

The Successor Agency to the Compton Community Redevelopment Agency, is a distinct and separate legal entity from the City of Compton, and was established by Resolution No. 1, adopted on February 7, 2012. The Successor Agency is limited to the assets and liabilities of the dissolved Community Redevelopment Agency (CRA) of the City of Compton and shall have the authority to perform the functions and duties described in Part 1.85 to Division 24 of the California Health and Safety Code.

GOVERNING BODY OF THE SUCCESSOR AGENCY

AGENDA

02/12/2019

6:00 PM

OPENING

ROLL CALL

PUBLIC COMMENTS ON AGENDA AND NON-AGENDA ITEMS

APPROVAL OF MINUTES

1. DECEMBER 18, 2018

NEW BUSINESS

2. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A PURCHASE SALE AGREEMENT WITH RED MOUNTAIN GROUP FOR THE ACQUISITION AND DEVELOPMENT OF SUCCESSOR AGENCY OWNED PROPERTY LOCATED AT 2000-2024 WEST COMPTON BOULEVARD IN THE CITY OF COMPTON
3. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON RESCINDING ANY AND ALL PRIOR RESOLUTIONS CONCERNING AUTHORIZED SIGNATURES IN CERTAIN ACCOUNTS AND AUTHORIZING CERTAIN PERSONS AS AUTHORIZED SIGNATORIES ON THE SAME ACCOUNTS

DIRECTORS COMMENTS

ADJOURNMENT

DECEMBER 18, 2018

The Successor Agency meeting was called to order at 6:52 p.m. in the Council Chambers of City Hall by Chairperson Aja Brown.

ROLL CALL

Directors Present: **Zurita, Galvan, McCoy, Sharif, Brown**

Directors Absent: **None**

Other Officials Present: **C. Cornwell, A. Godwin, C. Rhambo, Jr.**

PUBLIC COMMENTS ON AGENDA AND NON-AGENDA ITEMS

Joyce Kelly, Compton resident, stated that for 26 years she was in upper management and not one time did they not pay an employee for working. Ms. Kelly further indicated that the Music Teacher for the Seniors at Dollarhide Community Center has not been paid for over 3 months, and urged the city to compensate him for his work.

David Irons, Compton resident, spoke regarding Resolution Number 20, 986 regarding the Compton Municipal Stadium.

APPROVAL OF MINUTES

1. NOVEMBER 20, 2018

On motion by McCoy, seconded by Sharif, the minutes were approved by the following vote on roll call:

AYES: **Directors - Zurita, Galvan, McCoy, Sharif, Brown**

NOES: **Directors - None**

ABSENT: **Directors - None**

NEW BUSINESS

2. A RESOLUTION OF THE SUCCESSOR AGENCY BOARD TO THE SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON APPROVING THE SUCCESSOR AGENCY RECOGNIZED OBLIGATIONS AND PAYMENT SCHEDULE 2019- 2020 FOR THE PERIOD OF JULY 1, 2019 TO JUNE 30, 2020

On motion by McCoy, seconded by Sharif, **Resolution Number 93** entitled ‘**A RESOLUTION OF THE SUCCESSOR AGENCY BOARD TO THE SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON APPROVING THE SUCCESSOR AGENCY RECOGNIZED OBLIGATIONS AND PAYMENT SCHEDULE 2019- 2020 FOR THE PERIOD OF JULY 1, 2019 TO JUNE 30, 2020**’ was adopted by the following vote on roll call:

AYES: Directors - Zurita, Galvan, McCoy, Sharif, Brown
NOES: Directors - None
ABSENT: Directors - None

3. A RESOLUTION OF THE BOARD OF THE SUCCESSOR AGENCY OF THE CITY OF COMPTON APPROVING THE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR THE RECOGNIZED OBLIGATIONS AND PAYMENT SCHEDULE FOR THE PERIOD OF JULY 1, 2019 TO JUNE 30, 2020

On motion by Zurita, seconded by McCoy, **Resolution Number 94** entitled ‘**A RESOLUTION OF THE BOARD OF THE SUCCESSOR AGENCY OF THE CITY OF COMPTON APPROVING THE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR THE RECOGNIZED OBLIGATIONS AND PAYMENT SCHEDULE FOR THE PERIOD OF JULY 1, 2019 TO JUNE 30, 2020**’ was adopted by the following vote on roll call:

AYES: Directors - Zurita, Galvan, McCoy, Sharif, Brown
NOES: Directors - None
ABSENT: Directors - None

4. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON AUTHORIZING THE EXECUTIVE DIRECTOR TO AMEND THE SUCCESSOR AGENCY AND COMMUNITY DEVELOPMENT DIVISION 2018-2019 FISCAL YEAR BUDGETS

On motion by Zurita, seconded by Galvan, **Resolution Number 95** entitled ‘**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON AUTHORIZING THE EXECUTIVE DIRECTOR TO AMEND THE SUCCESSOR AGENCY AND COMMUNITY DEVELOPMENT DIVISION 2018-2019 FISCAL YEAR BUDGETS**’ was adopted by the following vote on roll call:

AYES: Directors - Zurita, Galvan, McCoy, Sharif, Brown
NOES: Directors - None
ABSENT: Directors - None

ADJOURNMENT

On motion by Sharif, seconded by McCoy, the meeting was adjourned at 7:17 p m. by the following vote on roll call:

AYES: Directors - Zurita, Galvan, McCoy, Sharif, Brown

NOES: Directors - None

ABSENT: Directors - None

Secretary of the Successor Agency

Chairperson of the Successor Agency

February 12, 2019

TO: HONORABLE CHAIRPERSON AND BOARDMEMBERS

FROM: CECIL W. RHAMBO, EXECUTIVE DIRECTOR

SUBJECT: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A PURCHASE SALE AGREEMENT WITH RED MOUNTAIN GROUP FOR THE ACQUISITION AND DEVELOPMENT OF SUCCESSOR AGENCY OWNED PROPERTY LOCATED AT 2000-2024 WEST COMPTON BOULEVARD IN THE CITY OF COMPTON

SUMMARY

The Executive Director respectfully requests the Board of Directors to authorize a Purchase and Sale Agreement (PSA) between the Successor Agency and the **Red Mountain Group** for the sale and development of Successor Agency-owned property located at **2000-2024 W. Compton Boulevard** in the City of Compton.

BACKGROUND

Pursuant to the dissolution of California redevelopment agencies, the Successor Agency was established to wind down the affairs of the City's former Community Redevelopment Agency (the "Former Agency"). Redevelopment agencies are permitted to dispose of their properties in accordance with a State-approved Long Range Management Plan (LRPMP).

On December 30, 2015, the California State Department of Finance ("DOF") approved the City of Compton's **Long Range Property Management Plan** as the framework for disposition of the Former Agency's properties.

The Successor Agency has received a proposal from the Red Mountain Group ("Developer") to acquire and develop the Successor Agency ("Agency")owned real property located at 2000-2024 West Compton Boulevard in the City of Compton ("Property") for the purpose of construction of improvements and operation of a Blink Fitness Center and a nationally known restaurant chain. In addition to meeting neighborhood demand for new services in the area, this new development center will provide employment opportunities for City of Compton residents.

STATEMENT OF THE ISSUE

Staff has reviewed the Developer's proposal and has determined that the sale of subject Property conforms to the Agency's State-approved LRPMP and the Board's Policies and Procedures for disposition of Agency properties. According to the approved LRPMP, non-housing real estate assets must be disposed in a manner that is both "expedient and maximizes the market value of the Agency's assets."

The Developer has offered to pay the fair market value of \$ 2,265,000 for the subject Property. The fair market value is based upon an analysis dated December 14, 2018 prepared by a certified MAI appraiser, Roth Appraisals. The total land area of the subject Property is approximately 88,114 square feet/2.022 acres. The sale of the Property for development will remove a blighting influence in the area.

COMPANY PROFILE

The Developer is currently constructing a \$10 million retail development center on 2200 W. Artesia Blvd, Compton, CA with "In N Out" as the anchor as well as Dunkin Donuts, Waba Grill, Jimmy John's and other stores.

FINANCIAL CAPACITY

The Developer has a current portfolio of more than 4 million square feet of retail development located across 18 states.

FISCAL IMPACT

There is no adverse impact to the City's General Fund with the approval of this resolution. The City will gain property tax revenues, utility user fees and some sales tax from the quick service restaurant use.

RECOMMENDATION

The Executive Director respectfully requests the Board to authorize a Purchase Sale Agreement with Red Mountain Group for Agency owned property located at 2000-2024 W. Compton Boulevard in the City of Compton.

CECIL W. RHAMBO, JR
EXECUTIVE DIRECTOR

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A PURCHASE SALE AGREEMENT WITH RED MOUNTAIN GROUP FOR THE ACQUISITION AND DEVELOPMENT OF SUCCESSOR AGENCY OWNED PROPERTY LOCATED AT 2000-2024 WEST COMPTON BOULEVARD IN THE CITY OF COMPTON

WHEREAS, pursuant to AB X1 26 (which became effective in June 2011) and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, 53 Cal. 4th 231 (2011), the Compton Community Redevelopment Agency was dissolved as of February 1, 2012, and the Successor Agency was constituted, and an oversight board of the Successor Agency (the "Oversight Board") was established to wind down the affairs of the former Community Redevelopment Agency (the "Former Agency"); and

WHEREAS, pursuant to the Dissolution Act, Successor Agencies to former California redevelopment agencies were required to dispose of their properties in accordance with a State-approved Long Range Management Plan (LRPMP); and

WHEREAS, on December 30, 2015, the California State Department of Finance ("DOF") approved the City of Compton's Long Range Property Management Plan as the framework for disposition of the Former Agency's properties; and

WHEREAS, in accordance with the adopted LRPMP, all non-housing real estate assets must be disposed in a manner that is both expedient and maximizes the market value of the assets; and

WHEREAS, the Agency has received a proposal from Red Mountain Group to develop a Blink Fitness Anchored Development at 2000-2024 West Compton Boulevard; and

WHEREAS, staff has determined Red Mountain Group's proposal to acquire the subject Property at fair market value of \$2,265,000 and develop for the intended use conforms to the Successor Agency's Long Range Property Management Plan; and

WHEREAS, the Successor Agency desires to enter into a Purchase and Sale Agreement for the acquisition and development of Successor Agency-owned property located at 2000-2024 West Compton Boulevard in the City of Compton.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, HEREBY FINDS, DETERMINES, RESOLVE, AND ORDERS AS FOLLOWS:

Section 1. That the Executive Director, upon the advice and approval of its General Counsel, is hereby authorized to enter into a Purchase Sale Agreement with Red Mountain Group for acquisition and development of Successor Agency-owned property located at 2000-2024 West Compton Boulevard in the City of Compton, 90220.

Section 2. That the Los Angeles County Second District Consolidated Oversight Board and State of California Department of Finance will have the final review and approval of the Sale.

Section 3. That a certified copy of this Resolution shall be filed in the offices of the Executive Director, Agency General Counsel, City Controller, Successor Agency, and Agency Secretary.

Section 4. That the Chairperson shall sign and the Secretary shall attest to the adoption of this Resolution.

Resolution Number _____
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ADOPTED this _____ day of _____, 2019

**CHAIRPERSON OF SUCCESSOR AGENCY
TO THE COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF COMPTON**

ATTEST:

**SECRETARY OF THE SUCCESSOR AGENCY
TO THE COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF COMPTON**

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita Godwin, Secretary of the Successor Agency to the Community Redevelopment Agency of the City of Compton, hereby certify that the foregoing Resolution was adopted by the Board of Directors of the Successor Agency, signed by the Agency Chairman and attested by the Agency Secretary at a regular meeting thereof held on the _____ day of _____, 2019.

That said Resolution was adopted by the following vote, to wit:

AYES: BOARD MEMBERS-
NOES: BOARD MEMBERS-
ABSTAIN: BOARD MEMBERS-
ABSENT: BOARD MEMBERS-

**SECRETARY OF THE SUCCESSOR AGENCY
TO THE COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF COMPTON**

PURCHASE AND SALE AGREEMENT

SUCCESSOR AGENCY TO THE
COMPTON COMMUNITY REDEVELOPMENT AGENCY,
OF THE CITY OF COMPTON
“Agency”

RED MOUNTAIN GROUP,
“Purchaser”

_____, 2019

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PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this “**Agreement**”), dated as of _____, 201____ (the “**Effective Date**”) is entered into by and between the **SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON**, a public body, (the “**Agency**”), and RED MOUNTAIN GROUPLLC, (the “**Purchaser**”). The Agency and the Purchaser are hereinafter sometimes individually referred to as a “**party**” and collectively referred to as the “**parties**”.

RECITALS

This Agreement is entered into with reference to the following facts:

The Agency owns the fee interest in that certain real property (the “**Real Property**”) located in the City of Compton, County of Los Angeles, State of California, as more particularly described in Exhibit “A” attached hereto and incorporated herein by this reference (such real property together with all improvements located thereon and the Appurtenances, as defined in Section 1.1.3, is referred to herein as the “**Property**”). The Purchaser wishes to acquire fee title to the Property from the Agency.

NOW, THEREFORE, in reliance upon the foregoing Recitals, in consideration of the mutual covenants in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1 **DEFINITIONS**

1.1 Definitions. The following terms as used in this Agreement shall have the meanings given unless expressly provided to the contrary:

1.1.1 Agency means the Successor Agency to the Community Redevelopment Agency of the City of Compton, a public body, and the successor-in-interest by operation of law to the former Community Redevelopment Agency of the City of Compton. The principal office of the Agency is located at 205 South Willowbrook, Compton, California 90220.

1.1.2 Agreement means this Purchase and Sale Agreement.

1.1.3 Appurtenances means all of the Agency’s right, title and interest, if any, in and to the following but only to the extent assignable by law and without the prior consent of a third party and pertaining solely to the Real Property (and not any other property owned by the Agency): (a) all improvements on the Real Property as of the Close of Escrow; (b) all rights, privileges, appurtenances, hereditaments, easements, reversions, and remainders, including, without limitation, all (i) development rights and credits, air rights, water rights, and water stock, (ii) strips and gores, streets, alleys, easements, rights-of-way, public ways, and (iii) mineral, oil, gas, and other subsurface rights; (c) all plats, maps, improvement plans, engineering plans, reports and data, surveys, third party reports and studies, designs, drawings and specifications; (d) all

documents pertaining to the Real Property provided to Purchaser by or on behalf of the Agency prior to the Close of Escrow; (e) all architectural, site, landscaping or other permits, applications, approvals, authorizations, and other entitlements; (f) deposits, credits, fee credits (including without limitation water meter credits), pre-paid fees, refunds of impact or permit fees, reimbursements, rights to reimbursements and benefits of any cost sharing agreements, and school fee mitigation agreements, community facilities district and other assessment district rights, proceeds, deposits, advances, reimbursements, formation documents and benefits, and construction and design defect claim; and (g) guarantees, warranties, and utility contracts.

1.1.4 City means the City of Compton, a municipal corporation, exercising governmental functions and powers, and organized and existing under the laws of the State of California. The principal office of the City is located at 205 South Willowbrook, Compton, California 90220.

1.1.5 Close of Escrow and Closing are defined in Section 2.3.2.

1.1.6 Deemed Disapproved Exceptions is defined in Section 2.5.2.

1.1.7 Default is defined in Section 3.2.

1.1.8 Deposit is defined in Section 2.2.1.

1.1.9 Disapproved Exceptions is defined in Section 2.5.2.

1.1.10 Disapproval Notice is defined in Section 2.5.2.

1.1.11 Due Diligence Period is defined in Section 2.7.

1.1.12 Escrow is defined in Section 2.3.1.

1.1.13 Escrow Holder means First American Title Insurance Company. The principal office of the Escrow Holder for purposes of this Agreement is 18500 Von Karman Avenue, Suite 600, Irvine, California 92612, Attention: Patty Beverly, Escrow Officer, Telephone: (949) 885-2465, Fax: (877) 372-0260, Email: pbeverly@firstam.com.

1.1.14 General Assignment means the General Assignment attached hereto as Exhibit "D".

1.1.15 Grant Deed is defined in Section 2.5.3.

1.1.16 Hazardous Materials means any chemical, material or substance now or hereafter defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "extremely hazardous waste," "restricted hazardous waste," "toxic substances," "pollutant or contaminant," "imminently hazardous chemical substance or mixture," "hazardous air pollutant," "toxic pollutant," or words of similar import under any local, state or federal law or under the regulations adopted or publications promulgated pursuant thereto applicable to the Property, including, without limitation: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601, et seq. ("CERCLA"); the

Hazardous Materials Transportation Act, as amended, 49 U.S.C. § 1801, et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251, et seq.; and the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901, et seq. The term “**Hazardous Materials**” shall also include any of the following: any and all toxic or hazardous substances, materials or wastes listed in the United States Department of Transportation Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and in any and all amendments thereto in effect as of the date of the close of any escrow; oil, petroleum, petroleum products (including, without limitation, crude oil or any fraction thereof), natural gas, natural gas liquids, liquefied natural gas or synthetic gas usable for fuel, not otherwise designated as a hazardous substance under CERCLA; any substance which is toxic, explosive, corrosive, reactive, flammable, infectious or radioactive (including any source, special nuclear or by-product material as defined at 42 U.S.C. § 2012, et seq.), carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority; asbestos in any form; urea formaldehyde foam insulation; transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyl’s; radon gas; or any other chemical, material or substance (i) which poses a hazard to the Property, to adjacent properties, or to persons on or about the Property, (ii) which causes the Property to be in violation of any of the aforementioned laws or regulations, or (iii) the presence of which on or in the Property requires investigation, reporting or remediation under any such laws or regulations.

1.1.17 Outside Date is defined in Section 2.3.2.

1.1.18 Property is defined in the first Recital.

1.1.19 Purchase Price is defined in Section 2.1.

1.1.20 Purchaser means Red Mountain Group, LLC, a California limited liability company. The principal office of the Purchaser for purposes of this Agreement is 1234 East Seventeenth Street, Santa Ana, California 92701.

1.1.21 Released Parties is defined in Section 2.8.

1.1.22 Review Period is defined in Section 2.5.2.

1.1.23 Right of Entry Agreement is defined in Section 2.7.

1.1.24 Survey is defined in Section 2.5.1.

1.1.25 Title Company is defined in Section 2.5.4.

1.1.26 Title Policy is defined in Section 2.5.4.

1.1.27 Title Report is defined in Section 2.5.1.

1.1.28 Transaction Costs means all costs incurred by either party in entering into this transaction and closing Escrow, including but not limited to escrow fees and costs, attorneys’ fees, staff time, appraisal costs, and costs of financial advisors and other consultants.

ARTICLE 2 PURCHASE AND SALE OF THE PROPERTY

2.1 Purchase and Sale. The Agency agrees to sell the Property to the Purchaser, and the Purchaser agrees to purchase the Property from the Agency, for the sum of [] Dollars (\$) (the “**Purchase Price**”).

2.2 Payment of Purchase Price. The Purchase Price shall be payable by Purchaser as follows:

2.2.1 Deposit. Within Two (2) business days following the opening of Escrow, Agency shall transfer to the Escrow Holder the sum of Twenty-Five Thousand Dollars (\$25,000) which are Purchaser’s funds held by the Agency pursuant to an Exclusive Negotiating Agreement relating to the Property (the “**Deposit**”). The Deposit shall be invested by Escrow Holder in an interest bearing account acceptable to Purchaser and Agency with all interest accruing thereon to be credited to the Purchase Price upon the Close of Escrow. Except as otherwise provided herein, the Deposit shall be applicable in full towards the Purchase Price upon Closing, unless Purchaser terminates this Agreement during the Due Diligence Period under Section 2.7 below

2.2.2 Closing Funds. Prior to the Close of Escrow, Purchaser shall deposit or cause to be deposited with Escrow Holder, by a certified or bank cashier’s check made payable to Escrow Holder or by a confirmed federal wire transfer of funds, the balance of the Purchase Price, plus an amount equal to all other costs, expense and prorations payable by Purchaser hereunder.

2.3 Escrow.

2.3.1 Opening of Escrow. Within One (1) business days after the parties’ full execution of this Agreement, the Purchaser and the Agency shall open an escrow (the “**Escrow**”) with the Escrow Holder for the transfer of the Property to the Purchaser. The parties shall deposit with the Escrow Holder a fully executed duplicate original of this Agreement, which shall serve as the escrow instructions (which may be supplemented in writing by mutual agreement of the parties) for the Escrow. The Escrow Holder is authorized to act under this Agreement, and to carry out its duties as the Escrow Holder hereunder.

2.3.2 Close of Escrow. “**Close of Escrow**” or “**Closing**” means the date Escrow Holder causes the Grant Deed (as hereinafter defined) to be recorded in the Official Records of the County of Los Angeles and delivers the Purchase Price (less any costs, expenses and prorations payable by the Agency) to the Agency. Possession of the Property shall be delivered to the Purchaser on the Close of Escrow. Notwithstanding anything to the contrary contained herein, the Close of Escrow shall occur within the earlier to occur of (i) Sixty (60) days following the satisfaction or waiver of all of the conditions to the close of Escrow set forth in Section 2.4, or (ii) Twelve (12) months following the expiration of the Due Diligence Period (the “**Outside Date**”) or this Agreement shall automatically terminate; provided, however, the Outside Date may be extended upon written consent of the Purchaser and the Executive Director of the Agency, which consent may be given or withheld in the exercise of their sole discretion. If the Closing does not occur on or before the Outside Date due to a default by either party, then the defaulting party shall pay all Escrow cancellation fees (and if the defaulting party is the Purchaser, then the

Agency shall be entitled to the Deposit under Section 3.3.1). If the Closing does not occur due to a termination by Purchaser under Section 2.5.2, then the Deposit shall be returned to Purchaser, and Purchaser shall pay all Escrow cancellation fees (which may be deducted from the Deposit). If the Closing does not occur for any other reason, then this Agreement shall automatically terminate, the Deposit shall be promptly returned to the Purchaser, and each party shall pay one half (½) of any Escrow cancellation charges.

2.3.3 Delivery of Closing Documents.

(a) The Agency and Purchaser agree to deliver to Escrow Holder, at least [Two] (2) days prior to the Close of Escrow, the following instruments and documents, the delivery of each of which shall be a condition precedent to the Close of Escrow:

(i) The Grant Deed, duly executed and acknowledged by the Agency, conveying a fee simple interest in the Property to Purchaser, subject only to such exceptions to title as Purchaser may have approved or have been deemed to approve pursuant to Section 2.5.2;

(ii) Two (2) duly executed original counterparts of the General Assignment;

(iii) The Agency's affidavit as contemplated by California Revenue and Taxation Code Section 18662;

(iv) A Certification of Non-Foreign Status signed by Agency in accordance with Internal Revenue Code Section 1445; and

(v) Such proof of the Agency's and Purchaser's authority and authorization to enter into this transaction as the Title Company may reasonably require in order to issue the Title Policy.

The Agency and the Purchaser further agree to execute such reasonable and customary additional documents, and such additional escrow instructions, as may be reasonably required to close the transaction which is the subject of this Agreement pursuant to the terms hereof.

2.4 Conditions to Close of Escrow. The obligations of the Agency and Purchaser to close the transaction which is the subject of this Agreement shall be subject to the satisfaction, or waiver in writing by the party benefited thereby, of each of the following conditions:

2.4.1 For the benefit of the Agency, the Purchaser shall have deposited the balance of the Purchase Price, together with such funds as are necessary to pay for costs, expenses and prorations payable by Purchaser hereunder (including the Agency's appraisal costs).

2.4.2 For the benefit of the Agency, all actions and deliveries to be undertaken or made by Purchaser on or prior to the Close of Escrow as set forth herein shall have occurred, as reasonably determined by the Agency.

2.4.3 For the benefit of the Purchaser, all actions and deliveries to be undertaken or made by the Agency on or prior to the Close of Escrow shall have occurred, as reasonably determined by the Purchaser.

2.4.4 For the benefit of the Agency, all Agency approvals as required herein to be obtained prior to the Close of Escrow shall have been so obtained.

2.4.5 For the benefit of the Agency, the Purchaser shall have executed and delivered to Escrow Holder all documents and funds required to be delivered to Escrow Holder under the terms of this Agreement and the Purchaser shall otherwise have satisfactorily complied with its obligations hereunder.

2.4.6 For the benefit of the Purchaser, the Agency shall have executed and delivered to Escrow Holder all documents and funds required to be delivered to Escrow Holder under the terms of this Agreement and the Agency shall otherwise have satisfactorily complied with its obligations hereunder.

2.4.7 For the benefit of the Agency, the representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects as of the Close of Escrow.

2.4.8 For the benefit of the Purchaser, the representations and warranties of the Agency contained in this Agreement shall be true and correct in all material respects as of the Close of Escrow.

2.4.9 For the benefit of the Purchaser, Title Company shall be irrevocably committed to issuing in favor of the Purchaser the Title Policy, in form and substance, and with endorsements reasonably acceptable to the Purchaser, as provided in Section 2.5.2.

If all the foregoing conditions have not been met to the benefitted party's sole satisfaction or expressly waived in writing by the benefitted party on or before the respective dates set forth therein, or if no date is set forth therein on the Outside Date, then this Agreement shall become null and void, in which event, except as expressly set forth in this Agreement, neither party shall have any further rights, duties or obligations hereunder, and Purchaser shall be entitled to the immediate refund of the Deposit.

2.5 Condition of Title; Survey; Title Insurance.

2.5.1 Within Three (3) days after the Effective Date, the Agency shall deliver to the Purchaser for the Purchaser's review and approval, (i) a current preliminary title report covering the Property (the "**Title Report**") and legible copies of any instruments noted as exceptions thereon, and (ii) any survey of the Property in the Agency's possession. The Purchaser at its sole expense may obtain a current or updated ALTA survey of the Property in connection with the issuance of the Title Policy and the Agency shall cooperate with the same. Any survey provided by the Agency or obtained by the Purchaser are each a "**Survey**" hereunder.

2.5.2 The Purchaser shall have until the expiration of the Due Diligence Period (the "**Review Period**") to disapprove any exceptions to title shown on the Title Report or reflected

on the Survey (collectively, “**Disapproved Exceptions**”) and to provide Agency with notice thereof describing the defect with reasonable particularity (the “**Disapproval Notice**”). Any exceptions to title not disapproved within the Review Period shall be deemed approved. Within Ten (10) days after the Agency’s receipt of the Disapproval Notice, the Agency shall notify the Purchaser whether or not the Agency intends to remove the Disapproved Exceptions. The Agency shall be under no obligation to remove any Disapproved Exception, but the Agency agrees to cooperate in good faith with the Purchaser in the Purchaser’s efforts to eliminate any Disapproved Exception, provided the Agency is not obligated to pay any sum or assume any liability in connection with the elimination of any such Disapproved Exception. If the Agency notifies the Purchaser that the Agency intends to eliminate any Disapproved Exception, the Agency shall do so concurrently with or prior to the Close of Escrow. If the Agency notifies the Purchaser that the Agency does not intend to eliminate any Disapproved Exception(s), the Purchaser, by notifying the Agency within Twenty (20) days after its receipt of such notice, may elect to terminate this Agreement and receive a refund of the Deposit or take the Property subject to the Disapproved Exception(s). If Purchaser desires to terminate this Agreement, it shall be a condition of such termination that Purchaser deliver to Agency copies of all non-privileged third party due diligence reports and studies. Notwithstanding the foregoing, the Agency covenants to pay in full all loans secured by deeds of trust, any mechanics’ and materialmen’s liens, and any other monetary liens (other than liens for charges, assessments, taxes, and impositions subject to proration as provided in Section 2.6.2) (collectively, the “**Deemed Disapproved Exceptions**”) prior to, or concurrently with, the Close of Escrow, and Escrow Holder is hereby directed to cause the same to be paid from the Purchase Price. The Title Policy shall include such endorsements as the Purchaser shall reasonably request. Any endorsements to the Title Policy are to be paid for by the Purchaser. Notwithstanding the foregoing, the Purchaser may notify the Agency of its disapproval of an exception to title (including exceptions reflected on the Survey) first raised by Title Company or the surveyor after the Review Period, or otherwise first disclosed to the Purchaser after the Review Period (collectively, the “**Additional Exceptions**”) within Ten (10) days after the same was first raised or disclosed to the Purchaser in writing. With respect to Additional Exceptions disapproved by the Purchaser in such notice (which shall also be deemed Disapproved Exceptions), the Agency shall have the same option to eliminate such exceptions that applies to Disapproved Exceptions, and the Purchaser shall have the same option to accept title subject to such Additional Exceptions or to terminate this Agreement and receive a refund of the Deposit.

2.5.3 At the Close of Escrow, the Purchaser shall receive title to the Property by grant deed substantially in the form attached hereto as Exhibit “B” and incorporated herein by this reference (the “**Grant Deed**”).

2.5.4 At Closing, the Purchaser shall receive a CLTA Owner’s Coverage Policy of Title Insurance (the “**Title Policy**”), together with all endorsements requested by the Purchaser, issued by First American Title Insurance Company (“**Title Company**”) in the amount of the Purchase Price, insuring that title to the Property is free and clear of all Disapproved Exceptions, all Deemed Disapproved Exceptions and all liens, easements, covenants, conditions, restrictions, and other encumbrances of record except (a) current taxes and assessments of record, but not any overdue or delinquent taxes or assessments, (b) the matters set forth or referenced in the Grant Deed, and (c) such other encumbrances as the Purchaser approves in writing including those reflected in the Title Report for the Property approved by Purchaser, or as are deemed approved

by Purchaser as provided in Section 2.5.2. The Purchaser may obtain an extended coverage policy of title insurance at its own cost.

2.6 Escrow and Title Charges; Prorations.

2.6.1 The Agency shall pay all documentary transfer taxes and the coverage premiums on the standard CLTA Title Policy. Purchaser shall pay the costs of (i) any Survey obtained by the Purchaser, (ii) any endorsements to the Title Policy and (iii) any title insurance premiums for any coverage over and above the standard policy coverage on the CLTA Title Policy to be paid by the Agency. In addition, the Purchaser and the Agency shall each pay one-half (½) of any and all other usual and customary costs, expense and charges relating to the escrow and conveyance of title to the Property, including without limitation, recording fees, document preparation charges and escrow fees. Each party shall be responsible for its own Transaction Costs.

2.6.2 All non-delinquent and current installments of real estate and personal property taxes and any other governmental charges, regular assessments, or impositions against the Property on the basis of the current fiscal year or calendar year shall be pro-rated as of the Close of Escrow based on the actual current tax bill. If the Close of Escrow shall occur before the tax rate is fixed, the apportionment of taxes on the Close of Escrow shall be based on the tax rate for the next preceding year applied to the latest assessed valuation after the tax rate is fixed, which assessed valuation shall be based on the Property's assessed value prior to the Close of Escrow and the Agency and Purchaser shall, when the tax rate is fixed, make any necessary adjustment. All prorations shall be determined on the basis of a 365 day year. The provisions of this Section 2.6.2 shall survive the Close of Escrow and the recordation of the Grant Deed and shall not be deemed merged into the Grant Deed upon its recordation.

2.6.3 Any Escrow cancellation charges shall be allocated and paid as described in Section 2.3.2 above.

2.7 Due Diligence Period; Access. During the period (the “**Due Diligence Period**”) commencing on the Effective Date and ending at 5:00 p.m. on the date which is One Hundred Eighty (180) days after the Effective Date, the Purchaser may inspect the Property as necessary to (i) approve all zoning and land use matters relating to the Property, (ii) approve the physical condition of the Property, and (iii) satisfy any due diligence requirements of the Purchaser's lender, if any. Subject to the terms of the Right of Entry and Access Agreement in the form of which is attached hereto as Exhibit “C” (the “**Right of Entry Agreement**”), the Purchaser and its agents shall have the right to enter upon the Property during the Due Diligence Period to make inspections and other examinations of the Property and the improvements thereon, including without limitation, the right to perform surveys, soil and geological tests of the Property and the right to perform environmental site assessments and studies of the Property. Prior to the Purchaser's entry upon the Property, the parties shall execute the Right of Entry Agreement. The Agency shall reasonably cooperate with the Purchaser in its conduct of the due diligence review during the Due Diligence Period. In the event the Purchaser does not approve of the condition of the Property by written notice to the Agency prior to the expiration of the Due Diligence Period, this Agreement shall terminate, the Deposit shall be returned to Purchaser (including any interest earned thereon)

and, except as otherwise expressly stated in this Agreement, neither party shall have any further rights or obligations to the other party.

2.8 Agency requirements. During the Due Diligence Period, the Agency shall arrange the abandonment of the alley that crosses the property, in favor of the Purchaser; certify that no undergrounding of overhead power, telephone, or other lines on, across, or adjacent to the property is required; and certify no restrictions to Purchaser's use of the adjoining alleys for commercial purposes. The Due Diligence Period shall be extended to allow the Agency extra time if required to accomplish these responsibilities.

2.9 Condition of the Property. The Property shall be conveyed from the Agency to the Purchaser on an "AS IS" condition and basis with all faults and the Purchaser agrees that the Agency has no obligation to make modifications, replacements or improvements thereto. Except as expressly and specifically provided in this Agreement, the Purchaser and anyone claiming by, through or under the Purchaser hereby waives its right to recover from and fully and irrevocably releases the Agency, the City and the Agency's Oversight Board, and their respective officers, directors, employees, representatives, agents, advisors, servants, attorneys, successors and assigns, and all persons, firms, corporations and organizations acting on the Agency's, the City's or Oversight Board's behalf (collectively, the "**Released Parties**") from any and all claims, responsibility and/or liability that the Purchaser may now have or hereafter acquire against any of the Released Parties for any costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to the matters pertaining to the Property described in this Section 2.8. This release includes claims of which the Purchaser is presently unaware or which the Purchaser does not presently suspect to exist which, if known by the Purchaser, would materially affect the Purchaser's release of the Released Parties. If the Property is not in a condition suitable for the intended use or uses, then it is the sole responsibility and obligation of the Purchaser to take such action as may be necessary to place the Property in a condition suitable for Purchaser's intended use or uses. Except as otherwise expressly and specifically provided in this Agreement and without limiting the generality of the foregoing, THE AGENCY MAKES NO REPRESENTATION OR WARRANTY AS TO (i) THE VALUE OF THE PROPERTY; (ii) THE INCOME TO BE DERIVED FROM THE PROPERTY; (iii) THE HABITABILITY, MARKETABILITY, PROFITABILITY, MERCHANTABILITY OR FITNESS FOR PARTICULAR USE OF THE PROPERTY; (iv) THE MANNER, QUALITY, STATE OF REPAIR OR CONDITION OF THE PROPERTY; (v) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY; (vi) COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION OR POLLUTION LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS; (vii) THE PRESENCE OR ABSENCE OF HAZARDOUS MATERIALS AT, ON, UNDER OR ADJACENT TO THE PROPERTY; (viii) THE FACT THAT ALL OR A PORTION OF THE PROPERTY MAY BE LOCATED ON OR NEAR AN EARTHQUAKE FAULT LINE; AND (ix) WITH RESPECT TO ANY OTHER MATTER, THE PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY AND REVIEW INFORMATION AND

DOCUMENTATION AFFECTING THE PROPERTY, THE PURCHASER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND REVIEW OF SUCH INFORMATION AND DOCUMENTATION AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY THE AGENCY.

THE PURCHASER HEREBY ACKNOWLEDGES THAT IT HAS READ AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542, WHICH IS SET FORTH BELOW:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

BY INITIALING BELOW, PURCHASER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES.

Purchaser's Initials

The waivers and releases by the Purchaser herein contained shall survive the Close of Escrow and the recordation of the Grant Deed and shall not be deemed merged into the Grant Deed upon its recordation.

Notwithstanding the foregoing, the waivers and releases contained in this Section 2.8 shall not apply to, nor shall the Released Parties be released from, any actual misrepresentation or act of fraud on their part.

2.10 Escrow Holder.

2.10.1 Escrow Holder is authorized and instructed to:

(a) Pay and charge the Purchaser for any fees, charges and costs payable by the Purchaser under this Article. Before such payments are made, the Escrow Holder shall notify the Agency and the Purchaser of the fees, charges, and costs necessary to close the Escrow;

(b) Pay and charge the Agency for any fees, charges and costs payable by the Agency under this Article. Before such payments are made, the Escrow Holder shall notify the Agency and the Purchaser of the fees, charges, and costs necessary to close the Escrow;

(c) Disburse funds and deliver the Grant Deed and other documents to the parties entitled thereto when the conditions of the Escrow and this Agreement have been fulfilled by the Agency and the Purchaser; and

(d) Record the Grant Deed and any other instruments delivered through the Escrow, if necessary or proper, to vest title in the Purchaser in accordance with the terms and provisions of this Agreement.

2.10.2 Any amendment of these escrow instructions shall be in writing and signed by both the Agency and the Purchaser.

2.10.3 All communications from the Escrow Holder to the Agency or the Purchaser shall be directed to the addresses and in the manner established in Section 4.1 of this Agreement for notices, demands and communications between the Agency and the Purchaser.

2.10.4 The responsibility of the Escrow Holder under this Agreement is limited to performance of the obligations imposed upon it under this Article, any amendments hereto, and any supplemental escrow instructions delivered to the Escrow Holder that do not materially amend or modify the express provisions of these escrow instructions.

ARTICLE 3 EVENTS OF DEFAULT, REMEDIES AND TERMINATION

3.1 Purchaser Events of Defaults. Occurrence of any or all of the following, prior to the Close of Escrow, if uncured after the expiration of any applicable cure period, shall constitute a default (“**Purchaser Event of Default**”) under this Agreement:

3.1.1 Filing of a petition in bankruptcy by or against the Purchaser or appointment of a receiver or trustee of any property of the Purchaser, or an assignment by the Purchaser for the benefit of creditors, or adjudication that the Purchaser is insolvent by a court, and the failure of the Purchaser to cause such petition, appointment, or assignment to be removed or discharged within Thirty (30) days; or

3.1.2 The Purchaser’s failure to perform any requirement or obligation of Purchaser set forth herein, on or prior to the date for such performance set forth herein, and, so long as such failure is not caused by any wrongful act of the Agency or the City, the Purchaser’s failure to cure such breach within Thirty (30) days after receipt of written notice from the Agency of the Purchaser’s breach; or

3.1.3 The Purchaser’s failure to deposit with Escrow Holder the Deposit or the balance of the Purchase Price as required by Section 2.2.

3.2 Agency Events of Default. Occurrence of any or all of the following, prior to the Close of Escrow, if uncured after the expiration of the applicable cure period, shall constitute a default (“**Agency Event of Default**”, and together with the Purchaser Event of Default, a “**Default**”) under this Agreement:

3.2.1 The Agency, in violation of the applicable provision of this Agreement, fails to convey the Property to Purchaser at the Close of Escrow; or

3.2.2 The Agency breaches any other material provision of this Agreement.

Upon the occurrence of any of the above-described events, the Purchaser shall first notify the Agency in writing of its purported breach or failure, giving the Agency Thirty (30) days from receipt of such notice to cure such breach or failure (other than a failure by the Agency to convey the Property at the Close of Escrow, for which there shall be no cure period) or if a cure is not possible within the Thirty (30) day period, to begin such cure and diligently prosecute the same to completion, which shall, in any event, not exceed Ninety (90) days from the date of receipt of the notice to cure.

3.3 Remedies in the Event of Default.

3.3.1 Remedies General. In the event of a breach or a default under this Agreement by either Purchaser or Agency, the non-defaulting party shall have the right to terminate this Agreement by providing Thirty (30) days written notice thereof to the defaulting party or, if Purchaser is the non-defaulting party, Purchaser as permitted by law may specifically enforce the provisions of this Agreement. If such breach or default is not cured within such Thirty (30) day period (other than a failure by the Agency to convey the Property at the Close of Escrow, for which there shall be no cure period), this Agreement and the Escrow for the purchase and sale of the Property shall terminate, and if Purchaser is the non-defaulting party, Purchaser shall thereupon promptly receive a refund of the Deposit and all interest accrued thereon. Except as herein otherwise expressly provided, such termination of the Escrow by a non-defaulting party shall be without prejudice to the non-defaulting party's rights and remedies against the defaulting party at law or equity.

IF THE PURCHASER FAILS TO COMPLETE THE ACQUISITION OF THE PROPERTY AS HEREIN PROVIDED BY REASON OF ANY DEFAULT OF THE PURCHASER, IT IS AGREED THAT THE DEPOSIT SHALL BE NON-REFUNDABLE AND THE AGENCY SHALL BE ENTITLED TO SUCH DEPOSIT, WHICH AMOUNT SHALL BE ACCEPTED BY THE AGENCY AS LIQUIDATED DAMAGES AND NOT AS A PENALTY AND AS THE AGENCY'S SOLE AND EXCLUSIVE REMEDY. IT IS AGREED THAT SAID AMOUNT CONSTITUTES A REASONABLE ESTIMATE OF THE DAMAGES TO THE AGENCY PURSUANT TO CALIFORNIA CIVIL CODE SECTION 1671 ET SEQ. THE AGENCY AND PURCHASER AGREE THAT IT WOULD BE IMPRACTICAL OR IMPOSSIBLE TO PRESENTLY PREDICT WHAT MONETARY DAMAGES THE AGENCY WOULD SUFFER UPON THE PURCHASER'S FAILURE TO COMPLETE ITS ACQUISITION OF THE PROPERTY. THE PURCHASER DESIRES TO LIMIT THE MONETARY DAMAGES FOR WHICH IT MIGHT BE LIABLE HEREUNDER AND THE PURCHASER AND AGENCY DESIRE TO AVOID THE COSTS AND DELAYS THEY WOULD INCUR IF A LAWSUIT WERE COMMENCED TO RECOVER DAMAGES OR OTHERWISE ENFORCE THE AGENCY'S RIGHTS. IF FURTHER INSTRUCTIONS ARE REQUIRED BY ESCROW HOLDER TO EFFECTUATE THE TERMS OF THIS PARAGRAPH, THE PURCHASER AND AGENCY AGREE TO EXECUTE THE SAME. THE PARTIES ACKNOWLEDGE THIS PROVISION BY PLACING THEIR INITIALS BELOW:

Agency

Purchaser

3.4 No Personal Liability. Except as specifically provided herein to the contrary, no representative, employee, attorney, agent or consultant of the Agency, City or Oversight Board shall personally be liable to the Purchaser, or any successor in interest of the Purchaser, in the event of any Default or breach by the Agency, or for any amount which may become due to the Purchaser, or any successor in interest, on any obligation under the terms of this Agreement. No representative, employee, attorney, agent or consultant of the Purchaser shall personally be liable to the Agency, City or Oversight Board, or any successor in interest of the Agency, City or Oversight Board, in the event of any Default or breach by the Purchaser, or for any amount which may become due to the Agency, City or Oversight Board, or any successor in interest, on any obligation under the terms of this Agreement.

3.5 Legal Actions.

3.5.1 Institution of Legal Actions. Any legal actions brought pursuant to this Agreement must be instituted in either the Superior Court of the County of Los Angeles, State of California, or in an appropriate municipal court in that County.

3.5.2 Applicable Law. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

3.5.3 Acceptance of Service of Process. If any legal action is commenced by the Purchaser against the Agency, service of process on the Agency shall be made by personal service upon the Executive Director or Secretary of the Agency, or in such other manner as may be provided by law. If any legal action is commenced by the Agency against the Purchaser, service of process on the Purchaser shall be made by personal service upon the Purchaser, or in such other manner as may be provided by law, whether made within or without the State of California.

3.6 Rights and Remedies are Cumulative. Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same Default or any other Default by the other party.

3.7 Inaction Not a Waiver of Default. Except as expressly provided in this Agreement to the contrary, any failure or delay by either party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies, or deprive either such party of its rights to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

ARTICLE 4 GENERAL PROVISIONS

4.1 Notices. All notices and demands shall be given in writing by certified mail, postage prepaid, return receipt requested, by nationally recognized overnight courier or by personal delivery, on a business day. Notices shall be considered given upon the earlier of (a) personal delivery, (b) [] () business days following deposit in the United States mail, postage prepaid, certified or registered, return receipt requested, or (c) the next business day after deposit with a nationally reorganized overnight courier, in each instance

addressed to the recipient as set forth below. Notices shall be addressed as provided below for the respective party; provided that if any party gives notice in writing of a change of name or address, notices to such party shall thereafter be given as demanded in that notice:

Agency: Successor Agency to the Community
Redevelopment Agency of the City of Compton
205 South Willowbrook
Compton, CA 90220
Attention: Laurence Adams _____
Telephone: 310 605-5585 _____
Email: ladams@comptoncity.org _____

with a copy to: Richards, Watson & Gershon
355 South Grand Avenue, 40th Floor
Los Angeles, California 90071
Attention: Jim G. Grayson
Telephone: (213) 626-8484
Email: jgrayson@rwglaw.com

Purchaser: Red Mountain Group
1234 East Seventeenth Street
Santa Ana, California 92701

Attention: Graham Allchorn
Telephone: (714) 460-1560
Email: gallchorn@rmrginc.com

with a copy to: _____

Telephone: _____
Attention: _____
Email: _____

4.2 Construction. The parties agree that each party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendments or exhibits thereto.

4.3 Purchaser's Warranties. The Purchaser warrants and represents to the Agency as follows:

4.3.1 The Purchaser has full power and authority to execute and enter into this Agreement and to consummate the transaction contemplated hereunder. This Agreement constitutes the valid and binding agreement of the Purchaser, enforceable in accordance with its terms subject to bankruptcy, insolvency of other creditors' rights laws of general application. Neither the execution nor delivery of this Agreement, nor the consummation of the transactions

covered hereby, nor compliance with the terms and provisions hereof, shall conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default under, any agreement or instrument to which the Purchaser is a party.

4.3.2 As of the Close of Escrow, the Purchaser will have inspected the Property and will be familiar with all aspects of the Property and its condition, and will accept such condition.

4.3.3 The Purchaser has not paid or given, and will not pay or give, to any third person, any money or other consideration for obtaining this Agreement, other than normal costs of conducting business and costs of professional services such as architects, engineers and attorneys.

4.4 Interpretation. In this Agreement the neuter gender includes the feminine and masculine, and singular number includes the plural, and the words “person” and “party” include corporation, partnership, firm, trust, or association where ever the context so requires.

4.5 Time of the Essence. Time is of the essence of this Agreement.

4.6 Attorneys’ Fees. If any party brings an action to enforce the terms hereof or declare its rights hereunder, the prevailing party in any such action shall be entitled to its reasonable attorneys’ fees to be paid by the losing party as fixed by the court. If the Agency, or the Purchaser, without fault, is made a party to any litigation instituted by or against the other party, such other party shall defend it against and save it harmless from all costs and expenses including reasonable attorneys’ fees incurred in connection with such litigation.

4.7 Approvals by the Agency and the Purchaser. Unless otherwise specifically provided herein, wherever this Agreement requires the Agency or the Purchaser to approve any contract, document, plan, proposal, specification, drawing or other matter, such approval shall not unreasonably be withheld, conditioned or delayed.

4.8 Entire Agreement, Waivers and Amendments. This Agreement is executed in duplicate originals, each of which is deemed to be an original. This Agreement, together with all attachments and exhibits hereto, constitutes the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to the subject matter hereof. No subsequent agreement, representation or promise made by either party hereto, or by or to any employee, officer, agent or representative of either party, shall be of any effect unless it is in writing and executed by the party to be bound thereby. No person is authorized to make, and by execution hereof the Purchaser and the Agency acknowledge that no person has made, any representation, warranty, guaranty or promise except as set forth herein; and no agreement, statement, representation or promise made by any such person which is not contained herein shall be valid or binding on the Purchaser or the Agency.

4.9 Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

4.10 Severability. Each and every provision of this Agreement is, and shall be construed to be, a separate and independent covenant and agreement. If any term or provision of this Agreement or the application thereof shall to any extent be held to be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected hereby, and each term and provision of this Agreement shall be valid and shall be enforced to the extent permitted by law.

4.11 Survival. The provisions hereof shall not terminate but rather shall survive any conveyance hereunder and the delivery of all consideration.

4.12 Representations of Agency. The Agency warrants and represents to the Purchaser as follows:

(a) The Agency has full power and authority to execute and enter into this Agreement and to consummate the transactions contemplated hereunder. This Agreement constitutes the valid and binding agreement of the Agency, enforceable in accordance with its terms subject to bankruptcy, insolvency and other creditors' rights laws of general application. Neither the execution nor delivery of this Agreement, nor the consummation of the transactions covered hereby, nor compliance with the terms and provisions hereof, shall conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default under, any agreement or instrument to which the Agency is a party.

(b) As of the Effective Date and the Close of Escrow, the Property is not presently the subject of any condemnation or similar proceeding, and to the Agency's knowledge, no such condemnation or similar proceeding is currently threatened or pending.

(c) As of the Close of Escrow, there are no management, service, supply or maintenance contracts affecting the Property which shall affect the Property on or following the Close of Escrow.

(d) The Agency has not authorized any broker or finder to act on its behalf in connection with the sale and purchase hereunder and the Agency has not dealt with any broker or finder purporting to act on behalf of the Agency or otherwise.

(e) As of the Close of Escrow, there are no leases or other occupancy agreements affecting the Property which shall affect the Property on or following the Close of Escrow.

(f) As of the Close of Escrow and to the actual knowledge of the Agency, the Agency has not received any written notice from any governmental entity, which it has not provided to the Purchaser, regarding (i) the violation of any law or governmental regulation, including, without limitation, any environmental law, with respect to the Property, or (ii) any investigation by any governmental entity with respect to whether the condition of the Property violates any environmental law.

As used in this Section 4.12, the phrase "to the actual knowledge of the Agency" shall mean the actual and current knowledge of [_____]. [_____] is primarily responsible for the management of the Property on

behalf of the Agency. [] shall have no personal responsibility or liability with respect to the representation contained in Section 4.12(f) above.

4.13 Purchaser's Broker(s). N/A.

4.14 No Third Party Beneficiaries other than Agency's Oversight Board. The Agency's Oversight Board are third party beneficiaries of this Agreement, with the right to enforce the provisions hereof. This Agreement is made and entered into for the sole protection and benefit of the parties and the Agency's Oversight Board and their successors and assigns. Except as expressly provided in this Agreement, to the extent any rights or obligations under this Agreement remain in effect, this Agreement shall be binding upon and enforceable against, and shall inure to the benefit of and be enforceable by, the parties hereto and their respective heirs, legal representatives, successors and permitted assigns. No other person shall have any right of action based upon any provision of this Agreement.

4.15 Assignment of Agreement. The Purchaser may assign its rights and obligations in whole, but not in part, under this Agreement upon giving at least Three (3) business days prior written notice to the Agency, and delivering to the Agency with such notice an executed assignment and assumption agreement under which the assignee accepts the assignment of this Agreement and agrees to be bound by all of the provisions hereof. Such assignment and assumption agreement shall also specify the address of the assignee to which notices shall be directed pursuant to Section 4.1.

IN WITNESS WHEREOF, the parties hereto have entered into this agreement as of the day and year first above written.

PURCHASER

RED MOUNTAIN GROUP

a [_____]

By: _____

Name: _____

Title: _____

AGENCY

SUCCESSOR AGENCY TO THE COMMUNITY
REDEVELOPMENT AGENCY OF THE CITY OF
COMPTON

By: _____

Name: _____

Title: _____

ATTEST:

Secretary

APPROVED AS TO FORM:

Craig Cornwell

By: _____
City Attorney

LIST OF EXHIBITS

- Exhibit “A” Legal Description of the Property
- Exhibit “B” Form of Grant Deed
- Exhibit “C” Form of Right of Entry Agreement
- Exhibit “D” Form of General Assignment

EXHIBIT “A”

LEGAL DESCRIPTION OF THE PROPERTY

APN: 6138-004-900 through 904

EXHIBIT “B”

FORM OF GRANT DEED

RECORDING REQUESTED BY:
AND WHEN RECORDED RETURN TO:

Successor Agency to the Community
Redevelopment Agency of the City of Compton
205 S. Willowbrook
Compton, CA 90220
Attention: _____

With a copy to:

Attention: _____

APN: _____

Space Above This Line For Recorder's Use

*This Grant Deed is exempt from Recording Fees
pursuant to California Government Code Sections 6103 and 27383*

GRANT DEED

Documentary Transfer Tax: \$ _____

THE UNDERSIGNED GRANTOR DECLARES:

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the **SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON**, a public body, the successor-in-interest by operation of law to the former Community Redevelopment Agency of the City of Compton (the “**Grantor**”), hereby grants to [RED MOUNTAIN GROUP _____], a [_____] (the “**Grantee**”), that certain real property described in Exhibit A attached hereto (the “**Site**”) and incorporated herein by this reference, together with all improvements located thereon and all of Grantor’s right title and interest in and to all easements, privileges and rights appurtenant to the Site.

This Grant Deed of the Site is subject to the provisions of a Purchase and Sale Agreement (the “**Agreement**”) entered into by and between the Grantor and Grantee dated as of _____, 2017, the terms of which are incorporated herein by reference. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Agreement. A

copy of the Agreement is available for public inspection at the offices of the Grantor located at 205 South Willowbrook, City of Compton, California 90220. The Site is conveyed further subject to all easements, rights of way, covenants, conditions, restrictions, reservations and all other matters of record, and the following conditions, covenants and agreements.

1. The Grantee covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises herein conveyed, nor shall the Grantee himself or herself, or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the premises herein conveyed.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.

2. All deeds, leases or contracts entered into with respect to the Property shall contain or be subject to substantially the following nondiscrimination/nonsegregation clauses:

(a) In deeds: “The Grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises herein conveyed, nor shall the Grantee himself or herself, or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.”

(b) In leases: “The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the leasing, subleasing, transferring, use or occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the premises herein leased.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.”

(c) In contracts: “The contracting party or parties hereby covenant by and for himself or herself and their respective successors and assigns, that there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the contracting party or parties, any subcontracting party or parties, or their respective assigns or transferees, establish or permit any such practice or practices of discrimination or segregation.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph.”

3. All covenants and agreements contained in this Grant Deed shall run with the land and shall be binding for the benefit of Grantor and its successors and assigns and such covenants shall run in favor of the Grantor and for the entire period during which the covenants shall be in force and effect as provided in the Agreement, without regard to whether the Grantor is or remains an owner of any land or interest therein to which such covenants relate. The Grantor, in the event of any breach of any such covenants, shall have the right to exercise all of the rights and remedies provided herein or otherwise available, and to maintain any actions at law or suits in equity or other property proceedings to enforce the curing of such breach. The covenants contained in this

Grant Deed shall be for the benefit of and shall be enforceable only by the Grantor and its successors and assigns.

4. The covenants contained in Paragraphs 1 and 2 of this Grant Deed shall remain in effect in perpetuity except as otherwise expressly set forth therein.

5. This Grant Deed may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Grantor and Grantee have caused this Grant Deed to be executed and notarized as of this ____ day of _____, 2017.

GRANTOR:

SUCCESSOR AGENCY TO THE COMMUNITY
REDEVELOPMENT AGENCY OF THE CITY OF
COMPTON

By: _____
Name: _____
Title: _____

ATTEST:

Secretary

GRANTEE:

[_____]
a [_____]

By: _____
Name: _____
Title: _____

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 Los Angeles)

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

Notary Public, 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)

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 Los Angeles)

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

Notary Public, 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

APN: 6138-004-900 through 904

EXHIBIT "C"

RIGHT OF ENTRY AND ACCESS AGREEMENT

THIS RIGHT OF ENTRY AND ACCESS AGREEMENT (herein called this "Agreement") is made and entered into as of _____, 201____, by the **SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON**, a public body, the successor-in-interest by operation of law to the former Community Redevelopment Agency of the City of Compton (herein called "**Grantor**"), and [_____] a [_____] (herein called "**Grantee**").

WITNESSETH:

WHEREAS, Grantor is the owner of the real property more particularly described on Exhibit A, which exhibit is attached hereto and incorporated herein by reference (herein called the "**Property**");

WHEREAS, concurrently with the execution of this Agreement, Grantor and Grantee contemplate entering into a Purchase and Sale Agreement related to the Property (the "**Purchase Agreement**");

WHEREAS, Grantee has requested the right of entry upon and access to the Property for the purpose of undertaking tests, inspections and other due diligence activities (herein called the "**Due Diligence Activities**") in connection with the proposed acquisition by Grantee of the Property;

WHEREAS, Grantor has agreed to grant to Grantee, and Grantee has agreed to accept from Grantor, a non-exclusive, revocable license to enter upon the Property to perform the Due Diligence Activities in accordance with the terms and provisions of this Agreement;

WHEREAS, Grantor and Grantee desire to execute and enter into this Agreement for the purpose of setting forth their agreement with respect to the Due Diligence Activities and Grantee's entry upon the Property.

NOW, THEREFORE, for and in consideration of the foregoing premises, the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee do hereby covenant and agree as follows:

1. Access by Grantee.

(a) Subject to Grantee's compliance with the terms and provisions of this Agreement, until the earlier to occur of (i) the expiration of the Due Diligence Period (as defined in the Purchase Agreement); or (ii) the earlier termination of this Agreement, Grantee and Grantee's agents, employees, contractors, representatives and other designees (herein collectively called "**Grantee's Designees**") shall have the right to enter upon the Property for the purpose of conducting the Due Diligence Activities.

(b) Grantee expressly agrees as follows: (i) any activities by or on behalf of Grantee, including, without limitation, the entry by Grantee or Grantee's Designees onto the Property in connection with the Due Diligence Activities shall not materially damage the Property in any manner whatsoever or disturb or interfere with the rights or possession of any tenant on the Property, (ii) in the event the Property is materially altered or disturbed in any manner in connection with the Due Diligence Activities, Grantee shall immediately return the Property to substantially the same condition existing prior to the Due Diligence Activities, and (iii) Grantee, to the extent allowed by law, shall indemnify, defend and hold Grantor harmless from and against any and all claims, liabilities, damages, losses, costs and expenses of any kind or nature whatsoever (including, without limitation, reasonable attorneys' fees and expenses and court costs) suffered, incurred or sustained by Grantor as a result of, by reason of, or in connection with the Due Diligence Activities or the entry by Grantee or Grantee's Designees onto the Property; provided, however, that in no event shall Grantee be liable for any liabilities, damages, losses, costs or expenses of any kind or nature that relate, directly or indirectly, to (y) consequential or punitive damages; or (z) matters that are merely discovered, but not exacerbated, by Grantee. Notwithstanding any provision of this Agreement to the contrary, Grantee shall not have the right to undertake any invasive activities or tests upon the Property, or any environmental testing on the Property beyond the scope of a standard "Phase I" investigation, without the prior written consent of Grantor of a workplan for such "Phase II" or invasive testing. If Grantor does not respond or reject any workplan within ten (10) days of Grantee's delivery of the written workplan proposal to Grantor pursuant to the notice provisions of this Agreement, then Grantor shall be deemed to have approved the submitted workplan and Grantee may proceed with such testing. If Grantor rejects such proposed workplan in whole or in part, then this Agreement shall become null and void at the sole option of Grantee, which option must be exercised by Grantee's giving Grantor written notice on or before the expiration of the Due Diligence Period, as defined in the Purchase Agreement.

2. Lien Waivers. Upon receipt of a written request from Grantor, Grantee will provide Grantor with lien waivers following completion of the Due Diligence Activities from each and every contractor, materialman, engineer, architect and surveyor who might have lien rights, in form and substance reasonably satisfactory to Grantor and its counsel. Grantee hereby indemnifies Grantor from and against any claims or demands for payment, or any liens or lien claims made against Grantor or the Property as a result of the Due Diligence Activities.

3. Insurance. Grantee shall, and shall cause all of Grantee's Designees performing the Due Diligence Activities to, procure or maintain a policy of commercial general liability insurance issued by an insurer reasonably satisfactory to Grantor covering each of the Due Diligence Activities with a single limit of liability (per occurrence and aggregate) of not less than One Million Dollars (\$1,000,000.00), and to deliver to Grantor a certificate of insurance evidencing that such insurance is in force and effect, and evidencing that Grantor has been named as an additional insured thereunder with respect to the Due Diligence Activities. Such insurance shall be maintained in force throughout the term of this Agreement.

4. Successors. To the extent any rights or obligations under this Agreement remain in effect, this Agreement shall be binding upon and enforceable against, and shall inure to the benefit of, the parties hereto and their respective heirs, legal representatives, successors and permitted assigns.

5. Limitations. Grantor does not hereby convey to Grantee any right, title or interest in or to the Property, but merely grants the specific rights and privileges hereinabove set forth.

6. Notices. Whenever any notice, demand, or request is required or permitted under this Agreement, such notice, demand, or request shall be in writing and shall be delivered by hand, be sent by registered or certified mail, postage prepaid, return receipt requested, or shall be sent by nationally recognized commercial courier for next business day delivery, to the addresses set forth below the respective executions of the parties hereof, or to such other addresses as are specified by written notice given in accordance herewith, or shall be transmitted by facsimile to the number for each party set forth below their respective executions hereof, or to such other numbers as are specified by written notice given in accordance herewith. All notices, demands, or requests delivered by hand shall be deemed given upon the date so delivered; those given by mailing as hereinabove provided shall be deemed given on the date of deposit in the United States Mail; those given by commercial courier as hereinabove provided shall be deemed given on the date of deposit with the commercial courier. Nonetheless, the time period, if any, in which a response to any notice, demand, or request must be given shall commence to run from the date of receipt of the notice, demand, or request by the addressee thereof. Any notice, demand, or request not received because of changed address of which no notice was given as hereinabove provided or because of refusal to accept delivery shall be deemed received by the party to whom addressed on the date of hand delivery, on the first calendar day after deposit with commercial courier, or on the third calendar day following deposit in the United States Mail, as the case may be.

7. Assignment. This Agreement may be assigned by Grantee, in whole or in part.

8. Governing Law. This Agreement shall be construed, enforced and interpreted in accordance with the laws of the State of California.

9. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

10. No Recording of Agreement or Memorandum of Agreement. In no event shall this Agreement or any memorandum hereof be recorded in the Official Records of Los Angeles County, California, and any such recordation or attempted recordation shall constitute a breach of this Agreement by the party responsible for such recordation or attempted recordation.

IN WITNESS WHEREOF, Grantor and Grantee have caused this Agreement to be executed and sealed, all the day and year first written above.

GRANTEE:

[_____]
a [_____]

By: _____
Name: _____
Title: _____

Address for notices: _____

Attention: _____
Telephone: _____
Email: _____

with a copy to: _____

Attention: _____
Telephone: _____
Email: _____

(Signatures continued)

GRANTOR:

SUCCESSOR AGENCY TO THE COMMUNITY
REDEVELOPMENT AGENCY OF THE
CITY OF COMPTON

By: _____
Name: _____
Title: _____

Address for notices: Successor Agency to the
Community Redevelopment Agency
of the City of Compton
205 South Willowbrook
Compton, CA 90220
Attention: Laurence Adams _____
Telephone: 310 605-5585 _____
Email: _____ladams@comptoncity.org _____

With a copy to: Richards, Watson & Gershon
355 South Grand Avenue, 40th Floor
Los Angeles, California 90071
Attn.: Jim G. Grayson
Telephone: (213) 626-8484
Email: jgrayson@rwglaw.com

Exhibit A

LEGAL DESCRIPTION

APN: 6138-004-900 through 904

EXHIBIT "D"

FORM OF GENERAL ASSIGNMENT

This GENERAL ASSIGNMENT ("**Assignment**") is made as of _____, 2017, between **SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON**, a public body, the successor-in-interest by operation of law to the former Community Redevelopment Agency of the City of Compton ("**Assignor**"), and RED MOUNTAIN GROUP_, a ("**Assignee**").

RECITALS

A. Assignor and Assignee are parties to that certain Purchase and Sale Agreement dated as of _____, 201____ (the "**Purchase Agreement**"), pursuant to which Assignee has agreed to purchase from Assignor, among other things, all of Assignor's right, title and interest in and to certain Real Property more particularly described therein, and to the extent assignable to Assignee, all of Assignor's right, title and interest in and to the Appurtenances (as hereinafter defined). Unless otherwise expressly provided herein, capitalized terms used in this Assignment shall have the meaning ascribed to such terms in the Purchase Agreement. For purposes hereof, "**Appurtenances**" means all of the Assignor's right, title and interest, if any, in and to the following but only to the extent assignable by law and without the prior consent of a third party and pertaining solely to the Real Property (and not any other property owned by the Assignor): (a) all improvements on the Real Property as of the Close of Escrow; (b) all rights, privileges, appurtenances, hereditaments, easements, reversions, and remainders, including, without limitation, all (i) development rights and credits, air rights, water rights, and water stock, (ii) strips and gores, streets, alleys, easements, rights-of-way, public ways, and (iii) mineral, oil, gas, and other subsurface rights; (c) all plats, maps, improvement plans, engineering plans, reports and data, surveys, third party reports and studies, designs, drawings and specifications; (d) all documents pertaining to the Real Property provided to Assignee by or on behalf of the Assignor prior to the Close of Escrow; (e) all architectural, site, landscaping or other permits, applications, approvals, authorizations, and other entitlements; (f) deposits, credits, fee credits (including without limitation water meter credits), pre-paid fees, refunds of impact or permit fees, reimbursements, rights to reimbursements and benefits of any cost sharing agreements, and school fee mitigation agreements, community facilities district and other assessment district rights, proceeds, deposits, advances, reimbursements, formation documents and benefits, and construction and design defect claim; and (g) guarantees, warranties, and utility contracts.

B. This Assignment is made pursuant to, and is therefore subject to the terms of, the Purchase Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. Assignment of Appurtenances. Assignor hereby assigns, transfers, sets over and delivers to Assignee, to the extent assignable to Assignee, all of Assignor's right, title and interest, if any, in and to the Appurtenances. Assignor makes no representation or warranty of any kind to Assignee with respect to the Appurtenances other than as may expressly be set forth in the Purchase

Agreement.

2. Assumption of Obligations. By execution of this Assignment, Assignee hereby accepts the assignment made by Assignor under Section 1 hereof and hereby assumes and agrees to perform and to be bound by all of the terms, covenants, conditions and obligations imposed upon the holder of Assignor's position under and in the Appurtenances arising on or after the date hereof.

3. Governing Law. This Assignment shall be governed by the laws of the State of California.

4. Binding Effect. This Assignment and the provisions contained herein shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

5. Attorneys' Fees. In the event of any legal action (including, but not limited to, appellate and bankruptcy proceedings) between or with respect to Assignor and/or Assignee arising out of or in connection with this Assignment, the prevailing party shall be entitled to recover from the other party reasonable attorneys' fees and costs of suit.

6. Counterparts. This Assignment may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together constitute one and the same instrument.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the date first above written.

ASSIGNOR:

SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF COMPTON

ASSIGNEE:

[_____]
a [_____]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

February 12, 2019

TO: HONORABLE CHAIRPERSON AND BOARD MEMBERS

FROM: HONORABLE CITY TREASURER

SUBJECT: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON RESCINDING ANY AND ALL PRIOR RESOLUTIONS CONCERNING AUTHORIZED SIGNATURES IN CERTAIN ACCOUNTS AND AUTHORIZING CERTAIN PERSONS AS AUTHORIZED SIGNATORIES ON THE SAME ACCOUNTS

SUMMARY

All prior resolutions adopted by the Board of Directors of the Successor Agency authorizing specified City employees to sign on certain accounts shall be rescinded and the list of authorized City employees established to reflect those employees who shall be designated as authorized signatories.

BACKGROUND

On May 22, 2018, the Successor Agency adopted Resolution No. 86, which identified certain City employees as authorized signatories to sign checks and/or warrants on behalf of the City of Compton. As of August 2018, the City hired a new Deputy Controller.

STATEMENT OF ISSUE

Due to recent personnel changes, the current list of designated City employees authorized to be signatories on certain Agency accounts (as authorized by Resolution No. 86) requires revision; more specifically, to remove an existing signer and add a new Deputy Controller.

ALTERNATIVE

No alternative suggested. The requested action is required for conducting the Agency's business.

FISCAL IMPACT

None

RECOMMENDATION

Staff recommends that the Council adopt the attached Resolution.

**DOUGLAS SANDERS
CITY TREASURER**

APPROVED FOR FORWARDING:

**CECIL W. RHAMBO, JR.
EXECUTIVE DIRECTOR**

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON RESCINDING ANY AND ALL PRIOR RESOLUTIONS CONCERNING AUTHORIZED SIGNATURES ON CERTAIN ACCOUNTS AND AUTHORIZING CERTAIN PERSONS AS AUTHORIZED SIGNATORIES ON THE SAME ACCOUNTS

WHEREAS, California Assembly Bill X1 26 (“AB X1 26), signed by the Governor of California on June 29, 2011, amended the Community Redevelopment Laws to dissolve all redevelopment agencies effective February 1, 2012, and authorize the establishment of successor agencies in their place; and

WHEREAS, on May 22, 2018, the Board of Directors of the Successor Agency adopted Resolution No. 86, which identified certain City employees as authorized signatories to sign checks and/or warrants on behalf of the City of Compton, however, as the need arises it may become necessary to revise and update this list for various reasons; and

WHEREAS, due to recent personnel changes, the list of designated City employees authorized to be signatories on certain City accounts requires revision; more specifically, to remove an existing signer and add a new Deputy Controller.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. That the following named persons are hereby authorized to sign on the accounts listed in Section 3 of this Resolution:

GROUP I (Department of the Treasurer):

- A. Douglas Sanders, City Treasurer
or
- B. Claudia Mijares, Chief Deputy Treasurer
or
- C. Ralph Salgado, Deputy Treasurer
or
- D. Claudia Eulloqui, Deputy Treasurer

and

GROUP II (Department of the Controller):

- E. Rafaela T. King, City Controller
or
- F. Wanda F. Davis, Deputy Controller
or
- G. Christopher Sutton, Deputy Controller

Section 2. That each check must have two (2) signatures and must be a combination of one (1) signature of each of the following groups:

GROUP I: Authorized signers A, B, C and D

GROUP II: Authorized signers E, F and G

Section 3. That the persons in Section 1 of this Resolution are authorized to sign on the following accounts:

- A. Successor Agency – General
- B. Successor Agency – Low Cost Housing

Section 4. That any and all prior resolutions naming authorized signers on the accounts listed in Section 3 are hereby rescinded and declared null and void.

Section 5. That the Secretary shall certify sufficient copies for the City Treasurer to transmit certified copies to each and every appropriate depository.

Section 6. That a copy of this Resolution shall be filed in the offices of the City Manager, City Controller, City Treasurer and the City Clerk.

Section 7. That the Chairperson shall sign and the Secretary shall attest to the adoption of this Resolution.

ADOPTED this ____ day of _____, 2019.

**CHAIRPERSON OF THE SUCCESSOR AGENCY
TO THE COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF COMPTON**

ATTEST:

**SECRETARY OF THE SUCCESSOR AGENCY
TO THE COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF COMPTON**

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita L. Godwin, Secretary of the Successor Agency to the Community Redevelopment Agency of the City of Compton hereby certify that the foregoing Resolution was adopted by Successor Agency to the Community Redevelopment Agency of the City of Compton, signed by the Chairperson and attested by the Secretary at a regular meeting thereof held on the ____ day of _____, 2019.

That said Resolution was adopted by the following vote, to wit:

AYES: BOARD MEMBERS-
NOES: BOARD MEMBERS-
ABSENT: BOARD MEMBERS-

**SECRETARY OF THE SUCCESSOR AGENCY
TO THE COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF COMPTON**