

CANCELLATION AND TERMINATION AGREEMENT

This CANCELLATION AND TERMINATION AGREEMENT (this “Agreement”), is dated effective as of _____, 2023, and is made by and among the CARSON RECLAMATION AUTHORITY, a joint powers authority (the “CRA”), the CITY OF CARSON, a municipal corporation (“CITY”), CARSON GOOSE OWNER, LLC, a Delaware limited liability company (“CGO”), and FBD CARSON, LLC, a Delaware limited liability company (“FBD”). The CRA, City, CGO, and FBD are sometimes referred to herein individually as a “Party”, and collectively, as the “Parties”. Initially capitalized terms used but not otherwise defined herein, shall have the meaning ascribed thereto under the Option Agreement (as defined below).

RECITALS

1. On _____, 2020, the CRA, City, and FBD entered into that certain Agreement to Grant Development Impact Fee Credit and For Construction of Public Infrastructure (the “DIF Agreement”), which provided for, among other things, the City’s provision of development impact fee credits in the amount of \$12,500,000, subject to certain conditions and terms. Separately, on December 17, 2020, Faring Capital, LLC (“Faring”, an affiliate of FBD) and the CRA entered into that certain Option Agreement and Joint Escrow Instructions (as such agreement was assigned and assumed by CGO (pursuant to that certain Assignment of Option Agreement and Joint Escrow Instructions, dated January 15, 2021), and as otherwise amended and modified from time to time, the “Option Agreement”).

2. Pursuant to Section 5.2 of the Option Agreement, Developer is required to deposit into Escrow this Agreement in order to terminate the DIF Agreement and effectuate the Closing under Option A under the Option Agreement. The Parties acknowledge and agree that an Option B Trigger event has not occurred under the terms of the Option Agreement and the acquisition of the Property shall be pursuant to the terms of Option A as set forth in the Option Agreement.

3. The Parties desire to cancel and terminate the DIF Agreement pursuant to this Agreement.

AGREEMENT

In consideration of the mutual covenants set forth herein and for other good and valuable consideration, the Parties hereto agree as follows:

SECTION 1. *Cancellation and Termination of DIF Agreement.* The Parties hereby cancel and terminate the DIF Agreement. From and after the date of execution of this Agreement, the DIF Agreement shall be of no force and effect.

SECTION 2. *Future Actions.* The Parties agree to take such future actions as may be necessary or requested in connection with the cancellation and termination of the DIF Agreement necessary to effectuate the purposes hereof.

SECTION 3. *Authority.* The persons executing this Agreement on behalf of the Parties

hereto warrant that (i) such Party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said Party, (iii) by so executing this Agreement, such Party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said Party is bound or law or regulation applicable to such Party. This Agreement shall be binding upon the successors and assigns of the Parties.

SECTION 4. *Execution of Counterparts.* This Agreement may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute but one and the same instrument. The signature of any Party to this Agreement transmitted to any other Party by PDF or e-mail shall be deemed an original signature of the transmitting Party

SECTION 5. *Applicable Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of California.

SECTION 6. *Recitals.* The Recitals set forth above are incorporated herein as though fully set forth herein. The Recitals set forth above are agreed to be true and correct by the Parties.

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, all as of the date first above written.

FBD CARSON, LLC, a Delaware limited liability company

By: _____
Name: _____
Title: _____

CARSON GOOSE OWNER, LLC, a Delaware limited liability company

By: _____
Name: _____
Title: _____

CARSON RECLAMATION AUTHORITY, a California Joint Powers Authority

By: _____
Name: Lula Davis-Holmes
Title: Chair

CITY OF CARSON, a California municipal corporation

By: _____
Name: Lula Davis-Holmes
Title: Mayor

ATTEST:

By: _____
Name: Dr. Khaleah K. Bradshaw
Title: Authority Secretary and City Clerk

APPROVED AS TO FORM:

Sunny K. Soltani, City Attorney / Authority Counsel