

ASSIGNMENT AND ASSUMPTION AGREEMENT AND CONSENT
2011 Disposition and Development Agreement

This ASSIGNMENT AND ASSUMPTION AGREEMENT AND CONSENT (this "**Agreement**"), dated as of September __, 2023, is entered into by and among WIN CHEVROLET PROPERTIES, LLC, a California limited liability company ("**WIN Properties**"), WIN CHEVROLET, INC, a California corporation ("**WIN Chevrolet**"), WECO MOTORS, LLC, a Kansas limited liability company ("**WECO Motors**"), WECO RE HOLDINGS, LLC, a Kansas limited liability company ("**WECO RE Holdings**"), CARSON CHEVROLET, LLC, a California limited liability company ("**Carson Chevrolet**") and the CARSON SUCCESSOR AGENCY, a public agency ("**Successor Agency**").

RECITALS

- A. Pursuant to that certain Disposition and Development Agreement dated as of December 6, 2011 ("**DDA**"), by and between WIN Properties and WIN Chevrolet (jointly, "**Assignor**") and CARSON REDEVELOPMENT AGENCY, a public body, corporate and politic ("**RDA**"), RDA agreed to sell to Assignor, and Assignor agreed to purchase from RDA and develop that certain real property located at 2201 East 223rd Street in the City of Carson, County of Los Angeles, State of California (APN 7315-040-013) ("**Property**"). The Property includes that certain 405 freeway facing LED billboard located thereon ("**Billboard**").
- B. Pursuant to the DDA, Assignor was obligated to construct showrooms and to operate both a Hyundai auto dealership ("**Hyundai Dealership**") and a Chevrolet auto dealership ("**Chevrolet Dealership**") on the Property. A portion of the purchase price for the Property was paid to the RDA pursuant to that certain non-interest bearing Purchase Price Promissory Note Secured by Deed of Trust dated January 25, 2011 in the amount of Seven Million Dollars (\$7,000,000) for a term of twenty (20) years with an annual automatic forgiveness of principal in the amount of Three Hundred Fifty Thousand Dollars (\$350,000) ("**Note**"). As of December 2022 the balance of the Note is Three Million One Hundred Fifty Thousand Dollars (\$3,150,000). The Note is secured by that certain Purchase Price Deed of Trust and Assignment of Rents dated January 25, 2011 which was recorded on January 31, 2012 as Instrument No. 20120169819 in the Official Records of Los Angeles County ("**Trust Deed**"). Assignor also executed that certain Operating Covenant dated December 14, 2011 which was recorded on January 31, 2012 as Instrument No. 2012169821 whereby Assignor committed to continue to operate both the Hyundai Dealership and the Chevrolet Dealership (jointly, the "**Dealerships**") on the Property for a period of twenty (20) years ("**Operating Covenant**").
- C. Pursuant to the dissolution of California's redevelopment law, all RDA properties and rights are vested in Successor Agency.
- D. On November 16, 2022, WIN Chevrolet transferred and sold the Chevrolet

Dealership to Carson Chevrolet which was approved by the franchisor (“**Chevrolet Dealership Transfer**”). Carson Chevrolet leased a portion of the Property and the Billboard from Assignor for the use in the operation of the Chevrolet Dealership (“**Carson Chevrolet Lease**”).

- E. On November 16, 2022, WIN Chevrolet transferred and sold the Hyundai Dealership to WECO Motors which was approved by the franchisor (“**Hyundai Dealership Transfer.**”) WECO Motors leased a portion of the Property and the right to use 50% of the Billboard for use in the operation of the Hyundai Dealership (“**Hyundai Lease**”).
- F. The Chevrolet Dealership Transfer and Hyundai Dealership Transfer are sometimes jointly herein as the “**Dealership Transfers.**” The Carson Chevrolet Lease and the Hyundai Lease are sometimes jointly referred to herein as the “**Dealership Leases.**”
- G. Assignor intends to sell fee title of the Property to WECO RE Holdings.
- H. Pursuant to DDA Section 2.3 (“**Transfer Requirements**”), transfer of both (i) the Dealerships, and (ii) sale of the Property are subject to the approval by the Successor Agency.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor (both WIN Properties and WIN Chevrolet), Carson Chevrolet, WECO Motors, WECO RE Holdings and Successor Agency hereby agree as follows:

AGREEMENT

- 1. **Recitals.** The foregoing recitals are true and correct and incorporated herein by reference.
- 2. **Defined Terms.** Each capitalized term not herein defined shall have the same meaning as set forth in the DDA.
- 3. **Effective Date.** This Agreement shall be effective upon the date of execution by the Successor Agency as noted on the signature page (“**Effective Date**”).
- 4. **Consent to Transfer of Dealerships.** As of the Effective Date, Successor Agency consents to the Dealership Transfers and Dealership Leases.
- 5. **Consent to Transfer of Property.** Successor Agency consents to the transfer of fee title of the Property to WECO RE Holdings provided that (i) such transfer is effected by a grant deed recorded in the Official Records of Los Angeles County (“**Grant Deed**”) within thirty (30) days of the Effective Date and a copy of the recorded Grant Deed is sent to the Successor Agency; and (ii) the ownership and composition of the WECO RE Holdings is the same as existed on the Effective

Date. Upon recordation of the Grant Deed, the Property shall be and remain subject to the Dealership Leases.

6. **Leases.** Assignor, Carson Chevrolet, WECO Motors and WECO RE Holdings understand and agree that the Dealership Leases are and shall remain subject to the terms of the DDA, Note, Deed of Trust and Operating Covenant (collectively “**DDA Documents**”).
7. **Assignment/Assumption.** Until recordation of the Grant Deed pursuant to Section 5, Assignor, Carson Chevrolet, WECO Motors and WECO RE Holdings shall be jointly and severally liable under the DDA Documents. Upon recordation of the Grant Deed pursuant to Section 5, the DDA Documents shall be automatically be deemed assigned to, and assumed by, WECO RE Holdings (“**Assignment/Assumption**”). Concurrently with the delivery of the copy of the Grant Deed pursuant to Section 5, the transmittal letter shall also specifically state the address for all future notices to the “Owner” and “Operator” under the DDA.
8. **Successor Agency’s Consent & Limitations.** Successor Agency acknowledges that, provided that there are no defaults under the DDA Documents and subject to the terms of this Agreement, the annual automatic forgiveness of principal in the amount of Three Hundred Fifty Thousand Dollars (\$350,000) pursuant to the Note shall continue in accordance with the terms of the DDA Documents. As of December 6, 2022, the principal balance of the Note is Three Million One Hundred Fifty Thousand Dollars (\$3,150,000). This consent does **not** waive the rights of Successor Agency to consent to any further transfers of the Property pursuant to the DDA Documents. Notwithstanding any proposed lot-split of the Property in the future, (i) the approval of the City of Carson of the proposed lot-split shall **not** imply approval or consent of any subsequent sale or transfer of all or any portion of the Property; (ii) the Successor Agency’s consent under this Agreement shall **not** imply City of Carson approval of the proposed lot-split; and (iii) nothing in this Agreement nor the City’s approval of the lot-split shall imply any agreement by or obligation of the Successor Agency to release any portion of the Property from any or all the DDA Documents or waive any rights of Successor Agency under the DDA Documents.
9. **Representations of Successor Agency.** As of the Effective Date, Successor Agency represents to Carson Chevrolet, WECO Motors and WECO RE Holdings that, to the best of its knowledge, (i) no defaults exist under the DDA Documents and (ii) it has received and approved of the documents and information which satisfy the Transfer Requirements.
10. **Representations of Private Parties.** As of the Effective Date, Assignor, Carson Chevrolet, WECO Motors and WECO RE Holdings each represent and warrant to Successor Agency that all information provided to Successor Agency with respect to the transfer of the Dealerships and the Property and the ownership and management composition of the respective entities are true, correct and complete.

11. **No Waiver.** Nothing herein, including the Successor Agency's Consent, shall waive any rights of Successor Agency in the future under the DDA Documents including, but not limited to: (i) the right of Successor Agency to declare a default for violation of the DDA, to accelerate the balance of the Note and to foreclose the Deed of Trust, and (ii) the right to consent to any future transfers of the Dealerships and the Property, etc. (except for the transfer permitted under Section 5).

12. **Notice.** Until such time as the Assignment/Assumption becomes effective, any notice to Assignor under the DDA Documents shall be concurrently provided to Carson Chevrolet, WECO Motors and WECO RE Holdings, as follows and after the consummation of the transfer of fee title to the Property, notices shall only be sent to Carson Chevrolet, WECO Motors and WECO RE Holdings as follows:

To Carson Chevrolet	Carson Chevrolet, LLC. 2395 Delaware Avenue Suite 116 Santa Cruz, CA 95060 Attn: Mehraban Khajehnouri
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With a copy to:	Monica J. Hoenshell, Esq. Calvert Law Firm 1041 NW Grand Boulevard Oklahoma City, OK 73118
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To WECO Motors and WECO RE Holdings:	WECO Motors and WECO RE Holdings c/o Brandon Steven Motors 8801 E. Kellogg Wichita, KS 67207 Attn: Brandon Steven, President
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With a copy to:	Darren L. Hereford, Esq., AscendLaw 4712 Admiralty Way #545 Marina del Rey, CA 90292
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To Assignor:	WIN Chevrolet, LLC WIN Chevrolet Properties, Inc. c/o Leslie E. Chayo, Esq., Law Offices of Leslie E. Chayo 9454 Wilshire Blvd., PH Beverly Hills, CA 90212
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13. **Entire Agreement.** This Agreement embodies the entire understanding among the parties.

14. **Amendments or Modifications.** This Agreement may not be amended or modified except in writing, executed all the parties.
15. **Governing Law.** This Agreement 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 Los Angeles County.
16. **Attorney's Fees.** In the event of any litigation or other legal proceeding arising from this Agreement, 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.
17. **Construction.** This Agreement shall be construed according to its fair meaning as if prepared by all parties and in favor of full enforcement. Headings used in this Covenant Agreement are provided for convenience only.
18. **Cooperation.** The parties hereto hereby agree to execute such other documents and to take such other action as may be reasonably necessary to further the purposes of this Agreement.
19. **Qualification and Authority.** Each individual executing this Agreement on behalf of each private party to this Agreement represents, warrants and covenants to Successor Agency that (a) such person is duly authorized to execute and deliver this Agreement on behalf of that entity in accordance with authority granted under the organizational documents of such entity, and (b) that entity is bound under the terms of this Agreement.
20. **No Third-Party Beneficiaries.** Except as otherwise expressly set forth herein, the parties do not intend, and this Agreement shall not be construed, to create a third-party beneficiary status or interest in, nor give any third-party beneficiary rights or remedies to, any other person or entity not a party to this Agreement.
21. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of such counterparts shall constitute one agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have signed this Agreement as of the date set opposite their signatures.

SUCCESSOR AGENCY

CARSON SUCCESSOR AGENCY,
a public agency

By: _____
David C. Roberts, Jr.
Executive Director

Dated: _____, 2023

ATTEST:

Dr. Khaleah K. Bradshaw,
Agency Secretary

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: _____
Sunny Soltani, Agency Counsel

CARSON CHEVROLET

CARSON CHEVROLET, LLC, a
California limited liability company

By: _____
Mehraban Khajehnouri (aka Bob
Nouri) as an individual & as Trustee
of the MTAA Consolidated Trust
Managing Member

Dated: _____, 2023

ASSIGNOR

WIN CHEVROLET PROPERTIES, LLC,
a California limited liability company

By: _____
Jerry Heuer, Manager

WINCHEVROLET, INC., a California
corporation

By: _____
Jerry Heuer, CEO/President

Dated: _____, 2023

WECO MOTORS

WECO MOTORS, LLC,
a Kansas limited liability company

By: _____
Brandon Steven, Manager

Dated: _____, 2023

WECO RE HOLDINGS

WECO RE HOLDINGS, LLC,
a Kansas limited liability company

By: _____
Brandon Steven, Manager

Dated: _____, 2023