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ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT ("Agreement") is made and entered into as of the "Effective Date" (as that term is hereinafter defined), by and among the following parties: (1) BUSHALA BROTHERS, INC., a California corporation ("Assignor"); (2) GEORGE K. BUSHALA, JR., a single man, ANTHONY N. BUSHALA, a single man, and ALBERT C. BUSHALA, a single man, jointly and severally ("Assignees"); and (3) FULLERTON REDEVELOPMENT AGENCY, a public body corporate and politic ("Agency").

R E C I T A L S:

A. Agency and Assignor entered into that certain First Amended Agreement to Lease, dated July 7, 1992 ("Lease").

B. Assignor desires to assign to Assignees, jointly and severally, all of the rights, obligations, and duties of Assignor set forth in the Lease, and Assignees desire to assume, jointly and severally, all of the rights, obligations, and duties of Assignor set forth in the Lease.

C. Section 5.1 of the Lease requires that any proposed assignment from Assignor to Assignees be documented in a agreement acceptable to Agency in which the Assignees agree to assume all of Assignor's obligations under the Lease.

D. Assignor, Assignee, and Agency desire to enter into this Agreement for the purpose of effecting the assignment of the Lease from Assignor to Assignees.

A G R E E M E N T:

NOW, THEREFORE, in consideration of the foregoing recitals and for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Recitals Incorporated. The above recitals are hereby incorporated into this Agreement and made a part hereof.

2. Assignment and Assumption. Assignor hereby knowingly, voluntarily, and expressly assigns and transfers all of its rights, title, and interest in, and obligations and duties under, the Lease to Assignees, jointly and severally. Assignees, jointly and severally, hereby agree to and do accept the assignment and, in addition, knowingly, voluntarily and expressly assume and agree to keep, perform, and fulfill all of the terms, conditions, covenants, and obligations required to be kept,

performed, and fulfilled by Assignor under the Lease, including the making of all payments due or payable under the Lease when due or payable.

3. Effective Date of Assignment. The assignment and assumption as set forth under the terms and conditions of this Agreement shall take effect on the latest of the dates set next to the signatures of the parties evidencing full execution of this Agreement ("Effective Date").

4. Assignor Liability. Assignor shall remain liable and fully obligated under the Lease for all obligations (including but not limited to accrued amounts due the Agency) arising prior to the Effective Date of this Agreement, unless released in writing by Agency.

5. Notice. Any notice, demand, consent, or approval (hereafter "notice") between or among the parties required hereunder or by law shall be in writing and shall be delivered by personal delivery; or by United States first class mail, prepaid; or by reputable document delivery service that provides a receipt showing date and time of delivery. Notices personally delivered or delivered by document delivery shall be effective upon receipt. Notices delivered by mail shall be effective at Noon on the second business day following deposit. Notices shall be delivered to the following addresses (which any party may change by providing notice in accordance with the terms of this paragraph):

If to Assignor: Bushala Brothers, Inc.
110 E. Walnut Avenue
Fullerton, CA 92632
Attn: Anthony Bushala

If to Assignees: Anthony N. Bushala
110 East Walnut Avenue
Fullerton, CA 92632

If to Agency: Fullerton Redevelopment Agency
303 West Commonwealth Avenue
Fullerton, CA 92632
Attn: Executive Director

Each of the Assignees knowingly, voluntarily, and expressly agrees and direct that any notices to directed to Assignees, or any of them, shall be addressed to and delivered to Anthony N. Bushala at the address designated above for Assignees, and that delivery of notice to Anthony N. Bushala shall constitute delivery of notice to each and all of the Assignees.

6. Successors. This assignment and assumption shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

7. Waiver. The waiver by any party of the performance of any covenant or condition herein shall not invalidate this Agreement, nor shall it be considered a waiver of any other covenant or condition, nor shall the delay or forbearance by any party in exercising any remedy or right available to it be considered a waiver of or an estoppel against the later exercise of such remedy or right. All waivers shall be given in a writing signed by the party giving the waiver.

8. Litigation Matters; Interpretation. If any party hereto commences an action against any of the parties hereto arising out of or in connection with this Agreement, the prevailing party in any litigation shall be entitled, in addition to such other relief as may be granted, reasonable attorney's fees and costs, including fees and costs related to discovery and on appeal. The parties hereto agree that the Municipal and Superior Courts of the State of California in and for the County of Orange shall have exclusive jurisdiction in any litigation between or among the parties hereto arising out of or in connection with this Agreement. Service of process on Assignor and Assignees shall be made by any manner as may be provided by law and shall be effective whether served inside or outside California. Service of process on Agency shall be made by personal serve upon the Executive Director of Agency, or in such other manner as may be provided by law for service on a public entity. The laws of the State of California shall govern the interpretation and enforcement of this Agreement. In the event any term or provision of this Agreement is deemed by a court to be invalid or unenforceable, the remainder of this Agreement shall remain in full force and effect and shall be read and interpreted without the invalid or unenforceable term or provision.

9. Corporate Authority. The person executing this Agreement on behalf of Assignor represents and warrants that they are duly authorized to execute and deliver this Agreement on behalf of Assignor, in accordance with a duly adopted resolution of the Board of Directors if such be required, and that this Agreement is binding upon Assignor in accordance with its terms. The person executing this Agreement on behalf of Agency represents and warrants that they are duly authorized to execute and deliver this Agreement on behalf of Agency pursuant to any authority required to be given by Agency's governing board.

10. Nonliability of Agency Officials. No member, official, officer, employee, agent, or representative of Agency shall be personally liable to Assignor or Assignee in the event of any default of this Agreement by any party or parties, or for any

amount which may become due to Assignor or Assignee under this Agreement.

11. Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter of this Agreement, and supersedes all prior agreement and understandings, whether oral or written, with respect to the assignment and assumption effected hereby. Any amendment or modification of the terms of this Agreement shall be made in a in writing executed by the parties hereto.

12. Counterparts. This Agreement may be executed in counterparts, each of which, when executed and delivered, shall be an original, but all counterparts shall together constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the Effective Date (as defined in Paragraph 3 of this Agreement).

"ASSIGNOR"

BUSHALA BROTHERS, INC.,
a California corporation

Date: 15 SEPT 1992

By: George K. Bushala, Jr.
President

"ASSIGNEES"

GEORGE K. BUSHALA, JR., a single man, ANTHONY N. BUSHALA, a single man, and ALBERT C. BUSHALA, a single man, jointly and severally

Date: 15 SEPT 1992

George K. Bushala, Jr.

Date: 15 Sept. 1992

Anthony N. Bushala

Date: 9-15-92

Albert C. Bushala 9-15-92

"AGENCY"

THE FULLERTON REDEVELOPMENT AGENCY,
a public body, corporate and
politic

Date: 9-15-92

By: Don Bankhead

Chairman

ATTEST:

By: Anne M. York
Anne M. York, Secretary to the
Fullerton Redevelopment Agency

APPROVED AS TO FORM:

RUTAN & TUCKER

By: Dan Slater
Jeffrey M. Oderman Dan Slater
Special Counsel to the
Fullerton Redevelopment Agency