

**PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS  
(I-210 LOGISTICS CENTER IV)**

This PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS (I-210 LOGISTICS CENTER IV) ("Agreement"), dated for reference purposes only as of April 27, 2015, is by and between the Successor Agency to the Redevelopment Agency of the City of Rialto, a public body, corporate and politic ("Seller"), and PDC OC/IE LLC, a Delaware limited liability company ("Purchaser").

**RECITALS**

A. Seller is the fee owner of approximately 3.52 acres of real property located at the NEC of Alder Avenue and Walnut Avenue in the City of Rialto, San Bernardino County, California, described as Assessor's Parcel Number 0240-221-02, 0240-221-03 and 0240-221-26 and more particularly described in Exhibit A, attached hereto and incorporated herein ("Land"), a portion of which may be improved with fixtures, structures, parking areas, landscaping and other improvements constructed and located on the Land, including, but not limited to certain electrical and drainage systems to be used in the operation thereof ("Improvements"); and all rights, privileges, easements and appurtenances to the Land and the Improvements, if any, including, without limitation, all of Seller's right, title and interest, if any, in and to all minerals, oil, gas and other hydrocarbon substances, development rights and water stock relating thereto, all strips and gores, and all of Seller's right, title and interest in and to any easements and other appurtenances used or connected with the beneficial use or enjoyment of the Land and the Improvements (the Land, the Improvements and all such easements and appurtenances are sometimes collectively referred to herein as the "Real Property"); and all of Seller's interest in and to any trademarks and trade names used in connection with the Real Property (collectively, the "Trade Names"), together with Seller's interest in and to any architectural, site, landscaping, or other permits, applications, development rights or agreements, licenses, approvals, certificates, authorizations and other entitlements, will serve letters, transferable guarantees and warranties covering the Land and/or Improvements, all contract rights (including rights under the Service Contracts (as hereinafter defined)), books, records, reports, test results, environmental assessments, as-built plans, specifications and other similar documents and materials relating to the use or operation, maintenance or repair of the Property or the construction or fabrication thereof, and all transferable utility contracts relating to the Property, to the extent assignable and accepted by Purchaser (collectively, the "Intangible Property") (the Real Property, the Trade Names and the Intangible Property are sometimes collectively referred to herein as the "Property").

B. Seller is the successor agency to the former Redevelopment Agency of the City of Rialto and is required to dispose of the Property pursuant to the Dissolution Act, Part 1.85 of Division 24 of the Health and Safety Code, and specifically Sections 34181 and 34191.5 thereof, and the Long Range Property Management Plan prepared by the Seller and approved by the Oversight Board to the Seller and the California Department of Finance. Further, this Agreement shall not be effective until approved by the Oversight Board and the Department of Finance. As used herein, "Final Approval Date" means the date on which the California Department of Finance approves this Agreement in accordance with Health & Safety Code Sections 34179 and 34181 and the Seller's Long Range Property Management Plan. Seller shall use good faith, commercially reasonable efforts to request Oversight Board and Department of Finance approval of this Agreement as soon as reasonably practical following approval of this Agreement by Seller's governing board and shall use

reasonable efforts to facilitate such approvals. Seller shall give Purchaser prompt written notice once the Final Approval Date has occurred. Purchaser or Seller shall have the right to terminate this Agreement by written notice to the other at any time prior to the Final Approval Date, in which event the Initial Deposit shall be immediately returned to Purchaser.

C. Seller desires to sell, and Purchaser desires to purchase, the Property, all in accordance with the terms set forth below.

## **TERMS & CONDITIONS**

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is acknowledged, Seller and Purchaser agree as follows:

1. **Sale.** On the terms and subject to the conditions of this Agreement, Purchaser hereby agrees to purchase from Seller, and Seller agrees to sell to Purchaser the Property, on the Closing Date (defined in Section 11).

2. **Opening of Escrow.** Within three (3) Business Days of execution of this Agreement, the parties shall open an escrow ("Escrow") with Escrow Holder by causing an executed copy of this Agreement to be deposited with Jody Kelly, Commercial Escrow Officer, Fidelity National Title, Attn: Jody Kelly, 1300 Dove Street, Suite 310, Newport Beach, CA 92660, Telephone: (949) 622-4995, Email: jkelly@fnf.com ("Escrow Holder"). Escrow shall be deemed open on the date that a fully executed copy of this Agreement is delivered to Escrow Holder and accepted by Escrow Holder as evidenced by Escrow Holder's execution of this Agreement ("Opening of Escrow").

3. **Purchase Price.** The purchase price for the Property ("Purchase Price") shall be in the amount of One Million Two Hundred Three Thousand Six Hundred Forty-Eight and 00/100 Dollars (\$1,203,648.00) (based upon the net land area of the Property being 3.52 net acres), and subject to adjustment based on (a) the total final net square footage of the Property being confirmed and certified to Seller and Purchaser by Purchaser's licensed civil engineer reasonably acceptable to Seller and the licensed civil engineer shall provide such confirmation and certification of the net square footage of the Property to the Seller, and in the absence of manifest error, the licensed civil engineer's certification of the net square footage of the land area of the Property shall be binding upon the parties. For purposes of this Section, the "net" square footage means the total square footage of the Land within the Property, excluding areas within the Property contained in any public right-of-way or street (including without limitation any right-of-way or street required to be dedicated in connection with Purchaser's development approvals). The Purchase Price shall be paid as follows:

3.1 **Initial Deposit.** Upon receipt by Purchaser of a signed copy of this Agreement from Seller, and acceptance of the terms and execution of this Agreement by Purchaser, Purchaser shall, within five (5) Business Days thereafter, deposit the sum of Twenty Thousand and 00/100 Dollars (\$20,000.00) ("Initial Deposit") with the Escrow Holder, to be held in escrow for the benefit of the parties and applied against the Purchase Price at Closing (defined in Section 11) or refunded or forfeited in accordance with the terms of this Agreement.

3.2 Additional Deposit. Upon expiration of the Contingency Period, an Additional Deposit (defined in Section 8.5(a)) will be required in connection with each Extended Contingency Period, as set forth in Section 8.5. The Initial Deposit and the Additional Deposit shall be applied to the Purchase Price at the Closing.

The Initial Deposit and the Additional Deposit(s) shall be held by Escrow Holder in a non-comingled interest bearing account fully insured by the federal government in an institution as directed by Purchaser and any interest earned and accrued on the Initial Deposit and the Additional Deposit(s) shall be considered part of the Initial Deposit and the Additional Deposit(s). The Initial Deposit and the Additional Deposit(s) are fully refundable to Purchaser on or before the expiration of the Contingency Period and any Extended Contingency Periods. In the event Purchaser expressly waives contingencies in writing and elects to continue and does not terminate this Agreement on or prior to the expiration of the Contingency Period, the Initial Deposit and the Additional Deposit(s) shall become immediately non-refundable and held in Escrow, except in the event of a Seller default, a failure of a condition precedent in favor of Purchaser (other than contingency items required to be approved during the Contingency Period or Extended Contingency Period), or as otherwise specifically set forth in this Agreement, but in all events the Initial Deposit and the Additional Deposit(s) shall be applicable to the Purchase Price. If the purchase and sale of the Property is not consummated because of a default under this Agreement on the part of Purchaser after the expiration of the Contingency Period or the Extended Contingency Period, as the case may be, the Escrow Holder shall disburse the Initial Deposit and the Additional Deposit(s) to Seller as liquidated damages pursuant to Section 10.1 below.

3.3 Cash at Closing. Upon the Escrow Holder's receipt of all Closing Items (defined in Section 4.3 below), Purchaser shall deposit with the Escrow Holder, in cash, by certified check or by wire transfer of immediately available funds the balance of the Purchase Price less the Initial Deposit, Additional Deposit and Option Consideration, plus or minus closing pro-rations, adjustments, and costs related to the Closing. The Purchase Price shall be disbursed to Seller by the Escrow Holder upon confirmation of the recordation of the Deed (as defined in Section 4.1(a)) in the Official Records of San Bernardino County.

#### **4. Closing Deliveries to Escrow Holder.**

4.1 By Seller. Seller hereby covenants and agrees to deliver or cause to be delivered to Escrow Holder within one (1) Business Day prior to the Closing Date the following instruments and documents, the delivery of each of which shall be a condition precedent to the Closing for the benefit of Purchaser.

(a) Deed. Subject to Section 5, Seller shall convey to the Purchaser by grant deed marketable title to the Property, subject only to the Permitted Exceptions, in substantially the form set forth as Exhibit C, attached hereto and incorporated herein ("Deed"). "Permitted Exceptions" means those items disclosed by the Title Insurance Commitment that the Purchaser does not object to, or that Purchaser waives objection to, or agrees to take title subject to, or that Purchaser agrees to accept affirmative title insurance coverage over, and all zoning ordinances and regulations.

(b) General Assignment and Bill of Sale. Seller shall deliver to Escrow Holder an assignment and bill of sale ("General Assignment"), duly executed by Seller in the form of, and upon the terms contained in, Exhibit B, attached hereto and incorporated herein.

(c) Non-Foreign Certification. Seller shall deliver to Escrow Holder a certification duly executed by Seller under penalty of perjury in the form of, and upon the terms set forth in, the Transferor's Certification of Non-Foreign Status ("FIRPTA Certificate"), setting forth Seller's address and federal tax identification number and certifying that Seller is a "United States Person" and that Seller is not a "foreign person" in accordance with and/or for the purpose of the provisions of Sections 7701 and 1445 (as may be amended) of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder.

(d) Closing Statement. An executed settlement statement reflecting the pro-rations and adjustments required under Section 9.

(e) Closing Documents. Any additional tax forms, recordation forms, 1099s or other documents as may be reasonably required by the Escrow Holder or the Title Company to consummate the transaction contemplated by this Agreement.

(f) Cash – Pro-rations. The amount, if any, required of Seller under Section 9.

4.2 By Purchaser. Purchaser hereby covenants and agrees to deliver or cause to be delivered to Escrow Holder on or prior to the Closing Date the following instruments and documents, the delivery of each of which shall be a condition precedent to the Closing for the benefit of Seller.

(a) Purchase Price. Purchaser shall deliver to Escrow Holder the Purchase Price in accordance with Section 3.

(b) Preliminary Change of Ownership Statement. Purchaser shall deliver to Escrow Holder a Preliminary Change of Ownership Statement completed in the manner required in San Bernardino County.

4.3 Additional Closing Items. Each party shall also execute and deliver to the Escrow Holder such documents, certificates and instruments as may customarily be required in transactions of this type. The items required to be submitted to the Escrow Holder pursuant to this Section and Sections 4.1 and 4.2 above are referred to herein collectively as the "Closing Items."

5. Title. As evidence of title, within five (5) days of the Final Approval Date, or as soon thereafter as is reasonably practical, the Seller shall deliver to the Purchaser a commitment for an owner's policy of title insurance with standard exceptions ("Title Insurance Commitment") issued by Fidelity National Title (Mr. Curt Taplin, Commercial Title Officer, Fidelity National Title, 1300 Dove Street, Suite 310, Newport Beach, CA 92660, Telephone: (949) 221-4763, Email: curtis.taplin@fnf.com) ("Title Company"), in the amount of the Purchase Price (or such amount as required by Purchaser), dated later than the Final Approval Date, and guaranteeing the title in the condition required for performance of this Agreement, together with copies of all documents shown in the commitment as affecting title ("Title Documents") and a scaled and dimensioned plot showing the location of any easements on the Property. At Closing, the Seller shall pay the premium for a CLTA standard coverage owner's policy.

Purchaser may, at its own expense, obtain a UCC-1 report regarding title condition of any personal property located on the Property. Seller shall provide Purchaser with copies of any liens or encumbrances affecting such personal property that it is aware of within ten (10) days of the Final Approval Date.

The Purchaser shall have ninety (90) days from receipt of the Title Insurance Commitment and Title Documents to inspect the state of the title and matters affecting title, and to object to the matters shown thereby. Failure to object in writing within the above period shall constitute a waiver of the Purchaser's objections to title. If the Purchaser objects to any matter disclosed by the Title Insurance Commitment or Title Documents, then the Seller shall have ten (10) Business Days from the date it is notified in writing of the particular defects claimed, to elect, in its reasonable discretion, either: (1) to remedy the title defect that is the subject of the Purchaser's objection, or (2) not remedy the title defect that is the subject of the Purchaser's objection, at Seller's option; Seller's election shall be communicated in writing to Purchaser. If Seller elects not to remedy such title defect, then Purchaser shall have two (2) Business Days following receipt of Seller's notification under the preceding sentence to elect to either (x) waive its title objection and accept title subject to the alleged title defect, or (y) terminate this Agreement and receive a refund of the Initial Deposit and any Additional Deposit(s).

Seller may cure any title objection that may be cured by the payment of a sum certain (such as existing mortgages, land contracts and other liens) by paying or depositing that sum at Closing.

Notwithstanding the foregoing, Purchaser hereby objects to all liens evidencing monetary encumbrances (other than liens for non-delinquent general real property taxes to be paid by Purchaser under this Agreement) and Seller agrees to cause all such liens to be eliminated at Seller's sole cost (including all prepayment penalties and charges) prior to the Closing Date. At the Closing, Seller will provide the Title Company with a commercially reasonable owner's affidavit, which will include a representation by the Seller (if accurate as of the Closing) that will allow the Title Company to issue an endorsement to Purchaser's title policy against potential mechanic's and materialmen's liens; provided, however that if such representation is not accurate, Seller will work with the Title Company to provide alternative assurances to allow the Title Company to issue to Purchaser such lien endorsement at the Closing.

Notwithstanding anything to the contrary contained in this Agreement, if, at any time prior to the Closing, any updates to the Title Insurance Commitment are received by Purchaser, Purchaser shall have ten (10) Business Days (regardless of the date) following Purchaser's receipt of such update and legible copies of all underlying documents referenced therein (that were not referenced in the Title Documents previously provided to Purchaser) to notify Seller of objections to items on any such updates ("Title Updates"). Purchaser, at its sole election, may hire a land surveyor for the purpose of preparing an ALTA survey for the Property (the "Survey"). Notwithstanding the foregoing, Purchaser shall have ten (10) Business Days after receipt of the Survey to object to any matters of survey in writing to Seller, in which event the procedure set forth in Section 5 above shall apply to such Survey objections.

**6. Possession.** Unless this Agreement is earlier terminated pursuant to the terms hereof, the Seller shall deliver and the Purchaser shall accept possession of the Property on the Closing Date, without any rights of tenants or any other party in possession.

**7. Conditions to Closing.** Seller's obligation to sell and Purchaser's obligation to purchase the Property shall be subject to and expressly conditioned upon satisfaction (or waiver) of the following conditions precedent to the Closing set forth in Sections 7.1 and 7.2 below, which shall be exclusively for the benefit of Seller and Purchaser.

**7.1 Permits and Land Use Approvals.** During the Contingency Period or the Extended Contingency Period (referenced in Section 8.5 below), if applicable, Purchaser shall have obtained any and all land use and other entitlements required for the Project, including without limitation (but only as applicable), a precise plan of design, conditional development permit, environmental assessment, and CEQA approval and associated mitigation measures for the Project, and such other land use entitlements and permits, and during the term of this Agreement, Purchaser shall have the right to seek written authorizations, approvals, permits and the like (collectively, the "Approvals") from the City of Rialto, all governmental authorities with jurisdiction over the Property (collectively the "Governmental Authorities") and all utility providers, sufficient to allow Purchaser to develop the Property for Purchaser's intended use after the Closing. Purchaser shall bear the expense of obtaining any such Approvals. Seller agrees to promptly cooperate with Purchaser, at no third-party cost to Seller, in all reasonable respects in obtaining the Approvals, provided that in no event shall the Approvals bind the Property prior to the Closing. Seller's cooperation shall include without limitation, executing and joining in any applications or submissions made by Purchaser which require the consent or joinder of the record owner of the Property. Additionally, Seller hereby grants to Purchaser the right to negotiate directly with any Governmental Authorities and utility providers having jurisdiction over the Property and/or the development thereof, provided that such negotiations do not bind Seller or the Property prior to the Closing.

**7.2 Concurrent or Prior Acquisition of Adjacent Real Property.** Concurrently with or prior to the Closing, Purchaser shall also have acquired fee title to the other parcels of real property located between Alder Avenue and Laurel Avenue, north of Baseline Avenue, represented by the following Assessor's Parcel Numbers:

0240-221-15  
0240-221-16  
0240-221-17  
0240-221-18  
0240-221-19  
0240-221-21  
0240-221-24  
0240-221-27  
0240-221-28

**8. Purchaser's Contingencies, Contingency Period, Survey and Development Approvals.** Within two hundred seventy (270) calendar days following the Final Approval Date (the "Contingency Period"), Purchaser shall have the right to perform and to seek any and all necessary investigations, inspections and approvals necessary to develop and operate the Project at the Property, as described in Sections 8.1, 8.2 and 8.3, below:

**8.1 Review and Approval of Documents and Materials.** Within ten (10) days of the Final Approval Date, Seller shall deliver to Purchaser any and all documents, reports, surveys, environmental assessments, engineering reports, building plans and blueprints for the Property and

other materials in Seller's possession or under its control or that of its agents, respecting the Property, including any Hazardous Substance Conditions Report concerning the Property and relevant adjoining properties, any Natural Hazard Zone Disclosure Report, and all lease agreements relating to any tenant or occupant then occupying the Property (collectively, "Materials"). During the Contingency Period, Purchaser may review and evaluate the Materials to determine whether the Property is appropriate for Purchaser's proposed use, in its sole discretion.

8.2 Purchaser's Due Diligence & Survey. During the Contingency Period, the Purchaser and its agents may, at the Purchaser's sole expense, conduct tests and physical inspections of the property, including building inspections and environmental site assessments desired by the Purchaser. Purchaser shall also conduct such investigations with regard to zoning, building codes, and availability of permits and approvals for its intended construction and use of the Property, as it deems prudent in its sole discretion. Purchaser shall restore the Property to the condition that it was in prior to those tests and inspections and shall indemnify, defend and hold Seller harmless from all damages, costs, loss, expense (including attorney fees) and liability resulting from Purchaser's activities, acts and omissions on the Property. Notwithstanding anything to the contrary contained in this Agreement, (i) the defense, indemnity and hold harmless provision contained in this Section shall not apply to the extent such liabilities arise in connection with the negligence or willful misconduct of Seller, its employees, agents, contractors, licensees or invitees and (ii) provided further that Purchaser shall have no liability to Seller or to its employees, agents or contractors by reason of, nor shall Purchaser have any duty to indemnify, defend or hold any person or entity harmless from or against, any liabilities, including, without limitation, any claim for diminution in value of the Property or for environmental remediation or clean-up costs, resulting directly from Purchaser having merely discovered and/or reported (to the extent required by applicable law) any adverse physical condition, title condition, environmental condition or other defect with respect to the Property. The foregoing provisions shall survive the Closing or any termination of this Agreement. Purchaser shall notify Seller in advance of its desire to conduct any inspections at the Property to give Seller adequate opportunity to make reasonable arrangements with the tenant in possession (if any). During the Contingency Period or Extended Contingency Period, the Purchaser shall have the right, but not the obligation, to cause a Survey of the Property at its own expense. The Survey report shall also: (1) be certified to the Purchaser and (2) be prepared and sealed by a registered California Land Surveyor. Copies of any final non-privileged, non-attorney-client work product reports and/or surveys prepared pursuant to this Agreement shall be delivered to Seller. Purchaser shall not be liable for reports/Survey and said reports/Survey are provided to the Seller for reference purposes only.

8.3 Approvals. During the Contingency Period and any Extended Contingency Period (defined below), Purchaser shall obtain all necessary Approvals, all at Purchaser's expense. The parties acknowledge that, notwithstanding any other provision of this Agreement, Purchaser's and Seller's obligation to proceed to Closing is strictly conditioned upon Purchaser's receipt of the Approvals within the Contingency Period or Extended Contingency Period.

8.4 Purchaser's Objections. Purchaser shall have the right at any time on or before the expiration of the Contingency Period to terminate this Agreement if, during the course of Purchaser's due diligence investigations of the Property and in connection with its obtaining of the Approvals, Purchaser determines in its sole and absolute discretion that the Property is not acceptable to Purchaser. Purchaser has termination rights during the Extended Contingency Periods as described in Section 8.5 below.

8.5 Extended Contingency Period. Notwithstanding anything contained herein to the contrary, Purchaser shall have the right, in Purchaser's sole and absolute discretion, to extend the Contingency Period for two (2) additional periods of ninety (90) calendar days each (each, an "Extended Contingency Period") by (a) notifying the Seller of its desire to do so before the prior Contingency Period or Extended Contingency Period, as applicable, has lapsed, and (b) depositing an additional deposit of Ten Thousand and 00/100 Dollars (\$10,000.00) for each such Extended Contingency Period with the Escrow Holder within 5 days thereafter. Upon the exercise of an Extended Contingency Period, all references in this Agreement to "Contingency Period" shall be deemed to include the exercised Extended Contingency Period.

(a) Each additional deposit for an Extended Contingency Period is referred to herein individually as an "Additional Deposit" and collectively as "Additional Deposits."

(b) Each Extended Contingency Period is also referred to herein individually as an "Extended Contingency Period" and collectively as "Extended Contingency Periods."

(c) The Additional Deposits and the Initial Deposit shall be applied to the Purchase Price.

8.6 Termination Notice. Purchaser may exercise Purchaser's termination rights pursuant to Sections 8.4 and 8.5 by delivering written notice of termination to Seller and Escrow Agent (a "Termination Notice") on or before the expiration of the Contingency Period or Extended Contingency Period, as applicable. Upon the timely delivery of such Termination Notice, (i) Escrow Agent shall immediately return the Initial Deposit and any Additional Deposit to Purchaser without the need for further instruction or approval of the parties, and (ii) this Agreement shall automatically terminate and be of no further force or effect and neither party shall have any further rights or obligations hereunder. Notwithstanding anything contained herein to the contrary, if Purchaser fails to provide a Termination Notice or waiver of contingencies on or prior to the expiration of the Contingency Period or Extended Contingency Period, as the case may be, in accordance with the provisions of this Section 8, then Purchaser shall be deemed to have elected to terminate this Agreement and the Initial Deposit and any Additional Deposits shall be promptly returned to Purchaser without need for further instruction or approval of the Parties.

8.7 Disclaimer of Warranties. Purchaser shall acquire the Property in its "AS IS" condition and shall be responsible for any and all defects in the Property, whether patent or latent, including, without limitation, the physical, environmental, and geotechnical condition of the Property, and the existence of any contamination, hazardous materials, vaults, debris, pipelines, wells, or other structures located on, under or about the Property. Except as expressly set forth in this Agreement, Seller makes no representation or warranty concerning the physical, environmental, geotechnical or other condition of the Property. Purchaser acknowledges that, once Purchaser obtains title to the Property, any liability of the Seller for the environmental condition of the Property shall be extinguished, and that Seller shall have no liability for remediating any environmental condition of the Property. Purchaser shall indemnify Seller against any claim or liability relating to the environmental condition of the Property; provided, however, that Seller shall remain liable for (1) any hazardous materials released into the Property while Seller owned the Property, (2) any third party claim that arose during Seller's ownership of the Property; (3) Seller's fraud or willful misconduct in connection with this Agreement; and (4) breach of Seller's Representation and Warranties. The foregoing indemnity obligation shall survive the Closing.



**9. Prorated and Adjusted Items.** The following items shall be prorated and/or adjusted as follows:

9.1 Taxes. Escrow is not to be concerned with proration of Seller's taxes for the current fiscal year. Seller is a public agency and therefore exempt from the payment of property taxes. Purchaser shall be responsible for all applicable prorated taxes once Purchaser obtains title to the Property.

9.2 Other Costs. Seller shall pay all water, sewer, telephone, and all other utility charges incurred on or before the Closing Date with respect to the Property. After the Closing, Purchaser shall pay all such charges. Seller shall pay the applicable transfer taxes, the cost of recording any curative instruments and the cost of a CLTA standard coverage owner's title policy. Purchaser shall pay the cost of recording the Deed conveying title to the Property, the costs associated with Purchaser's financing, the cost of any extended coverage or ALTA owner's title policy and the cost of any title endorsements. Escrow fees shall be shared equally by the parties. Each party shall pay its own legal fees.

**10. Default.**

10.1 PURCHASER'S DEFAULT. IF PURCHASER FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY AS PROVIDED IN THIS AGREEMENT BY REASON OF ANY UNCURED MATERIAL DEFAULT OF PURCHASER (AND NOT DUE TO A FAILURE OF A CONDITION PRECEDENT), SELLER SHALL BE RELEASED FROM ITS OBLIGATION TO SELL THE PROPERTY TO PURCHASER. PURCHASER AND SELLER HEREBY ACKNOWLEDGE AND AGREE THAT IT WOULD BE IMPRACTICAL AND/OR EXTREMELY DIFFICULT TO FIX OR ESTABLISH THE ACTUAL DAMAGE SUSTAINED BY SELLER AS A RESULT OF SUCH DEFAULT BY PURCHASER, AND AGREE THAT THE INITIAL DEPOSIT AND ANY ADDITIONAL DEPOSITS (INCLUDING ALL INTEREST ACCRUED THEREON) ARE A REASONABLE APPROXIMATION THEREOF. ACCORDINGLY, IN THE EVENT THAT PURCHASER BREACHES THIS AGREEMENT BY DEFAULTING IN THE COMPLETION OF THE PURCHASE, THE INITIAL DEPOSIT AND ANY ADDITIONAL DEPOSITS (INCLUDING ALL INTEREST ACCRUED THEREON) SHALL CONSTITUTE AND BE DEEMED TO BE THE AGREED AND LIQUIDATED DAMAGES OF SELLER, AND SHALL BE PAID BY PURCHASER TO SELLER AS SELLER'S SOLE AND EXCLUSIVE REMEDY. EXCEPT FOR ATTORNEYS' AND OTHER FEES RECOVERABLE PURSUANT TO SECTION 23 BELOW AND ITS RIGHTS TO BE INDEMNIFIED AS PROVIDED IN THIS AGREEMENT, SELLER AGREES TO AND DOES HEREBY WAIVE ALL OTHER REMEDIES AGAINST PURCHASER WHICH SELLER MIGHT OTHERWISE HAVE AT LAW OR IN EQUITY BY REASON OF SUCH DEFAULT BY PURCHASER. THE PAYMENT OF THE INITIAL DEPOSIT AND ANY ADDITIONAL DEPOSITS (INCLUDING ALL INTEREST ACCRUED THEREON) AS LIQUIDATED DAMAGES IS NOT INTENDED TO BE A FORFEITURE OR PENALTY, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671, 1676 AND 1677.

SELLER'S INITIALS: 

PURCHASER'S INITIALS: 

10.3 SELLER'S DEFAULT. IF SELLER FAILS TO COMPLETE THE SALE OF THE PROPERTY AS PROVIDED IN THIS AGREEMENT BY REASON OF ANY MATERIAL DEFAULT OF SELLER (AND NOT DUE TO A FAILURE OF A CONDITION PRECEDENT), PURCHASER MAY EITHER (I) PROCEED AGAINST SELLER BY BRINGING AN ACTION FOR SPECIFIC PERFORMANCE UNDER THIS AGREEMENT WITHOUT ANY RIGHT TO SEEK DAMAGES OF ANY KIND OR NATURE, OR (II) TERMINATE THIS AGREEMENT IN WHICH EVENT THE INITIAL DEPOSIT AND ANY ADDITIONAL DEPOSITS SHALL BE RETURNED TO PURCHASER AND SELLER WILL REIMBURSE PURCHASER FOR ITS OUT-OF-POCKET COSTS RELATING TO THIS TRANSACTION AND INCURRED AS OF THE DATE OF SELLER'S DEFAULT UP TO A MAXIMUM OF \$50,000.00. PURCHASER AND SELLER HEREBY ACKNOWLEDGE AND AGREE THAT IT WOULD BE IMPRACTICAL AND/OR EXTREMELY DIFFICULT TO FIX OR ESTABLISH THE ACTUAL DAMAGE SUSTAINED BY PURCHASER AS A RESULT OF SUCH MATERIAL DEFAULT BY SELLER AND AGREE THAT THE REMEDY SET FORTH IN CLAUSE (II) ABOVE IS A REASONABLE APPROXIMATION THEREOF. ACCORDINGLY, IN THE EVENT THAT SELLER BREACHES THIS AGREEMENT BY MATERIALLY DEFAULTING IN THE COMPLETION OF THE SALE, AND PURCHASER ELECTS NOT TO EXERCISE THE REMEDY SET FORTH IN CLAUSE (I) ABOVE BUT INSTEAD ELECTS THE REMEDY SET FORTH IN CLAUSE (II) ABOVE, SUCH SUMS SHALL CONSTITUTE AND BE DEEMED TO BE THE AGREED AND LIQUIDATED DAMAGES OF PURCHASER WHICH IS NOT INTENDED TO BE A FORFEITURE OR PENALTY, BUT IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO PURCHASER PURSUANT TO CALIFORNIA CIVIL CODE SECTIONS 1671,1676 AND 1677. EXCEPT FOR ATTORNEYS' AND OTHER FEES RECOVERABLE PURSUANT TO SECTION 23 BELOW AND ITS RIGHTS TO BE INDEMNIFIED AS PROVIDED IN THIS AGREEMENT, PURCHASER AGREES TO AND DOES HEREBY WAIVE ALL OTHER REMEDIES AGAINST SELLER WHICH PURCHASER MIGHT OTHERWISE HAVE AT LAW OR IN EQUITY BY REASON OF SUCH DEFAULT BY SELLER.

SELLER'S INITIALS: 

PURCHASER'S INITIALS: 

**11. Time and Place of Closing.** Consummation of this sale and purchase ("Closing") shall take place within thirty (30) days following the expiration of the Contingency Period, as it may be extended by one or more Extended Contingency Periods, at which time Purchaser shall provide a written waiver to Seller ("Purchaser's Closing Notice") of all conditions to Purchaser's obligation to proceed to Closing, unless this Agreement has been duly and timely terminated pursuant to the provisions of this Agreement. Closing shall take place at the offices of the Escrow Holder and coordinated through their affiliate offices. As used herein, "Closing Date" means the date and time on which the Deed is recorded in the Official Records of the County.

11.1 Outside Closing Date. In no event shall the Closing occur later than four hundred eighty (480) days following the Final Approval Date (the "Outside Closing Date"). Notwithstanding Section 30(h) or any other provision of this Agreement, the Outside Closing Date shall not be subject to extension for force majeure delays.

**12. Pre-Closing Covenants.** Seller shall between the date hereof and the Closing Date, unless otherwise consented to in writing by Purchaser:

(a) Maintain the Property in compliance with all applicable laws and in its present condition, reasonable wear and use excepted.

(b) Not suffer or permit any new easements, encumbrances, liens or security interests to attach to the Property, or transfer or convey the Property or any portion or portions of the Property.

(c) Not enter into or amend any contracts or agreements pertaining to the Property, which would survive the Closing and be binding upon Purchaser.

(d) Maintain hazard and liability insurance with respect to the Property, in amounts determined to be appropriate by Seller, in Seller's reasonable discretion.

**13. Risk of Loss.**

13.1 Condemnation. If before the Closing Date any action or proceeding is commenced for the condemnation or exercise of the rights of eminent domain with respect to the Property or any portion of the Property, or if Seller is notified by the duly authorized officer of a duly empowered condemning authority of the intent to commence such action or proceeding ("Condemnation") and if such Condemnation would materially and adversely affect the use or operation of the Property, have the effect of decreasing the square footage of the buildable area at the Property, or reduce or eliminate access to the Property, then Purchaser may either (a) terminate this Agreement, or (b) proceed with the Closing without modifying the terms of this Agreement and without reducing the Purchase Price, on the condition that Seller must assign and turn over, and Purchaser will be entitled to keep, all awards for the Condemnation that accrue to Seller; provided, however, if any award is rendered specifically to compensate Seller for Seller's lost goodwill, such an award shall belong to Seller. Seller may not negotiate, resist, or stipulate to any Condemnation without Purchaser's written consent. Seller must notify Purchaser of any notice of Condemnation of all or any portion of the Property within five (5) days after the receipt of such notice, and Purchaser must exercise its option(s) as provided in this Section 13.1 within fifteen (15) days after receipt of such notice. If necessary, the Closing Date will be extended to give Purchaser the full 15-day period to make such election. Notwithstanding the foregoing, if any condemnation action is commenced prior to the Closing Date, Purchaser shall have the right to terminate this Agreement and to receive the return of the Initial Deposit and any Additional Deposits, as well as a sum equal to Purchaser's out-of-pocket costs incurred in connection with this transaction. Seller hereby waives any right Seller may have to condemn the Property or any portion thereof.

13.2 Damage and Destruction. If before the Closing Date any damage or destruction of the Property, or any portion of it, occurs, then within three (3) days after determination of the amount of the Insurance Proceeds (defined below) to be received with respect to such loss, Purchaser must elect, by written notice to Seller, either to: (a) terminate this Agreement (in which event the Initial Deposit and any Additional Deposits, and all accrued interest thereon, shall forthwith be returned to Purchaser and thereupon neither party shall have any further rights or obligations hereunder); or (b) receive an assignment of the Insurance Proceeds with respect to such loss and proceed to Closing without any reduction in the Purchase Price (in which event the Closing shall occur within thirty (30) days after such election). If Purchaser shall fail to provide such written

notice of election within ten (10) days after determination of the amount of the Insurance Proceeds to be received with respect to such loss, then Purchaser shall be deemed to have elected to terminate this Agreement. As used herein, "Insurance Proceeds" means the proceeds from any and all insurance maintained by Seller with respect to the Property and/or to such loss, including without limitation fire and casualty and liability insurance.

**14. Representations and Warranties of Seller.** Seller represents and warrants to Purchaser that, to Seller's actual knowledge, except as set forth or otherwise disclosed in this Agreement, or in any exhibit to this Agreement, or in any schedule of exceptions attached to this Agreement:

(a) This Agreement has been duly authorized and executed on behalf of Seller. As of the Final Approval Date, this Agreement constitutes a valid and binding agreement, enforceable in accordance with its terms. As of the Final Approval Date, Seller has obtained all consents, releases and permissions and has given all required notifications related to the transaction herein contemplated and required under any covenant, agreement, encumbrance, law or regulation to which Seller is a party or by which Seller is bound.

(b) Seller is the fee simple owner of the Property. Seller is not a party to any contract, agreement or commitment to sell, convey, assign, transfer or otherwise dispose of any portion or portions of the Property.

(c) Seller has not received notice of violation of any applicable law, ordinance, regulation, order or requirement relating to Seller's operation or use of the Property.

(d) To Seller's actual knowledge: (i) neither the Property nor any part thereof is in breach of any environmental laws; (ii) no part of the Property has ever been used as a landfill, dump, toxic waste disposal site or storage area; (iii) there are no underground storage tanks at the Property, or, with respect to removed tanks, at the time of removal, any contaminated soil was removed; and (iv) the Property is free of any Hazardous Materials that would trigger response or remedial action under any environmental laws or any existing common law theory based on nuisance or strict liability. This warranty is limited to matters of which Seller has actual knowledge, and Purchaser acknowledges that Seller has not made any affirmative investigation as to environmental issues affecting the Property in connection with this Agreement. As used in this Agreement, the term "Hazardous Material" means any flammable items, explosives, radioactive materials, hazardous or toxic substances, material or waste or related materials, including any substance defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" now or subsequently regulated under any applicable federal, state or local laws or regulations, including without limitation petroleum-based products, paints, solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonia compounds and other chemical products, asbestos, PCBs and similar compounds, and including any different products and materials which are subsequently found to have adverse effects on the environment or the health and safety of persons.

(e) There is no litigation pending or to the actual knowledge of Seller, threatened, against Seller or the Property which relates to, or if decided adversely, could have a material adverse effect upon, the Property (including condemnation or similar proceedings).

(f) Except as disclosed in writing to Purchaser by Seller as part of the Materials, there are no leases, licenses or other occupancy or use agreements, written or oral, in

effect in which Seller has granted any party rights to possession or use of the Property or any portion thereof, nor has Seller given any party an option or right of first refusal to purchase any portion of the Property (excepting rights granted by the City of Rialto in favor of Lewis-Hillwood Rialto Company, LLC pursuant to that certain Second Amended and Restated Contract of Sale For Areas B, C, and D, dated as of September 25, 2012).

(g) Except as disclosed in writing to Purchaser by Seller as part of the Materials, the Property is not subject to any operating, maintenance or repair contract or other agreements that will bind the Property or Purchaser after the Closing ("Service Contracts").

(h) Except as disclosed in the Materials, Seller has no actual knowledge of any violations of health, environmental or other applicable law, ordinance, code, order or regulation in any respect with regard to the Property.

(i) Seller is not aware of any inaccuracy or incompleteness of any of the documents, materials or reports contained in the Materials.

(j) To Seller's actual knowledge and except for matters of record as of the date hereof, there are no bonds or assessments or charges for any public improvements or utilities made against the Property which remain unpaid (or which will remain unpaid by Seller as of the Closing Date).

(k) No representation, statement or warranty by Seller contained in this Agreement or in any exhibit attached hereto contains or will contain any untrue statements or omits, or will omit, a material fact necessary to make the statement of fact therein recited not misleading. If, after Seller's execution hereof and prior to the Closing, any event occurs or condition exists of which Seller becomes aware which renders any of the representations contained herein untrue or misleading, Seller shall promptly notify Purchaser in writing.

All representations and warranties contained in this Agreement shall be deemed remade as of the Closing Date, except in the event of a change in circumstances not within the control of Seller affecting any representations or warranties set forth herein, in which case Seller shall provide written notice to Purchaser regarding such changed circumstances within a reasonable time following such change (not to exceed five (5) Business Days following the date the City's Assistant City Administrator/Development Services Director obtains actual knowledge of the changed circumstance), and prior to the Closing. As used herein, "actual knowledge" of Seller refers to the actual knowledge of Seller's employees and agents directly involved in the negotiation and/or drafting of this Agreement, those responsible for the acquisition or maintenance of the Property, the City Attorney and the City Clerk.

**15. Reserved.**

**16. Business Days.** As used herein, the term "Business Days" refers to Monday through Thursday, excluding holidays on which the City of Rialto or Seller are closed for business.

**17. Binding Effect; Assignment.** The covenants herein shall bind and inure to the benefit of the executors, administrators, successors and assigns of the respective parties. The Purchaser may not assign its rights under this Agreement to any person or entity without the prior written consent of the Seller. Notwithstanding the foregoing, Purchaser shall have the right to assign

this Agreement without Seller's consent (but with notice to Seller) to any entity under common control with Purchaser, or over which Purchaser owns a majority interest or has an ownership interest and management or operational control. In the event of an assignment of Purchaser's interests under this Agreement, the assignee shall agree in writing to assume and be bound by the terms and provisions hereof.

**18. Brokers.** Seller and Purchaser acknowledge that no broker or finder was involved in this transaction and each party agrees to indemnify and hold harmless the other party from and against any claim that a commission or fee is due to any broker or finder who dealt with the party from whom indemnification is sought.

**19. Integration; Merger; Amendment; Survival of Representations.** Seller and Purchaser have not made any covenants, warranties or representations not set forth in this Agreement. This Agreement constitutes the entire Agreement between the parties. Except as otherwise provided herein, all representations, warranties and covenants set forth in this Agreement shall survive closing. This instrument shall as to all prior drafts or forms exchanged between the parties or executed by the parties, be the sole effective instrument between them as to the provisions set forth in this Agreement. None of the terms and provisions hereof shall be altered or amended unless in writing and signed by the parties.

**20. Execution in Counterparts and by Fax/Email.** This document may be validly executed and delivered by facsimile transfer/e-mail and/or portable document format (collectively, "Electronic Copy"). Any signer who executes this document and transmits this document by Electronic Copy intends that the Electronic Copy of their signature is to be deemed an original signature for all purposes. Any such Electronic Copy printout and any complete photocopy of such Electronic Copy printout is hereby deemed to be an original counterpart of this document. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**21. Notices.** All notices shall be in writing and delivered personally, by overnight air courier service, by facsimile transmission or email, or by U.S. certified or registered mail, return receipt requested, postage prepaid, to the parties at their respective addresses set forth below, and the same shall be effective upon receipt if delivered personally, one (1) Business Day after depositing with an overnight air courier, or two (2) Business Days after depositing in the mail immediately, upon transmission (as confirmed by electronic confirmation of transmission generated by the sender's machine) for any notice given by facsimile or email:

If to Seller:           City of Rialto  
                                  150 S. Palm Avenue  
                                  Rialto, CA 92376  
                                  Attn: City Administrator  
                                  Fax: (909) 820-2527  
                                  Email: rsteel@rialto.ca.gov

with a copy to:       City of Rialto  
                                  150 S. Palm Avenue  
                                  Rialto, CA 92376  
                                  Attn: Fred Galante, City Attorney  
                                  Email: fgalante@awattorneys.com

If to Purchaser: PDC OC/IE LLC  
30411 SW Birch Street, Suite 200  
Newport Beach, CA 92660  
Attn: Stephen M. Batcheller  
Fax: (916) 868-6142  
Email: sbatcheller@panattoni.com

with a copy to: CVM Law Group, LLP  
30411 SW Birch Street, Suite 200  
Newport Beach, CA 92660  
Attn: Fredric I. Albert  
Fax: (916) 669-4860  
Email: falbert@cvmllaw.com

**22. Governing Law.** This Agreement shall be construed according to the laws of the State of California.

**23. Attorney's Fees.** In the event any action or suit is brought by a party hereto against another party hereunder by reason of any breach of any of the covenants, agreements or provisions on the part of the other party arising out of this Agreement, then in that event the prevailing party shall be entitled to have and recover from the other party all costs and expenses of the action or suit, including actual attorneys' fees, expert witness fees, accounting and engineering fees, and any other professional fees resulting therefrom.

**24. Expenses.** Seller and Purchaser shall pay their respective expenses and costs in connection with the preparation of this Agreement and other agreements and documents related to this Agreement and the transactions contemplated herein

**25. Severability.** If any term of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then this Agreement, including all of the remaining terms, will remain in full force and effect as if such invalid or unenforceable term had never been included.

**26. Construction.** In determining the meaning of, or resolving any ambiguity with respect to, any word, phrase or provision of this Agreement, no uncertainty or ambiguity shall be construed or resolved against a party under any rule of construction, including the party primarily responsible for the drafting and preparation of this Agreement. Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others wherever and whenever the context so dictates

**27. Qualification; Authority.** Each individual executing this Agreement on behalf of a party which is an entity, represents, warrants and covenants to the other party that (a) such person is duly authorized to execute and deliver this Agreement on behalf of such entity in accordance with authority granted under the organizational documents of such entity, and (b) such entity is bound under the terms of this Agreement.

**28. No Waiver.** The failure of either party to enforce any term, covenant, or condition of this Agreement on the date it is to be performed shall not be construed as a waiver of that party's

right to enforce this, or any other, term, covenant, or condition of this Agreement at any later date or as a waiver of any term, covenant, or condition of this Agreement.

**29. Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which shall be deemed but one and the same instrument, and a facsimile or e-mailed PDF copy of such execution shall be deemed an original.

**30. Miscellaneous.**

(a) Execution of Documents. The parties agree to execute such instructions to Title Company and such other instruments and to do such further acts as may be reasonably necessary to carry out the provisions of this Agreement.

(b) Inducement. The making, execution and delivery of this Agreement by the parties hereto have been induced by no representations, statements, warranties or agreements other than those expressly set forth herein.

(c) Incorporation of Exhibits. The exhibits attached hereto are incorporated herein by reference.

(d) Relationship of Parties. Notwithstanding anything to the contrary contained herein, this Agreement shall not be deemed or construed to make the parties hereto partners or joint venturers, or to render either party liable for any of the debts or obligations of the other, it being the intention of the parties to merely create the relationship of Seller and Purchaser with respect to the Property to be conveyed as contemplated hereby.

(e) Survival of Warranties. It is the express intention and agreement of the parties to this Agreement that all covenants, representations and warranties made by Seller in this Agreement shall survive this Agreement, the recordation of the Deed and the Closing for a period of twelve (12) months.

(f) Limitation of Liability. The parties agree that neither the holders of beneficial interests nor the trustees, officers, members, employees or agents of either party or any assignee or affiliate of either party shall be personally liable under the Agreement and all parties hereto shall look solely to the assets of the entity, for the payment of any claim or the performance of any obligation of either under this Agreement.

(g) Option Consideration. Contemporaneously with the execution and delivery of this Agreement, Purchaser has delivered to Seller and Seller hereby acknowledges the receipt of a check in the amount of One Hundred Dollars (\$100.00) ("Option Consideration"), which amount the parties bargained for and agreed to as consideration for Purchaser's exclusive right to inspect and purchase the Property pursuant to this Agreement and for Seller's execution, delivery and performance of this Agreement. The Option Consideration is in addition to and independent of any other consideration or payment provided in this Agreement, is nonrefundable, and it is fully earned and shall be retained by Seller notwithstanding any other provision of this Agreement, but shall be credited against the Purchase Price at the Closing.

(h) Force Majeure. If either Party is delayed or prevented from performing any act required in this Agreement by reason of any event beyond the reasonable control



of either Party, including without limitation, by labor disputes, fire, unusual delay in deliveries, weather or acts of God, terrorism, delay in the issuance of permits or approvals, acts of governmental entities, unavoidable casualties or any other such causes beyond such Party's control, then the time herein fixed for completion of such obligation(s) shall be extended by the number of days that such Party has been delayed.

**31. Waiver of Jury Trial.** THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT.

**32. 1031 Exchange.** Both Seller and Purchaser agree to reasonably cooperate with each other in the event that either or both wish to participate in a 1031 exchange. Any party initiating an exchange shall bear all costs of such exchange.

**33. Representation by Counsel.** Each party hereto represents and agrees with each other that it has been represented by or had the opportunity to be represented by, independent counsel of its own choosing, and that it has had the full right and opportunity to consult with its respective attorney(s), that to the extent, if any, that it desired, it availed itself of this right and opportunity, that it or its authorized officers (as the case may be) have carefully read and fully understand this Agreement in its entirety and have had it fully explained to them by such party's respective counsel, that each is fully aware of the contents thereof and its meaning, intent and legal effect, and that it or its authorized officer (as the case may be) is competent to execute this Agreement and has executed this Agreement free from coercion, duress or undue influence.


**34. Interpretation.** The parties to this Agreement participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, then this Agreement will be construed as if drafted jointly by the parties to this Agreement, and no presumption or burden of proof will arise favoring or disfavoring any party to this Agreement by virtue of the authorship of any of the provisions of this Agreement.

[Signatures appear on following page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

**SELLER:**

SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE  
CITY OF RIALTO,  
a public body, corporate and politic

  
\_\_\_\_\_  
Deborah Robertson, Chair

**ATTEST:**

  
\_\_\_\_\_  
Barbara A. McGee, Secretary

APPROVED AS TO FORM:  
ALESHIRE & WYNDER, LLP

  
\_\_\_\_\_  
Fred Galante, Legal Counsel

**PURCHASER:**

PDC OC/IE LLC,  
a Delaware limited liability company

By:   
\_\_\_\_\_  
Stephen M. Batcheller, Local Partner

## **EXHIBIT A**

### **Property Description**

That certain real property located in the City of Rialto, County of San Bernardino, State of California, and is described as follows:

#### **PARCEL 1:**

THAT PORTION OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 33, TOWNSHIP 1 NORTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION;

THENCE, NORTH ALONG THE WEST LINE OF SAID NORTHWEST QUARTER 331.25 FEET FOR THE TRUE POINT OF BEGINNING;

THENCE, CONTINUING NORTH 110.51 FEET TO A POINT 220.86 FEET SOUTH OF THE NORTHWEST CORNER OF SAID SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 33;

THENCE, EAST 399.70 FEET TO A POINT;

THENCE, SOUTH 110.51 FEET TO A POINT 331.25 FEET NORTH OF THE SOUTH LINE OF SAID NORTHWEST QUARTER;

THENCE, WEST 399.70 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

APN: 0240-221-02

#### **PARCEL 2:**

THE NORTH 220.86 FEET OF THE WEST 399.70 FEET OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 33, TOWNSHIP 1 NORTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, SAN BERNARDINO COUNTY, CALIFORNIA.

APN: 0240-221-03

#### **PARCEL 3:**

THAT PORTION OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 33, TOWNSHIP 1 NORTH, RANGE 5 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF RIALTO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE NORTHWEST ONE-QUARTER;

THENCE, NORTHERLY ALONG THE WEST LINE OF SAID NORTHWEST ONE-QUARTER 110.23 FEET;

THENCE, EAST 399.70 FEET TO THE SOUTHEAST CORNER OF THE LAND CONVEYED TO WILLE POOLE, A MARRIED WOMAN, BY DEED RECORDED IN BOOK 7100, PAGE 817, OF OFFICIAL RECORDS;

THENCE, SOUTH TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF SAID POOLE LAND TO A POINT ON SOUTH LINE OF THE SOUTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION;

THENCE, WEST ALONG SAID SOUTH LINE 399.70 FEET MORE OR LESS TO THE POINT OF BEGINNING.

APN: 0240-221-26

END OF LEGAL DESCRIPTION

## **EXHIBIT B**

### **General Assignment and Bill of Sale**

This GENERAL ASSIGNMENT AND BILL OF SALE ("Bill of Sale") is made as of \_\_\_\_\_, 2015 by the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF RIALTO, a public body, corporate and politic ("Assignor") in favor of PDC OC/IE LLC, a Delaware limited liability company ("Assignee"), pursuant to that certain PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS, by and between Assignor and Assignee, dated \_\_\_\_\_, 2015 (the "Contract"). All defined terms used herein and not otherwise defined herein shall have the meaning ascribed to such terms in the Contract.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby sells, conveys, grants, delivers, transfers and assigns to Assignee, (a) any and all easement rights and appurtenances thereto, including, without limitation, all easements and appurtenances, if any, in Assignor's adjoining and adjacent land, roads, streets, and lanes, (b) all of Seller's right, title, and interest in all public ways adjoining such property, and appurtenant perpetual easements for parking, ingress, and egress over, and rights to use, the Common Areas (described in the CCRs, and (c) all of Assignor's right, title, and interest in and to all plans and specifications relating to the Land and Improvements, all existing warranties, and guaranties (express or implied) issued to Assignor in connection with and only with respect to the Land and/or Improvements, and all existing permits, entitlements, licenses, applications, approvals, and authorizations issued by or submitted to any Governmental Authority in connection with the Property, and all personal property located on the Land to the extent that they are related to that certain real property located in the City of Rialto, County of San Bernardino, State of California, which is more particularly described in Schedule 1 attached hereto and incorporated herein by this reference.

The provisions of this Bill of Sale shall be binding upon and shall inure to the benefit of the successors and assigns of Assignor and Assignee, respectively.

[Signatures appear on following page]

**Signatures to Bill of Sale**

Date: \_\_\_\_\_

**ASSIGNOR:**

SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE  
CITY OF RIALTO,  
a public body, corporate and politic

\_\_\_\_\_  
Deborah Robertson, Chair

**ATTEST:**

\_\_\_\_\_  
Barbara A. McGee, Secretary

APPROVED AS TO FORM:  
ALESHIRE & WYNDER, LLP

\_\_\_\_\_  
Fred Galante, Legal Counsel

Date: \_\_\_\_\_

**ASSIGNEE:**

**PURCHASER:**

PDC OC/IE LLC,  
a Delaware limited liability company

By: \_\_\_\_\_  
Stephen M. Batcheller, Local Partner

By: \_\_\_\_\_  
Its: \_\_\_\_\_

Two signatures are required

**Schedule 1 to Bill of Sale**

**Legal Description of the Land**

That certain real property located in the City of Rialto, County of San Bernardino, State of California, and is described as follows:

**PARCEL 1:**

THAT PORTION OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 33, TOWNSHIP 1 NORTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION;

THENCE, NORTH ALONG THE WEST LINE OF SAID NORTHWEST QUARTER 331.25 FEET FOR THE TRUE POINT OF BEGINNING;

THENCE, CONTINUING NORTH 110.51 FEET TO A POINT 220.86 FEET SOUTH OF THE NORTHWEST CORNER OF SAID SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 33;

THENCE, EAST 399.70 FEET TO A POINT;

THENCE, SOUTH 110.51 FEET TO A POINT 331.25 FEET NORTH OF THE SOUTH LINE OF SAID NORTHWEST QUARTER;

THENCE, WEST 399.70 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

APN: 0240-221-02

**PARCEL 2:**

THE NORTH 220.86 FEET OF THE WEST 399.70 FEET OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 33, TOWNSHIP 1 NORTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, SAN BERNARDINO COUNTY, CALIFORNIA.

APN: 0240-221-03

**PARCEL 3:**

THAT PORTION OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 33, TOWNSHIP 1 NORTH, RANGE 5 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF RIALTO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE NORTHWEST ONE-QUARTER;

THENCE, NORTHERLY ALONG THE WEST LINE OF SAID NORTHWEST ONE-QUARTER 110.23 FEET;

THENCE, EAST 399.70 FEET TO THE SOUTHEAST CORNER OF THE LAND CONVEYED TO WILLE POOLE, A MARRIED WOMAN, BY DEED RECORDED IN BOOK 7100, PAGE 817, OF OFFICIAL RECORDS;

THENCE, SOUTH TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF SAID POOLE LAND TO A POINT ON SOUTH LINE OF THE SOUTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION;

THENCE, WEST ALONG SAID SOUTH LINE 399.70 FEET MORE OR LESS TO THE POINT OF BEGINNING.

APN: 0240-221-26

END OF LEGAL DESCRIPTION



**EXHIBIT C**

**Deed**

FREE RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

City Clerk  
City of Rialto  
150 S. Palm Avenue  
Rialto, California 92376

SPACE ABOVE THIS LINE FOR RECORDER'S USE  
EXEMPT FROM RECORDING FEE PER GOV. CODE § 27383

**GRANT DEED**

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF RIALTO, a public body, corporate and politic ("Grantor"), as successor in interest to the dissolved Redevelopment Agency of the City of Rialto pursuant to Health and Safety Code Section 34173, hereby grants to the PDC OC/IE LLC, a Delaware limited liability company ("Grantee"), all of its respective rights, title, and interest in the real property hereinafter referred to as the "Property" in the City of Rialto, County of San Bernardino, State of California, as more particularly described in Schedule 1 attached hereto and incorporated herein by this reference.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed on its behalf as of the date written below.

**SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE  
CITY OF RIALTO,**  
a public body, corporate and politic

\_\_\_\_\_  
Deborah Robertson, Chair

**ATTEST:**

\_\_\_\_\_  
Barbara A. McGee, Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Fred Galante, Legal Counsel

**Schedule 1 to Grant Deed**

**Legal Description of the Land**

That certain real property located in the City of Rialto, County of San Bernardino, State of California, and is described as follows:

**PARCEL 1:**

THAT PORTION OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 33, TOWNSHIP 1 NORTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION;

THENCE, NORTH ALONG THE WEST LINE OF SAID NORTHWEST QUARTER 331.25 FEET FOR THE TRUE POINT OF BEGINNING;

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THENCE, EAST 399.70 FEET TO A POINT;

THENCE, SOUTH 110.51 FEET TO A POINT 331.25 FEET NORTH OF THE SOUTH LINE OF SAID NORTHWEST QUARTER;

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APN: 0240-221-02

**PARCEL 2:**

THE NORTH 220.86 FEET OF THE WEST 399.70 FEET OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 33, TOWNSHIP 1 NORTH, RANGE 5 WEST, SAN BERNARDINO BASE AND MERIDIAN, SAN BERNARDINO COUNTY, CALIFORNIA.

APN: 0240-221-03

**PARCEL 3:**

THAT PORTION OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 33, TOWNSHIP 1 NORTH, RANGE 5 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF RIALTO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE NORTHWEST ONE-QUARTER;

THENCE, NORTHERLY ALONG THE WEST LINE OF SAID NORTHWEST ONE-QUARTER 110.23 FEET;

THENCE, EAST 399.70 FEET TO THE SOUTHEAST CORNER OF THE LAND CONVEYED TO WILLE POOLE, A MARRIED WOMAN, BY DEED RECORDED IN BOOK 7100, PAGE 817, OF OFFICIAL RECORDS;

THENCE, SOUTH TO THE SOUTHERLY EXTENSION OF THE EAST LINE OF SAID POOLE LAND TO A POINT ON SOUTH LINE OF THE SOUTHWEST ONE-QUARTER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION;

THENCE, WEST ALONG SAID SOUTH LINE 399.70 FEET MORE OR LESS TO THE POINT OF BEGINNING.

APN: 0240-221-26

END OF LEGAL DESCRIPTION