member may Encumber or permit or suffer any Encumbrance of all or any part of the Member's Membership Interest in the Company unless the Encumbrance has been approved in writing by all the other Members. Any Transfer or Encumbrance of a Membership Interest without that approval will be void. Notwithstanding any other provision of this Agreement to the contrary, a Member who is a natural person may transfer all or any portion of his or her Membership Interest to any revocable trust created for the benefit of the Member, or any combination between or among the Member, the Member's spouse, and the Member's issue if the Member retains a beneficial interest in the trust and all of the Voting Interest included in the Membership Interest. A transfer of a Member's entire beneficial interest in the trust or failure to retain a Voting Interest will be deemed a Transfer of a Membership Interest.

8.3. On the happening of any of the following events (Triggering Events) with respect to a Member, the Company and the other Members will have the option to purchase all or any portion of the Membership Interest in the Company of the Member (Selling Member) at the price and on the terms provided in Section 8.7 of this Agreement:

(a) The death or incapacity of a Member;

(b) The bankruptcy of a Member;

(c) The winding up and dissolution of a corporate Member, or the merger or other corporate reorganization of a corporate Member as a result of which the corporate Member does not survive as an entity;

(d) The withdrawal of a Member; or

(e) Except for the events stated in Section 8.4, the occurrence of any other event that is, or that would cause, a Transfer in contravention of this Agreement.

Each Member agrees to promptly give Notice of a Triggering Event to all other Members.

8.4 Notwithstanding any other provisions of this Agreement:

(a) If, in connection with the divorce or dissolution of the marriage of a Member, any court issues a decree or order that transfers, confirms, or awards a Membership Interest, or any portion of it, to that Member's spouse (an Award), then, notwithstanding that that transfer would constitute an unpermitted Transfer under this Agreement, that Member will have the right to purchase from his or her former spouse the Membership Interest, or portion of it, that was so transferred, and the former spouse will sell the Membership Interest or portion of it to that Member at the price set forth in Section 8.7 of this Agreement. If the Member has failed to consummate the purchase within 180 days after the Award (the Expiration Date), the Company and the other Members will have the option to purchase from the former spouse the Membership Interest or portion of it under Section 8.5 of this Agreement, provided that the option period will commence
on the later of (1) the day following the Expiration Date, or (2) the date of actual notice of the Award.

(b) If, by reason of the death of a spouse of a Member, any portion of a Membership Interest is Transferred to a Transferee other than (1) that Member or (2) a trust created for the benefit of that Member (or for the benefit of that Member and any combination between or among the Member and the Member’s issue) in which the Member is the sole Trustee and the Member, as Trustee or individually, possesses all of the Voting Interest included in that Membership Interest, then the Member will have the right to purchase the Membership Interest or portion of it from the estate or other successor of his or her deceased spouse or Transferee of his or her deceased spouse, and the estate, successor, or Transferee must sell the Membership Interest or portion of it at the price set forth in Section 8.7 of this Agreement. If the Member has failed to consummate the purchase within 180 days after the date of death (the Expiration Date), the Company and the other Members will have the option to purchase from the estate or other successor or Transferee of the deceased spouse the Membership Interest or portion of it under Section 8.5 of this Agreement; provided that the option period will commence on the later of (1) the day following the Expiration Date, or (2) the date of actual notice of the death.

8.5. On the receipt of Notice of any Triggering Event (the date of receipt being referred to in this Agreement as the Option Date), the Company will have the option, for a period ending 30 calendar days following the determination of the purchase price as provided in Section 8.7, to purchase the Membership Interest in the Company to which the option relates, at the price and on the terms provided in Section 8.7, and the other Members, pro rata in accordance with their prior Membership Interests in the Company, will then have the option, for a period of 30 days thereafter, to purchase the Membership Interest in the Company not purchased by the Company, on the same terms and conditions as apply to the Company. If all other Members do not elect to purchase the entire remaining Membership Interest in the Company, then the Members electing to purchase will have the right, pro rata in accordance with their prior Membership Interests in the Company, to purchase the additional Membership Interest in the Company available for purchase. The Transferee of the Membership Interest in the Company that is not purchased will hold the Membership Interest in the Company subject to all of the provisions of this Agreement.

8.6. No Member will participate in any Vote or decision in any matter pertaining to the disposition of that Member’s Membership Interest in the Company under this Agreement.

8.7. The purchase price of a Membership Interest that is the subject of an option under this Agreement will be the Fair Market Value of the Membership Interest as determined under this Section 8.7. Each of the selling and purchasing parties will use his, her, or its best efforts to mutually agree on the Fair Market Value. If the parties are unable to so agree within 30 days of the date on which the option is first exercisable (the Option Date; see Section 8.5), the selling party will appoint, within 40 days of the Option Date, one appraiser, and the purchasing party will appoint within 40 days of the
Option Date, one appraiser. The two appraisers will within a period of 5 additional days, agree on and appoint an additional appraiser. The three appraisers will, within 60 days after the appointment of the third appraiser, determine the Fair Market Value of the Membership Interest in writing and submit their report to all the parties. The Fair Market Value will be determined by disregarding the appraiser's valuation that diverges the most from each of the other two appraisers' valuations, and the arithmetic mean of the remaining two appraisers' valuations will be the Fair Market Value. Each party will pay for the services of the appraiser selected by it, plus one-half of the fee charged by the third appraiser. The option purchase price as so determined will be payable in cash.

8.8. Except as expressly permitted under Section 8.2, a prospective Transferee (other than an existing Member) of a Membership Interest may be admitted as a Member with respect to the Membership Interest (Substituted Member) only (1) on the unanimous Vote of the other Members in favor of the prospective Transferee's admission as a Member, and (2) on the prospective Transferee's executing a counterpart of this Agreement as a party to it. Any prospective Transferee of a Membership Interest will be deemed an Assignee, and, therefore, the owner of only an Economic Interest until the prospective Transferee has been admitted as a Substituted Member.

8.9. Any person admitted to the Company as a Substituted Member will be subject to all provisions of this Agreement.

8.10. The initial sale of Membership Interests in the Company to the initial Members has not been qualified or registered under the securities laws of any state, or registered under the Securities Act of 1933, as amended, in reliance on exemptions from the registration provisions of those laws. No attempt has been made to qualify the offering and sale of Membership Interests to Members under the California Corporate Securities Law of 1968, as amended, also in reliance on an exemption from the requirement that a permit for issuance of securities be procured. Notwithstanding any other provision of this Agreement, Membership Interests may not be Transferred or Encumbered unless registered or qualified under applicable state and federal securities laws or unless, in the opinion of legal counsel satisfactory to the Company, qualification or registration is not required. A Member who desires to transfer a Membership Interest will be responsible for all legal fees incurred in connection with that opinion.

ARTICLE IX: DISSOLUTION AND WINDING UP

9.1. The Company will be dissolved on the first to occur of the following events:

(a) The written agreement of a Majority of Members to dissolve the Company.

(b) The sale or other disposition of substantially all of the Company assets.

(c) Entry of a decree of judicial dissolution under California Corp C §17351.
9.2. On the dissolution of the Company, it will engage in no further business other than that necessary to wind up its business and affairs. The Members winding up the Company's affairs will give written Notice of the commencement of winding up by mail to all known creditors and claimants against the Company whose addresses appear in the Company's records. After paying or adequately providing for the payment of all known debts of the Company (except debts owing to Members) the remaining assets of the Company will be distributed or applied in the following order of priority:

(a) To pay the expenses of liquidation.

(b) To repay outstanding loans to Members. If there are insufficient funds to pay those loans in full, each Member will be repaid in the ratio that the Member's respective loan, together with accrued and unpaid interest, bears to the total of all those loans from Members, including all interest accrued and unpaid on those loans. Repayment will first be credited to unpaid principal and the remainder will be credited to accrued and unpaid interest.

(c) Among the Members in accordance with the provisions of Article IV, Section 4.7.

9.3. Each Member will look solely to the assets of the Company for the return of the Member's investment, and if the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the investment of any Member, the Member will have no recourse against any other Members for indemnification, contribution, or reimbursement.

ARTICLE X: ARBITRATION

10.1. Any action to enforce or interpret this Agreement, or to resolve disputes over this Agreement between the Company and a Member, or between or among the Members, will be resolved through arbitration in accordance with the rules and procedures set forth in California Code of Civil Procedure Sections 1280 et seq. All decisions of the arbitrator will be final, binding, and conclusive on all parties. Judgment may be entered on any such decision in accordance with applicable law in any court having jurisdiction of it. The arbitrator (if permitted under applicable law) or the court may issue a writ of execution to enforce the arbitrator's decision.

ARTICLE XI: GENERAL PROVISIONS

11.1. This Agreement constitutes the whole and entire agreement of the parties with respect to the subject matter of this Agreement, and it will not be modified or amended in any respect except by a written instrument executed by all the parties. This Agreement replaces and supersedes all prior written and oral agreements by and among the Members or any of them.

11.2. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.
11.3. This Agreement will be construed and enforced in accordance with the laws of
the state of California. If any provision of this Agreement is determined by any court of
competent jurisdiction or arbitrator to be invalid, illegal, or unenforceable to any extent,
that provision will, if possible, be construed as though more narrowly drawn, if a
narrower construction would avoid that invalidity, illegality, or unenforceability or, if that
is not possible, the provision will, to the extent of that invalidity, illegality, or
unenforceability, be severed, and the remaining provisions of this Agreement will
remain in effect.

11.4. This Agreement will be binding on and inure to the benefit of the parties and
their heirs, personal representatives, and permitted successors and assigns.

11.5. Whenever used in this Agreement, the singular will include the plural, the plural
will include the singular, and the neuter gender will include the male and female as well
as a trust, firm, company, or corporation, all as the context and meaning of this
Agreement may require.

11.6. The parties to this Agreement will promptly execute and deliver any and all
additional documents, instruments, notices, and other assurances, and will do any and
all other acts and things reasonably necessary in connection with the performance of
their respective obligations under this Agreement and to carry out the intent of the
parties.

11.7. Except as provided in this Agreement, no provision of this Agreement will be
construed to limit in any manner the Members in the carrying on of their own respective
businesses or activities.

11.8. Except as provided in this Agreement, no provision of this Agreement will be
construed to constitute a Member, in the Member's capacity as such, the agent of any
other Member.

11.9. Each Member represents and warrants to the other Members that the Member
has the capacity and authority to enter into this Agreement.

11.10. The article, section, and paragraph titles and headings in this Agreement are
inserted as a matter of convenience and for ease of reference only and will be
disregarded for all other purposes, including the construction or enforcement of this
Agreement or any of its provisions.

11.11. This Agreement may be altered, amended, or repealed only by a writing
signed by all of the Members.

11.12. Time is of the essence of every provision of this Agreement that specifies a
time for performance.
11.13. This Agreement is made solely for the benefit of the parties to this Agreement and their respective permitted successors and assigns, and no other person or entity will have or acquire any right by virtue of this Agreement.

11.14. The Members intend the Company to be a limited liability company under the Act. No member will take any action inconsistent with the express intent of the parties to this agreement.

In witness whereof, the parties have executed or caused to be executed this Agreement at Bakersfield, California.

MEMBERS:

THE GARCIA FAMILY TRUST

By: PASCUAL GARCIA, as Trustee

By: PATRICIA GARCIA, as Trustee

CARLOS AND JUANA SANCHEZ FAMILY TRUST

By: CARLOS SANCHEZ, as Trustee

By: JUANA SANCHEZ, as Trustee
State of California
Secretary of State

I, DEBRA BOWEN, Secretary of State of the State of California, hereby certify:

That the attached transcript of ___ page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

MAY 22, 2009

DEBRA BOWEN
Secretary of State
State of California
Secretary of State

LIMITED LIABILITY COMPANY
ARTICLES OF ORGANIZATION

A $70.00 filing fee must accompany this form.

IMPORTANT – Read instructions before completing this form.

ENTITY NAME (End the name with the words “Limited Liability Company,” or the abbreviations “LLC” or “L.L.C.” The words “Limited” and “Company” may be abbreviated to “Ltd.” and “Co.,” respectively.)

1. NAME OF LIMITED LIABILITY COMPANY
   PC Properties, LLC

PURPOSE (The following statement is required by statute and should not be altered.)

2. THE PURPOSE OF THE LIMITED LIABILITY COMPANY IS TO ENGAGE IN ANY LAWFUL ACT OR ACTIVITY FOR WHICH A LIMITED LIABILITY COMPANY MAY BE ORGANIZED UNDER THE BEVERLY-KILLEN LIMITED LIABILITY COMPANY ACT.

INITIAL AGENT FOR SERVICE OF PROCESS (If the agent is an individual, the agent must reside in California and both Items 3 and 4 must be completed. If the agent is a corporation, the agent must have on file with the California Secretary of State a certificate pursuant to Corporations Code section 1506 and Item 3 must be completed (leave Item 4 blank).

3. NAME OF INITIAL AGENT FOR SERVICE OF PROCESS
   Pascual Garcia

4. IF AN INDIVIDUAL, ADDRESS OF INITIAL AGENT FOR SERVICE OF PROCESS IN CALIFORNIA
   9100 Ming Avenue, Suite 100
   Bakersfield CA 93311

MANAGEMENT (Check only one)

5. THE LIMITED LIABILITY COMPANY WILL BE MANAGED BY:
   [ ] ONE MANAGER
   [ ] MORE THAN ONE MANAGER
   [x] ALL LIMITED LIABILITY COMPANY MEMBER(S)

ADDITIONAL INFORMATION

6. ADDITIONAL INFORMATION SET FORTH ON THE ATTACHED PAGES, IF ANY, IS INCORPORATED HEREIN BY THIS REFERENCE AND MADE A PART OF THIS CERTIFICATE.

EXECUTION

7. I DECLARE I AM THE PERSON WHO EXECUTED THIS INSTRUMENT, WHICH EXECUTION IS MY ACT AND DEED.

May 18, 2009

[Signature]

Pascual Garcia

[Type or Print Name of Organizer]

[Signature]

Pascual Garcia

APPROVED BY SECRETARY OF STATE

LLC-1 (REV 04/2007)
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<td>$14,912.21 cash</td>
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<tr>
<td>Carlos Sanchez &amp; Juana Sanchez, as Trustees of the Carlos and Juana Family Trust</td>
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**Property Search - PROPERTY DETAILS**

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<td><strong>Property Information</strong></td>
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<td>Billing Addr.</td>
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<td>Bed / Bath</td>
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| Tax Bill Information               |
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| Tax Rate Area                      | 056-092 - BAKERSFIELD OUTSIDE |
Questions regarding tax bills should be directed to the Tax Collector at (661) 868-3490.

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Kern County Assessor - 1115 Truxtun Avenue - Bakersfield, CA 93301 - 661-868-3485