DISPOSITION AND DEVELOPMENT AGREEMENT

by and between

BELL COMMUNITY HOUSING AUTHORITY,
a public body, corporate and politic

AND

ATWATER INFRASTRUCTURE PARTNERS,
a Florida limited liability company

Gage Avenue Project
DISPOSITION AND DEVELOPMENT AGREEMENT

THIS DISPOSITION AND DEVELOPMENT AGREEMENT is entered into as of the date executed by Authority, by and between BELL COMMUNITY HOUSING AUTHORITY, a public agency ("Authority"), and ATWATER INFRASTRUCTURE PARTNERS, a Florida limited liability company ("Developer"). Authority and Developer agree as follows:

I. (§ 100) PURPOSE OF THE AGREEMENT.

A. (§ 101) Purpose of the Agreement.

This Agreement is intended to effectuate the sale for the designated use and development of certain real property consistent with the best interests of the City of Bell ("City") which real property is designated herein as the "Site" and the development of the "Project" thereon (as those terms are defined herein). The development of the Site pursuant to this Agreement is in the best interests of the City and its residents.

B. (§ 102) The Site.

The Site is comprised of the following real properties located in the City of Bell, County of Los Angeles, State of California as follows:

i. 4400 Gage Avenue (Assessor Parcel No. 6325-015-901) and the southerly adjacent parcel at 6419 Pine Avenue (Parcel No. 6325-015-902) are located on the southeast corner of Gage Avenue and Pine Avenue. The 4400 Gage property has an unoccupied single-story building consisting of approximately two thousand eight hundred (2,800) square feet which was previously used as a market and bakery. The Pine property is improved as a parking lot. As defined below in this Agreement, the 4400 Gage property and 6419 Pine property are jointly referred to as the "4400 Gage Parcel."

ii. 4410 Gage Avenue (Parcel No. 6325-018-900) located on the southwest corner of Gage Avenue and Pine Avenue and immediately across the street from the 4400 Gage Parcel. As of the Effective Date, the 4410 Gage property has an unoccupied single-story building consisting of approximately three thousand seven hundred sixty-eight (3,768) square feet with was previously used for retail businesses. However, Authority will retain a portion of the property consisting of approximately two thousand (2,000) square feet along the Pine Street side of the property to be improved as a public plaza as set forth in this Agreement. As defined below in this Agreement, the original 4410 Gage property is referred to as the "Original 4410 Gage Parcel" and the Original 4410 Gage Parcel less the portion being retained by the Authority is referred to as the "4410 Gage Parcel."

The parties intend that Developer shall develop the Site as a microbrewery hub retail project. The concept anticipates a micro-brewery with a manufacturing facility on the larger parcel (4400 Gage). Developer has secured the award-winning enterprise "Border X Brewery" as an anchor tenant. The smaller parcel will be developed for restaurants, brewery related purposes including retail and such other uses as acceptable to Authority.
C. (§ 103) **No Financial Assistance.**

Developer acknowledges that Authority will **not** be providing financial assistance to Developer in connection with Developer’s rehabilitation of the Project. Developer shall be solely responsible for all rehabilitation and development costs for the Project. The Project is more particularly described in the Scope of Development.

II. (§ 200) **DEFINITIONS.**

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

A. (§ 201) **Affiliate.**

The term “Affiliate” shall mean any person or entity directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with Developer, which shall include, without limitation, each of the constituent partners of Developer’s limited liability company. For this provision, “control” means (i) with respect to a person that is a corporation, the right to exercise, directly or indirectly, at least fifty percent (50%) of the voting rights attributable to the shares of the controlled corporation, and (ii) with respect to a person that is not a corporation, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled person.

B. (§ 202) **Agreement.**

The term “Agreement” shall mean this entire Agreement, including all exhibits, which attachments are a part hereof and incorporated herein in their entirety, and all other documents incorporated herein by reference. The Attachments included with this Agreement include the following:

- Attachment No. 1: Legal Description of Site
- Attachment No. 1-A: Site Map
- Attachment No. 2: Scope of Development
- Attachment No. 3: Schedule of Performance
- Attachment No. 4: Grant Deed
- Attachment No. 5: CC&Rs
- Attachment No. 6-A: Form of Note
- Attachment No. 6-B: Form of Trust Deed
- Attachment No. 7: Certificate of Completion

C. (§ 203) **Approved Leases.**

The term “Approved Leases” shall mean any leases by Developer for the Site which are approved by Authority as set forth in Section 303.3.

D. (§ 204) **Authority.**

The term “Authority” shall mean the Bell Community Housing Authority.

E. (§ 205) **Agreement.**
The term "Agreement" shall mean this entire Disposition and Development Agreement, including all attachments which are a part hereof and incorporated herein in their entirety, and all other documents incorporated herein by reference.

F.  (§ 206)  Certificate of Completion.

The term "Certificate of Completion" shall mean the document prepared in accordance with Section 513 of this Agreement, in the form attached as Attachment No. 7 which shall confirm that the construction and development of the improvements required by this Agreement have been satisfactorily completed and which shall be recorded.

G.  (§ 207)  CC&Rs.

The term "CC&Rs" shall mean the Covenant, Conditions and Restrictions in the form of Attachment No. 5 attached hereto to be recorded at the Closing.

H.  (§ 208)  City.

The term "City" shall mean the City of Bell, California.


The term "Claims or Litigation" shall mean any challenge by adjacent owners or any other third parties (i) to the legality, validity or adequacy of the General Plan, development approvals, this Agreement, or other actions of City or Authority pertaining to the Project, (ii) seeking damages against City or Authority as a consequence of the foregoing actions or for the taking or diminution in value of their property, or in any other manner, or (iii) for any tort claim or action against the City or Authority arising in connection with Developer's construction of the Project.

J.  (§ 210)  Closing.

The term "Closing" or "Closing Date" shall mean the closing of Escrow by the Escrow Agent distributing the funds and documents received through Escrow to the party entitled thereto as provided herein, which closing shall occur on or before the date established in the Schedule of Performance.

K.  (§ 211)  Days.

The term "days" shall mean calendar days and the statement of any time period herein shall be calendar days, and not working days, unless otherwise specified.

L.  (§ 212)  Deeds of Trust.

The term "Deeds of Trust" shall mean both:

i.  That certain deed of trust in the form attached hereto as Attachment No. 6-B securing the 4400 Gage Note recorded against the 4400 Gage Parcel at Closing ("4400 Gage Trust Deed").
ii. That certain deed of trust substantially in the form attached hereto as Attachment No. 6-B securing the 4410 Gage Note recorded against the 4410 Gage Parcel at Closing ("4410 Gage Trust Deed").

M. (§ 213) Deposit.

The term “Deposit” shall mean the sum of Twenty-Five Thousand Dollars ($25,000) delivered by Developer to Authority as set forth in the Schedule of Performance and to be distributed in accordance with Section 404.

N. (§ 214) Effective Date.

The term “Effective Date” shall mean the date this Agreement is executed by Developer and on behalf of the Authority after it has been approved by the Authority after a public hearing.


The term “Enforced Delay” shall mean any delay described in Section 803 caused without fault and beyond the reasonable control of a party, which delay shall justify an extension of time to perform as provided in Section 803.

P. (§ 216) Escrow.

The term “Escrow” shall mean the escrow to be established with Fidelity National Title Insurance Company pursuant to this Agreement for the conveyance of title to the Site from Authority to Developer.

Q. (§ 217) Escrow Agent.

The term “Escrow Agent” shall mean Jessica Avila, J.D., AVP, Commercial Escrow Officer (Janis Okerland, Sales Representative) at Fidelity National Title Insurance Company, 555 S. Flower St., Suite 4420 Los Angeles, CA 90017 (213) 452-7132 (Direct).

R. (§ 218) Feasibility Period.

The term "Feasibility Period" shall mean the one hundred (120) day period as defined in Section 401 in which Developer shall determine whether the physical condition of the Site is suitable for Developer's intended use in accordance with this Agreement.

S. (§ 219) Grant Deed.

The term “Grant Deed” shall mean that Grant Deed in substantially the form attached hereto as Attachment No. 4 by which Authority as Grantor will convey fee title to the Site to Developer as grantee (which Developer shall execute the Certificate of Acceptance to be attached to the deed prior to recordation).

T. (§ 220) Notes.

The term "Notes" shall mean both:
i. That certain Promissory Note Secured by Deed of Trust in the amount of Eight Hundred Seventy-Five Thousand Dollars ($875,000) in the form attached hereto as Attachment No. 6-A which will be secured by the 4400 Trust Deed ("4400 Gage Note"), and

ii. That certain Promissory Note Secured by Deed of Trust in the amount of Five Hundred Thirty Thousand Dollars ($530,000) in the form attached hereto as Attachment No. 6-A which will be secured by the 4410 Trust Deed ("4410 Gage Note").

U. (§ 221) **Original 4410 Gage Parcel.**

The term "Original 4410 Gage Parcel" shall mean the entire legal parcel located at 4410 Gage Avenue (APN 6325-018-900) as legally described on Attachment No. 1-A.

V. (§ 222) **Plaza Improvements.**

The term "Plaza Improvements" shall mean those certain improvements to be constructed by Developer on the Retained Parcel for use by the general public and to thereafter be maintained by Developer pursuant to the CC&Rs.

W. (§ 223) **Project.**

The term "Project" shall mean all of the improvements required to be constructed by Developer on the Site (including the Plaza Improvements to be built on the Retained Parcel) as described in the Scope of Development attached hereto as Attachment No. 2.

X. (§ 224) **Purchase Price.**

The term "Purchase Price" means the sum of One Million Four Hundred Five Thousand Dollars ($1,405,000) computed as follows:

a. The purchase price for the 4400 Gage Parcel is Eight Hundred Seventy-Five Thousand Dollars ($875,000) ("4400 Gage Parcel Purchase Price").

b. The purchase price for the 4410 Gage Parcel is Five Hundred Thirty Thousand Dollars ($530,000) ("4410 Gage Parcel Purchase Price").

Y. (§ 225) **Retained Parcel.**

The term "Retained Parcel" means that certain portion of the Original 4410 Gage Parcel consisting of approximately two thousand (2,000) square feet as depicted on Attachment No. 1-A of ownership of which will be retained by Authority and improved with the Plaza Improvements by Developer and thereafter maintained by Developer pursuant to the CC&Rs. The legal description of the Retained Parcel will be determined as set forth in Section 407.1.

Z. (§ 226) **Schedule of Performance.**

The term "Schedule of Performance" shall mean that certain Schedule of Performance set forth in Attachment No. 3.
AA.  (§ 227) Site.

The term "Site" shall mean both those certain real properties located in the City of Bell, County of Los Angeles, State of California as follows:

i. 4400 Gage Parcel: Both (i) the 4400 Gage Avenue (Assessor Parcel No. 6325-015-901) legally described on Attachment No. 1 attached hereto; and (ii) the 6419 Pine Avenue parcel (Assessor Parcel No. 6325-015-902).

ii. 4410 Gage Parcel: The Original 4410 Gage Parcel (Assessor Parcel No. 6325-018-900) as legally described on Attachment No. 1 attached hereto EXCEPTING OUT the Retained Parcel.

BB.  (§ 228) Site Map.

The Project shall be located upon the Site, which is within the City, as shown in the “Site Map” attached hereto as Attachment No. 1-A. The Site Map depicts the 4400 Gage Parcel, the 4410 Gage Parcel and the Retained Parcel.

CC.  (§ 229) Title.

The term “Title” shall mean the fee title to the Site which shall be conveyed to Developer pursuant to the Grant Deed.

DD.  (§ 230) Title Company.

The term “Title Company” shall mean Fidelity National Title Insurance Company.

EE.  (§ 231) Transfer.

The term “Transfer” shall have the meaning set forth in Section 303.

III.  (§ 300) PARTIES TO THE AGREEMENT.

A.  (§ 301) Authority.

Authority is a public body, corporate and politic, exercising governmental functions and powers, organized and existing under the Housing Authority Law of the State of California (Health and Safety Code Section 34200, et seq.). The office of Authority is located at 6330 Pine Ave., Bell, California 90201. The term “Authority,” as used in this Agreement, includes the Bell Community Housing Authority and any assignee of, or successor to, its rights, powers and responsibilities.

B.  (§ 302) Developer.

1. Identification and Developer's Representations.

Developer is ATWATER INFRASTRUCTURE PARTNERS, a Florida limited liability company, the members of which are Atwater Holdings, LLC, a Delaware limited liability company, the principals of which are J. Alberto Lemus and R. Graham White III, and Cisneros
Miramontes LLC, a Texas limited liability company, the principals of which are Henry Cisneros and Victor Miramontes. The principal office of Developer for the purposes of this Agreement is located at 177 E. Colorado Blvd., 2nd Floor, Pasadena CA 91105. Except as may be expressly provided herein below, all of the terms, covenants and conditions of this Agreement shall be binding on, and shall inure to the benefit of, Developer and the permitted successors, assigns and nominees of Developer. Wherever the term "Developer" is used herein, such term shall include any permitted successors and assigns of Developer as provided in this Agreement.

2. **Qualifications.**

The qualifications and identity of Developer are of particular concern to Authority and it is because of such qualifications and identity that Authority has entered into this Agreement with Developer. Authority has undertaken an appropriate marketing program to identify appropriate users for the Site. Authority has considered the experience, financial capability, and product being marketed by Developer and its affiliates, the Site location and characteristics, and the product mix necessary to produce a successful business area. Based upon these considerations, Authority has imposed the restrictions on transfer set forth in this Agreement.

C. **(§ 303) Restrictions on Transfer.**

1. **Transfer Defined.**

The term "Transfer" shall mean and include any assignment, hypothecation, mortgage, pledge, conveyance, or encumbrance of this Agreement, the Site, or the improvements thereon. A Transfer shall also include the Transfer to any person or group of persons acting in concert of more than twenty-five percent (25%) of the present ownership and/or control of Developer in the aggregate taking all Transfers into account on a cumulative basis, except transfers of such ownership or control interest between members of the same immediate family or transfers to a trust (testamentary or otherwise) in which the beneficiaries are limited to members of the transferor's immediate family. In the event Developer or its successor is a corporation or trust, such Transfer shall refer to the Transfer of the issued and outstanding capital stock of Developer; in the event that Developer is a limited or general partnership, such Transfer shall refer to the Transfer of more than twenty-five fifty percent (25%) of the limited or general partnership interest; in the event that Developer is a joint venture, such Transfer shall refer to the Transfer of more than twenty-five percent (25%) of the ownership and/or control of any such joint venture partner, taking all Transfers into account on a cumulative basis.

2. **Restrictions Prior to Completion.**

Prior to issuance of the Certificate of Completion, Developer shall not Transfer this Agreement or any of Developer's rights hereunder, or any interest in the Site or in the improvements thereon, directly or indirectly (including leasing), voluntarily or by operation of law, except as provided below, without the prior written approval of Authority, and if so purported to be transferred, the same shall be null and void. In considering whether it will grant approval to any assignment by Developer of its interest in the Site before the issuance of the Certificate of Completion, which assignment requires Authority approval, Authority shall consider factors such as (i) whether the completion of the Project is jeopardized; (ii) the financial strength and capability of the proposed assignee to perform Developer's obligations hereunder; (iii) the proposed assignee's experience and expertise in the planning, financing, development, ownership, and operation of similar projects; and (iv) how the proposed assignee will complement the other users on the Site and in the area.
In the absence of specific written agreement by Authority, prior to the issuance of a Certificate of Completion, no assignment or transfer by Developer of all or any portion of its interest in the Site or this Agreement (including without limitation an assignment or transfer not requiring Authority approval hereunder) shall be deemed to relieve it or any successor party from any obligations under this Agreement with respect to the completion of the development of the Project. In addition, no attempted assignment of any of Developer’s obligations shall be effective unless and until the successor party executes and delivers to Authority an assumption agreement in a form reasonably approved by Authority assuming such obligations.

3. **Exceptions.**

The foregoing prohibition shall not apply to any of the following:

(a) Any mortgage, deed of trust or other form of conveyance for financing, as provided in Section 512, but Developer shall notify Authority in advance of any such mortgage, deed of trust or other form of conveyance for financing pertaining to the Site.

(b) Any mortgage, deed of trust, or other form of conveyance for restructuring or refinancing of any amount of indebtedness described in subsection (a) above, provided that the amount of indebtedness incurred in the restructuring or refinancing does not exceed the outstanding balance on the debt incurred to finance the acquisition of and improvements on the Site, including any additional costs of construction, whether direct or indirect, based upon the estimates of architects and/or contractors.

(c) The conveyance or dedication of any portion of the Site to the City or other appropriate governmental agencies, or the granting of easements or permits to facilitate the development of the Site.

(d) A sale or transfer resulting from or in connection with a reorganization as contemplated by the provisions of the Internal Revenue Code of 1986, as amended or otherwise, in which the ownership interests of a corporation are assigned directly or by operation of law to a person or persons, firm or corporation which acquires the control of the voting capital stock of such corporation or all or substantially all of the assets of such corporation.

(e) A sale or transfer of twenty-five percent (25%) or more of ownership or control interest between members of the same immediate family, or transfers to a trust, testamentary or otherwise, in which the beneficiaries consist solely of immediate family members of the trustor or transfers to a corporation or partnership in which the immediate family members or shareholders of the transferor have a controlling majority interest of fifty-one percent (51%) or more.

(f) A sale or transfer to an entity in which Developer directly or indirectly owns or controls fifty percent (50%) or more of the voting and/or membership interests.

(g) Leases of a portion of the Site to tenants which will operate their business on the Site in accordance with the use restrictions in this Agreement.
Authority shall have the right to approve any such leases which approval shall not be unreasonably withheld provided it is consistent with the use restrictions set forth herein. Any leases by Developer which are approved by Authority are hereinafter referred to as "Approved Leases." All Approved Leases must specifically provide that they are subordinate to the Deeds of Trust. Upon request, Authority agrees to execute a subordination, non-disturbance and attornment agreement with respect to the Deeds of Trust for Approved Leases in a commercially reasonable acceptable to Authority.

4. **Restrictions after Completion.**

Developer and Authority acknowledge that the Site is being conveyed to Developer by Authority in reliance on Developer’s expertise and integrity. Developer may not sell, transfer, convey, hypothecate, assign, or lease all or any portion of its interest in the Site without complying with the Transfer restrictions contained in this Agreement, the Grant Deed and the CC&Rs.

After the issuance of the Certificate of Completion but while the Notes are outstanding, Developer and its successors and assigns, shall not sell, transfer, convey, hypothecate, assign or lease all or any portion of its interest in the Site without the prior written consent of Authority which shall not be unreasonably withheld, conditioned or delayed and subject to compliance with the CC&Rs.

The transfer restrictions shall terminate upon the last to occur of: (i) the Certificate of Completion has been issued; and (ii) the Notes have been paid in full.

**IV. (§ 400) ACQUISITION AND DISPOSITION OF THE SITE.**

A. **(§ 401) Feasibility Period.**

As soon as practicable after the Effective Date, Authority shall deliver to Developer any and all documents related to the Site which it has in its possession and control including any contracts, leases, and reports ("Due Diligence Documents"). Due Diligence Documents shall not include (i) any documents only within the possession and control of the City which is not a party to this Agreement; or (ii) the title information which shall be governed pursuant to Section 407.

Authority does not have as-built utility plans but will make reasonable efforts to obtain same for the utility companies for existing utilities and deliver same to Developer. However, such documents are not part of the Due Diligence Documents as they are not within Authority’s possess or control.

Developer shall have a period of one hundred twenty (120) days from the date that Authority provides to Developer copies of all Due Diligence Documents ("Feasibility Period").

During the Feasibility Period, Developer shall have the right to inspect the physical condition of the Site for the Project and, at its sole cost and expense, cost to conduct such engineering, feasibility studies, soils tests, environmental studies and other investigations as Developer, in its sole discretion, may desire, to permit Developer to determine the suitability of the Site for the uses permitted by this Agreement to conduct such other review and investigation
which Developer deems appropriate to satisfy itself to acquire the Site. Developer shall further have the right to make an examination of all licenses, permits, authorizations, approvals and governmental regulations which affect the Site, including zoning and land use issues and conditions imposed upon the Site by governmental agencies. During the Feasibility Period, Developer shall have access to the Site provided it complies with the provisions of Section 408.4.

In addition, Developer shall promptly apply for and diligently pursue obtaining an alcohol beverage license from the California Alcohol Beverage Control Board in order to operate the business on the Property.

Developer shall notify Authority on or before the end of the Feasibility Period, in writing, whether Developer has approved or disapproved the results of its investigation, such approval or disapproval to be given or withheld in Developer’s reasonable discretion. If Developer disapproves said results, said notice shall identify the reason or reasons for the disapproval. If Developer reasonably disapproves the results of its investigations, such disapproval shall terminate the Agreement, in which case a portion of the Deposit will be returned to Developer as specified in Section 404, and the parties shall have no further obligations to the other under this Agreement. If Developer approves the results of its investigations, this Agreement shall remain in full force and effect, the Deposit shall become non-refundable (except in the case of a material Default by Authority), and the parties hereto shall have all of the rights and obligations as set forth herein. Failure of Developer to notify Authority of its approval or disapproval before the end of the Feasibility Period shall be conclusively deemed an approval hereunder.

B. (§ 402) Conveyance; Purchase Price.

a. **Conveyance.** In accordance with and subject to all the terms, covenants and conditions of this Agreement, Authority agrees to convey the Site to Developer subject to the terms of the Grant Deed and CC&Rs, and Developer specifically agrees to accept the Site in AS-IS condition and subject to the covenants to develop the Site for the uses consistent with the Scope of Development and the permissible uses as further described in Section 601 and in the Grant Deed and CC&Rs.

b. **Lot Merger or Tie-In Agreement.** Prior to Close of Escrow, Authority shall process a legal merger of the 4000 Gage property and 6419 Pine property or otherwise execute and record a tie-in agreement requiring that both properties must always be transferred concurrently to the same owner ("Lot Merger").

c. **Purchase Price; No Duty to Subordinate.** The Purchase Price shall be paid by the delivery of the 4400 Gage Note secured by the 4400 Gage Trust Deed and the 4410 Gage Note secured by the 4410 Gage Trust Deed. Authority has no duty or obligation to subordinate the 4400 Gage Trust Deed or the 4410 Gage Trust Deed at any time.

C. (§ 403) Escrow.

Escrow shall be opened in the time specified in the Schedule of Performance. This Agreement shall constitute the joint escrow instructions of Authority and Developer to Escrow Agent, and a duplicate original of this Agreement shall be delivered to Escrow Agent upon the opening of Escrow. Escrow Agent is empowered to act under the instructions in this Agreement. Authority and Developer shall promptly prepare, execute, and deliver to Escrow Agent such
additional escrow instructions (including Escrow’s standard general provisions) consistent with the terms herein as shall be reasonably required by Escrow Agent. No provision of any additional escrow instructions shall be deemed to modify this Agreement without specific written approval of the modification(s) by both Developer and Authority.

D. (§ 404) **Deposit.**

At the time set forth in the Schedule of Performance, Developer shall deposit the sum of Twenty-Five Thousand Dollars ($25,000) directly with Authority which sum shall be held by Authority and not deposited into Escrow. The Deposit shall be consideration for Authority’s costs incurred under this Agreement as well as security for Developer’s good faith and diligent performance of the obligations and duties of Developer in accordance with the terms of this Agreement.

Upon Close of Escrow, the Deposit shall not be credited against the Purchase Price. If Developer elects to terminate this Agreement prior to the end of the Feasibility Period pursuant to Section 401, the sum of Twelve Thousand Five Hundred Dollars ($12,500) shall be promptly returned to Developer and the sum of Twelve Thousand Five Hundred Dollars ($12,500) shall be retained by Authority.

If Developer defaults in its obligations under this Agreement, then Authority shall retain the Deposit as liquidated damages to compensate Authority for its expenses in obtaining a new developer, and other actual and consequential damages. The parties acknowledge that Authority and City’s revenues and development program are planned around the Project and Developer’s failure to close Escrow and develop the Site will have an adverse and critical impact upon the City and Authority. In the event that Developer defaults in its obligations under this Agreement, then Authority shall retain the Deposit as liquidated damages under Section 411(3) for its expenses and costs and other actual and consequential damages.

E. (§ 405) **Conditions to Close of Escrow.**

1. **Developer’s Conditions to Closing.**

Developer’s obligation to acquire the Site and to close Escrow, shall, in addition to any other conditions set forth herein in favor of Developer, be conditioned and contingent upon the satisfaction or written waiver by Developer, of each and all of the following conditions (collectively the "**Developer’s Conditions to Closing**") within the time provided in the Schedule of Performance:

a. Developer shall have approved the condition of the Site pursuant to Section 401.

b. Title Company is committed to issue the Developer’s Title Policy insuring title to the Site is vested in Developer subject to conditions and exceptions specified in Section 407.6(i).

c. Authority shall have deposited into Escrow a certificate ("**FIRPTA Certificate**") in such form as may be required by the Internal Revenue service pursuant to Section 1445 of the Internal Revenue Code.

d. Authority shall have deposited the executed Grant Deed and CC&Rs into Escrow.
e. The Site will be delivered at Closing free and clear of any tenants or rights of
possession of any other persons or entities (except for Approved Leases entered into by Developer).

f. Authority shall have deposited or caused to be deposited into Escrow all the
documents required under Section 406.

g. Authority shall have provided as-built utility plans from utility companies for
existing utilities.

h. Developer shall have obtained an alcohol beverage license from the California
Alcohol Beverage Control Board.

i. Authority is not in breach or default of this Agreement.

Any waiver of the foregoing conditions must be express and in writing pursuant to this
Agreement. Developer is aware that approval of the final approvals and permits are NOT a
condition to Developer’s obligation to Close.

2. Authority’s Conditions to Closing.

Authority’s obligation to deliver the Site and to close Escrow, shall, in addition to any
other conditions set forth herein in favor of Authority, be conditioned and contingent upon the
satisfaction or written waiver by Authority, of each and all of the following conditions (collectively
the "Authority’s Conditions to Closing") within the time provided in the Schedule of Performance:

a. All approvals pursuant to CEQA (if required) have been approved as final.

b. Title Company is committed to issue the Developer’s Title Policy insuring title to
the Site is vested in Developer subject to conditions and exceptions specified in
Section 407.6(i).

d. Title Company is committed to issue the Authority’s Title Policies insuring the
priority of the Deeds of Trust subject to the conditions and exceptions specified in
Section 407.6(ii).

e. Developer shall have deposited into Escrow all of the following: (i) the executed
Notes; (ii) executed and acknowledged Deeds of Trust; and (iii) executed and
acknowledged CC&Rs.

f. Developer has deposited the Acceptance of Grant Deed into Escrow to be
attached to the Grant Deed prior to recordation.

g. Developer shall have deposited or caused to be deposited into Escrow all the
documents required under Section 406.4.

h. The Lot Merger shall have occurred.

i. Developer shall have obtained an alcohol beverage license from the California
Alcohol Beverage Control Board.
j. Developer is not in breach or default of this Agreement. Any waiver of the foregoing conditions must be express and in writing in accordance with this Agreement.

3. **Both Parties' Conditions to Closing.**

Prior to the Closing Date, Developer and Authority shall execute and deliver a certificate ("Taxpayer ID Certificate") in such form as may be required by the IRS pursuant to Section 6045 of the Internal Revenues Code or the regulations issued pursuant thereto, certifying as to the description of the Site, date of Closing, the Purchase Price and taxpayer identification numbers as required by law. Prior to the Closing, Developer and Authority shall cause to be delivered to the Escrow Agent such other items, instruments and documents, and the parties shall take such further actions, as may be necessary or desirable in order to complete the Closing. At the Closing neither party shall be in breach of its obligations hereunder.

**F. (§ 406) Conveyance of the Site.**

1. **Time for Conveyance.**

Escrow shall close after satisfaction (or waiver by the benefited party) of the applicable conditions to close of Escrow, but not later than the date specified in the Schedule of Performance, unless extended by the mutual agreement of the parties or any Enforced Delay. Possession of the Site shall be delivered to Developer concurrently with the conveyance of fee title free of all tenancies and occupants except for Approved Leases.

2. **Escrow Agent to Advise of Costs.**

On or before the date set in the Schedule of Performance, Escrow Agent shall advise Authority and Developer in writing of the fees, charges, and costs necessary to clear title and close Escrow, and of any documents which have not been provided by said party and which must be deposited in Escrow to permit timely Closing.

3. **Deposits by Authority Prior to Closing.**

On or before, but not later than two (2) business days prior to the date set for the Closing in the Schedule of Performance, Authority shall deposit into Escrow (i) the Grant Deed (with the legal descriptions completed to exclude the Retained Parcel), executed and acknowledged by Authority; (ii) an estoppel certificate certifying that Developer has completed all acts, other than as specified, necessary for conveyance; (iii) the CC&Rs (with the legal descriptions completed)); (iv) the Taxpayer ID Certificate; and (v) payment of Authority's share of costs as set forth in Section 409.

4. **Deposits by Developer Prior to Closing.**

On or before, but not later than two (2) business days prior to the date set for the Closing in the Schedule of Performance, Developer shall deposit into Escrow (i) an estoppel certificate certifying that Authority has completed all acts, other than as specified, necessary to conveyance; (ii) the Notes, Deeds of Trust, Certificate of Acceptance and CC&Rs; (iii) the Taxpayer ID Certificate; and (iv) payment to Escrow Agent of Developer's share of costs in accordance with Section 409.
5. **Recordation and Disbursement of Funds.**

Upon the completion by Authority and Developer of the required deliveries and actions prior to Closing, Escrow Agent is authorized to pay any transfer taxes and recording fees under applicable law, and thereafter cause to be recorded in the appropriate official records of Los Angeles County, California, in the following order: (i) the Grant Deed with the Certificate of Acceptance attached; (ii) the CC&Rs; (iii) the Deeds of Trust; and (iv) any other appropriate instruments delivered through this Escrow, if necessary or proper to vest title of the Site in Developer in accordance with the terms of this Agreement.

Immediately following Closing, Escrow Agent shall deliver the (i) the Developer’s Title Policy to Developer (with a copy to Authority) insuring title and conforming to the requirements of Section 407; and (ii) the Authority’s Title Policies insuring the Deeds of Trust and conforming to the requirements of Section 407. Following recordation, Escrow Agent shall deliver conformed copies of all recorded documents to both Developer and Authority. In addition, after deducting any sums specified in this Agreement, Escrow Agent shall disburse funds to the party entitled thereto.

G. **(§ 407) Title Matters.**

1. **Surveyor.** As specified in the Schedule of Performance, Authority shall retain, at its sole cost and expense, a licensed California surveyor to (i) create the legal description for the Retained Parcel; (ii) create the legal description for the 4410 Gage Parcel; and (iii) prepare an ALTA survey for the Site.

2. **Condition of Title.** Authority shall convey to Developer fee title of the Site subject only to: (i) this Agreement, the Grant Deed, the Deeds of Trust, and the CC&Rs; (ii) current taxes, a lien not yet payable; (iii) quasi-public utility, public alley and public street easements of record approved by Developer, which approval shall not be unreasonably withheld; (iv) covenants, conditions and restrictions, reciprocal easements, and other encumbrances and title exceptions approved by Developer; and (v) any matters caused or created by Developer (including any Approved Leases). Authority shall convey title to Developer pursuant to the Grant Deed in the form set forth in Attachment No. 4.

3. **Authority Not to Encumber Site.** Authority hereby warrants to Developer that it has not and will not, from the Effective Date of this Agreement through close of Escrow, transfer, sell, hypothecate, pledge, or otherwise encumber the Site without express written permission of Developer.

4. **Lot Merger.** Authority will cause the Lot Merger to occur pursuant to Section 402.

5. **Approval of Title Exceptions.** On or before the date in the Schedule of Performance, Authority shall deliver a preliminary report for the Site, to Developer including copies of all documents referenced therein ("Title Report"). Prior to the date in the Schedule of Performance ("Title Approval Date"), Developer shall deliver to Authority written notice, with a copy to Escrow Agent, specifying in detail any exception disapproved and the reason therefor. Prior to the date in the Schedule of Performance, Authority shall deliver written notice to Developer as to whether Authority will or will not cure the disapproved exceptions. If Authority elects not to cure the disapproved exceptions, Developer may terminate this Agreement without any liability of Authority to Developer, or Developer may withdraw its earlier disapproval. If
Authority elects to cure the disapproved exceptions, Authority shall do so on or before the close of Escrow. If, after the Title Approval Date, Developer receives a supplement to the Title Report from the Title Company setting forth any new matter of record encumbering the Site which was not set forth on the original Title Report (or any previous supplement thereto) and of which Developer was not otherwise aware as of the Title Approval Date ("New Title Matter"), Developer may, on or prior to 5:00 p.m. P.S.T. on the third (3rd) business day following Developer’s receipt of notice of such New Title Matter ("New Matter Approval Date"), object to such New Title Matter by sending written notice thereof to Authority and Escrow Holder; provided, however, Authority shall remove any monetary liens which constitute New Title Matters regardless of whether Developer timely objects to such monetary liens. Developer’s failure to object in writing to any New Title Matter on or prior to the New Matter Approval Date shall be automatically deemed to be Developer’s approval of such New Title Matter and such New Title Matter shall thereafter be deemed to be a permitted encumbrance. If Developer delivers written objection to any New Title Matter on or prior to the New Matter Approval Date applicable thereto, and Authority does not deliver as of 5:00 p.m. P.S.T. on the fifth (5th) business day following the New Matter Approval Date ("Authority Response Date") written notice that Authority covenants and agrees to remove prior to the Closing such New Title Matter objected to by Developer, then Developer may terminate this Agreement by delivery of written notice thereof to Authority and Escrow Holder on or before 5:00 p.m. P.S.T. on the second (2nd) business day following the Authority Response Date ("New Matter Termination Date"). Developer’s failure to terminate this Agreement in writing as a result of any New Title Matter on or prior to the New Matter Termination Date shall constitute Developer’s waiver of its right to terminate this Agreement as a result of such New Title Matter.

6. **Title Policies.**

(i) **Developer’s Title Policy.** At the Closing, Title Company shall issue to Developer an ALTA extended owner’s policy of title insurance ("Developer’s Title Policy") with title to the Site vested in Developer with an insured amount equal to the Purchase Price, containing (i) only those exceptions approved by Developer pursuant to the foregoing section; (ii) the Grant Deed; (iii) CC&Rs; (iv) the Deeds of Trust; and (v) any exceptions caused or created by Developer (including any Approved Leases). The Developer’s Title Policy shall include any available additional title insurance, extended coverage or endorsements that Developer may reasonably request. Authority shall pay only for that portion of the title insurance premium attributable to the ALTA extended coverage policy in the amount of the Purchase Price. Developer shall pay for (i) the premium for any special endorsements to the Developer’s Title Policy; and (ii) the Authority’s Title Policies (as defined below).

(ii) **Authority’s Title Policies.** At the Closing, the Title Company shall issue to Authority two (2) ALTA loan policies of title insurance as follows:

1. One policy for the 4400 Gage Parcel in the amount of the 4400 Gage Note ("Authority’s 4400 Title Policy") with title to the 4400 Gage Parcel vested in Developer insuring the 4400 Trust Deed in first lien position on the 4400 Gage Parcel and such exceptions as approved by Authority in writing together with any endorsements as reasonably required by Authority. (Any Approved Leases must be shown as subordinate on Schedule B Part II.)

2. One policy for the 4410 Gage Parcel in the amount of the 4410 Gage Note ("Authority’s 4410 Title Policy") with title to the 4410 Gage Parcel vested in Developer and insuring the 4410 Trust Deed in first lien position on the 4410 Gage
Parcel and subject to such exceptions as approved by Authority in writing together with any endorsements as reasonably required by Authority. (Any Approved Leases must be shown as subordinate on Schedule B Part II.)

The Authority’s 4400 Title Policy and Authority’s 4410 Title Policy are jointly referred to herein as the “Authority’s Title Policies.”

H. (§ 408) **Condition of Site; AS-IS Acquisition.**

1. **AS-IS Acquisition.**

Developer acknowledges and agrees that Authority is conveying the Site to Developer in “AS-IS” condition without representation or warranty of any kind and shall not be responsible for any hazardous materials or conditions on the Site.

2. **Site Assessment and Remediation.**

Developer shall be responsible for conducting assessments of the Site and for any required remediation if the Developer accepts the Site pursuant to the terms of this Agreement. Authority shall be entitled to review any remedial workplan prepared for the Site. Authority is conveying the property in an “AS-IS” condition and shall not be responsible for any Hazardous Materials or hazardous conditions on the Site. Authority is acquiring the Site solely to accommodate the Project and, therefore, Developer acknowledges that the provisions of this Section 408 is material to Authority’s entering into this Agreement.

3. **Disclaimer of Warranties.**

Upon the Close of Escrow, Developer shall acquire the Site in its “AS-IS” condition and shall be responsible for any defects in the Site, whether patent or latent, including, without limitation, the physical, environmental and geotechnical condition of the Site, and the existence of any contamination, Hazardous Materials, vaults, debris, pipelines, abandoned wells or other structures located on, under or about the Site. Authority makes no representation or warranty concerning the physical, environmental, geotechnical or other condition of the Site, the suitability of the Site for the Project, or the present use of the Site, and specifically disclaims all representations or warranties of any nature concerning the Site made by them, the City and their employees, agents and representatives. The foregoing disclaimer includes, without limitation, topography, climate air, water rights, utilities, present and future zoning, soil, subsoil, existence of Hazardous Materials or similar substances, the purpose for which the Site is suited, or drainage. Authority makes no representation or warranty concerning the compaction of soil upon the Site, nor of the suitability of the soil for construction.

4. **Right to Enter Site; Indemnification.**

Subject to compliance with the requirements set forth below, Authority grants to Developer, its agents and employees a limited license to enter upon the Site for the purpose of conducting engineering surveys, soil tests, investigations or other studies reasonably necessary to evaluate the condition of the Site, which studies, surveys, reports, investigations and tests shall be done at Developer’s sole cost and expense.
Prior to entering the Site, Developer shall obtain Authority's written consent which shall not be unreasonably withheld or delayed provided Developer complies with all the following requirements. Developer shall (i) notify Authority prior to each entry of the date and the purpose of intended entry and provide to Authority the names and affiliations of the persons entering the Site; (ii) conduct all studies in a diligent, expeditious and safe manner and not allow any dangerous or hazardous conditions to occur on the Site during or after such investigation; (iii) comply with all applicable laws and governmental regulations (including issuance of City permits); (iv) allow an employee of Authority to be present at all times; (v) keep the Site free and clear of all materialmen's liens, lis pendens and other liens or encumbrances arising out of the entry and work performed under this paragraph; (vi) maintain or assure maintenance of workers' compensation insurance (or state approved self-insurance) on all persons entering the Site in the amounts required by the State of California; (vii) provide to Authority prior to initial entry a certificate of insurance evidencing that Developer has procured and paid premiums for an all-risk public liability insurance policy written on a per occurrence and not claims made basis in a combined single limit of not less than TWO MILLION DOLLARS ($2,000,000) which insurance names Authority as additional insured; and other requirements specified in Section 506; (viii) repair all material damage to the Site resulting from Developer's entry and investigation of the Site and leave the Site in a safe condition; (ix) provide Authority copies of all studies, surveys, reports, investigations and other tests derived from any inspection without representation or warranty but with the right of Authority to use the report without further consent from or payment to the issuer; and (x) take the Site at Closing subject to any title exceptions caused by Developer exercising this license to enter.

Developer agrees to indemnify, defend and hold Authority free and harmless from and against any and all losses, damages (whether general, punitive or otherwise), liabilities, claims, causes of action (whether legal, equitable or administrative), judgments, court costs and legal or other expenses (including reasonable attorneys' fees) which Authority may suffer or incur as a consequence of Developer's exercise of the license granted pursuant to this Section or any act or omission by Developer, any contractor, subcontractor or material supplier, engineer, architect or other person or entity acting by or under Developer (except Authority and its agents) with respect to the Site, excepting any and all losses, damages (whether general, punitive or otherwise), liabilities, claims, causes of action (whether legal, equitable or administrative), judgments, court costs and legal or other expenses (including reasonable attorneys' fees) arising from the mere discovery by Developer of any hazardous materials or conditions and excepting to the extent such claims arise out of the negligence or misconduct of Authority.

Notwithstanding termination of this Agreement for any reason, the obligations of Developer under this Section as well as any agreement for early entry which may be entered into by Authority and Developer prior to the Effective Date shall remain in full force and effect.

5. **Hazardous Materials: Release of Authority and City.**

Developer understands and agrees that in the event Developer incurs any loss or liability concerning Hazardous Materials (as hereinafter defined) and/or oil wells and/or underground storage tanks and/or pipelines whether attributable to events occurring prior to or following the Closing, then Developer may look to any prior owners of the Site, but under no circumstances shall Authority (which term includes Authority's predecessor being the Bell Redevelopment Agency or its Board) or City be liable directly or indirectly regarding Hazardous Materials and/or oil wells and/or underground storage tanks and/or pipelines. (In the event that City or Authority has indemnified any prior Owner, Developer may not recover any such amounts from that Owner to the extent that such Owner will seek recovery from City or Authority; City or Authority
shall provide reasonable notice of any such indemnity agreements with prior owners.) Developer, and each of the entities constituting Developer, if any, from and after the Closing, hereby waives, releases, remises, acquits and forever discharges Authority, City, their directors, officers, share-holders, employees, and agents, and their respective heirs, successors, personal representatives and assigns, of and from any and all Environmental Claims, Environmental Cleanup Liability and Environmental Compliance Costs, as those terms are defined below, and from any and all actions, suits, legal or administrative orders or proceedings, demands, actual damages, punitive damages, loss, costs, liabilities and expenses, which concern or in any way relate to the physical or environmental conditions of the Site, the existence of any Hazardous Material thereon, or the release or threatened release of Hazardous Materials therefrom, whether existing prior to, at or after the Closing. It is the intention of the parties pursuant to this release that any and all responsibilities and obligations of Authority and City, and any and all rights, claims, rights of action, causes of action, demands or legal rights of any kind of Developer, its successors, assigns or any affiliated entity of Developer, against Authority, or City, arising by virtue of the physical or environmental condition of the Site, the existence of any Hazardous Materials thereon, or any release or threatened release of Hazardous Material therefrom, whether existing prior to, at or after the Closing, are by this Release provision declared null and void and of no present or future force and effect as to the parties; provided, however, that no parties shall be deemed third party beneficiaries of such release. In connection therewith, Developer and each of the entities constituting Developer, expressly agree to waive any and all rights which said party may have under Section 1542 of the California Civil Code which provides as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.”

DEVELOPER’S INITIALS: [Signature]

Developer further agrees that in the event Developer obtains, from former or present owners of the Site or any other persons or entities, releases from liability, indemnities, or other forms of hold harmless relating to the subject matter of this section, Developer shall use its diligent efforts to obtain for Authority and City the same releases, indemnities and other comparable provisions. Without limiting the foregoing, Developer agrees not to initiate any legal process against the City or Authority, and hereby fully releases the City and Authority, in connection with any Environmental Claims, Environmental Cleanup Liability or Environmental Compliance Costs.

For purposes of this Section 408, the following terms shall have the following meanings:

a. “Environmental Claim” means any claim for personal injury, death and/or property damage made, asserted or prosecuted by or on behalf of any third party, including, without limitation, any governmental entity, relating to the Site or its operations and arising or alleged to arise under any Environmental Law.

b. “Environmental Cleanup Liability” means any cost or expense of any nature whatsoever incurred to contain, remove, remedy, clean up, or abate any contamination or any Hazardous Materials on or under all or any part of the Site, including the ground water thereunder, including, without limitation, (A) any direct costs or expenses for investigation, study, assessment, legal representation, cost
recovery by governmental agencies, or ongoing monitoring in connection therewith and (B) any cost, expense, loss or damage incurred with respect to the Site or its operation as a result of actions or measures necessary to implement or effectuate any such containment, removal, remediation, treatment, cleanup or abatement.

c. "Environmental Compliance Cost" means any cost or expense of any nature whatsoever necessary to enable the Site to comply with all applicable Environmental Laws in effect. "Environmental Compliance Cost" shall include all costs necessary to demonstrate that the Site is capable of such compliance.

d. "Environmental Law" means any federal, state or local statute, ordinance, rule, regulation, order, consent decree, judgment or common-law doctrine, and provisions and conditions of permits, licenses and other operating authorizations relating to (A) pollution or protection of the environment, including natural resources, (B) exposure of persons, including employees, to Hazardous Materials or other products, raw materials, chemicals or other substances, (C) protection of the public health or welfare from the effects of by-products, wastes, emissions, discharges or releases of chemical substances from industrial or commercial activities, or (D) regulation of the manufacture, use or introduction into commerce of chemical substances, including, without limitation, their manufacture, formulation, labeling, distribution, transportation, handling, storage and disposal.

e. "Hazardous Material" is defined to include any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental Authority, the State of California, or the United States Government. The term "Hazardous Material" includes, without limitation, any material or substance which is: (A) petroleum or oil or gas or any direct or derivative product or byproduct thereof; (B) defined as a "hazardous waste," "extremely hazardous waste" or "restricted hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140, of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law); (C) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act); (D) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Sections 25501(j) and (k) and 25501.1 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory); (E) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances); (F) "used oil" as defined under Section 25250.1 of the California Health and Safety Code; (G) asbestos; (H) listed under Chapter 11 of Division 4.5 of Title 22 of the California Code of Regulations, or defined as hazardous or extremely hazardous pursuant to Chapter 10 of Division 4.5 of Title 22 of the California Code of Regulations; (I) defined as waste or a hazardous substance pursuant to the Porter-Cologne Act, Section 13050 of the California Water Code; (J) designated as a "toxic pollutant" pursuant to the Federal Water Pollution Control Act, 33 U.S.C. § 1317; (K) defined as a "hazardous waste" pursuant to the Federal Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. (42 U.S.C. § 6903); (L) defined as a "hazardous substance" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. (42 U.S.C. § 9601); (M) defined as "Hazardous Material" pursuant to the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 et seq.; or (N) defined as such or regulated by any
"Superfund" or "Superlief" law, or any other federal, state or local law, statute, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning Hazardous Materials and/or oil wells and/or underground storage tanks and/or pipelines, as now, or at any time hereafter, in effect.

Notwithstanding any other provision of this Agreement, Developer's release and indemnification as set forth in the provisions of this Section, as well as all provisions of this Section shall survive the termination of this Agreement and shall continue in perpetuity.

I. (§ 409) Costs of Escrow.

1. Allocation of Costs.

Escrow Agent is directed to allocate costs as follows: Authority shall pay the cost of an ALTA extended owner's title policy while Developer shall pay premiums for any endorsements. Developer shall pay the cost of the Authority's Title Policies and the recording fees for the Grant Deed. Authority shall pay any documentary transfer taxes and shall be responsible for the recording of the Deeds of Trust which shall be exempt from recording fees as Authority is an exempt entity. Developer and Authority shall each pay one-half (1/2) of all Escrow and similar fees, except that if one party defaults under this Agreement, the defaulting party shall pay all Escrow fees and charges as well as any title cancellation fees. Subject to Section 707, each party shall pay its own attorneys' fees for entering into this Agreement.

2. Prorations and Adjustments.

Ad valorem taxes and assessments on the Site and insurance for the current year shall be prorated by Escrow Agent as of the date of Closing with Developer responsible only for those assessed after Closing. If the actual taxes are not known at the date of Closing, the proration shall be based upon the most current tax figures. When the actual taxes for the year of Closing become known, Developer and Authority shall, within thirty (30) days thereafter, re-prorate the taxes which shall be promptly paid to the appropriate party.

3. Extraordinary Services of Escrow Agent.

Escrow fees and charges contemplated by this Agreement incorporate only the ordinary services of Escrow Agent as listed in this Agreement. In the event that Escrow Agent renders any service not provided for in this Agreement, or that Escrow Agent is made a party to, or reasonably intervenes in, any litigation pertaining to this Escrow or the subject matter thereof, then Escrow Agent shall be reasonably compensated for such extraordinary services and reimbursed for all costs and expenses occasioned by such default, controversy or litigation.


Escrow Agent shall have the right to retain all documents and/or other things of value at any time held by it hereunder until such compensation, fees, costs and expenses are paid. The parties jointly and severally promise to pay such sums upon demand.

J. (§ 410) Termination of Escrow and Agreement.

1. Termination.
Escrow (and this Agreement) may be terminated by demand of a party which shall have performed its obligations hereunder if:

(a) The Conditions to Closing for the benefit of a party have not occurred or have not been approved, disapproved, or waived as the case may be, by the benefitted party by the date established herein for the occurrence of such Condition, including any grace period pursuant to this Section; or

(b) Escrow is not in a condition to close by the date set for Closing; or

(c) The other party is in breach of the terms and conditions of this Agreement.

In the event of the foregoing, the terminating party may, in writing, demand return of its money, papers, or documents from the Escrow Agent and shall deliver a copy of such demand to the non-terminating party. No demand shall be recognized by the Escrow Agent until thirty (30) days after the Escrow Agent shall have mailed copies of such demand to the non-terminating party, and if no objections are raised in writing to the terminating party and the Escrow Agent by the non-terminating party within the thirty (30) day period. In the event of such objections, the opportunity to cure shall be provided as stated below in Subsection 2 of this Section. In addition, the Escrow Agent is authorized to hold all money, papers, and documents until instructed in writing by both Developer and Authority or, upon failure thereof, by a court of competent jurisdiction; provided that after expiration of the cure period provided in Subsection 2 of this Section, and if said condition has not been cured, the Deposit shall be retained by Authority as liquidated damages or the Deposit shall be paid by Authority to Developer as specified in Section 404, as the case may be, as required herein. If no such demands are made, the Escrow shall be closed as soon as possible and neither party shall have any further liability to the other.

2. **Opportunity to Cure.**

Prior to Closing, in the event any of the Conditions to Closing are not satisfied or waived by the party with the power to approve said Conditions (the "**approving party**"), then such party shall explain in writing to the other party (the "**non-approving party**") the reason for the disapproval. Thereafter, the non-approving party shall have an additional thirty (30) days to satisfy any such Condition to Closing, and only if such Conditions still cannot be satisfied may the approving party terminate the Escrow. In the event Escrow is not in a condition to close because of a default by any party, and the performing party has made demand as stated in Subsection 1 of this Section, then upon the non-performing party's delivering its objection to Escrow Agent and the performing party within the above thirty (30) day period, the non-performing party shall have the right to cure the default in accordance with and in the time provided in Section 701.1.

3. **Liquidated Damages.**

THE PARTIES HERETO, BEFORE ENTERING INTO THIS TRANSACTION, HAVE BEEN CONCERNED WITH THE FACT THAT SUBSTANTIAL DAMAGES WILL BE SUFFERED BY AUTHORITY IN THE EVENT THAT ESCROW SHOULD FAIL TO CLOSE. WITH THE FLUCTUATION IN LAND VALUES, THE UNPREDICTABLE STATE OF THE ECONOMY AND OF GOVERNMENTAL REGULATIONS, THE FLUCTUATING MONEY
MARKET FOR REAL ESTATE, AND OTHER FACTORS WHICH DIRECTLY AFFECT THE VALUE AND MARKETABILITY OF THE PROPERTY, THE PARTIES REALIZE THAT IT WOULD BE EXTREMELY DIFFICULT AND IMPracticABLE, IF NOT IMPOSSIBLE, TO ASCERTAIN WITH ANY DEGREE OF CERTAINTY PRIOR TO SIGNING THIS AGREEMENT, THE AMOUNT OF DAMAGES WHICH WOULD BE SUFFERED BY AUTHORITY IN THE EVENT THAT ESCROW FAILED TO TIMELY CLOSE. ACCORDINGLY, THE PARTIES HEREBY AGREE THAT A REASONABLE ESTIMATE OF SAID DAMAGES IS THE AMOUNT OF THE DEPOSIT TO BE MADE BY DEVELOPER, PURSUANT TO SECTION 404 ABOVE. IF ESCROW FAILS TO CLOSE DUE TO THE DEFAULT OF DEVELOPER, AUTHORITY SHALL BE ENTITLED TO RETAIN THE DEPOSIT AS LIQUIDATED DAMAGES. THIS PROVISION DOES NOT APPLY TO OR LIMIT IN ANY WAY THE INDEMNITY OBLIGATIONS OF DEVELOPER UNDER THIS AGREEMENT.

Authority's Initials

Developer's Initials

K. (§ 411) Responsibility of Escrow Agent.

1. Deposit of Funds.

All funds received in Escrow shall be deposited by Escrow Agent in a special Escrow account with any state or national bank doing business in the State of California and may not be combined with other Escrow funds of Escrow Agent or transferred to any other general Escrow account or accounts.


All communications from Escrow Agent shall be directed to the addresses and in the manner provided in Section 801 of this Agreement for notices, demands and communications between Authority and Developer.


Escrow Agent is not to be concerned with the sufficiency, validity, correctness of form, or content of any document prepared outside of Escrow and delivered to Escrow. The sole duty of Escrow Agent is to accept such documents and follow Developer's and Authority's instructions pursuant to this Agreement.

4. Exculpation of Escrow Agent.

Escrow Agent shall not be liable for the failure of any of the Conditions to Closing of this Escrow, forgeries or false personation, unless such liability or damage is the result of negligence or willful misconduct by Escrow Agent.

5. Responsibilities in the Event of Controversies.

If any controversy documented in writing arises between Developer and Authority or with any third party with respect to the subject matter of this Escrow or its terms or conditions, Escrow Agent shall not be required to determine the same, to return any money, papers or documents, or take any action regarding the Site prior to settlement of the controversy by a final decision by an arbitrator, by a court of competent jurisdiction, or by written agreement of the parties to the controversy, as the case may be. Escrow Agent shall be responsible for timely
notifying Developer and Authority of the controversy. In the event of such a controversy, Escrow Agent shall not be liable for interest or damage costs resulting from failure to timely close Escrow or take any other action unless such controversy has been caused by the failure of Escrow Agent to perform its responsibilities hereunder.

V.  

(§ 500) DEVELOPMENT OF THE SITE.

A.  

(§ 501) Scope of Development.

The Site shall be rehabilitated and developed by Developer as provided in the Scope of Development, Developer's Basic Concept Drawings, and the plans and permits approved by Authority and City pursuant to Section 502. Notwithstanding any other provision set forth in this Agreement to the contrary, in the event of any conflict between the narrative description of the Project in this Agreement (including the Scope of Development) and the approved plans and permits, the approved plans and permits shall govern.

B.  


1.  

Proposed Development's Consistency with Plans and Codes; No Assurances regarding Entitlements.

Authority represents and warrants that the City's General Plan, Zoning Ordinance and other applicable requirements under this Agreement permit Developer's proposed development, and rehabilitation, operation, and use of the Site as provided in this Agreement, including without limitation the Scope of Development, subject only to (i) approval of the Project in accordance with applicable law, (ii) those development approvals yet to be obtained, including Site Plan Review, and any zoning change, if applicable, and (iii) City's and Authority's review and approval of the Project in accordance with the California Environmental Quality Act; provided that it is expressly understood by the parties that Authority makes no representations or warranties with respect to approvals required by any governmental entity or with respect to approvals hereinafter required from City and Authority, Authority and City reserving full police power authority over the Project. However, Authority shall reasonably cooperate with Developer in procuring the foregoing approvals. Nothing in this Agreement shall be deemed to be a prejudgment or commitment with respect to such items or a guarantee that such approvals or permits will be issued within any particular time or with or without any particular conditions.

Developer understands that Authority is not making any assurance to Developer regarding issuance of entitlements or approvals required for the Project. Developer is aware that, notwithstanding current zoning for the Site, zoning and other laws can change in the future. Developer is purchasing the Site with full knowledge that (i) the Project will be subject to the standard approval process as required by the Bell Municipal Code and applicable law; and (ii) as a governmental agency, neither Authority nor City can bind itself with respect to discretionary actions or approvals in this Agreement. Developer expressly acknowledges that it understands and, if it elects to purchase the Site, is knowingly accepting the foregoing risks. Developer agrees to indemnify Authority with respect to all Claims and Litigation. This provision shall survive termination of this Agreement.
2. **Evolution of Development Plan.**

Concurrently with the approval of this Agreement, Authority has approved Developer's Basic Concept Drawings. On or before the date set forth in the Schedule of Performance, Developer shall submit to the City preliminary, and thereafter final, drawings and specifications for development of the Site in accordance with the Scope of Development, and all in accordance with the City's requirements. The term preliminary and final drawings shall be deemed to include site plans, building plans and elevations, grading plans, if applicable, landscaping plans, parking plans, material pallets, a description of structural, mechanical, and electrical systems, and all other plans, drawings and specifications. Final drawings will be in sufficient detail to obtain a building permit. Said plans, drawings and specifications shall be consistent with the Scope of Development and the various development approvals referenced hereinabove, except as such items may be amended by City (if applicable) and by mutual consent of Authority and Developer. Plans (concept, preliminary and construction) shall be progressively more detailed and will be approved if a logical evolution of plans, drawings or specifications previously approved.

3. **Developer Efforts to Obtain Approvals.**

Developer shall exercise its best efforts to timely submit all documents and information necessary to obtain all development and building approvals from the City in a timely manner, and Authority shall reasonably cooperate with Developer in connection therewith. Not by way of limitation of the foregoing, in developing and constructing the Project, Developer shall comply with all applicable development standards in City's Municipal Code and shall comply with all building codes, landscaping, signage, and parking requirements, except as may be permitted through approved variances and modifications. Developer's obtaining such approvals is not a contingency to the Closing of Escrow.

4. **Authority's Reasonable Assistance.**

Subject to Developer's compliance with (i) the applicable City and Authority development standards for the Site, and (ii) all applicable laws and regulations governing such matters as public hearings, site plan review and environmental review, Authority agrees to provide reasonable assistance to Developer, at no cost to Authority, in the expeditious processing of Developer's submittals required under this Section in order that Developer can obtain a final City action on such matters within the time set forth in the Schedule of Performance. City or Authority's failure to provide necessary approvals or permits within such time periods, after and despite Developer's reasonable efforts to submit the documents and information necessary to obtain the same, shall constitute an Enforced Delay.

5. **Disapproval.**

Authority shall approve or disapprove any submittal made by Developer pursuant to this Section within thirty (30) days after such submittal. All submittals made by Developer shall note the thirty (30) day time limit, and specifically reference this Agreement and this section. Any disapproval shall state in writing in reasonable detail the reason for the disapproval and the changes which Authority requests be made. Developer shall make the required changes and revisions and resubmit for approval as soon as is reasonably practicable but no more than thirty (30) days of the date of disapproval. Thereafter, Authority shall have an additional ten (10) business days for review of the resubmittal, but if Authority disapproves the resubmittal, then the
cycle shall repeat, until Authority's approval has been obtained. The foregoing periods may be shortened if so specified in the Schedule of Performance.

6. **CEQA.**

Authority shall be responsible for obtaining the approval of this Agreement and the Project as required by the California Environmental Quality Act ("CEQA"). Without limitation of the foregoing, Developer specifically acknowledges and agrees that Developer shall satisfy all conditions necessary to ensure that the Project conforms to all applicable CEQA requirements. Upon Authority's request, Developer agrees to supply information and otherwise to assist Authority to determine the environmental impact of the proposed development and to allow Authority to prepare and process such environmental documents, if any, as may need to be completed for the development pursuant to the requirements of CEQA.

C. **(§ 503) Costs of Rehabilitation.**

The cost of developing the Site and rehabilitating all of the on-site and off-site improvements, if any, at or about the Site required to be constructed for the Project shall be borne solely by Developer. Developer shall comply with all applicable laws including prevailing wages (if applicable) and shall defend and hold Authority and City harmless from and against any and all increase in construction costs, or other liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of any action or determination that Developer was subject to prevailing wages in connection with the construction of the Project.

D. **(§ 504) Schedule of Performance: Progress Reports.**

Developer shall begin and complete all plans, reviews, construction and development specified in the Scope of Development within the times specified in the Schedule of Performance or such reasonable extensions of said dates as may be mutually approved in writing by the parties.

Once construction is commenced, it shall be diligently pursued to completion, and shall not be abandoned for more than thirty (30) consecutive days, except when due to an Enforced Delay. Developer shall keep Authority informed of the progress of construction and submit to Authority written reports of the progress of the construction when and in the form requested by Authority.

E. **(§ 505) Indemnification during Construction.**

During construction on the Site and until such time as Authority has issued a Certificate of Completion, Developer agrees to and shall indemnify and hold Authority and the City harmless from and against all liability, loss, damage, costs, or expenses (including reasonable attorneys' fees and court costs) arising from or as a result of the death of any person or any accident, injury, loss, or damage whatsoever caused to any person or to the property of any person which shall occur on the Site and which shall be directly or indirectly caused by any acts done thereon or any errors or omissions of Developer or its agents, servants, employees, or contractors. Developer shall not be responsible for (and such indemnity shall not apply to) any acts errors or omissions of Authority and the City or their respective agents, servants, employees or contractors. Authority and City shall not be responsible for any acts, errors or
omissions of any person or entity except its own agents, servants, employees or contractors subject to any and all statutory and other immunities.

F. (§ 506) Bodily Injury, Property Damage and Workers’ Compensation Insurance.

1. Types of Insurance.

Prior to the entry of Developer on the Site and the commencement of any construction by or on behalf of Developer (including without limitation any site preparation work such as soil and engineering tests and grading), Developer shall procure and maintain (or cause to be procured and maintained), at its sole cost and expense, in a form and content reasonably satisfactory to Authority, during the entire term of such entry or construction, the following policies of insurance:

(a) Garage Liability or Commercial General Liability Insurance (collectively “CGL”). Developer shall keep or cause to be kept in force for the mutual benefit of Authority, City, and Developer CGL insurance against claims and liability for personal injury or death arising from the use, occupancy, disuse or condition of the Site, improvements or adjoining areas or ways, affected by such use of the Site or for property damage, providing protection of at least Two Million Dollars ($5,000,000) for bodily injury or death to any one person, at least Five Million Dollars ($5,000,000) for any one accident or occurrence, and at least One Million Dollars ($1,000,000) for property damage.

(b) Builder’s Risk Insurance. Developer shall procure and shall maintain (or cause to be procured and maintained) in force "all risks" builder’s risk insurance including vandalism and malicious mischief, covering improvements in place and all material and equipment at the job site furnished under contract, but excluding contractor’s, subcontractor’s, and construction manager’s tools and equipment and property owned by contractor’s or subcontractor’s employees, with limits in accordance with subsection (a) above.

(c) Workers’ Compensation. Developer shall also furnish or cause to be furnished to Authority evidence reasonably satisfactory to it that any contractor with whom Developer has contracted for the performance of any work for which Developer is responsible hereunder carries workers’ compensation insurance as required by law.

(d) Other Insurance. Developer shall also procure and maintain any insurance reasonably required by Authority after notice to Developer.

2. Policy Form, Content and Insurer.

All insurance required by express provisions hereof shall be carried only by insurance companies authorized to do business by California, rated "A-" or better in the most recent edition of Best Rating Guide, and only if they are of a financial category Class VIII or better. All such property policies shall contain language, to the extent obtainable, to the effect that (i) any loss shall be payable notwithstanding any act of negligence of Authority, City, or Developer that
might otherwise result in the forfeiture of the insurance, (ii) Developer waives the right of
subrogation against Authority/City and against Authority's/City's agents and representatives; (iii)
the policies are primary and noncontributing with any insurance that may be carried by
Authority/City; and (iv) the policies cannot be canceled or materially changed except after thirty
(30) days' written notice by the insurer to Authority/City or Authority's/City's designated
representative. Developer shall furnish Authority with certificates evidencing the insurance as
well as full copies of the policies. Authority and City shall be named as additional insureds on all
policies of insurance required to be procured by the terms of this Agreement other than workers'
compensation insurance.

3. **Failure to Maintain Insurance and Proof of Compliance.**

Developer shall deliver to Authority, in the manner required for notices, copies of
certificates of all insurance policies together with a copy of the policies required hereunder
within the following time limits:

(a) For insurance required above, prior to entry of Developer on the Site and
the commencement of any construction by or on behalf of Developer.

(b) For any renewal or replacement of a policy already in existence,
simultaneously with the expiration or termination of the existing policy.

If Developer fails or refuses to procure or maintain insurance as required hereby or fails
or refuses to furnish Authority with required proof that the insurance has been procured and is in
force, such failure shall be a default hereunder, subject to the applicable cure period.

G. **(§ 507) City and Other Governmental Agency Permits.**

Before commencement of construction or development of any buildings, structures, or
other work on the Site which are Developer's responsibility under the Scope of Development,
Developer shall at its own expense secure or cause to be secured any and all permits which
may be required by City or any other governmental agency affected by such construction,
development or work. Developer shall not be obligated to commence construction if any such
permit is not issued despite good faith effort by Developer. If there is delay beyond the usual
time for obtaining any such permits due to no fault of Developer, the Schedule of Performance
shall be extended to the extent such delay prevents any action which could not legally or would
not in accordance with good business practices be expected to occur before such permit was
obtained. Developer shall pay all normal and customary fees and charges applicable to such
permits and any fees or charges hereafter imposed by City or Authority which are standard for
and uniformly applied to similar projects in the City.

H. **(§ 508) Rights of Access by Authority.**

Representatives of Authority shall have the reasonable right of access to the Site at any
time during normal construction hours during the period of construction, for the purpose of
assuring compliance with this Agreement, including, but not limited to, the inspection of the
construction work being performed by or on behalf of Developer. Such representatives of
Authority shall be those who are so identified in writing by the Executive Director of Authority.
Each such representative of Authority shall identify himself or herself at the job site office upon
his or her entrance to the Site, and shall provide Developer, or the construction superintendent
or similar person in charge on the Site, a reasonable opportunity to have a representative
accompany him or her during the inspection. Authority shall indemnify, defend, and hold Developer harmless from any injury or property damage caused or liability arising out of Authority’s exercise of this right of access.

I. (§ 509) Applicable Laws.

Developer shall carry out the construction of the improvements to be constructed by Developer in conformity with all applicable federal and state laws, including but not limited to labor laws.

J. (§ 510) Anti-discrimination during Construction.

Developer, for itself and its successors and assigns, agrees that in the construction of the improvements to be constructed by Developer, it shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, marital status, ancestry or national origin.

K. (§ 511) Taxes, Assessments, Encumbrances and Liens.

Developer shall pay, when due, all real estate taxes and assessments assessed or levied subsequent to conveyance of the Site, if any. Until the date Developer is entitled to the issuance of a Certificate of Completion (as defined in Section 513) executed by Authority, Developer shall not place or allow to be placed thereon any mortgage, trust deed, encumbrance or lien (except mechanic’s liens prior to suit to foreclose the same being filed) prohibited by this Agreement. Developer shall remove or have removed any levy or attachment made on the Site, or assure the satisfaction thereof, within a reasonable time, but in any event prior to a sale thereunder. Nothing herein contained shall be deemed to prohibit Developer from contesting the validity or amounts of any tax, assessment, encumbrance or lien, nor to limit the remedies available to Developer in respect thereto.


1. Definitions.

As used in this Section, the term "mortgage" shall mean a leasehold mortgage and include any mortgage, deed of trust, or other security interest, or sale and lease-back, or any other form of conveyance for financing. The term "holder" shall include the holder of any such mortgage, deed of trust, or other security interest, or the lessor under a lease-back, or the grantee under any other conveyance for financing.

2. No Encumbrances except Mortgages to Finance the Project.

Notwithstanding the restrictions on transfer in Section 303, mortgages required for any reasonable method of financing of the construction of the improvements are permitted before issuance of a Certificate of Completion but only for the purpose of securing loans of funds used or to be used for financing the acquisition of the Site, for the construction of improvements thereon, and for any other expenditures necessary and appropriate to develop the Site under this Agreement, or for restructuring or refinancing any of same, so long as the refinancing does not exceed the then-outstanding balance of the existing financing. Developer (or any entity permitted to acquire title under this Section) shall notify Authority in advance of any mortgage, if Developer or such entity proposes to enter into the same before issuance of the Certificate of
Completion. Developer or such entity shall not enter into any such conveyance for financing without the prior written approval of Authority. Any lender approved by Authority shall not be bound by any amendment, implementation, or modification to this Agreement subsequent to its approval without such lender giving its prior written consent thereto. In any event, Developer shall promptly notify Authority of any mortgage, encumbrance, or lien that has been created or attached thereto prior to issuance of a Certificate of Completion, whether by voluntary act of Developer or otherwise.

3. **Developer’s Breach Shall Not Defeat Mortgage Lien.**

Developer’s breach of any of the covenants or restrictions contained in this Agreement shall not defeat or render invalid the lien of any mortgage made in good faith and for value as to the Site, or any part thereof or interest therein, but unless otherwise provided herein, the terms, conditions, covenants, restrictions, easements, and reservations of this Agreement shall be binding and effective against the holder of any such mortgage of the Site whose interest is acquired by foreclosure, trustee’s sale or otherwise.

4. **Holder Not Obligated to Construct or Complete Improvements.**

The holder of any mortgage shall in no way be obligated by the provisions of this Agreement to construct or complete the improvements or to guarantee such construction or completion. Nothing in this Agreement shall be deemed or construed to permit or authorize any such holder to devote the Site or any portion thereof to any uses, or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Agreement.

5. **Notice of Default to Mortgagee, Deed of Trust or Other Security Interest Holders.**

Whenever Authority shall deliver any notice or demand to Developer with respect to any breach or default by Developer hereunder, Authority shall at the same time deliver a copy of such notice or demand to each holder of record of any mortgage who has previously made a written request to Authority therefor, or to the representative of such lender as may be identified in such a written request by the lender. No notice of default shall be effective as to the holder unless such notice is given.

6. **Right to Cure.**

Each holder (insofar as the rights of Authority are concerned) shall have the right, at its option, within ninety (90) days after the receipt of the notice, to:

(a) Obtain possession, if necessary, and to commence and diligently pursue said cure until the same is completed, and

(b) Add the cost of said cure to the security interest debt and the lien or obligation on its security interest;

provided that in the case of a default which cannot with diligence be remedied or cured within such ninety (90) day period, such holder shall have additional time as reasonably necessary to remedy or cure such default.
In the event there is more than one such holder, the right to cure or remedy a breach or default of Developer under this Section shall be exercised by the holder first in priority or as the holders may otherwise agree among themselves, but there shall be only one exercise of such right to cure and remedy a breach or default of Developer under this Section.

No holder shall undertake or continue the construction or completion of the improvements (beyond the extent necessary to preserve or protect the improvements or construction already made) without first having expressly assumed Developer’s obligations to Authority by written agreement satisfactory to Authority with respect to the Site or any portion thereof in which the holder has an interest. The holder must agree to complete, in the manner required by this Agreement, the improvements to which the lien or title of such holder relates, and submit evidence satisfactory to Authority that it has the qualifications and financial responsibility necessary to perform such obligations. Any holder properly completing such improvements shall be entitled, upon written request made to Authority, to a Certificate of Completion from Authority.

7. **Authority’s Rights upon Failure of Holder to Complete Improvements.**

In any case where one hundred eighty (180) days after default by Developer in completion of construction of improvements under this Agreement, the holder of any mortgage creating a lien or encumbrance upon the Site or improvements thereon has not exercised the option to construct afforded in this Section or if it has exercised such option and has not proceeded diligently with construction, Authority may, after ninety (90) days’ notice to such holder and if such holder has not exercised such option to construct within said ninety (90) day period, purchase the mortgage, upon payment to the holder of an amount equal to the sum of the following:

(a) The unpaid mortgage debt plus any accrued and unpaid interest (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings, if any);

(b) All expenses, incurred by the holder with respect to foreclosure, if any;

(c) The net expenses (exclusive of general overhead), incurred by the holder as a direct result of the ownership or management of the Site, such as insurance premiums or real estate taxes, if any;

(d) The costs of any improvements made by such holder, if any; and

(e) An amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage debt and such debt had continued in existence to the date of payment by Authority.

In the event that the holder does not exercise its option to construct afforded in this Section, and Authority elects not to purchase the mortgage of holder, upon written request by the holder to Authority, Authority agrees to use reasonable efforts to assist the holder selling the holder’s interest to a qualified and responsible party or parties (as determined by Authority), who shall assume the obligations of making or completing the improvements required to be
constructed by Developer, or such other improvements in their stead as shall be satisfactory to Authority. The proceeds of such a sale shall be applied first to the holder of those items specified in subparagraphs (a) through (e) hereinabove, and any balance remaining thereafter shall be applied as follows:

(a) First, to reimburse Authority, on its own behalf and on behalf of the City, for all costs and expenses actually and reasonably incurred by Authority, including but not limited to payroll expenses, management expenses, legal expenses, and others.

(b) Second, to reimburse Authority, on its own behalf and on behalf of the City, for all payments made by Authority to discharge any other encumbrances or liens on the Site or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due, to obligations, defaults, or acts of Developer, its successors or transferees.

(c) Third, to reimburse Authority, on its own behalf and on behalf of the City, for all costs and expenses actually and reasonably incurred by Authority, in connection with its efforts assisting the holder in selling the holder’s interest in accordance with this Section.

(d) Fourth, any balance remaining thereafter shall be paid to Developer.

8. **Right of Authority to Cure Mortgage, Deed of Trust or Other Security Interest; Default.**

In the event of a default or breach by Developer (or entity permitted to acquire title under this Section) of a mortgage prior to the issuance by Authority of a Certificate of Completion for the Site or portions thereof covered by said mortgage, and the holder of any such mortgage has not exercised its option to complete the development, Authority may cure the default prior to completion of any foreclosure. In such event, Authority shall be entitled to reimbursement from Developer or other entity of all costs and expenses incurred by Authority in curing the default, including legal costs and attorneys’ fees, which right of reimbursement shall be secured by a lien upon the Site to the extent of such costs and disbursements. Any such lien shall be subject to:

(a) Any mortgage for financing permitted by this Agreement; and

(b) Any rights or interests provided in this Agreement for the protection of the holders of such mortgages for financing;

provided that nothing herein shall be deemed to impose upon Authority any affirmative obligations (by the payment of money, construction or otherwise) with respect to the Site in the event of its enforcement of its lien.

9. **Right of Authority to Satisfy Other Liens on the Property After Conveyance of Title.**

After the conveyance of title and prior to the recordation of a Certificate of Completion for construction and development, and after Developer has had a reasonable time to challenge, cure, or satisfy any liens or encumbrances on the Site or any portion thereof, Authority shall
have the right to satisfy any such liens or encumbrances; provided, however, that nothing in this Agreement shall require Developer to pay or make provision for the payment of any tax, assessment, lien or charge so long as Developer in good faith shall contest the validity or amount thereof, and so long as such delay in payment shall not subject the Site or any portion thereof to forfeiture or sale.

10. **Minor Amendments.**

Authority's Executive Director shall be authorized to approve and execute minor non-substantive amendments to this Agreement as may be requested by Developer's lender in relation to the protection of such lender's security interest in the Site, without formal approval of Authority Board or the Oversight Board.

M. **(§ 513) Certificate of Completion.**

Upon the completion of all construction required to be completed by Developer on the Site pursuant to the terms of this Agreement (including opening of operations as specified in Section 601) and the opening of Developer's business, Authority shall furnish Developer with the Certificate of Completion for the Site in the form of Attachment No. 7 upon written request therefor by Developer. The Certificate of Completion shall be executed and notarized and recorded in the Office of the Recorder of Los Angeles County.

After the issuance of a Certificate of Completion, any party then owning or thereafter purchasing, leasing or otherwise acquiring any interest in the Site shall not (because of such ownership, purchase, lease, or acquisition) incur any obligation or liability under this Agreement, except that such party shall be bound by the covenants, encumbrances, and easements contained in the Grant Deed and the CC&Rs.

Authority shall not unreasonably withhold a Certificate of Completion. If Authority refuses or fails to furnish a Certificate of Completion within thirty (30) days after written request from Developer or any entity entitled thereto, Authority shall provide a written statement of the reasons Authority refused or failed to furnish a Certificate of Completion. The statement shall also contain Authority's opinion of the action Developer must take to obtain a Certificate of Completion. If the reason for such refusal is confined to the immediate availability of specific items or materials for landscaping, or other minor so-called "punch list" items, Authority will issue its Certificate of Completion upon the posting of a bond or other security reasonably acceptable to Authority by Developer with Authority in an amount representing one hundred fifty percent (150%) of the fair value of the work not yet completed or other assurance reasonably satisfactory to Authority.

A Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of Developer to any holder of a mortgage, or any insurer of a mortgage securing money loaned to finance the improvements, or any part thereof. Such Certificate of Completion is not notice of completion as referred to in the California Civil Code Section 3093. Nothing herein shall prevent or affect Developer's right to obtain a Certificate of Occupancy from the City before the Certificate of Completion is issued.

N. **(§ 514) Estoppels.**

At the request of Developer or any holder of a mortgage or deed of trust, Authority shall, from time to time and upon the request of such holder, timely execute and deliver to Developer
VI. (§ 600) USES OF THE SITE.

A. (§ 601) Uses.

Developer covenants and agrees for itself, its successors, its assigns and every successor in interest during construction and thereafter, Developer, such successors and such assigns shall devote the Site to the uses specified therefor in the Grant Deed, CC&Rs and this Agreement. Within ninety (90) days of completion of construction, Developer agrees to commence (a) business operations of a microbrewery on the 4400 Gage Parcel; and (b) business operations of restaurants, brewery related purposes including retail or otherwise approved by Authority and City. After commencing business operations in the time specified, Developer shall have the right at any time thereafter to cease to conduct any business operations at the Site, and Developer shall incur no liability to Authority by reason thereof. However, if Developer subsequently intends to conduct business from the Site it must comply with the use restrictions specified in the Grant Deed and CC&Rs.

Without limiting the generality of the foregoing, Developer acknowledges and agrees it may only use the Site for uses specified above and Developer shall operate the business conducted by it on the Site in a prudent manner, exercising Developer's customary business practices and hours of operation.

B. (§ 602) Employment of Local Residents.

A goal of the Authority with respect to this Project and other major projects within the City is to secure employment opportunities for Bell residents. To that end, Developer covenants that Developer shall make reasonable efforts to cause all solicitations for full or part-time, new or replacement, employment relating to the continuing operation of the Project by coordinating with local employment centers and agencies and advertising in local publications and online. Upon Authority’s request from time to time, Developer shall provide a written summary of its efforts under this Section. Developer shall require any tenants under Approved Leases to also comply with this covenant.

C. (§ 603) Obligation to Refrain from Discrimination.

There shall be no discrimination against, or segregation of, any persons, or group of persons, on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the rental, sale, lease, sublease, transfer, use, occupancy, or enjoyment of the Site, or any portion thereof, nor shall Developer, or any person claiming under or through Developer, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Site or any portion thereof. The nondiscrimination and non-segregation covenants contained herein shall remain in effect in perpetuity.

D. (§ 604) Form of Nondiscrimination and Non-Segregation Clauses.
Developer shall refrain from restricting the rental, sale, or lease of any portion of the Site on the basis of race, color, creed, religion, sex, marital status, ancestry or national origin of any person. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

1. **Deeds.**

In Deeds the following language shall appear: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee, or any persons claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

2. **Leases.**

In Leases the following language shall appear: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee, or any person claiming under or through him or her, establish or permit any such practice or practices, of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the premises herein leased."

3. **Contracts.**

Any contracts which Developer or, Developer's heirs, executors, administrators, or assigns propose to enter into for the sale, transfer, or leasing of the Site shall contain a nondiscrimination and non-segregation clause substantially as set forth in Section 602 and in this Section. Such clause shall bind the contracting party and subcontracting party or transferee under the instrument.

E. **(§ 605) Maintenance of Improvements.**

Developer covenants and agrees for itself, its successors and assigns, and every successor in interest to the Site or any part thereof, that, after Authority's issuance of its Certificate of Completion, Developer shall be responsible for maintenance of all improvements on the Site from time to time (including without limitation buildings, parking lots, lighting, signs, and walls), in first class condition and repair of comparable properties to the extent practical considering the age of the building, and shall keep the Site free from any accumulation of debris or waste materials. Developer shall also maintain all landscaping required pursuant to Developer's approved landscaping plan in a healthy condition, including prompt replacement of any dead or diseased plants. The foregoing maintenance obligations shall run with the land and thereby become the obligations of any transferee of the Site or any portion thereof. Developer's
further obligations to maintain the Site and Authority's remedies in the event of Developer's default in performing such obligations are set forth in the Grant Deed and the CC&Rs. Developer (for its self and its successor and assigns) waives any notice, public hearing, and other requirements of the public nuisance laws and ordinances of the City that would otherwise apply, except as specified in the CC&Rs.

F. **(§ 606) Covenants Run with Land; Effect of Covenants.**

1. **Covenants Run with the Land.**

   (a) All of the provisions, agreements, rights, powers, standards, terms, covenants and obligations contained in this Agreement shall be binding upon the parties and their respective heirs, successors (by merger, consolidation, or otherwise) and assigns, devisees, administrators, representatives, lessees, and all other persons acquiring any rights or interests in the Site, or any portion thereof, whether by operation of laws or in any manner whatsoever and shall inure to the benefit of the parties and their respective heirs, successors (by merger, consolidation or otherwise) and assigns.

   (b) All of the provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land pursuant to applicable law.

   (c) Each covenant to do or refrain from doing some act on the Site hereunder (i) is for the benefit of and is a burden upon every portion of the Site, (ii) runs with such lands, and (iii) is binding upon each party and each successive owner during its ownership of such properties or any portion thereof, and each person having any interest therein derived in any manner through any owner of such lands, or any portion thereof, and each other person succeeding to an interest in such lands.

2. **Beneficiary and Third-Party Beneficiary.**

   City is a beneficiary of the terms and provisions of this Agreement and of the restrictions and covenants running with the land for and in its own right for the purposes of protecting the interests of the community in whose favor and for whose benefit the covenants running with the land have been provided. The covenants in favor of Authority shall run without regard to whether City has been, remains or is an owner of any land or interest therein in the Site. In addition to Authority, City shall have the right, if any of the covenants set forth in this Agreement which are provided for its benefit are breached, to exercise all rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it may be entitled. With the exception of the City which is a third-party beneficiary of this Agreement and the covenants in the Grant Deed and the CC&Rs, no other person or entity shall have any right to enforce the terms of this Agreement under a theory of third-party beneficiary or otherwise. Although the City is a third-party beneficiary, City has no personal liability for any of the obligations of Authority to Developer. The covenants running with the land and their duration are set forth in the Grant Deed and the CC&Rs.

VII. **(§ 700) DEFAULTS, REMEDIES, TERMINATION, AND LITIGATION.**
A.  (§ 701) **Defaults, Right to Cure and Waivers.**

Subject to any Enforced Delay, failure or delay by either party to timely perform any covenant of this Agreement constitutes a default under this Agreement, but only if the party who so fails or delays does not commence to cure, correct or remedy such failure or delay within thirty (30) days after receipt of a written notice specifying such failure or delay, and does not thereafter prosecute such cure, correction or remedy with diligence to completion.

The injured party shall give written notice of default to the party in default, specifying the default complained of by the injured party. Except as required to protect against further damages, the injured party may not institute proceedings against the party in default until thirty (30) days after giving such notice. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

Except as otherwise provided in this Agreement, waiver by either party of the performance of any covenant, condition, or promise, shall not invalidate this Agreement, nor shall it be considered a waiver of any other covenant, condition, or promise. Waiver by either party of the time for performing any act shall not constitute a waiver of time for preforming any other act or an identical act required to be performed at a later time. The delay or forbearance by either party in exercising any remedy or right as to any default shall not operate as a waiver of any default or of any rights or remedies or to deprive such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

B.  (§ 702) **Legal Actions.**

1.  **Institution of Legal Actions.**

In addition to any other rights or remedies, and subject to the requirements of Section 701, either party may institute legal action to cure, correct or remedy any Default, to recover damages for any Default, or to obtain any other remedy consistent with the purpose of this Agreement. Legal actions must be instituted and maintained in the Superior Court of the County of Los Angeles, State of California, in any other appropriate court in that county, or in the Federal District Court in the Central District of California.

2.  **Applicable Law and Forum.**

The internal laws of the State of California shall govern the interpretation and enforcement of this Agreement, without regard to conflict of law principles.

3.  **Acceptance of Service of Process.**

In the event that any legal action is commenced by Developer against Authority, service of process on Authority shall be made by personal service upon the Executive Director or Secretary of Authority, or in such other manner as may be provided by law.

In the event that any legal action is commenced by Authority against Developer, service of process on Developer shall be made in such manner as may be provided by law and shall be valid whether made within or without the State of California.

C.  (§ 703) **Rights and Remedies are Cumulative.**
Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by either party of one or more of its rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

D. (§ 704) Waiver.

Except as otherwise provided in this Agreement, waiver by either party of the performance of any covenant, condition, or promise shall not invalidate this Agreement, nor shall it be considered a waiver of any other covenant, condition, or promise. Waiver by either party of the time for performing any act shall not constitute a waiver of time for performing any other act or an identical act required to be performed at a later time. The delay or forbearance by either party in exercising any remedy or right as to any default shall not operate as a waiver of any default or of any rights or remedies or to deprive such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

E. (§ 705) Specific Performance.

In addition to any other remedies permitted by this Agreement, if either party defaults hereunder by failing to perform any of its obligations herein, each party agrees that the other shall be entitled to the judicial remedy of specific performance, and each party agrees (subject to its reserved right to contest whether in fact a default does exist) not to challenge or contest the appropriateness of such remedy. In this regard, Developer specifically acknowledges that Agency is entering into this Agreement for the purpose of assisting in the redevelopment of the Site and not for the purpose of enabling Developer to speculate with land.

F. (§ 706) Right of Reverter.

Authority shall have the right, at its option, to reenter and take possession of the Site with all improvements thereon and to terminate and re-vest in Authority the estate conveyed to Developer if, after Closing and prior to the recordation of the Certificate of Completion, Developer (or its successors in interest) shall:

1. Fail to commence construction of the improvements as required by this Agreement for a period of ninety (90) days after written notice to proceed from Authority, provided that Developer shall not have obtained an extension or postponement to which Developer may be entitled pursuant to this Agreement; or

2. Abandon or substantially suspend construction of the improvements for a period of ninety (90) days after written notice of such abandonment or suspension from Authority, provided that Developer shall not have obtained an extension of time to which Developer may be entitled pursuant to this Agreement; or

3. Assign or attempt to assign this Agreement, or any rights herein, or transfer, or suffer any involuntary transfer of, the Site, or any part thereof, in violation of this Agreement, and such violation shall not be cured within one hundred twenty (120) days after the date of receipt of written notice thereof by Authority to Developer.
The right to re-enter, repossess, terminate, and re-vest shall be subject to and be limited by and shall not defeat, render invalid, or limit:

(a) Any mortgage, deed of trust, or other security interests permitted by this Agreement.

(b) Any rights or interests provided in this Agreement for the protection of the holders of such mortgages, deeds of trust, or other security interests.

Upon the re-vesting in Authority of possession to the Site, as provided in this Section 705, Authority shall, pursuant to its responsibilities under state law, use its best efforts to sell the Site as soon and in such manner as Authority shall find feasible and consistent with the objectives of such law to a qualified and responsible party or parties (as determined by Authority), who will assume the obligation of making or completing the improvements, or such other improvements in their stead, as shall be satisfactory to Authority and in accordance with the uses specified for the Site in the Redevelopment Plan.

In the event of a sale of the property pursuant to the foregoing, the proceeds thereof shall be applied as follows:

(a) First, to reimburse Authority on its own behalf or on behalf of the City for all costs and expenses incurred by Authority, including but not limited to, salaries to personnel, legal costs and attorneys’ fees, and all other contractual expenses in connection with the recapture, management, and sale of the Site (but less any income derived by Authority from the Site or part thereof in connection with such management); all taxes, assessments and water and sewer charges with respect to the Site (or, in the event that Site is exempt from taxation or assessment or such charges during the period of ownership, then such taxes, assessments, or charges, as determined by the City, as would have been payable if the Site were not so exempt); any payments made or necessary to be made to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations incurred with respect to the making or completion of the agreed improvements or any part thereof on the Site or part thereof; and amounts otherwise owing Authority by Developer, its successors, or transferees; and

(b) Second, to reimburse Developer, its successor or transferee, up to the amount equal to (i) the sum of the Purchase Price paid to Authority by Developer for the Site, (ii) the costs incurred for the development of the Site and for the agreed improvements existing on the Site at the time of the re-entry and repossession, less (iii) any gains or income withdrawn or made by Developer from the Site or the improvements thereon.

(c) Any balance remaining after such reimbursements shall be retained by Authority as its property.

To the extent that the right established in this Section involves a forfeiture, it must be strictly interpreted against Authority, the party for whose benefit it is created. The rights established in this Section are to be interpreted in light of the fact that Authority will sell the Site to Developer for development and not for speculation in undeveloped land.
G. **(§ 707)** **Attorney's Fees.**

If either party to this Agreement is required to initiate or defend any action or proceeding in any way arising out of the parties' agreement to, or performance of this Agreement, or is made a party to any action or proceeding by Escrow Agent or other third party, such that the parties hereto are adversarial, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, whether legal or equitable, shall be entitled to reasonable attorney's fees from the other. As used herein, the "prevailing party" shall be the party determined as such by a court of law pursuant to the definition in Code of Civil Procedure Section 1032(a)(4), as it may be subsequently amended. Attorney's fees shall include attorney's fees on any appeal, and in addition a party entitled to attorney's fees shall be entitled to all other reasonable costs for investigating such action, taking depositions and discovery and all other necessary costs the court allows which are incurred in such litigation. All such fees shall be deemed to have accrued on commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

VIII. **(§ 800)** **GENERAL PROVISIONS.**

A. **(§ 801)** **Notices, Demands and Communications between the Parties.**

Except as expressly provided to the contrary herein, any notice, consent, report, demand, document or other such item to be given, delivered, furnished or received hereunder shall be deemed given, delivered, furnished, and received when given in writing and personally delivered to an authorized agent of the applicable party, or upon delivery by the United States Postal Service, first-class registered or certified mail, postage prepaid, return receipt requested, or by a national "overnight courier" such as Federal Express, at the time of delivery shown upon such receipt; in either case, delivered to the address, addresses and persons as each party may from time to time by written notice designate to the other and who initially are:

**To Authority:**
Bell Community Housing Authority  
6330 Pine Ave.  
Bell, California 90201  
Attn: Howard W. Brown, Executive Director

**With a Copy to:**
Aleshire & Wynder, LLP  
18881 Von Karman Avenue, Suite 1700  
Irvine, CA 92612  
Attention: David Aleshire, Esq.

**To Developer:**
Atwater Infrastructure Partners  
177 E. Colorado Blvd. 2nd Floor  
Pasadena, CA 91101  
Attn: J. Alberto Lemus

**With a Copy to:**
DLA Piper LLP  
555 South Hope Street 23rd Floor  
Los Angeles, CA 90071  
Attn: Michael J. Kiely

**To Escrow Holder:**
Fidelity National Title Insurance Company  
555 S. Flower St., Suite 4420
B. (§ 802) Non-Liability of City and Authority Officials and Employees; Conflicts of Interest; Commissions.

1. Personal Liability.

No member, official, employee, agent or contractor of City or Authority shall be personally liable to Developer in the event of any default or breach by Authority or for any amount which may become due to Developer or on any obligations under the terms of the Agreement; provided, it is understood that nothing in this Section 802 is intended to limit Authority’s liability.

2. Conflict of Interest, Warranty, and Representation of Non-Collusion.

No official, officer, or employee of Authority has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of Authority participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interest found to be "remote" or non "interest" pursuant to California Government Code Sections 1091 and 1091.5. Developer warrants and represents that (s)he/it has not paid or given, and will not pay or give, to any third party including, but not limited to, any Authority official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded this Agreement. Developer further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any City official, officer, or employee, as a result or consequence of obtaining or being awarded any agreement. Developer is aware of and understands that any such act(s), omission(s) or other conduct resulting in the payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

3. Commissions.

Neither Authority nor Developer has not retained any broker or finder or paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Agreement. Neither party shall be liable for any real estate commissions, brokerage fees or finders’ fees which may arise from this Agreement, and each party agrees to hold the other party harmless from any claim by any broker, agent, or finder retained by such party.


Time is of the essence in the performance of this Agreement.

Notwithstanding the foregoing, in addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in default where delays or
defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; supernatural causes; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; subsurface conditions on the Site and unknown soils conditions; governmental restrictions or priority litigation; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor or supplier; acts of the other party; acts or the failure to act of a public or governmental Authority or entity (except that acts or the failure to act of Authority shall not excuse performance by Authority); or any other causes beyond the reasonable control or without the fault of the party claiming an extension of time to perform. In the event of such a delay (herein "Enforced Delay"), the party delayed shall continue to exercise reasonable diligence to minimize the period of the delay. An extension of time for any such cause shall be limited to the period of the enforced delay, and shall commence to run from the time of the commencement of the cause, provided notice by the party claiming such extension is sent to the other party within ten (10) days of the commencement of the cause. Failure to provide such notice shall constitute a waiver of the claim.

The following shall not be considered as events or causes beyond the control of Developer, and shall not entitle Developer to an extension of time to perform: (i) Developer’s failure to obtain financing for the Project, (ii) Developer’s failure to secure approvals for the Project; or (iii) Developer’s failure to negotiate agreements with prospective users for the Project or the alleged absence of favorable market conditions for such uses.

Times of performance under this Agreement may also be extended by mutual written agreement by Authority and Developer. The Executive Director of Authority shall have the authority on behalf of Authority to approve extensions of time not to exceed a cumulative total of one hundred eighty (180) days with respect to the development of the Site.

D. **(§ 804) Books and Records.**

1. **Developer to Keep Records.**

Developer shall prepare and maintain all books, records and reports necessary to substantiate Developer’s compliance with the terms of this Agreement or reasonably required by Authority.

2. **Right to Inspect.**

Either party shall have the right, upon not less than seventy-two (72) hours’ notice, at all reasonable times, to inspect the books and records of the other party pertaining to the Site as pertinent to the purposes of this Agreement.

3. **Ownership of Documents.**

Copies of all drawings, specifications, reports, records, documents and other materials pertaining to the condition of the Site prepared by Developer, its employees, agents and subcontractors, in the performance of this Agreement, which documents are in the possession of Developer and are not confidential shall be delivered to Authority upon request in the event of a termination of this Agreement, and Developer shall have no claim for additional compensation as a result of the exercise by Authority of its rights hereunder. Authority shall have an unrestricted right to use such documents and materials as if it were in all respects the owner of the same, provided, however, that (i) Authority shall have no rights of reliance thereon, and (ii)
Developer makes no warranty or representation regarding the completeness, accuracy or sufficiency of such documents, and Developer shall have no liability therefor or in connection therewith. Notwithstanding the foregoing, Authority shall not have any right to sell, license, convey or transfer the documents and materials to any third party, or to use the documents and materials for any other site, except in the case of a termination of this Agreement due to default of Developer.

E. (§ 805) **Assurances to Act in Good Faith.**

Authority and Developer agree to execute all documents and instruments and to take all action, including deposit of funds in addition to such funds as may be specifically provided for herein, and as may be reasonably required in order to consummate conveyance and development of the Site as herein contemplated, and shall use their commercially reasonable efforts, to accomplish the Closing and subsequent development of the Site in accordance with the provisions hereof. Authority and Developer shall each diligently and in good faith pursue the satisfaction of any conditions or contingencies subject to their approval.

F. (§ 806) **Interpretation.**

The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply. The section headings are for purposes of convenience only, and shall not be construed to limit or extend the meaning of this Agreement. This Agreement includes all attachments attached hereto, which are by this reference incorporated in this Agreement in their entirety. This Agreement also includes the Redevelopment Plan and any other documents incorporated herein by reference, as though fully set forth herein.
G.  (§ 807)  Entire Agreement, Waivers and Amendments.

This Agreement integrates all of the terms and conditions mentioned herein, or incidental hereto, and this Agreement supersedes all negotiations and previous agreements between the parties with respect to all or any part of the subject matter hereof. All waivers of the provisions of this Agreement, unless specified otherwise herein, must be in writing and signed by the appropriate authorities of Authority or Developer, as applicable, and all amendments hereto must be in writing and signed by the appropriate authorities of Authority and Developer.

H.  (§ 808)  Severability.

In the event any term, covenant, condition, provision or agreement contained herein is held to be invalid, void or otherwise unenforceable, by any court of competent jurisdiction, such holding shall in no way affect the validity or enforceability of any term, covenant, condition, provision or agreement contained herein.

I.  (§ 809)  Time for Acceptance of Agreement by Authority.

This Agreement, when executed by Developer and delivered to Authority, must be authorized, executed and delivered by Authority, not later than the time set forth in the Schedule of Performance or this Agreement shall be void, except to the extent that Developer shall consent in writing to further extensions of time for the authorization, execution, and delivery of this Agreement. After execution by Developer, this Agreement shall be considered an irrevocable offer until such time as such offer shall become void due to the failure of Authority to authorize, execute and deliver the Agreement in accordance with this Section.

J.  (§ 810)  Execution.

1.  This Agreement may be executed in counterparts, each of which shall be deemed to be an original and such counterparts shall constitute one and the same instrument.

2.  Authority represents and warrants that: (i) by proper action of Authority, Authority has been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers; and (ii) the entering into this Agreement by Authority does not violate any provision of any other agreement to which Authority is a party.

3.  Developer represents and warrants that: (i) it is duly organized and existing under the laws of the State of California; (ii) by proper action of Developer, Developer has been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers; and (iii) the entering into this Agreement by Developer does not violate any provision of any other agreement to which Developer is a party.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date of execution by Authority.

REMARKER:

Developer must initial both Sections 408(5) & 410(3).
Authority must initial Section 410(3).

DEVELOPER:  

AUTHORITY:
ATWATER INFRASTRUCTURE PARTNERS, a Florida limited liability company
By: J. Alberto Lemus, Manager

ACCEP TED:

ESCROW HOLDER:
Accepted and agreed to:
FIDELITY NATIONAL TITLE INSURANCE COMPANY, a California corporation

By: ____________________________
   Jessica Avila, Escrow Officer

Dated: ___________________________, 201__

BELL COMMUNITY HOUSING AUTHORITY, a public agency
By: ____________________________
   Elenio Joel Calardo, Chair

February 14, 2018

ATTEST:

Angela Bustamante,
Assistant Authority Secretary

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: ____________________________
   David Aleshire, Authority Counsel
ATWATER INFRASTRUCTURE
PARTNERS, a Florida limited liability company
By: J. Alberto Lemus, Manager

ACCEPTED:
ESCROW HOLDER:
Accepted and agreed to:
FIDELITY NATIONAL TITLE INSURANCE COMPANY, a California corporation
By: Jessica Avila, Escrow Officer
Dated: February 15, 2018

BELL COMMUNITY HOUSING AUTHORITY, a public agency
By: Eduardo Nava, Chair

February 14, 2018

ATTEST:
Angela Bustamante,
Assistant Authority Secretary

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP
By: David Aleshire, Authority Counsel
ATTACHMENT NO. 1-A
GAGE AVENUE DDA

LEGAL DESCRIPTION OF SITE

That certain real property in the City of Bell, County of Los Angeles, State of California legally described as follows:

A. 4400 GAGE PARCEL:

(i) 4400 Gage Avenue (APN 6325-015-901):
LOT 3 AND THE EAST HALF OF LOT 2, OF TRACT NO. 4213, IN THE CITY OF BELL, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 44 PAGE(S) 90 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

(ii) 6419 Pine Avenue (APN 6325-015-902):
LOT 4 OF TRACT NO. 4213, IN THE CITY OF BELL, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 44 PAGE(S) 90 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

B. ORIGINAL 4410 GAGE PARCEL (APN 6325-018-900):
LOTS 48 AND 49 OF TRACT NO. 4213, IN THE CITY OF BELL, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 44, PAGE 90 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.
# ATTACHMENT NO. 2
## GAGE AVENUE DDA
### SCHEDULE OF PERFORMANCE

<table>
<thead>
<tr>
<th>Item to Be Performed</th>
<th>Time for Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authority holds public hearing on DDA and environmental document, approves or disapproves DDA (&quot;Effective Date&quot;)</td>
<td>On or before January 10, 2018.</td>
</tr>
<tr>
<td>Developer executes and delivers 3 copies of DDA to Authority together with Deposit</td>
<td>On or before January 19, 2018</td>
</tr>
<tr>
<td>Authority executes 3 copies of DDA and returns an original copy to Developer.</td>
<td>Within 3 days of approval of DDA</td>
</tr>
<tr>
<td>Parties open Escrow with executed copies of Agreement.</td>
<td>Within 1 week after Event 3</td>
</tr>
<tr>
<td>Authority retains surveyor to prepare ALTA survey &amp; legal descriptions for Retained Parcel and 4410 Gage Parcel</td>
<td>Promptly upon Opening of Escrow</td>
</tr>
<tr>
<td>Authority provides copies of all Due Diligence Documents which triggers commencement of the Feasibility Period (&quot;Feasibility Period&quot;)</td>
<td>Promptly upon Opening of Escrow</td>
</tr>
<tr>
<td>Developer commences, in its discretion, to physically inspect and conduct environmental investigations on the Site and perform all due diligence it requires.</td>
<td>Upon commencement of Feasibility Period</td>
</tr>
<tr>
<td>Developer applies and pursues Liquor License from ABC.</td>
<td>Upon commencement of Feasibility Period</td>
</tr>
<tr>
<td>Title Company delivers Developer Preliminary Report to Developer</td>
<td>Within 10 days after Opening of Escrow.</td>
</tr>
<tr>
<td>Developer approves or disapproves title exceptions and public easements on Preliminary Report</td>
<td>Within 30 days after Event 9.</td>
</tr>
<tr>
<td>Authority notifies Developer whether Authority will cure any disapproved exceptions</td>
<td>Within 15 days of Event 10.</td>
</tr>
<tr>
<td>Authority works with City to either merge 400 Gage property and 6419 Pine property or executes and records a tie in agreement (Section 403)</td>
<td>Upon commencement of Feasibility Period</td>
</tr>
<tr>
<td>Item to Be Performed</td>
<td>Time for Performance</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------</td>
</tr>
<tr>
<td>13. Expiration of Feasibility Period; Developer disapproves physical condition of the Site or waives conditions</td>
<td>120 days from Event 6</td>
</tr>
<tr>
<td>14. Developer prepares and submits to City and Authority preliminary plans, drawings and specifications in accordance with Concept Drawings and Site Plan, including architectural theme and treatment for the entire Site.</td>
<td>Within 5 days of commencement of Feasibility Period</td>
</tr>
<tr>
<td>15. City and Authority approves Preliminary Drawings</td>
<td>Within 15 days of Event 14.</td>
</tr>
<tr>
<td>16. Developer diligently pursues application for approvals for the Project including building permits.</td>
<td>During Feasibility Period</td>
</tr>
<tr>
<td>17. Developer completes its due diligence and issues its approval of the Site.</td>
<td>Prior to end of Feasibility Period.</td>
</tr>
<tr>
<td>18. Escrow Agent gives notice of fees, charges, costs and documents to close Escrow</td>
<td>5 days prior to Closing</td>
</tr>
<tr>
<td>19. Deposits into Escrow by Authority:</td>
<td>See below</td>
</tr>
<tr>
<td>a) Grant Deed</td>
<td>On or before 1 business day preceding the Closing Date</td>
</tr>
<tr>
<td>b) Estoppel Certificate</td>
<td>On or before 1 business day preceding the Closing Date</td>
</tr>
<tr>
<td>c) CC&amp;Rs</td>
<td>On or before 1 business day preceding the Closing Date</td>
</tr>
<tr>
<td>d) Payment of Authority's share (if any) of Escrow Costs</td>
<td>On or before 1 business day preceding the Closing Date</td>
</tr>
<tr>
<td>e) Taxpayer ID Certificate</td>
<td>Prior to Closing Date</td>
</tr>
<tr>
<td>20. Deposits into Escrow by Developer:</td>
<td>See below</td>
</tr>
<tr>
<td>a) Estoppel Certificate</td>
<td>On or before 1 business day preceding the Closing Date</td>
</tr>
<tr>
<td>b) Certificate of Acceptance</td>
<td>On or before 1 business day preceding the Closing Date</td>
</tr>
<tr>
<td>c) CC&amp;Rs</td>
<td>On or before 1 business day preceding the Closing Date</td>
</tr>
<tr>
<td>d) 4400 Note &amp; 4400 Trust Deed</td>
<td>On or before 1 business day preceding the Closing Date</td>
</tr>
<tr>
<td>Item to be Performed</td>
<td>Time for Performance</td>
</tr>
<tr>
<td>--------------------------------------------------</td>
<td>----------------------------------------------------------</td>
</tr>
<tr>
<td>e) 4410 Note &amp; 4410 Trust Deed</td>
<td>On or before 1 business day preceding the Closing Date</td>
</tr>
<tr>
<td>f) Payment of Developer's Share of Escrow Costs</td>
<td>On or before 1 business day preceding the Closing Date</td>
</tr>
<tr>
<td>g) Taxpayer ID Certificate</td>
<td>Prior to Closing Date</td>
</tr>
<tr>
<td>21. Authority or Developer, as case may be, may cure any condition to closing disapproved or waived; or may cure any default</td>
<td>Within 30 days after date established therefore, or date of breach, as the case may be</td>
</tr>
<tr>
<td>22. Close of Escrow with recordation of Grant Deed and CC&amp;Rs and delivery of documents and monies (Close of Escrow)</td>
<td>Within 30 days after expiration of Feasibility Period</td>
</tr>
<tr>
<td>23. Developer obtains all necessary permits and approvals and submits insurance documentation to Authority.</td>
<td>Within 90 days after Close of Escrow (Event 22).</td>
</tr>
<tr>
<td>24. Construction commences and Developer diligently pursued to completion</td>
<td>Not later than the 60 days following issuance of Permits (Event 23)</td>
</tr>
<tr>
<td>25. Developer completes construction of improvements</td>
<td>Within 9 months of issuance of building permits (Event 24)</td>
</tr>
<tr>
<td>26. Authority issues Certificate of Completion.</td>
<td>Within 15 days of Developer’s request after satisfactory completion of all improvements.</td>
</tr>
<tr>
<td>27. Developer’s tenants (under Approved Leases) commence business operations</td>
<td>Within 90 days of Event 26.</td>
</tr>
</tbody>
</table>

It is understood that the foregoing Schedule of Performance is subject to all of the terms and conditions set forth in the Agreement. The summary of the items of performance in this Schedule of Performance is not intended to supersede or modify the more complete description in the text of the Agreement; in the event of any conflict or inconsistency between this Schedule of Performance and the text of the Agreement, the text shall govern.

The time periods set forth in this Schedule of Performance may be altered or amended only by written agreement signed by both Developer and Authority. A failure by either party to enforce a breach of any particular time provision shall not be construed as a waiver of any other time provision. The Executive Director of Authority shall have the authority to approve extensions of time without Authority Board action not to exceed a cumulative total of one hundred eighty (180) days as provided in Section 803.
ATTACHMENT NO. 3
GAGE AVENUE DDA

SCOPE OF DEVELOPMENT

A. General

Developer agrees that the Site shall be developed and improved in accordance with the provisions of this Agreement including all attachments, and the plans, drawings, and related documents approved by Authority pursuant hereto. Developer, its, supervising architect, engineers, and contractor shall work with Authority staff to coordinate the overall design and improvements. Any questions or issues regarding the Scope of Development not included or addressed herein or in the Disposition and Development Agreement ("DDA") shall be resolved in accordance with the Bell Municipal Code.

Plaza Area: Developer shall also be responsible to construct the improvements to the proposed plaza area on the Retained Parcel ("Plaza Improvements"). Pursuant to the CC&Rs Developer shall have the continuing obligation to maintain the Plaza Improvements at its sole cost and expense.

B. Design Criteria

1. Design Guidelines. The rehabilitation of the building(s) shall be consistent with the City's approved guidelines, incorporated herein by this reference and on file in the office of the City's Director of Community Development and with the design theme of the area.

2. Architectural Quality. The building(s) shall have architectural excellence, both individually and in terms of the context of the total complex. The design theme and facade treatment shall be consistent with the "Concept Plans" attached hereto as Exhibit "A." Open and landscaped areas shall be designed with the same degree of excellence.

3. Site Plan. The Site Plan shall be consistent with the Concept Plans as approved by the City.

C. Site Work

Developer shall be responsible for rehabilitation and installation of all Site improvements. Developer's improvements are currently designed to include, but may not be limited to the following:

1. Rehabilitation of the buildings for a brewery hub including (i) a microbrewery manufacturing facility, and (ii) restaurants, related uses and such other uses as approved by Authority.

2. Parking area(s) shall be provided on-site. The 6419 Pine Avenue parcel shall be improved and maintained as a parking lot for the use of the 4410 Gage parcel. The design and construction, as well as the number of parking spaces provided shall be in accordance with the Bell Municipal Code. Construction of the parking
areas shall include installation of necessary drainage system(s) (including connections within the public right-of-way), paving, installation of required landscaping and irrigation, striping and labeling, all in accordance with the Bell Municipal Code and approved plans.

3. Paved area(s) shall be provided on-site designed to accommodate on-site customer and employee parking.

4. On-site landscaping and automatic irrigation system shall be installed and maintained per approved plans consistent with the Bell Municipal Code.

5. On-site lighting shall be installed in a manner consistent with the approved lighting and electrical plans.

D. **Landscaped Yards**

Landscaped yards shall be maintained with landscaping and automatic irrigation. The irrigation system shall be installed so that it can be operated both as a part of the Site.

E. **Trash and Recycling Storage**

Trash storage areas shall be provided of sufficient size to ensure containment of all solid waste materials generated from the Site. The size of the enclosure shall be determined by Authority staff based upon the size and nature of the facility proposed but shall not be less than thirty (30) square feet. The trash enclosure shall be constructed of solid masonry walls and shall not be less than five (5) feet in height with solid metal panel gates equipped with self-closing devices. Adequate access shall be provided to the enclosure for refuse pickup.

F. **Signs**

All signs shall be installed by Developer. A sign program shall be submitted to the City for approval. Building and, where necessary, electrical permits shall be obtained prior to installation, painting or erection of signs. Signs shall be consistent with the plans approved by the Bell Planning Commission.

G. **Undergrounding Utilities**

Any new utilities servicing the Site shall be installed underground, including connections to facilities within the public right-of-way.

H. **Mechanical Equipment**

On-site mechanical equipment, whether roof or ground mounted, shall be completely screened from public view. Screening material shall be constructed of materials which coordinate with the overall architectural theme. Where public visibility will be minimal, the Director of Community Development may permit use of landscaping to screen ground mounted equipment. No mechanical equipment, including electrical transformers shall be located in any required setback area.
I. **Applicable Codes**

All improvements shall be constructed in accordance with the California Building Code (with Bell modifications), the County of Los Angeles Fire Code (with Bell modifications), the Bell Municipal Code and current City standards.
GRANT DEED

FOR A VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the BELL COMMUNITY HOUSING AUTHORITY, a public agency ("Grantor") hereby grants to ATWATER INFRASTRUCTURE PARTNERS, a Florida limited liability company ("Grantee"), the real property in the City of Bell, County of Los Angeles, State of California, as more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference ("Site").

As conditions of this conveyance, Grantee covenants by and for itself and any successors-in-interest for the benefit of Grantor and the City of Bell, a municipal corporation, as follows:

1. **Governing Documents.** The Site is being conveyed pursuant to that certain Disposition and Development Agreement entered into by and between Grantor and Grantee dated _____________, 201__ ("DDA"). Concurrently with the recordation of this Deed, that certain Covenants, Conditions and Restrictions between Grantor and Grantee are also being recorded ("CC&Rs") pursuant to the DDA. The DDA is part of public records on file in the office of the City Clerk of the City of Bell ("City"), located at 6330 Pine Ave., Bell, California 90201, and are incorporated herein by this reference. Any capitalized terms not defined herein shall have the meanings ascribed to them in the DDA. Grantee covenants and agrees for itself and its successors and assigns to rehabilitate the Site in accordance with the DDA and thereafter to use, operate and maintain the Site in accordance with this Deed and the CC&Rs. The Site is also conveyed subject to easements and rights-of-way of record and other matters of record. In the event of any conflict between this Deed and the DDA, the provisions of the DDA shall control.

2. **Uses.** Grantee may only use the Site for a micro-brewery, restaurants, brewery related purposes including retail and other uses consistent with the terms, covenants and conditions as set forth in the DDA and the CC&Rs. Grantee shall have no right to subdivide, separate, or partition the Site, except upon prior written consent of Grantor. Breach of the terms, covenants, conditions, and provisions of the DDA and CC&Rs shall be a material breach of this Deed. Grantee shall operate the business conducted by it on the Site in a prudent manner,

ATTACHMENT NO. 4
GAGE AVENUE DDA
Page 1 of 8
exercising customary business practices and hours of operation, to maximize sales and enhance the reputation and attractiveness of the business.

3. **Term of Restriction.** Grantee hereby covenants and agrees for itself, its successors, its assigns, and every successor-in-interest to the Site that Grantee, such successors and such assigns, shall develop, operate, maintain or use the Site in accordance with the terms and conditions of the DDA or this Deed (unless expressly waived in writing by Grantor) for the term of five (5) years from the date of recordation of the Certificate of Completion (as defined in the DDA); provided that, however, the covenants contained in Sections 8 and 9 shall remain in effect in perpetuity, and the CC&Rs shall continue for the term set forth therein.

4. **Right of Reverter.** Grantee covenants by and for itself and any successors-in-interest that Grantor shall have the right, at its option, to reenter and take possession of the Site hereby conveyed, with all improvements thereon, and revest in Grantor the estate conveyed to the Grantee if after Closing and prior to recordation of the Certificate of Completion, Grantee or successor-in-interest shall commit a material default as described in the DDA. Pursuant to the DDA, Grantor's right to re-enter, repossess, terminate, and revest shall be subordinate to and subject to and be limited by, and shall not defeat, render invalid, or limit (1) any mortgage, deed of trust, or other security interests permitted by the DDA, or (2) any rights or interest provided in the DDA for the protection of holders of such mortgages, deeds of trust, or other security interests. Within five (5) days after Grantor gives Grantee written notice that Grantor intends to exercise its right to reenter and take possession of the Site, Grantee shall deliver a grant deed duly executed and acknowledged transfer the Site to Grantor.

5. **Employment of Local Residents.** Grantee covenants that Grantee shall make reasonable efforts to cause all solicitations for full or part-time, new or replacement, employment relating to the continuing operation of the Site by coordinating with local employment centers and agencies and advertising in local publications and online. Upon Authority's request from time to time, Grantee shall provide a written summary of its efforts under this Section. Grantee shall require any tenants of the Site to also comply with this covenant.

6. **City as Third-Party Beneficiary.** City is intended as a third-party beneficiary of the covenants in this Deed with full right (but not the obligation) to enforce the terms and provisions hereof. However, City is a separate legal entity from Grantor. Grantor has no authority to bind the City in any discretionary matter, including but not limited to, any land use or planning entitlements or approvals required for the Project. Grantee acknowledges that the terms of the covenants in this Deed do not pre-approve any land use or planning entitlements or approvals Grantee may be required to obtain from City for the Project or any other purpose.

7. **Transfer Restrictions.** Grantee covenants that prior to the recordation of the Certificate of Completion, Grantee shall not transfer or encumber the Site or any of its interests therein except as provided in Section 303 of the DDA.

8. **Reservation of Existing Streets.** Grantor excepts and reserves any existing street, proposed street, or portion of any street or proposed street lying outside the boundaries of the Site which might otherwise pass with a conveyance of the Site.

9. **Non-Discrimination.** Grantee covenants that there shall be no discrimination against, or segregation of, any persons, or group of persons, on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the rental, sale, lease, sublease,
transfer, use, occupancy, or enjoyment of the Site, or any portion thereof, nor shall Grantee, or any person claiming under or through Grantee, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Site or any portion thereof. The nondiscrimination and non-segregation covenants contained herein shall remain in effect in perpetuity.

10. Form of Nondiscrimination Clauses in Agreements. Grantee shall refrain from restricting the rental, sale, or lease of any portion of the Site on the basis of race, color, creed, religion, sex, marital status, age, ancestry, or national origin of any person. All such deeds, leases, or contracts shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

(a) **Deeds:** In deeds the following language shall appear: "The grantee herein covenants by and for itself, its heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the sale, lease, rental, sublease, transfer, use, occupancy, tenure, or enjoyment of the land herein conveyed, nor shall the grantee itself, or any persons claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

(b) **Leases:** In leases the following language shall appear: "The lessee herein covenants by and for itself, its heirs, executors, administrators, successors, and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the leasing, subleasing, renting, transferring, use, occupancy, tenure, or enjoyment of the land herein leased nor shall the lessee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the land herein leased."

(c) **Contracts:** In contracts pertaining to conveyance of the realty the following language shall appear: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the sale, lease, rental, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor shall the transferee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the land."

The foregoing covenants shall remain in effect in perpetuity.
11. **Mortgage Protection.** No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage, deed of trust or other financing or security instrument permitted by and approved by Grantor pursuant to the DDA; provided, however, that any successor of Grantee to the Site shall be bound by such remaining covenants, conditions, restrictions, limitations and provisions, whether such successor's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise. The foregoing shall limit any rights of holders of any mortgage, deed of trust, or other financing or security instrument set forth in the DDA.

12. **Covenants to Run With the Land.** The covenants contained in this Deed shall be construed as covenants running with the land and not as conditions which might result in forfeiture of title, and shall be binding upon Grantee, its heirs, successors and assigns to the Site, whether their interest shall be fee, easement, leasehold, beneficial or otherwise.

IN WITNESS WHEREOF, Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers or agents hereunto as of ________, 201__.

**GRANTOR:**

BELL COMMUNITY HOUSING AUTHORITY, a public agency

By: ______________________
Fidencio Joel Gallardo, Chair

________________________, 201__

**ATTEST:**

________________________
Angela Bustamante,
Assistant Authority Secretary

APPROVED AS TO FORM:

ALESHIRE & WYNDE, LLP

By: ______________________
David Aleshire, Authority Attorney
ACKNOWLEDGEMENT OF ACCEPTANCE

By its acceptance of this Grant Deed, Grantee hereby agrees as follows:

1. Grantee expressly understands and agrees that the terms of this Grant Deed shall be deemed to be covenants running with the land and shall apply to all of the Grantee's successors and assigns (except as specifically set forth in the Grant Deed).

2. The provisions of this Grant Deed are hereby approved and accepted.

Date: _____________, 201__

"DEVELOPER"

ATWATER INFRASTRUCTURE PARTNERS, a Florida limited liability company

By: J. Alberto Lemus, Manager
That certain real property in the City of Bell, County of Los Angeles, State of California as legally
described as follows:

A. 4400 GAGE PARCEL:

   (i)  4400 Gage Avenue (APN 6325-015-901):

LOT 3 AND THE EAST HALF OF LOT 2, OF TRACT NO. 4213, IN THE CITY OF BELL,
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK
44 PAGE(S) 90 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID
COUNTY.

   (ii) 6419 Pine Avenue (APN 6325-015-902):

LOT 4 OF TRACT NO. 4213, IN THE CITY OF BELL, COUNTY OF LOS ANGELES, STATE
OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 44 PAGE(S) 90 OF MAPS, IN THE
OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

B. ORIGINAL 4410 GAGE PARCEL (APN 6325-018-900):

LOTS 48 AND 49 OF TRACT NO. 4213, IN THE CITY OF BELL, COUNTY OF LOS ANGELES,
STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 44, PAGE 90 OF MAPS, IN
THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.
A notary public or other officer completing this certificate verifies only the identity of
the individual who signed the document to which this certificate is attached, and not
the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

) ss.

COUNTY OF _____________________

On ______________________, 201_ before me, ________________________________, a
notary public, personally appeared ________________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s)
is/are subscribed to the within instrument and acknowledged to me that he/she/they executed
the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the
instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

______________________________
Notary Public

SEAL:
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA
)
COUNTY OF __________________________ )

On ______________________, 201_ before me, ______________________________________, a notary public, personally appeared ______________________ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

__________________________________________
Notary Public

SEAL:
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Declaration") is made and entered into this ___ day of __________, 20___, by and among ATWATER INFRASTRUCTURE PARTNERS, a Florida limited liability company ("Developer"), BELL COMMUNITY HOUSING AUTHORITY, a public Authority ("Authority") and CITY OF BELL, a municipal corporation ("City"). Developer, Authority and City are occasionally referred to herein each as a "party" and collectively as the "parties". City and Authority are sometimes jointly and severally referred to as "City/Authority".

RECITALS:

A. Developer is the owner of that certain real property located in the City of Bell, County of Los Angeles, State of California, more particularly described in Exhibit A attached hereto and incorporated herein by this reference ("Site"). The Site is hereinafter the "Burdened Property".

B. Developer acquired the Site from the Authority pursuant to that certain Grant Deed recorded immediately prior to this Declaration ("Grant Deed") in the Official Records of Los Angeles County ("Official Records"). Immediately following recordation of the Grant Deed and this Declaration, two (2) deeds of trust executed by Developer in favor of Authority securing certain promissory notes for the purchase price of the Site ("Deeds of Trust").

C. The Burdened Property is comprised of the following:

i. 4400 Gage Avenue (Assessor Parcel No. 6325-015-901) and the southerly adjacent parcel at 6419 Pine Avenue (Parcel No. 6325-015-902) which are located on the southeast corner of Gage Avenue and Pine Avenue. As of the Effective Date, the 4400 Gage property has an unoccupied single-story building consisting of approximately two thousand eight hundred (2,800) square feet which was previously used as a market and bakery. The Pine
property is improved as a parking lot. As defined below in this Agreement, the 4400 Gage property and 6419 Pine property are jointly referred to as the “4400 Gage Parcel.”

ii. 4410 Gage Avenue (Assessor Parcel No. 6325-018-900) which is located on the southwest corner of Gage Avenue and Pine Avenue and immediately across the street from the 4400 Gage Parcel. As of the Effective Date (as defined below), the 4410 Gage property has an unoccupied single-story building consisting of approximately three thousand seven hundred sixty-eight (3,768) square feet with was previously used for retail businesses (“4410 Gage Parcel”).

D. Developer and Authority entered into that certain Disposition and Development Agreements dated ____________, 2018, (“DDA”) whereby Authority acquired the Site from Developer for the development of the Site as a commercial retail project (“Project”). City is a third-party beneficiary of the DDA.

E. As set forth in the DDA, Authority retained ownership of that certain area adjacent parcel of land as legally described on Exhibit B attached hereto and incorporated herein by reference (“Plaza Property”).

F. As material consideration for the DDA, this Declaration is to be recorded against the Site concurrently with the Grant Deed to ensure compliance with the rehabilitation, construction, maintenance, and operation requirements for the Site.

G. Authority and City hold various fee or easement interests in various streets, sidewalks and other property within the City and is responsible for the planning and development of land within the City in such a manner so as to provide for the health, safety and welfare of the residents of the City. That portion of the City/Authority’s interest in real property most directly affected by this Declaration are public rights of way and government buildings surrounding the Site including, but not limited to, the Plaza Property are hereinafter collectively the “Benefitted Property”.

H. Authority, City and Developer now desire to place covenants and restrictions upon the use and operation of the Site in order to ensure that the Site shall be developed and operated in accordance with the requirements set forth in the DDA. Capitalized terms used herein shall bear the same meaning as used in the DDA unless otherwise specified.

NOW, THEREFORE, Owner declares, covenants and agrees, by and for itself, its heirs, executors, administrators and assigns, and all persons claiming under or through it, that the Site shall be burdened, held, transferred, encumbered, used, sold, conveyed, leased, and occupied, subject to the covenants and restrictions hereinafter set forth, all of which are declared to be for the benefit of the Benefitted Property (and personally to the City and Authority), and are established expressly and exclusively for the use and benefit of the City and the Benefitted Property.

1. EFFECTIVE DATE; TERM.

This Declaration shall be effective as of the date it is recorded in the Official Records (“Effective Date”) and continue as follows: (i) the use restrictions in Section 3 shall continue for a period of five (5) years from the recordation of the Certificate of Completion (as defined in the
DDA) ("Use Restriction Termination"); and (ii) all other portions of this Declaration shall continue indefinitely as applicable and in accordance with applicable law.

2. DEVELOPMENT OF THE SITE.

2.1. Development. Owner has represented and hereby represents to City/Authority that it intends to and will develop the Site in compliance with the obligations set forth in the DDA and in accordance with the City’s ordinances. Owner also agrees to construct, at Owner’s sole cost and expense, the Project as defined in the DDA. As part of the Project, Owner is also required, as its sole cost and expense, to construct certain improvements to the Plaza Property which, upon completion, shall be owned by City. However, if requested by City, Owner shall execute any and all documents as City may request to evidence same. All improvements to be constructed by Owner referenced above shall hereinafter be referred to as the "Improvements".

2.2. Local Hiring. Owner covenants that it shall make reasonable efforts to cause all solicitations for full or part-time, new or replacement, employment relating to the continuing operation of the Site by coordinating with local employment centers and agencies and advertising in local publications and online. Upon City/Authority’s request from time to time, Owner shall provide a written summary of its efforts under this Section. Owner shall require any tenants of the Site to also comply with this covenant.

3. USES.

For the term specified in Section 1, Owner shall use the Site solely as follows:

i. 4410 Gage Parcel shall be used solely for restaurants, brewery related purposes, including retail or such other uses as approved by Authority/City.

ii. 4400 Gage Parcel shall be used solely as follows:

   a. The property at 4400 Gage shall be used solely for the operation of at least one (1) micro-brewery to share one manufacturing facility.

   b. The property at 6419 Pine shall be used and maintained as a parking lot for the benefit of the property at 4410 Gage.

4. BIFURCATION OF OBLIGATIONS.

The obligations in this Declaration with respect to the 4400 Gage Parcel and the 4410 Gage Parcel shall be deemed separate and distinct for each parcel commencing upon the later to occur of:

i. Recordation of the Certificate of Compliance; and

ii. Deeds of Trusts are reconveyed.

Upon written request to Authority/City, Authority/City will execute and record in the Official Records an amendment to this Declaration acknowledging that the forgoing bifurcation of obligations has occurred. Notwithstanding the bifurcation, the use restrictions in Section 3 shall continue to apply to the respective parcel.
5. MAINTENANCE.

5.1. General Maintenance Obligations. Upon completion of the Improvements (as defined in Section 2), Owner shall maintain and repair or cause to be maintained and repaired the Site and the Plaza Improvements, and all on-site improvements and landscaping thereon, including, without limitation, buildings, parking areas, lighting, signs and walls in a first class condition of comparable properties in the Bell area and repair, free of rubbish, debris and other hazards to persons using the same, and in accordance with all applicable laws, rules, ordinances and regulations of all federal, state, and local bodies and agencies having jurisdiction, at Owner's sole cost and expense. Such maintenance and repair shall include, but not be limited to, the following: (i) sweeping and trash removal; (ii) the care and replacement of all shrubbery, plantings, and other landscaping in a healthy condition; and (iii) the repair, replacement and restriping of asphalt or concrete paving using the same type of material originally installed, to the end that such pavings at all times be kept in a level and smooth condition. Such conditions to be imposed shall require the Owner to maintain the Property or cause the Property to be maintained in such a manner as to avoid the reasonable determination of a duly authorized official of the City/Authority that a public nuisance has been created by the absence of adequate maintenance such as to be detrimental to the public health, safety or general welfare or that such a condition of deterioration or disrepair causes appreciable harm or is materially detrimental to property or improvements within one thousand (1,000) feet of such portion of the Site.

5.2. Condition During Construction. During any period of remediation, grading or other construction activities, Owner hereby covenants and agrees to maintain and repair or cause to be maintained and repaired the Site (or such applicable portion of the Site) in a safe condition, free of rubbish, debris and other hazards to persons using the same, and in accordance with all applicable laws, rules, ordinances and regulations of all federal, state, and local bodies and agencies having jurisdiction, at Owner's sole cost and expense. Such maintenance and repair shall include, but not be limited to, the following: (i) sweeping and trash removal; (ii) ground watering or other similar measures for the reasonable suppression of construction-related dust and air particulates; and (iii) employment of acoustical barriers, limited heavy construction hours, or other similar measures for the reasonable suppression of construction-related noise.

5.3. Parking and Driveways. The driveways and traffic aisles on the Site shall be kept clear and unobstructed at all times. No obstructions to vehicular or pedestrian traffic shall project into any of the driveways, traffic aisles, or pedestrian thoroughfares in such a manner as to unreasonably block ingress, egress and circulation or create a safety hazard.

5.4. Right of Entry. From and after the date(s) that Owner's obligations to maintain the Site commence under this Declaration, and in the event Owner fail to maintain the common area of the Site as set forth above, and satisfactory progress is not made in correcting the condition within thirty (30) days from the date of written notice from City/Authority, City/Authority may, at its option, and with reasonable prior notice to Owner, declare the unperformed maintenance to constitute a public nuisance.
Thereafter, subject to the rights of tenants to perform the landscaping or maintenance pursuant to such tenant's lease, City/Authority, its employees, contractors or agents, may cure Owner's default by entering upon the Site and performing the necessary maintenance. The City/Authority shall give Owner reasonable notice of the time and manner of entry, and entry shall only be at such times and in such manner as is reasonably necessary to carry out This Declaration. Owner owning the affected portion of the Site, shall pay such costs as are reasonably incurred by City/Authority for such maintenance for the affected common area of the Site, including attorneys' fees and costs within thirty (30) days after receipt of a written invoice from City/Authority with supporting documentation for such costs. Nothing in this Section 5.4 shall be construed to waive, limit or prevent the City/Authority from seeking all legal and equitable remedies for the abatement or prosecution of public nuisances found on the Site in the reasonable determination of a duly authorized official of the City/Authority, regardless of whether such nuisance conditions are located within a common area, tenant improvement, or any other portion of the Site.

5.5. **Lien.** If such costs incurred by City/Authority pursuant to Section 5.4 above are not reimbursed within thirty (30) days after Owner's receipt of written notice thereof with supporting documentation as set forth above, the same shall be deemed delinquent, and the amount thereof shall bear interest thereafter at a rate equal to the lesser of ten percent (10%) per annum or the legal maximum until paid. Any and all delinquent amounts, together with said interest, costs and reasonable attorney's fees, shall be an obligation of the Owner as well as a lien and charge upon the property interests of Owner and the City/Authority may bring an action at law against Owner obligated to pay any such sums. Any claim for reimbursement, including interest as aforesaid, and all costs and expenses including reasonable attorneys' fees awarded to the City/Authority in enforcing any payment in any suit or proceeding under these CC&R's shall be assessed against the Owner in favor of the City/Authority and shall constitute a lien ("Assessment Lien") against the property interests of Owner until paid, effective upon the recording of a notice of lien with respect thereto in the Office of the County Recorder of Los Angeles County, Los Angeles; provided, however, that any such Assessment Lien shall be subject and subordinate to (i) liens for taxes and other public charges which by applicable law are expressly made superior, (ii) all liens recorded in the Office of the County Recorder of Los Angeles County, Los Angeles prior to the date of recordation of said notice of lien, and (iii) all leases entered into. whether or not recorded, prior to the date of recordation of said notice of lien. All liens recorded subsequent to the recordation of the notice of lien described herein shall be junior and subordinate to the Assessment Lien. Upon the timely curing by the Owner of any default for which a notice of lien was recorded, the party recording same shall record an appropriate release of such notice of lien and Assessment Lien.

6. **COMPLIANCE WITH LAWS.**

6.1. **State and Local Laws.** Owner shall comply with all ordinances and regulations of the State or City/Authority applicable to the Site. Owner shall comply with all rules and regulations of any assessment district of the City/Authority with jurisdiction over the Site.
6.2. **Site Condition.** As set forth in the DDA, Owner acquired the Site in AS-IS condition. Owner shall defend, save and hold the City/Authority and its elected and appointed boards, commissions, officers, agents, and employees harmless from any and all claims, costs (including attorneys' fees) and liability for any damages, personal injury or death, which may arise, directly or indirectly, from any conditions on the Site. Owner take the Site AS-IS with respect to all environmental conditions thereon, and shall be responsible for any defects in the Site, including, without limitation, the physical, environmental and geotechnical condition of the Site, and the existence of any contamination, hazardous materials, underground storage tanks, vaults, debris, pipelines or other structures located on, under or about the Site, excepting that nothing herein shall be construed to require Owner to hold the City/Authority harmless and/or defend it from any claims arising from, or alleged to arise from, the sole negligence or gross or willful misconduct of the City/Authority's officers, employees, agents, contractors of subcontractors.

7. **OBLIGATION TO REPAIR.**

If a portion of the Project shall be totally or partially destroyed or rendered wholly or partly uninhabitable by fire or other casualty, Owner with respect to the affected portion of the Project, shall, subject to the provisions of any existing monetary loan or encumbrance on the Site either (i) promptly proceed to obtain any available insurance proceeds and take all steps necessary to begin reconstruction and, upon receipt of insurance proceeds and any applicable permits and approvals, to promptly and diligently commence and to thereafter pursue the repair or replacement of the affected portion of the Project to substantially the same condition as existed prior to such damage or destruction, or (ii) if Owner with respect to the affected portion of the Site, elects not to restore or replace such improvements, such Owner shall promptly remove all debris from the affected portion of the Site and place the affected portion of the Site in a clear and secure condition. City/Authority shall cooperate with Owner, at no expense to City/Authority, in obtaining any governmental permits required for the repair, replacement, or restoration of any improvements. Following any such event of damage or destruction, Owner with respect to the affected portion of the Site, may also reconstruct such other improvements on the Site as are consistent with applicable land use regulations provided it shall obtain all legally required approvals from the City/Authority and other governmental agency or agencies with jurisdiction with respect to those improvements.

8. **ENFORCEMENT.**

In the event Owner defaults in the performance or observance of any covenant, agreement or obligation of Owner pursuant to This Declaration, and if such default remains uncured for a period of thirty (30) days after written notice thereof shall have been given by City/Authority, or, in the event said default cannot reasonably be cured within said time period, Owner has failed to commence to cure such default within said thirty (30) days and thereafter fails to diligently prosecute said cure to completion, then City/Authority may declare an “**Event of Default**” to have occurred hereunder, and, at its option, may take one or more of the following steps:

a. By mandamus or other suit, action or proceeding at law or in equity, require Owner to perform its obligations and covenants hereunder or enjoin any acts or things which may be unlawful or in violation of This Declaration; or
b. Take such other action at law or in equity as may appear necessary or desirable to enforce the obligations, covenants and agreements of Owner hereunder; or

c. Enter the affected portion of the Site and cure the Event of Default.

Except as otherwise expressly stated in This Declaration, the rights and remedies of the parties are cumulative, and the exercise by any party of one or more of its rights or remedies shall not preclude the exercise by it; at the same or different times, of any other rights or remedies for the same default or any other default by another party.

9. COVENANTS TO RUN WITH THE LAND.

Owner hereby subjects and burdens the Site to the covenants, reservations, and restrictions set forth in This Declaration. City/Authority and Owner hereby declare their express intent that all such covenants, reservations, and restrictions shall be deemed covenants running with the land and shall pass to and be binding upon the Owner’s successors in title to the Site and for the benefit of the Benefitted Property. All covenants, without regard to technical classification or designation, shall be binding for the benefit of the City/Authority, and such covenants shall run in favor of the City/Authority for the entire term of This Declaration, without regard to whether the City/Authority is or remains an owner of any land or interest therein to which such covenants relate. Each and every contract, deed or other instrument hereafter executed covering or conveying the Site, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to the Declaration, regardless of whether such covenants, reservations, and restrictions are set forth in such contract, deed or other instrument.

City/Authority and Owner hereby declare their understanding and intent that the burden of the covenants set forth herein touch and concern the land. City/Authority and Owner hereby further declare their understanding and intent that the benefit of such covenants touch and concern the land by enhancing and increasing the enjoyment and use of the Site by the intended beneficiaries of such covenants, reservations, and restrictions, and by furthering the public purposes of protecting the public health, safety and welfare.

Owner hereby agrees to hold, sell, and convey the Site subject to the terms of this Declaration. Owner also grants to the City/Authority, as a third party beneficiary hereof, the right and power to enforce the terms of this Declaration against the Owner and all persons having any right, title or interest in the Site or any part thereof, their heirs, successive owners and assigns.

10. INDEMNIFICATION.

Owner is obligated for the payment of any property taxes and assessments applicable to its interest in the Site. Owner shall indemnify, defend and hold harmless City/Authority from and against any loss, liability, claim or judgment arising from their breach of the foregoing covenant. The foregoing indemnification, defense, and hold harmless agreement shall only be applicable to and binding upon the party then owning the Site or applicable portion thereof.

11. INSURANCE.
Owner covenants that during remediation, grading and related construction activities on the Site, Owner shall procure and keep in full force and effect or cause to be procured and kept in full force and effect for the mutual benefit of Owner and City/Authority, and shall provide City/Authority evidence reasonably acceptable to Executive Director for Authority and City Manager for the City of the existence of, the following policies of insurance:

10.1 Comprehensive General Liability Insurance. Owner shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than Two Million Dollars ($2,000,000) per occurrence, Five Million Dollars ($5,000,000) general aggregate, for bodily injury, personal injury, and property damage, including without limitation, blanket contractual liability.

10.2 Workers' Compensation Insurance. If applicable, Owner shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least Five Hundred Thousand Dollars ($500,000)). Owner shall submit to City/Authority, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of City/Authority, its officers, agents, employees and volunteers. Should the Owner be a sole proprietor, Owner will have to complete and submit a declaration of sole proprietor form to the City/Authority in lieu of proof of Workers' Compensation as it is not required for sole proprietors.

10.3 Automotive Insurance. Owner shall maintain automobile insurance at lease as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Owner arising out of or in connection with Work to be performed under this Declaration, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than Two Million Dollars ($2,000,000) combined single limit for each accident.

12. Amendments, Modifications or Termination.

This Declaration may not be amended, modified or terminated except in writing (i) executed by the then owner of 4400 Gage Parcel, the then owner of the 4410 Gage Parcel, Authority and City, and (ii) recorded in the Official Records. Upon occurrence of the bifurcation pursuant to Section 4, any amendment shall only be executed by the owner of the parcel affected by the amendment, Authority and City and recorded in the Official Records.

13. Lender Protection.

Owner's breach of any of the covenants or restrictions contained in this Declaration shall not defeat or render void or invalid the lien of any mortgage, deed of trust or other security interest encumbering the Site made in good faith and for value but, unless otherwise provided herein, the terms, covenants, conditions, restrictions, easements and reservations of this Declaration shall be binding and effective against the holder of such encumbrance whose interest is acquired by foreclosure, trustee's sale, deed or assignment in lieu thereof, or otherwise.


14.1 Notices. Any notices, demands, or communications under this Declaration shall be in writing, and may be given either by (i) personal services, (ii) overnight delivery, or (iii) mailing via United States mail, certified mail, postage prepaid, return service
requested, addressed (a) to the City at City hall, (b) to the Authority at City Hall; and (c) to the owner of the Site at the address shown on the Los Angeles county tax assessor’s latest equalized roll for each such property, and such notice or communication shall, if properly addressed, be deemed to have been given as of the date so delivered, or three (3) business days after deposit into the United States mail.

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

14.3. **Governing Law.** This Declaration shall be construed and enforced in accordance with the laws of the State of California and any legal action shall be brought in a court of competent jurisdiction in Santa Barbara County.

14.4. **Attorney’s Fees.** In the event of any litigation or other legal proceeding arising from this Declaration, the prevailing party will be entitled to recover, in addition to any other relief awarded or granted, its reasonable costs and expenses, including attorney’s fees, incurred in the proceeding.

14.5. **Final Agreement.** This Declaration (together with the exhibits and the documents incorporated herein by reference including but not limited to the DDA and Grant Deed) contains the entire understanding and agreement of the parties with respect to the subject matter of this Declaration and all prior or contemporaneous documents, understandings, representations, and statements shall be of no force or effect.

14.6. **Construction.** This Declaration shall be construed according to its fair meaning as if prepared by all parties to this Declaration and to enforce the provisions of the party’s agreement. Headings used in this Declaration are provided for convenience only and shall not be used to construe meaning or intent.

14.7. **Qualification; Authority.** Each individual executing this Declaration on behalf of Owner represents, warrants, and covenants that (i) such entity is duly formed and authorized to do business in the state of its incorporation, (ii) such person is duly authorized to execute and deliver this Declaration on behalf of such entity in accordance with authority granted under the organizational documents of such entity, and (iii) such entity is bound under the terms of this Declaration.

14.8. **No Waiver.** The failure to enforce any term, covenant, or condition of this Declaration shall not be construed as a waiver of the right to enforce this, or any other, term, covenant, or condition of this Declaration.

14.9. **Binding on Successors.** This Declaration is binding on both the Burdened Property and the Benefited Property and their respective successors and assigns, including subsequent owners, tenants, and occupants. This Declaration shall be enforced by the owner of each of the Properties and may also be enforced by the City/Authority in its discretion.
14.10. **No Third Party Beneficiary; Enforceability.** Except for the benefit of the City and Authority as entities, this Declaration is not to be construed as being for the benefit of any third party. Furthermore, no person other than the owners of the Properties and the City/Authority have standing to enforce or challenge this Declaration, or any amendment or release of this Declaration.

14.11. **Governing Law.** This Declaration shall be governed by the laws of the State of California.

14.12. **Incorporation of Exhibits.** Exhibits A, and B attached hereto are incorporated herein by reference.

[SIGNATURES ON FOLLOWING PAGE]
IN WITNESS WHEREOF, the parties have executed this Declaration as of the Effective Date.

DEVELOPER:

ATWATER INFRASTRUCTURE PARTNERS, a Florida limited liability company

By: [Signature]
    J. Alberto Lemus, Manager

CITY:

CITY OF BELL, a municipal corporation

By: [Signature]
    Fidencio Joel Gallardo, Mayor

ATTEST:

Angela Bustamante,
City Clerk

201

AUTHORITY:

BELL COMMUNITY HOUSING AUTHORITY, a public agency

By: [Signature]
    Fidencio Joel Gallardo, Chair

ATTEST:

Angela Bustamante,
Assistant Authority Secretary

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: [Signature]
    David Aleshire, Authority Counsel

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: [Signature]
    David Aleshire, City Attorney
EXHIBIT A

LEGAL DESCRIPTION OF SITE

That certain real property in the City of Bell, County of Los Angeles, State of California legally described as follows:
EXHIBIT B

LEGAL DESCRIPTION OF PLAZA PROPERTY

That certain real property in the City of Bell, County of Los Angeles, State of California legally described as follows:
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA   )
                      ) ss.
COUNTY OF ____________  )

On ________________, 201_ before me, ________________________________, a notary public, personally appeared ________________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

________________________________________

Notary Public

SEAL:
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF

) ) ss.

On ________________, 201_ before me, ________________________________, a notary public, personally appeared ________________________________ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

______________________________

Notary Public

______________________________

SEAL:
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

) ss.

COUNTY OF _____________________

On ________________, 20___ before me, ____________________________, a notary public, personally appeared ____________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

____________________________
Notary Public

SEAL:
ATTACHMENT NO. 6-A
GAGE AVENUE DDA

4400 GAGE NOTE

PURCHASE MONEY NOTE SECURED BY DEED OF TRUST
(______ Gage Parcel)

$______,000 ("Loan Amount")

__________, 201__ ("Note Date")

FOR VALUE RECEIVED, ATWATER INFRASTRUCTURE PARTNERS, a Florida
limited liability company ("Maker") hereby promises to pay to the order of the BELL
COMMUNITY HOUSING AUTHORITY, a public agency ("Holder") at a place designated by
Holder, the principal sum of__________ THOUSAND DOLLARS ($875,000) ("Note
Amount"), plus accrued interest (as specified below), or such lesser amount which shall from
time to time be owing hereunder pursuant to the terms hereof.

Pursuant to the DDA (as defined below), Maker acquired the "Site" (as defined in the
DDA) consisting of the (i) ____ Gage Parcel (as defined in the DDA), and (ii) ____ Gage Parcel
(as defined in the DDA.) This Note represents the portion of the purchase price for the ____
Gage Parcel.

Reference is also made to the following additional agreements and documents involving
Maker and Holder and/or pertaining to all or a portion of the Site:

i. "Purchase Money Deed of Trust with Assignment of Rents and Rider Attached
Hereto Containing Terms Including Security Agreement and Fixture Filing" of
even date herewith made by and among Maker as trustor, Holder as beneficiary,
and Fidelity National Title Insurance Company as trustee, and recorded on
______________, 201__ as Instrument No. _______, in the Office of the
Los Angeles County Recorder against the 4400 Gage Parcel ("Deed of Trust").
This Note is secured by the Deed of Trust.

ii. Declaration of Covenants and Restrictions dated __________, 201__ by and
between Maker (as Owner) and Holder (as Authority) for the benefit of Holder,
and recorded on ______________, 201__, as Instrument No. __________ in the
Office of the Los Angeles County Recorder against the Site ("CC&Rs").

iii. Disposition and Development Agreement dated __________, 201__ by and
between Holder (as Authority) and Maker (as Developer) for the sale of the Site
to Maker and its development by Maker ("DDA").

The foregoing documents listed in subparagraphs (i), (ii) and (iii) above are referred to
herein collectively as the "Authority Agreements" and individually as an "Authority
Agreement." The Authority Agreements are incorporated herein as though fully set forth.

Concurrently with this Note, Maker has executed that certain Purchase Money Note
Secured by Deed of Trust in the principal amount of ______________ Thousand Dollars
($___,000) representing the purchase price for ____ Gage Parcel and payable to Holder ("_____ Gage Note"). The ____ Gage Note is secured by that certain "Purchase Money Deed of Trust with Assignment of Rents and Rider Attached Hereto Containing Terms Including Security Agreement and Fixture Filing" of even date herewith made by and among Maker as trustor, Holder as beneficiary, and Fidelity National Title Insurance Company as trustee, and recorded concurrently with the Deed of Trust in the Los Angeles County Recorder against the ____ Gage Parcel ("_____ Deed of Trust").

1. **Defined Terms.** Except as otherwise provided herein, the defined terms used in this Note shall have the same meaning as set forth in the DDA.

2. **Purpose of Loan.** This Note is a purchase money carry-back obligation for the sale of the ____ Gage Parcel to Maker in accordance with the DDA.

3. **Effective Date.** This Note shall be effective as of the date that the Deed of Trust is recorded in the Official Records of Los Angeles County against the ____ Gage Parcel ("Effective Date").

4. **Principal Amount.** The principal amount of this Note is ____________ THOUSAND DOLLARS ($___,000) ("Principal").

5. **Interest.** Commencing as of the Effective Date, interest shall accrue on the principal at the rate of four percent (4%) per annum until paid in full.

6. **Term of Note.** If not sooner paid, this Note shall be due and payable five (5) years from the Effective Date ("Due Date").

7. **Payments.**

   a. **Interest Only Payments.** Commencing as of the Effective Date and continuing for a period of eighteen (18) months thereafter ("Initial Period"), Maker shall pay monthly payments of interest only to Authority on the same day of each month.

   b. **Amortized Payments.** From the end of the Initial Period and continuing on the same day of the month thereafter until the Due Date, Maker shall pay a monthly payment to Authority in an amount equal to the Principal and interest amortized over a period of fourteen (14) years.

   c. **Late Charge.** If Maker shall fail to make any payment, including the final combined principal and interest installment, within ten (10) days after the date the same is due and payable, a late charge by way of damages shall be immediately due and payable. Maker recognizes that default by Maker in making the payments herein agreed to be paid when due will result in the City incurring additional expense in servicing the loan, in loss to the City of the use of the money due and in frustration to the City in meeting its other financial and loan commitments. Maker agrees that, if for any reason Maker fails to pay the amounts due under this Note when due, the City hereof shall be entitled to damages for the detriment caused thereby, but that it is extremely difficult and impractical to ascertain the extent of such damages. Maker therefore agree that a sum equal to five percent (5%) of each payment which becomes delinquent.
("Late Charge") is a reasonable estimate of said damages to the City of this Note, which sum Maker agree to pay on demand. Prior to collecting any late charge hereunder, City shall comply with the provisions of California Civil Code Section 2954.5, as such section or any successor section may now or hereafter be in effect.

8. **Prepayment.** Maker may **not** prepay this Note in whole or in part until the Certificate of Completion (as defined in the DDA) has been recorded against the Site. After the recodardation of the Certificate of Completion, this Note may be prepaid in whole or in part at any time without penalty.

9. **Cross-Default.**
   
a. **Authority Agreements.** Any default by Maker under any of the Authority Agreements shall be a default under this Note.

   b. **Note and Trust Deed.** Any default by Maker under the ______ Note or the ______ Deed of Trust shall be a default under this Note. However, this provision shall terminate upon recordation of the Certificate of Completion.

10. **Acceleration on Default.** In the event Maker is deemed in default under this Note, Holder may, at its option, declare this Note and the entire obligations hereby evidenced immediately due and payable and collectible then or thereafter as Holder may elect, regardless of the date of maturity, and notice of the exercise of said option is hereby expressly waived by Maker.

11. **Acceleration on Transfer or Encumbrance of Property.** The Deed of Trust contains the following provision: "If Trustor sells, contracts to sell, gives an option to purchase, conveys, leases with an option to purchase, encumbers, or alienates the Property, or any interest in it, or suffers its title to, or any interest in, the Property to be divested, whether voluntarily or involuntarily, or if there is a sale or transfer of beneficial interests in Trustor equal to fifty percent (50%) or more of the beneficial ownership interests of that entity outstanding at the date of this Deed of Trust; or if Trustor changes or permits to be changed the character or use of the Property; or if title to such Property becomes subject to any lien or charge, voluntary or involuntary, contractual or statutory, without Beneficiary's prior written consent, then Beneficiary, at Beneficiary's option, may, without prior notice, declare all sums secured by this Deed of Trust, regardless of their stated due date(s), immediately due and payable and may exercise all rights and remedies in this Deed of Trust. Furthermore, if, after the business has opened on the Property encumbered by this Deed of Trust as required by the DDA, such business ceases operations for more than six (6) months (except as a result of a force majeure event), Beneficiary shall have the right, but not the obligation, upon thirty (30) written notice to Trustor, to declare all sums secured by this Deed of Trust, regardless of their stated due date(s), immediately due and payable and may exercise all rights and remedies in this Deed of Trust."

12. **Collection Costs; Attorneys' Fees.** If, because of a default under this Note, an attorney is engaged by Holder to enforce or defend any provision of this Note, whether or not suit is filed hereon, then Maker shall pay upon demand reasonable attorneys' fees, expert witness fees and all costs so incurred by Holder together with interest
thereon until paid at the applicable rate of interest payable hereunder, as if such fees and costs had been added to the principal owing hereunder.

13. **Waivers by Maker.** Maker and all endorsers, guarantors and persons liable or to become liable on this Note waive presentment, protest and demand, notice of protest, demand and dishonor and nonpayment of this Note.

14. **Severability.** The unenforceability or invalidity of any provision or provisions of this Note as to any persons or circumstances shall not render that provision or those provisions unenforceable or invalid as to any other provisions or circumstances, and all provisions hereof, in all other respects, shall remain valid and enforceable.

15. **Modifications.** Neither this Note nor any term hereof may be waived, amended, discharged, modified, changed or terminated orally; nor shall any waiver of any provision hereof be effective except by an instrument in writing signed by Maker and Holder.

16. **No Waiver by Holder.** No waiver of any breach, default or failure of condition under the terms of this Note shall be implied from any failure of the Holder of this Note to take, or any delay be implied from any failure by the Holder in taking action with respect to such breach, default or failure from any prior waiver of any similar or unrelated breach, default or failure.

17. **Usury.** Notwithstanding any provision in this Note, the total liability for payment in the nature of interest shall not exceed the limit imposed by applicable laws of the State of California.

18. **Governing Law.** This Note has been executed and delivered by Maker in the State of California and is to be governed and construed in accordance with the laws thereof.

19. **Time of Essence.** Time is of the essence in the performance of the obligations and provisions set forth in this Note.

20. **Notices.** All notices, demands, requests, elections, approvals, disapprovals, consents or other communications given under this Note shall be in writing and shall be given by personal delivery, certified mail, return receipt requested, or overnight guaranteed delivery service and addressed as follows:

   **To Holder:** Bell Community Housing Authority
   6330 Pine Ave.
   Bell, California 90201
   Attn: Howard W. Brown, City Manager

   **With a Copy to:** Aleshire & Wynder, LLP
   18881 Von Karman Avenue, Suite 1700
   Irvine, CA 92612
   Attention: David Aleshire, Esq.

   **To Maker:** Atwater Infrastructure Partners
   177 E. Colorado Blvd. 2nd Floor
   Pasadena, CA 91101
Attn. J. Alberto Lemus

Notices shall be effective upon the earlier of receipt or refusal of delivery. Each party shall promptly notify the other party of any change(s) of address to which notice shall be sent pursuant to this Note.

IN WITNESS WHEREOF, Maker has executed this Note as of the Note Date.

MAKER:

ATWATER INFRASTRUCTURE PARTNERS, a Florida limited liability company

By: J. Alberto Lemus, Manager
GAGE AVENUE DDA
GAGE TRUST DEED

Order No.
Escrow No.
Loan No.

WHEN RECORDED MAIL TO:
Bell Community Housing Authority
6330 Pine Ave.
Bell, California 90201
Attn: Howard W. Brown, City Manager

SPACE ABOVE THIS LINE FOR RECORDER'S USE
EXEMPT FROM RECORDING FEE PER GOV. CODE § 6103

PURCHASE MONEY DEED OF TRUST WITH ASSIGNMENT OF RENTS AND RIDER
ATTACHED HERETO CONTAINING TERMS INCLUDING SECURITY AGREEMENT AND
FIXTURE FILING

(____ Gage Parcel)

NOTE: RIDER ATTACHED TO THIS DEED OF TRUST ("RIDER") CONTAINS ADDITIONAL
TERMS INCLUDING SECURITY AGREEMENT AND FIXTURE FILING.

This PURCHASE MONEY DEED OF TRUST WITH ASSIGNMENT OF RENTS AND RIDER
ATTACHED HERETO ("Deed of Trust"), is made ________, 201__, between ATWATER
INFRASTRUCTURE PARTNERS, a Florida limited liability company ("TRUSTOR"), whose
address is 11777 San Vincente Blvd Suite 900 Los Angeles, CA 90049 in favor of BELL
COMMUNITY HOUSING AUTHORITY, a public agency ("BENEFICIARY"), and FIDELITY
NATIONAL TITLE INSURANCE COMPANY, a corporation ("TRUSTEE").

WITNESSETH: That Trustor grants to Trustee in trust, with power of sale, Trustor's estate in
that real property in the City of Bell, County of Los Angeles, State of California, described as set
forth on EXHIBIT "A" attached hereto ("Property") together with the rents, issues and profits
thereof, subject, however, to the right, power and authority hereinafter given to and conferred
upon Beneficiary to collect and apply such rents, issues and profits for the purpose of securing
(1) payment of the sum of $____________, with interest thereon according to the terms of that
certain Purchase Money Note Secured by Deed of Trust of even date herewith made by Trustor,
payable to order of Beneficiary, and extensions or renewals thereof; (2) the performance of
each agreement of Trustor incorporated by reference or contained herein; (3) payment of
additional sums and interest thereon which may hereafter be loaned to Trustor, or its
successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust; and (4) all additional obligations specified in the Rider.

To protect the security of this Deed of Trust, and with respect to the Property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each and all of the terms and provisions set forth in subdivision A, and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the fictitious deed of trust recorded in Orange County August 17, 1964, and in all other counties August 18, 1964, in the book and at the page of Official Records in the office of the county recorder of the county where said property is located, noted below opposite the name of such county, namely:

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shall inure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivisions A and B (identical in all counties, and printed on pages 3 and 4 hereof) are by the within reference thereto, incorporated herein and made a part of this Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed the maximum allowed by law.

The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address hereinbefore set forth.

**TRUSTOR:**

ATWATER INFRASTRUCTURE PARTNERS, a Florida limited liability company

By: [Signature]

J. Alberto Lemus, Manager
DO NOT RECORD

The following is a copy of Subdivisions A and B of the fictitious Deed of Trust recorded in each county in California as stated in the foregoing Deed of Trust and incorporated by reference in said Deed of Trust as being a part thereof as if set forth at length therein.

A. To protect the security of this Deed of Trust, Trustor agrees:

1) To keep said property in good condition and repair, not to remove or demolish any building thereon; to complete or restore promptly and in a good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor, to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

2) To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at the option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney’s fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed.

4) To pay: at least ten (10) days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary of Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same is such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

5) To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from the date of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date hereof regarding the obligation secured hereby any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time when said statement is demanded.

B. It is mutually agreed:

1) That any award in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.
2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

3) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon, or join in any extension agreement or any agreement subordinating the lien or charge hereof.

4) That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The Grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

5) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in the performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or be a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collecting of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

6) That upon default by Trustor in payment of any indebtedness secured hereby or in the performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed, said note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recitation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all
sums expended under the terms hereof, not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

7) Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where said property is situated shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed is recorded and the name and address of the new Trustee.

8) That this Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledges, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

9) That Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

**DO NOT RECORD**

REQUEST FOR FULL RECONVEYANCE

TO __________________________, TRUSTEE:

The undersigned is the legal owner and holder of the note or notes and of all indebtedness secured by the foregoing Deed of Trust. Said note or notes, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note or notes above mentioned, an all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you under the same.

Dated __________________________

________________________________

________________________________

________________________________

Please mail Deed of Trust, Note and Reconveyance to __________________________

Do Not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made.
RIDERS TO DEED OF TRUST WITH ASSIGNMENT OF RENTS

THIS RIDER TO DEED OF TRUST WITH ASSIGNMENT OF RENTS ("Rider") is executed this _______ day of _________, 201__, by ATWATER INFRASTRUCTURE PARTNERS, a Florida limited liability company ("Trustor") in favor of the BELL COMMUNITY HOUSING AUTHORITY, a public agency ("Beneficiary"), the same parties to that certain "Purchase Money Deed of Trust With Assignment of Rents and Rider Attached Hereto Containing Terms Including Security Agreement and Fixture Filing" of even date herewith to which this Rider is attached. This Rider is made a part of and is incorporated into said Deed of Trust. This Rider shall supersede any conflicting term or provision of the form Deed of Trust to which it is attached.

Reference is made to the following agreements and documents: (i) Purchase Money Note Secured by Deed of Trust in the amount of $_________ made by Trustor as "Maker" in favor of Beneficiary as "Holder" of even date herewith, the repayment of which by Trustor is secured by this Deed of Trust ("Note"); (ii) that certain "Disposition and Development Agreement" dated __________, 201__ by and between Beneficiary as "Authority" and Trustor as "Developer" providing for Trustor's acquisition and development of the Property (also referred to therein as the Site) ("DDA"); and (iii) that certain "Covenants, Conditions and Restrictions" dated __________, 201__, by and between Trustor as "Owner" and Beneficiary as "Authority", providing for the use, operation, and maintenance of the Property which has been recorded concurrently with this Deed of Trust ("CC&Rs").

The parties hereto agree:

1. Property. The estate subject to this Deed of Trust is Trustor's fee estate in the real property legally described in the Deed of Trust ("Property"). In addition, Trustor grants to Beneficiary a security interest in all of Trustor's rights, title, and interest in and to the following:

(a) All present and future inventory and equipment, as those terms are defined in the California Commercial Code, and all other present and future personal property of any kind or nature whatsoever, now or hereafter located at, upon or about the Property or used or to be used in connection with or relating or arising with respect to the Property and/or the use thereof or any improvements thereto, including without limitation all present and future furniture, furnishings, fixtures, goods, tools, machinery, plumbing and plumbing material and supplies, concrete, lumber, hardware, electrical wiring and electrical material and supplies, heating and air conditioning material and supplies, roofing material and supplies, window material and supplies, doors, paint, drywall, insulation, cabinets, ceramic material and supplies, flooring, carpeting, appliances, fencing, landscaping and all other materials, supplies and property of every kind and nature.

(b) All present and future accounts, general intangibles, chattel paper, contract rights, deposit accounts, instruments and documents as those terms are defined in the California Commercial Code, now or hereafter relating or arising with respect to the Property and/or the use thereof or any improvements thereto, including without limitation: (i) all rights to the payment of money, including escrow proceeds arising out of the sale or other disposition of all or any portion of the Property; (ii) all architectural, engineering, design and other plans, specifications and drawings relating to the development of the Property and/or any construction thereon; (iii) all use permits, occupancy permits, construction and building permits, and all other permits and approvals required by any governmental or quasi-
governmental authority in connection with the development, construction, use, occupancy or operation of the Property; (iv) any and all agreements relating to the development, construction, use, occupancy and/or operation of the Property between Trustor and any contractor, subcontractor, project manager or supervisor, architect, engineer, laborer or supplier of materials; (v) all lease, rental or occupancy agreements and payments received thereunder; (vi) all names under which the Property is now or hereafter known and all rights to carry on business under any such names or any variant thereof; (vii) all trademarks relating to the Property and/or the development, construction, use, occupancy or operation thereof; (viii) all goodwill relating to the Property and/or the development, construction, use, occupancy or operation thereof; (ix) all insurance proceeds and condemnation awards arising out of or incidental to the ownership, development, construction, use, occupancy or operation of the Property; (x) all reserves, deferred payments, deposits, refunds, cost savings, bonds, insurance policies and payments of any kind relating to the Property; (xi) all loan commitments issued to Trustor in connection with any sale or financing of the Property; (xii) all water stock, if any, relating to any Property and all shares of stock or other evidence of ownership of any part of or interest in any Property that is owned by Trustor in common with others; and (xiii) all supplements, modifications and amendments to the foregoing.

(c) All fixtures located upon or within the Property or now or hereafter attached to, installed in, or used or intended for use in connection with the Property, including without limitation any and all partitions, generators, screens, awnings, boilers, furnaces, pipes, plumbing, elevators, cleaning, call and sprinkler systems, fire extinguishing apparatus and equipment, water tanks, heating ventilating, air conditioning and air cooling equipment, and gas and electric machinery and equipment.

(d) All present and future accessories, additions, attachments, replacements and substitutions of or to any or all of the foregoing.

(e) All cash and noncash proceeds and products of any and all of the foregoing, including without limitation all monies, deposit accounts, insurance proceeds and other tangible or intangible property received upon a sale or other disposition of any of the foregoing.

2. **Obligations Secured.** Trustor makes this grant and assignment for the purpose of securing the following obligations (“**Secured Obligations**”):

   (a) Payment to Beneficiary of all indebtedness at any time owing under the terms of the Note;

   (b) Payment and performance of all obligations of Trustor under this Deed of Trust, the DDA, and the CC&Rs;

   (c) Payment and performance of all future advances and other obligations of Trustor or any other person, firm, or entity with the approval of Trustor, may agree to pay and/or perform (whether as principal, surety or guarantor) for the benefit of Beneficiary, when the obligation is evidenced by a writing which recites that it is secured by this Deed of Trust; and

   (d) All modifications, extensions and renewals of any of the obligations secured hereby, however evidenced.

3. **Obligations.** The term “obligations” is used herein in its broadest and most
comprehensive sense and shall be deemed to include, without limitation, all interest and charges, prepayment charges, late charges and fees at any time accruing or assessed on any of the Secured Obligations.

4. **Incorporation.** All terms of the Note and the Secured Obligations are incorporated herein by this reference. All persons who may have or acquire an interest in the Property shall be deemed to have notice of the terms of all of the foregoing documents.

5. **Mortgage-in-Possession.** Neither the assignment of rents set forth in the Deed of Trust nor the exercise by Beneficiary of any of its rights or remedies hereunder shall be deemed to make Beneficiary a "mortgage-in-possession" or otherwise liable in any manner with respect to the Property, unless Beneficiary, in person or by agent, assumes actual possession thereof. Nor shall appointment of a receiver for the Property by any court at the request of Beneficiary or by agreement with Trustor, or the entering into possession of the Property by such receiver, be deemed to make Beneficiary a "mortgage-in-possession" or otherwise liable in any manner with respect to the Property.

6. **Casualty and Condemnation.** In the event of any fire or other casualty to the improvements on the Property or eminent domain proceedings resulting in condemnation of the improvements or any part thereof, and provided Beneficiary has been provided the opportunity to participate in any proceedings as required in the DDA or this Deed of Trust, if the Beneficiary determines that restoration or rebuilding of the improvements is economically feasible, Trustor shall have the right to rebuild the improvements, and to use the net insurance proceeds therefor subject to such requirements as reasonably imposed by Beneficiary including but not limited to, (i) the funds are sufficient to rebuild as evidenced by a construction budget and construction contract reasonably approved by Beneficiary, (ii) if the funds are insufficient to rebuild, that Trustor shall provide the balance of such funds necessary to rebuild, (iii) that all funds will be held by an independent escrow company for distribution during reconstruction, and (iv) any excess proceeds shall be applied to reduce the Note, (subject to the terms of the Senior Financing). Condemnation alone shall not cause acceleration of the Note and Secured Obligations shall not be due and payable unless it is a condemnation of a material portion of the Project.

7. **No Cure.** In the event Beneficiary collects and receives any rents under the Deed of Trust upon any default hereof, such collection or receipt shall in no way constitute a curing of the default.

8. **No. Waiver.** Except as otherwise expressly provided in this Deed of Trust, any failure or delay in giving such notice or in asserting any of its rights and remedies as to any default shall not constitute a waiver of any default, nor shall it change the time of default, nor shall it deprive either party of its rights to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

9. **Inconsistency.** In the event of any inconsistency in the terms of this Rider and the provisions set forth in the standard deed of trust recorded in the Recorder’s Office of the County of Los Angeles, the terms of this Rider shall control.

10. **Due on Sale or Encumbrance.** If Trustor sells, contracts to sell, gives an option to purchase, conveys, leases with an option to purchase, encumbers, or alienates the Property, or any interest in it, or suffers its title to, or any interest in, the Property to be divested,
whether voluntarily or involuntarily; or if there is a sale or transfer of beneficial interests in Trustor equal to fifty percent (50%) or more of the beneficial ownership interests of that entity outstanding at the date of this Deed of Trust; or if Trustor changes or permits to be changed the character or use of the Property; or if title to such Property becomes subject to any lien or charge, voluntary or involuntary, contractual or statutory, without Beneficiary's prior written consent, then Beneficiary, at Beneficiary's option, may, without prior notice, declare all sums secured by this Deed of Trust, regardless of their stated due date(s), immediately due and payable and may exercise all rights and remedies in this Deed of Trust. Furthermore, if, after the business has opened on the Property encumbered by this Deed of Trust as required by the DDA, such business ceases operations for more than six (6) months (except as a result of a force majeure event), Beneficiary shall have the right, but not the obligation, upon thirty (30) written notice to Trustor, to declare all sums secured by this Deed of Trust, regardless of their stated due date(s), immediately due and payable and may exercise all rights and remedies in this Deed of Trust."

11. **Default; Acceleration.** A default as specified above or a default under the DDA or CC&Rs shall be a default under this Deed of Trust. A default under the 4410 Note or 4410 Deed of Trust (as defined in the Note) shall be a default under this Deed of Trust.

Upon a default of this Deed of Trust, Beneficiary may, at its option, declare the Note and all the Secured Obligations hereby evidenced immediately due and payable and collectible then or thereafter as Beneficiary may elect, regardless of the date of maturity, and notice of the exercise of said option is hereby expressly waived by Trustor.

12. **Receiver.** In addition to any and all other remedies of Beneficiary set forth under this Deed of Trust or permitted at law or in equity, if a default shall have occurred, Beneficiary, to the extent permitted by law and without regard to the value, adequacy or occupancy of the security for the Note and other sums secured hereby, shall be entitled as a matter of right if it so elects to the appointment of a receiver to enter upon and take possession of the Property and to collect all rents and profits and apply the same as the court may direct, and such receiver may be appointed by any court of competent jurisdiction by ex parte application and without notice, notice of hearing being hereby expressly waived. The expenses, including receiver's fees, attorneys' fees, costs and agent's compensation, incurred pursuant to the power herein contained shall be secured by this Deed of Trust.

13. **Security Agreement.** This Deed of Trust also constitutes a security agreement with respect to all personal property in which Beneficiary is granted a security interest hereunder, and Beneficiary shall have all of the rights and remedies of a secured party under the Uniform Commercial Code as enacted in California ("California Uniform Commercial Code") as well as all other rights and remedies available at law or in equity. Trustor hereby agrees to execute and deliver on demand and hereby irrevocably constitutes and appoints Beneficiary the attorney-in-fact of Trustor, to execute, deliver and, if appropriate, to file with the appropriate filing officer or office such security agreements, financing statements, continuation statements or other instruments as Beneficiary may request or require in order to impose, perfect or continue the perfection of, the lien or security interest created hereby. Trustor and Beneficiary agree that the filing of a financing statement in the record normally having to do with personal property shall never be construed as in any way derogating from or impairing the lien of this Deed of Trust and the intention of Trustor and Beneficiary that everything used in connection with the operation or occupancy of the Property is and at all times and for all purposes and in all proceedings, both legal and equitable, shall be regarded as real property or
goods which are or are to become fixtures, irrespective of whether (i) any such item is physically attached to the buildings and improvements on the Property; (ii) serial numbers are used for the better identification of certain equipment items capable of being filed by the Beneficiary; or (iii) any such item is referred to or reflected in any such financing statement so filed at any time. Such mention in the financing statements is declared to be for the protection of the Beneficiary in the event any court or judge shall at any time hold that notice of Beneficiary's priority of interest must be filed in the California Commercial Code records to be effective against a particular class of persons, including, but not limited to, the federal government and any subdivision or entity of the federal government. Trustor covenants and agrees to reimburse Beneficiary for any costs incurred in filing such financing statement and any continuation statements.

Upon the occurrence of default hereunder, and after delivery of notice and the expiration of all applicable cure periods, Beneficiary shall have the right to cause any of the Property which is personal property and subject to the security interest of Beneficiary hereunder to be sold at any one or more public or private sales as permitted by applicable law, and Beneficiary shall further have all other rights and remedies, whether at law, in equity, or by statute, as are available to secured creditors under applicable law, specifically including without limitation the right to proceed as to both the real property and the personal property contained within the Property as permitted by Uniform Commercial Code Section 9501(4), including conducting a unified sale thereof. Any such disposition may be conducted by an employee or agent of Beneficiary or Trustee. Any person, including both Trustee and Beneficiary, shall be eligible to purchase any part or all of such property at any such disposition.

This Deed of Trust constitutes a fixture filing under Sections 9313 and 9402(6) of the California Uniform Commercial Code, as amended or recodified from time to time.

14. **Notices.** Formal notices, demands, and communications between Trustor and Beneficiary shall be given by (i) personal service, (ii) delivery by reputable document delivery service such as Federal Express that provides a receipt showing date and time of delivery, or (iii) mailing in the United States mail, certified mail, postage prepaid, return receipt requested, addressed to:

**To Trustor:**
Bell Community Housing Authority
6330 Pine Ave.
Bell, California 90201
Attn: Howard W. Brown, City Manager

**With a Copy to:**
Aleshire & Wynder, LLP
18881 Von Karman Avenue, Suite 1700
Irvine, CA 92612
Attention: David Aleshire, Esq.

**To Beneficiary:**
Atwater Infrastructure Partners
177 E. Colorado Blvd. 2nd Floor
Pasadena, CA 91101
Attn. J. Alberto Lemus

Notices personally delivered or delivered by document delivery service shall be deemed effective upon receipt. Notices mailed shall be deemed effective on the second business day.
following deposit in the United States mail. Such written notices, demands, and communications shall be sent in the same manner to such other addresses as either party may from time to time designate by mail.

IN WITNESS WHEREOF, Trustor has executed this Rider on the date of Trustor's acknowledgment hereinbelow, to be effective for all purposes as of the day and year first set forth above.

TRUSTOR:

ATWATER INFRASTRUCTURE PARTNERS,
a Florida limited liability company

By: [Signature]

J. Alberto Lemus, Manager
EXHIBIT “A”

LEGAL DESCRIPTION

That certain real property located in the City of Bell, County of Los Angeles, State of California, legally described as:
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF ________________

On ________________, 201_ before me, ____________________________, a notary public, personally appeared ____________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

______________________________
Notary Public

SEAL:
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA  

COUNTY OF ____________

On _________________, 201_ before me, ____________________________________, a notary public, personally appeared ______________________________ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

________________________________________
Notary Public

SEAL:
CERTIFICATE OF COMPLETION

FREE RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Atwater Infrastructure Partners
177 E. Colorado Blvd. 2nd Floor
Pasadena, CA 91101
Attn. J. Alberto Lemus

APN: ________________  
(Space above this line for Recorder’s Office Use Only)

CERTIFICATE OF COMPLETION

Pursuant to that certain Disposition and Development Agreement dated ______________, 201__ ("DDA") by and between the BELL COMMUNITY HOUSING AUTHORITY, a public agency ("Authority"), and ATWATER INFRASTRUCTURE PARTNERS, a Florida limited liability company ("Developer"). Developer has agreed to develop that certain real property situated in the City of Bell, California, described on Exhibit "A" attached hereto and made a part hereof ("Property").

RECITALS:

A. As referenced in the DDA, Authority is required to furnish Developer with a Certificate of Completion upon completion of construction and development and the opening of the business on the Property, which certificate shall be in such form as to permit it to be recorded in the Official Records of Los Angeles County, California.

B. The DDA provides for certain covenants to run with the land, which covenants were incorporated in the Grant Deed (as defined in the DDA) or in that certain Declaration of Covenants, Conditions and Restrictions recorded as Instrument No. ______________ of the Official Records of the Los Angeles County ("Declaration").

C. This Certificate of Completion shall constitute a conclusive determination by Authority of the satisfactory completion by Developer of the construction and development required by the DDA and of Developer’s full compliance with the terms of the DDA with respect to such construction and development, but not of the Grant Deed nor the Declaration, the provisions of which shall continue to run with the land pursuant to their terms.
D. Authority has conclusively determined that the construction and development on the real property described in Exhibit "A" required by the DDA has been satisfactorily completed by Developer in full compliance with the terms of the Agreement and that the business has opened.

NOW, THEREFORE,

1. The improvements required to be constructed have been satisfactorily completed and the business has opened in accordance with the provisions of the DDA.

2. This Certificate of Completion shall constitute a conclusive determination of satisfaction of the agreements and covenants contained in the DDA with respect to the obligations of Developer, and its successors and assigns, to construct the improvements and the dates for the beginning and completion thereof.

3. This Certificate of Completion shall not constitute evidence of Developer's compliance with the Grant Deed or the Declaration, the provisions of which shall continue to run with the land.

4. This Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of Developer to any holder of a mortgage or any insurer of a mortgage, securing money loaned to finance the improvements or any part thereof.

5. This Certificate of Completion is not a Notice of Completion as referred to in California Civil Code Section 3093.

6. Except as stated herein, nothing contained in this instrument shall modify in any way any other provisions of the DDA or any other provisions of the documents incorporated therein.

[SIGNATURES ON FOLLOWING PAGE]
IN WITNESS WHEREOF, Authority has executed this Certificate of Completion this ___ day of ______________, 201__.

"AUTHORITY"

BELL COMMUNITY HOUSING AUTHORITY, a public agency

By: __________________________

__________________________, Chair

ATTEST

By: __________________________

__________________________, Authority Secretary

APPROVED AS TO FORM

ALESHIRE & WYNDER, LLP

By: __________________________

David Aleshire
Authority Counsel
CONSENT TO RECORDATION

ATWATER INFRASTRUCTURE PARTNERS, a Florida limited liability company as the Developer (defined herein) and the owner of the fee title to the real property legally described herein, hereby consents to the recordation of this Certificate of Completion against the Property (defined herein).

Date: _____________, 201__

"DEVELOPER"

ATWATER INFRASTRUCTURE PARTNERS,
a Florida limited liability company

By: [Signature]

J. Alberto Lemus, Manager
EXHIBIT "A" TO ATTACHMENT NO. 7
GAGE AVENUE DDA

LEGAL DESCRIPTION

That certain real property in the City of Bell, County of Los Angeles, State of California as legally described as follows:
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA

COUNTY OF ____________________

) ss.

On ____________________, 20___, before me, _____________________________________________, a notary public, personally appeared ________________________________ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

______________________________

Notary Public

SEAL:
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

STATE OF CALIFORNIA )
COUNTY OF ____________ ) ss.

On ________________, 201_ before me, ________________________________, a notary public, personally appeared ________________________________, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_________________________________________________________________
Notary Public

SEAL: