NON-BINDING LETTER OF INTENT

THIS AGREEMENT is entered into as of May 4, 2011 by and between the City of Martinez ("City") and Universal Sports Academy ("USA") in reference to the following facts:

RECITALS

A. USA is proposing the establishment of an Indoor Sports facility to be located in the city of Martinez at 360 Ferry Street.

B. USA calls their proposed facility the "Universal Sports Academy" ("Academy")

C. USA is at the incipient stages of formation and development of the, Academy but USA is desirous of securing a physical site for the Academy future facilities and offices and USA has requested the City to provide USA an expression of the City's intention to consider a lease of the entire building (48,000 sq.. ft) located at 360 Ferry Street, Martinez, CA and shown on the diagram attached hereto as Exhibit A (the "Subject Property") to USA for the said purposes. USA estimates that it will be financially and organizationally prepared to renovate and occupy leasehold space within a 180 day period from the date of this Letter of Intent.

D. The parties acknowledge that the planning / use requirements and cost of constructing and operating the Academy and the required review and land use entitlements need to be investigated and ascertained prior to approval of any lease agreement .

E. Nevertheless, the parties are willing to continue exploring the possibility of locating the Academy at the Subject Property, while, at the same, time USA undertakes the work necessary to establish the appropriate legal entity which will own and operate the, Academy complete a City specified CEQA and parking study, prepare plans for interior and exterior improvements to the Subject Property necessary to make it suitable for use for the Academy, complete the design and building construction approval process, complete the design / building capital funding budget and approved financing, develop /finalize a business plan and begin the process of negotiating and drafting a lease for the Subject Property.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

AGREEMENT

1. The actual leasing of the Subject Property to USA is dependent upon a variety of factors, variables and circumstances which are not now resolved nor known with sufficient clarity as to permit the parties to enter into binding or meaningful agreements pertaining to same.

2. Consequently, the parties make this Agreement primarily for the City to commit to exclusive negotiation with USA for any lease of the property during the terms of the agreement and for USA to demonstrate their commitment to the formation, establishment, funding and operations of the Academy.

3. This Agreement shall be effective for 180 days, namely, from May 4, 2011 through October 21, 2011 (the "Term"). This term can be extended for up to 30 -days by the mutual written agreement of both parties.

4. During the Term, USA shall exercise their best reasonable efforts to accomplish the following tasks:

A. Provide documentation / verification of the legal entity to negotiate with the City of Martinez –i.e. LLC, Partnership or corporation, within 60 days of the full execution of this Letter of Intent.

B. Within 60 days of the full execution of this Letter of Intent, provide financial documentation / verification to the City of Martinez that USA or the legal entity identified in an above has the capital available to complete the first phase of construction.

C. Within 60 days of full execution of this Letter of Intent, provide a deposit to the City of Martinez for reimbursement to the City of Martinez for the cost of drafting a first draft of a lease agreement for the Subject Property in the amount of Five Thousand Dollars ($5,000) In the event that it appears that said deposit amount will be depleted, USA shall increase said deposit in an amount not to exceed Ten Thousand Dollars ($10,000) unless written permission by both parties to exceed said amount is granted.

D. Provide a deposit to the City of Martinez for reimbursement of 50% of the cost of the environmental evaluation pursuant to the California Environmental Quality Act (CEQA), including a parking study to be prepared by the City of Martinez's selected consultant. It is anticipated that the CEQA and parking study will undertake a joint analysis of the "Academy" Project and the "USA Project" also proposed to be located at 360 Ferry Street. If an agreement cannot be reached between the City and the developers of the CCS project -USA will deposit 100% of the cost of the environmental evaluation/parking study. An estimate of said costs will be provided by the City to USA within the first 30 days of this letter of intent. The deposit set forth herein will be submitted by USA to the City within 10 days of delivery of said estimate to USA

E. Within 60 days of full execution of this letter of intent, provide a written financial overview and business plan outlining the capital investment repayment, annual facility operation expenses and revenue generation, and the establishment of a maintenance and replacement fund for the facility.

F. Provide documentation of a clearance / Approval letters: (A) A clearance letter from "Central Sanitary District" for the use of this facility as an assembly / athletic venue and that the service capacity is adequate for these uses. (B) Letter from the "City of Martinez" that the water pressure and capacity/ meter size are adequate for the use type. (C) Letter from PG&E that the Electrical service capacity required for the use of this site can be delivered to your specific building / location.

G. If clearance cannot be provided as stated in F above for use of the Subject Property by CCS with existing infrastructure, then a plan summarizing infrastructure improvements needed to accommodate use and means for funding the improvements must be submitted.

5. During the Term, the City agrees that it shall not enter into a rental, lease, or other agreement covering all or a portion of the Subject Property with any party.

6. During the term USA and the City shall meet and communicate in person on the phone or via email on -a scheduled basis to discuss USA's progress in achieving objectives set forth above and to determine whether extending this Agreement is in the best interest of both parties.

7. Any funds expended by USA during any part of this letter of intent process are at USA's own risk

8. The parties acknowledge and agree that this Agreement is not a lease of the Subject Property, nor does it constitute an offer, nor an acceptance of such a lease or any other contract obligating the City to permit USA or the "Academy" to use the Subject Property in any way. The parties acknowledge and agree that no binding, implied covenants attach to this document concerning the use of the Subject Property. Only upon the full and final execution and delivery of a lease agreement will any obligation attach with respect to USA's or any other party's use of the Subject Property.

In witness whereof the, parties hereto execute this Agreement on the date written below.

CITY OF MARTINEZ

By: _____ Dated: _____

Rob Schroder, Mayor

NON-BINDING LETTER OF INTENT

THIS AGREEMENT is entered into as of May 4, 2011 by and between the City of Martinez ("City") and California Court Side ("CCS") in reference to the following facts:

RECITALS

A. CCS is proposing the establishment of an Indoor Sports facility to be located in the city of Martinez at 360 Ferry Street.

B. CCS calls their proposed facility "The California Court Side" ("Court")

C. CCS is at the incipient stages of formation and development of the Court, but CCS is desirous of securing a physical site for the Court future facilities and offices and CCS has requested the City to provide CCS an expression of the City's intention to consider a lease of the entire building (30,000 sq.. ft) located at 360 Ferry Street, Martinez, CA and shown on the diagram attached hereto as Exhibit A (the "Subject Property") to CCS for the said purposes. CCS estimates that it will be financially and organizationally prepared to renovate and occupy leasehold space within a 180 day period from the date of this Letter of Intent.

D. The parties acknowledge that the planning / use requirements and cost of constructing and operating the Court and the required review and land use entitlements need to be investigated and ascertained prior to approval of any lease agreement .

E. Nevertheless, the parties are willing to continue exploring the possibility of locating the Court at the Subject Property, while, at the same, time CCS undertakes the work necessary to establish the appropriate legal entity which will own and operate the Court, complete a City specified CEQA and parking study, prepare plans for interior and exterior improvements to the Subject Property necessary to make it suitable for use for the Court, complete the design and building construction approval process, complete the design / building capital funding budget and approved financing, develop /finalize a business plan and begin the process of negotiating and drafting a lease for the Subject Property.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

AGREEMENT

1. The actual leasing of the Subject Property to CCS is dependent upon a variety of factors, variables and circumstances which are not now resolved nor known with sufficient clarity as to permit the parties to enter into binding or meaningful agreements pertaining to same.

2. Consequently, the parties make this Agreement primarily for the City to commit to exclusive negotiation with CCS for any lease of the property during the terms of the agreement and for CCS to demonstrate their commitment to the formation, establishment, funding and operations of the Court.

3. This Agreement shall be effective for 180 days, namely, from May 4, 2011 through October 21, 2011 (the "Term"). This term can be extended -for up to 30 days by the mutual written agreement of both parties.

4. During the Term, CCS shall exercise their best reasonable efforts to accomplish the following tasks:

A. Provide documentation / verification of the legal entity to negotiate with the City of Martinez –i.e. LLC, Partnership or corporation, within 60 days of the full execution of this Letter of Intent.

B. Within 60 days of the full execution of this Letter of Intent, provide financial documentation / verification to the City of Martinez that CCS or the legal entity identified in A above has the capital available to complete the first phase of construction.

C. Within 60 days of full execution of this Letter of Intent, provide a deposit to the City of Martinez for reimbursement to the City of Martinez for the cost of drafting a first draft of a lease agreement for the Subject Property in the amount of Five Thousand Dollars ($5,000) In the event that it appears that said deposit amount will be depleted, CCS shall increase said deposit in an amount not to exceed Ten Thousand Dollars ($10,000) unless written permission by both parties to exceed said amount is granted.

D. Provide a deposit to the City of Martinez for reimbursement of 50% of the cost of the environmental evaluation pursuant to the California Environmental Quality Act (CEQA), including a parking study to be prepared by the City of Martinez's selected consultant. It is anticipated that the CEQA and parking study will undertake a joint analysis of the "Court" Project and the "USA Project" also proposed to be located at 360 Ferry Street. If an agreement cannot be reached between the City and the developers of the USA Project CCS will deposit 100% of the cost of the environmental evaluation/parking study. An estimate of said costs will be provided by the City to CCS within the first 30 days of this letter of intent. The deposit set forth herein will be submitted by CCS to the City within 10 days of delivery of said estimate to CCS.

E. Within 60 days of full execution of this letter of intent, provide a written financial overview and business plan outlining the capital investment repayment, annual facility operation expenses and revenue generation, and the establishment of a maintenance and replacement fund for the facility.

F. Provide documentation of a clearance / Approval letters: (A) A clearance letter from "Central Sanitary District" for the use of this facility as an assembly / athletic venue and that the service capacity is adequate for these uses. (B) Letter from the "City of Martinez" that the water pressure and capacity/ meter size are adequate for the use type. (C) Letter from PG&E that the Electrical service capacity required for the use of this site can be delivered to your specific building / location.

G. If clearance cannot be provided as stated in F above for use of the Subject Property by CCS with existing infrastructure, then a plan summarizing infrastructure improvements needed to accommodate use and means for funding the improvements must be submitted.

5. During the Term, the City agrees that it shall not enter into a rental, lease, or other agreement covering all or a portion of the Subject Property with any party.

6. During the term CCS and the City shall meet and communicate in person on the phone or via email -on a scheduled basis to discuss CCS's progress in achieving objectives set forth above and to determine whether extending this Agreement is in the best interest of both parties.

7. Any funds expended by CCS during any part of this letter of intent process are at CCS's own risk

8. The parties acknowledge and agree that this Agreement is not a lease of the Subject Property, nor does it constitute an offer, nor an acceptance of such a lease or any other contract obligating the City to permit CCS or the "Court" to use the Subject Property in any way. The parties acknowledge and agree that no binding, implied covenants attach to this document concerning the use of the Subject Property. Only upon the full and final execution and delivery of a lease agreement will any obligation attach with respect to CCS's or any other party's use of the Subject Property.

In witness whereof, the parties hereto execute this Agreement on the date written below.

CITY OF MARTINEZ

By: _____ Dated: _____
Rob Schroder, Mayor