

**PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS
BY AND BETWEEN THE SUCCESSOR AGENCY OF THE CITY OF RIALTO
AND RAPIDO INVESTMENT 2014, LLC**

THIS PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS (“**Agreement**”), dated for reference purposes only as of **January 23, 2018** is by and between the **SUCCESSOR AGENCY TO THE RIALTO REDEVELOPMENT AGENCY**, a governmental entity (“**Seller**”), and **RAPIDO INVESTMENT 2014, LLC**, a California limited liability company (“**Purchaser**”).

RECITALS

A. Seller is the fee owner of approximately 20,130 square feet of real property (the “**Property**”) located **at the end of Ashford Avenue, north of McWethy Street and east of Maple Avenue** in the City of Rialto, San Bernardino County, California, described as **Assessor’s Parcel Number 0243-151-59** and more particularly described in Exhibit “A” attached hereto and incorporated herein.

B. Seller desires to sell, and Purchaser desires to purchase, the Property (as defined below), 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 12.2).

2. Opening of Escrow. Within three (3) business days of execution of this Agreement, subject to Purchaser’s receipt from Seller of a copy of this Agreement executed by Seller, Purchaser shall open an escrow with **Rialto Escrow Company** (the “**Escrow Holder**”), located at 141 West Rialto, Rialto, CA 92376, by causing a copy of the executed Agreement to be delivered to Escrow Holder. Upon receipt, Escrow Holder is hereby instructed to execute the escrow Acceptance & Agreement on the signature page hereof after inserting the date escrow is opened (“**Opening of Escrow**”) and the Escrow number, and thereafter return a copy of the fully executed and completed Agreement to Purchaser and Seller, respectively.

3. Purchase Price. The purchase price for the Property is **Thirty Thousand Dollars (\$30,000.00)** (“**Purchase Price**”). The Purchase Price shall be paid as follows:

3.1 Deposit. Within five (5) business days from written notification by Seller of the approval of this Agreement by the State of California Department of Finance, Purchaser shall deposit the sum of **Two Thousand Dollars (\$2,000)** (“**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. Any Additional Deposit delivered to Escrow Holder in accordance with Section 8.5 herein below shall be held in escrow for the benefit of the parties and

applied to the Purchase Price at the Closing, or refunded or forfeited in accordance with the terms of this Agreement. The Deposit and any Additional Deposit are sometimes collectively referred to herein as the “Deposits”.

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 (a) the balance of the Purchase Price, plus or minus closing pro-rations and adjustments; and (b) the Signage Fee (defined in Section 7.3). The Purchase Price, less any costs or pro-rations allocated to Seller in accordance herewith, and the Signage Fee shall be disbursed to Seller by the Escrow Holder at the Closing.

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. A grant deed executed and acknowledged by Seller, conveying marketable title to the Property to Purchaser, subject only to the Permitted Exceptions, in substantially the form set forth as Exhibit “B”, 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. Non-Foreign Certification. A Transferor’s Certification of Non-Foreign Status (“**FIRPTA Certificate**”), duly executed by Seller under penalty of perjury upon the terms set forth therein, 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.

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

d. 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.

e. Cash – Pro-rations. The amount, if any, required of Seller under Section 10.

4.2 By Purchaser. Purchaser 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 Seller:

a. Purchase Price. The balance of the Purchase Price in accordance with Section

b. Preliminary Change of Ownership Statement. 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. Within five (5) days of full execution of this Agreement the Seller shall deliver to the Purchaser a preliminary title commitment for an owner’s policy of title insurance with standard exceptions issued by **Lawyers Title Company** (“**Title Company**”) including hyperlinks to or 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 in the amount of the Purchase Price.

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 execution of the Agreement.

The Purchaser shall have ten (10) 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 Purchaser’s objection to all exceptions to title shown on the Title Insurance Commitment. 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 (or fails to timely notify Purchaser of its election with regard to same), then Purchaser shall have two (2) business days following (i) receipt of Seller’s notification under the preceding sentence, or (ii) Seller’s failure to timely provide Purchaser with such written notification, 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 Deposit and any Additional Deposit.

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.

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 five (5) 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**”), and in the event Seller does not agree to remedy such objections, Purchaser may terminate this Agreement or waive such objections and proceed to Closing.

6. Possession. The Seller shall deliver and the Purchaser shall accept possession of the Property on the Closing Date.

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, which shall be exclusively for the benefit of Seller and Purchaser:

7.1 This is to remain blank.

7.2 Department of Finance Approval. As a condition precedent to Closing, this Agreement shall be approved by the State of California Department of Finance.

8. Purchaser’s Contingencies, Contingency Period, Survey and Development Approvals.

8.1 Contingency Period. Purchase shall have a period of sixty (60) days following the Effective Date (“**Contingency Period**”) within which to approve, in Purchaser’s sole and absolute discretion, the feasibility of the Property for Purchaser’s intended purposes, and in the event of such approval, deliver written notice of approval (the “**Property Approval Notice**”) to Seller, with a copy to Escrow Holder. Failure to timely delivery the Property Approval Notice prior to the expiration of the Contingency Period shall be deemed Purchasers disapproval of the Property in which event this Agreement shall terminate upon written notice of either party. During 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 below.

8.2 Review of Documents and Materials. Within five (5) days of the Effective 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, and any Natural Hazard Zone Disclosure Report (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.

8.3 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 may 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. Purchaser shall notify

Seller in advance of its desire to conduct any inspections at the Property. During the Contingency Period the Purchaser shall have the right, but not the obligation, to cause a survey of the Property to be prepared 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 reports and/or survey prepared pursuant to this Section shall be delivered to Seller.

8.4 Extended Contingency Period. In the event that, despite Purchaser's commercially reasonable good faith efforts, Contingencies will not be satisfied prior to the expiration of the Contingency Period, Purchaser may elect to extend the Contingency ("**Extension Election**") for up to three (3) sixty (60) day periods (each or collectively, as required by context, "**Extended Contingency Period(s)**") by (a) notifying the Seller of such Extension Election before the Contingency Period (or Extended Contingency Period, if applicable) has lapsed, and (b) depositing an additional deposit (each or collectively, as required by context, "**Additional Deposit(s)**") of One Thousand Dollars (\$1,000) with Escrow Holder within five (5) business days thereafter, such Additional Deposit to be held by Escrow Holder in accordance with Section 3.2 hereof. Notwithstanding the foregoing, (i) Purchaser shall not be obligated to make any Additional Deposit until this Agreement is approved by the State of California Department of Finance; and (ii) no Additional Deposit shall be required for any Extension Election necessitated solely as a result of delays caused by the City of Rialto.

8.5 Purchaser's Termination Rights.

8.5.1 Termination During Contingency Period. Prior to the expiration of the Contingency Period, Purchaser shall have the right to terminate this Agreement if, during the course of Purchaser's due diligence investigations of the Property and in connection with its negotiations of the Coffee Bean & Tea Leaf Lease, Purchaser determines in its sole and absolute discretion that the Property is not acceptable to Purchaser.

8.5.2 Termination During Extended Contingency Period. Prior to the expiration of any Extended Contingency Period, Purchaser shall have the right to terminate this Agreement solely for the failure to satisfy the Coffee Bean & Tea Leaf Contingencies despite Purchaser's commercially reasonable good faith efforts. Termination of this Agreement during any Extended Contingency Period for any reason other than the failure to satisfy the Coffee Bean & Tea Leaf Contingencies (except for Title Updates in accordance with Section 5 above) shall constitute a default by Purchaser, subject to the remedy set forth in Section 11.1.

8.5.3 Termination Notice. In the event Purchaser elects to terminate this Agreement prior to the expiration of the Contingency Period or any Extended Contingency Period in accordance with Section 8.5.1 or Section 8.5.2, respectively, Purchaser shall deliver written notice of such election to terminate to Seller and Escrow Holder (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 Holder shall immediately return the Deposit and any Additional Deposit to Purchaser, 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. If Purchaser has timely delivered to Escrow Holder a Termination Notice, no notice to Escrow Holder from Seller shall be required for the return of the Deposits to Purchaser.

9. 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 any hazardous materials released into the Property while Seller owned the Property.

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

10.1 Taxes. Escrow Holder 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.

10.2 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.

10.3 Default.

a. PURCHASER'S DEFAULT. IF PURCHASER FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY AS PROVIDED IN THIS AGREEMENT BY REASON OF ANY DEFAULT OF PURCHASER, 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 DEPOSIT AND ANY ADDITIONAL DEPOSITS (INCLUDING ALL INTEREST) ARE A REASONABLE APPROXIMATION THEREOF. ACCORDINGLY, IN THE EVENT THAT PURCHASER BREACHES THIS AGREEMENT BY DEFAULTING IN THE COMPLETION OF THE PURCHASE, THE DEPOSITS (INCLUDING ALL INTEREST) 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 DEPOSITS (INCLUDING ALL

INTEREST) 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: _____

b. 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 DEPOSIT AND ANY ADDITIONAL DEPOSITS SHALL BE RETURNED 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 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. Closing.

11.1 Time and Place of Closing. Consummation of this sale and purchase ("**Closing**") shall take place within sixty (60) days of Purchaser's delivery of the Property Approval Notice 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.

11.2 Closing Conditions for Purchaser's Benefit. In addition to the conditions precedent to Closing set forth in Section 7 hereinabove, the following shall constitute conditions to Closing for the benefit of Purchaser, which if not satisfied may only be waived in writing by Purchaser:

a. Title Policy. The Title Company shall issue or be committed to issue to Purchaser, at Seller's expense, a standard coverage CLTA owner's policy of title insurance ("**Title**

Policy")) in the total amount of the Purchase Price, dated as of Closing, insuring Purchaser as the fee owner of the Property, and showing title to the Property vested in Purchaser subject only to:

- (i) the printed exceptions and exclusions contained in the Title Policy;
- (ii) nondelinquent general and special real property taxes, bonds and assessments, which shall be prorated as Closing; and
- (iii) all exceptions shown on the Title Report, other than monetary encumbrances, as approved by Purchaser in accordance with Section 5 hereof.

If Purchaser requires any endorsements to the Title Policy, or if Purchaser requires an extended coverage ALTA owner's policy of title insurance ("**ALTA**") or a binder in lieu of a policy of title insurance, then Purchaser shall make such election in a timely manner so as to not interfere with or delay Closing and pay the additional cost of obtaining any endorsements or such ALTA policy or binder, including, without limitation, any survey cost. Seller shall execute and deliver to the Title Company an Owner's Affidavit and such other documentation as may be reasonably required by the Title Company to issue the Title Policy.

b. Approval of Property. Purchaser shall have delivered the Property Approval Notice (defined in Section 8.1) in accordance with Section 8 hereinabove.

c. Purchaser's Closing Notice. Purchaser shall provide a written notice to Seller ("**Purchaser's Closing Notice**") waiving all conditions to Purchaser's obligation to proceed to Closing.

d. Seller's Representations and Warranties. Seller's representations and warranties described in Section 15 below shall be true and correct as of the Closing Date.

e. Seller's Performance. Seller shall have performed all of its obligations hereunder.

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 any 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 ten (10) days after receipt of such notice. If necessary, the Closing Date will be extended to give Purchaser the full 10-day period to make such election. Notwithstanding the foregoing, if any condemnation action is commenced by Seller prior to the Closing Date, Purchaser shall have the right to terminate this Agreement and to receive the return of all Deposits, as well as a sum equal to Purchaser’s out-of-pocket costs incurred in connection with this transaction.

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 Deposit, 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 3 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, 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 and constitutes a valid and binding agreement, enforceable in accordance with its terms. Seller has obtained, or will obtain prior to Closing, all consents, releases and permissions and has given, or will give prior to Closing, 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. All representations and warranties contained in this Agreement shall be deemed remade as of the Closing Date. 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 and those responsible for the acquisition or maintenance of the Property.

15. Effective Date. The "Effective Date" of this Agreement is the date on which this Agreement is signed by both Purchaser and Seller, which shall be the date on which this Agreement, including all representations, warranties and covenants herein, becomes effective. Notwithstanding the above or any other provision herein to the contrary, in the event this Agreement is disapproved by either the Successor Agency to the Rialto Redevelopment Agency Oversight Board or the State of California Department of Finance, this Agreement shall terminate without further action by either party and neither party shall have any further rights or obligations hereunder.

16. Binding Effect. 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 Seller, which shall be provided or withheld in Seller's reasonable discretion. Notwithstanding the foregoing, Purchaser shall have the right to assign this Agreement without Seller's consent (but with notice to Seller) to any entity over which Purchaser owns a majority interest or control. In the event of an assignment of Purchaser's interests under this Agreement, the assignee shall agree to assume and be bound by the terms and provisions hereof.

17. Broker. Seller and Purchaser acknowledge that no other 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 other broker or finder who dealt with the party from whom indemnification is sought.

18. 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. 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.

19. Execution in Counterparts and by Fax. This document may be validly executed and delivered by facsimile transfer 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.

20. Notices. All notices shall be in writing and delivered personally, by overnight air courier service, by facsimile transmission, electronic mail, 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, two (2) business days after depositing in the mail, or upon transmission (as confirmed by electronic confirmation of transmission generated by the sender’s machine) for any notice given by facsimile or electronic mail:

If to Seller: Successor Agency to the Rialto Redevelopment Agency
150 S. Palm Avenue
Rialto, CA 92376
Attn: Executive Director
Fax: (909) 820-2527

with a copy to: Aleshire & Wynder, LLP
18881 Von Karman Avenue, Suite 1700
Irvine, CA 92612
Attn: Fred Galante
Fax: (949) 223-1170

If to Purchaser: **NEED INFORMATION**

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

22. 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.

23. 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

24. 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.

25. 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

26. 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.

27. 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.

[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 RIALTO
REDEVELOPMENT AGENCY,**
a governmental entity

Deborah Robertson, Mayor/Chair

ATTEST:

Barbara A. McGee, City Clerk

**APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP**

Fred Galante, City Attorney

PURCHASER:

NEED INFORMATION

Date: _____

By: _____

ESCROW ACCEPTANCE & AGREEMENT

First American Title Insurance Company, the Escrow Holder under this Agreement, hereby certifies that the Opening of Escrow pursuant to Section 2 of this Agreement is _____, 2018, and Escrow Holder agrees to be bound by the terms hereof. Escrow Holder has assigned Escrow No. _____ to the escrow.

ESCROW HOLDER:

Rialto Escrow

By: _____
Escrow Officer

EXHIBIT “A”

PROPERTY DESCRIPTION

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

Enter Description

APN:

EXHIBIT "B"

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 RIALTO REDEVELOPMENT AGENCY, a governmental entity ("Grantor"), hereby grants to **ENTER**, a California 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.

THE SUCCESSOR AGENCY TO THE RIALTO
REDEVELOPMENT AGENCY, a governmental
entity

Deborah Robertson, Mayor/Chair

Date: _____

ATTEST:

Barbara McGee, City Clerk

APPROVED AS TO FORM:

Fred Galante, City Attorney

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, described as follows:

Enter Description

APN: