

EXHIBIT C

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT ("Assignment") is made and entered into as of August 18, 2004 (the "Effective Date"), by and between the CITY OF CALABASAS, a public body, corporate and politic (hereinafter referred to as the "Assignor"), CALIFORNIA JOINT POWERS INSURANCE AUTHORITY, a California joint exercise of powers agency (hereinafter referred to as the "Assignee"), HORIZON GENERAL CONTRACTORS, INC., a California corporation ("Contractor"), and PRUDENTIAL CALIFORNIA REALTY ("Listing Agent").

RECITALS

A. Assignor, as owner of the real property and the improvements on it (collectively, the Property), located in the City of Calabasas, County of Los Angeles, California, and more thoroughly described in attached Exhibits A-1 and A-2, is obligated under certain agreements described in the attached Exhibit B that relate to the use and development of the Property (the "Agreements").

B. Pursuant to Purchase and Sale Agreement, dated August 18, 2004, between Assignor and Assignee, Assignor is contributing to Assignee and Assignee is acquiring from Assignor all of Assignor's right, title, and interest in and to the Property. In connection therewith, Assignor desires to assign to Assignee, and Assignee desires to accept the assignment of, all of Assignor's right, title, and interest in and to the Agreements, all on the terms and conditions set forth below.

C. Contractor and Listing Agent are parties only to acknowledge their respective consents to the assignment of their respective agreements with Assignor.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants and conditions contained in them, the parties agree as follows:

1. Assignment. Assignor assigns, transfers, and conveys to Assignee all of Assignor's right, title, and interest in and to the Agreements together with all of the rents, income, receipts, revenues, issues, profits, security deposits, prepaid rents, and all other benefits arising or issuing from or out of the Agreements, and together with any and all rights that Assignor may have against any party under the Agreements, with the exception of: (a) any and all rights, claims and causes of action that Assignor may have against any advisor, consultant, or agent other than an attorney related to any of the Agreements; (b) any and all rights, claims and causes of action that Assignor may have against Assignee related to any of the Agreements..

2. Assumption. Assignee hereby assumes all of Assignor's obligations under the Agreements subsequent to the date of this Assignment and shall indemnify and defend Assignor and its officers, agents and employees against and hold Assignor and its officers, agents and employees harmless from any and all losses, costs, damages, liabilities, and expenses, including, without limitation, reasonable attorney fees, incurred by any of them as a result of any claim arising

under any of the Agreements and based on events occurring before, on, or subsequent to the date of this Assignment.

3. No Warranties by Assignor. Assignor makes no warranties, representations, or covenants to Assignee regarding any of the Agreements.

4. No Partnership. None of the terms and conditions of this Assignment shall create a partnership between or among the parties to this Assignment and their respective businesses or otherwise, nor shall it cause them to be considered joint venturers or members of any joint enterprise. This Assignment is not intended, nor shall it be construed, to create any third-party beneficiary rights in any person who is not a party to this Assignment, including without limitation any tenant under a Lease.

5. Severability. If any term of this Assignment or the application of such term to a person or circumstance shall to any extent be declared invalid or unenforceable, the remainder of this Assignment, or the application of such term to persons or circumstances other than those to which it is invalid or unenforceable, shall not be affected by it, and each term of this Assignment shall remain valid and enforceable to the fullest extent permitted by law.

6. Successors. This Assignment shall be binding on and inure to the benefit of the parties and their respective heirs, legal and personal representatives, successors, and assigns.

7. Attorney Fees. If a dispute arises concerning the performance of the obligations under this Assignment or the meaning or interpretation of any provision of this Assignment, the party not prevailing in the dispute shall pay any and all costs and expenses incurred by the other party in establishing its rights under this assignment, including, without limitation, court costs and reasonable and actual attorney fees.

8. Consent. By the signatures of their authorized representatives below, Contractor and Listing Agent acknowledge and consent to the assignment of their respective agreements to Assignee and release Assignor from any further obligation or liability under the agreements related to the Property.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment on the date first above written.

ASSIGNOR:

CITY OF CALABASAS

By _____
Michael Harrison
Mayor

ATTEST:

Mark Jomsky
Assistant City Clerk

APPROVED AS TO FORM:

Michael G. Colantuono
City Attorney

ASSIGNEE:

CALIFORNIA JOINT POWERS INSURANCE AUTHORITY

By _____
Its:

ATTEST:

Its:

APPROVED AS TO FORM:

Authority Counsel

CONTRACTOR:

Horizon General Contractors, Inc.,
a California corporation

By _____
Title: _____

By _____
Title: _____

LISTING AGENT:

Prudential California Realty

By _____
Title: _____

By _____
Title: _____

EXHIBITS A-1 and A-2

PROPERTY DESCRIPTION

EXHIBIT B

LIST OF AGREEMENTS

1. Design-Build Agreement and General Conditions (Phase III), between City of Calabasas and Horizon General Contractors, Inc., dated as of September 19, 2003, and related agreements (the "Construction Contracts")
2. Settlement Agreement and Mutual Release by and among Hubert and Nedjiin Brooks and Seller, *et al.*, dated June 28, 2001 (the "Brooks Settlement")
3. Settlement Agreement and Mutual Release by and among Zareh H. and Rahel B. Vartivarian and Seller *et al.*, dated July 5, 2001 (the "Vartivarian Settlement")
4. Residential Listing Agreements on the Property between City of Calabasas and Prudential California Realty, dated as of March 15, 2004 (the "Listing Agreements")