

**AGREEMENT FOR PURCHASE AND SALE
OF REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS**

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS ("**Agreement**") is made this ____ day of March, 2022 by and between WIN CHEVROLET PROPERTIES, LLC, a California limited liability company ("**Buyer**"), and the CITY OF CARSON, a charter city (as of January 1, 2019) ("**Seller**"). FIDELITY NATIONAL TITLE INSURANCE COMPANY, a California corporation shall act as escrow ("**Escrow Holder**") and title insurer ("**Title Company**").

RECITALS:

A. Seller owns that certain unimproved real property in the City of Carson, County of Los Angeles, State of California (Assessor Parcel Nos. 7315-012-900 & 7315-012-804) more particularly described in Exhibit "A" attached hereto and by this reference incorporated herein ("**Property**"). In addition to the Property, Seller also agrees to transfer any and all tangible and intangible rights and items related in any way to the acquisition, use, development, design, construction, permitting and entitlement of the Property for the residential development or otherwise and all right, title and interest of Seller, if any, in and to all tangible personal property owned by Seller now existing and placed or installed on or about the Property and used in connection with the ownership, operation, management, maintenance and/or repair of the Property ("**Personal Property**"). Notwithstanding Buyer understands that Seller makes no representation or warranty of any kind with respect to the existence of any Personal Property.

B. The Property is currently subject to (i) that certain License Agreement between Seller and WIN Chevrolet, Inc. for use of a portion of the Property for parking inventory, a copy of which has been provided to Buyer ("**Existing Lease**"), and (ii) that certain Right of Way Contract – State Highway (#EA 304801/071000084) for Temporary Construction Easements dated 08-31-2021 with State of California, Department of Transportation which term expires on February 18, 2024 for a portion of the Property, a copy of which has been provided to Buyer ("**CalTrans Agreement**").

C. Seller has complied with the requirements under the Surplus Land Act (Government Code 54220 et seq.) ("**Surplus Land Act**") with respect to the sale of the Property and has the right to sell the Property to Buyer. At the Closing, the covenant set forth in Exhibit E must be recorded immediately following recordation of the Grant Deed ("**SLA Covenant**").

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and incorporating the Recitals, the parties hereto agree as follows:

TERMS AND CONDITIONS:

1. PURCHASE AND SALE OF PROPERTY. Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer the Property and the Personal Property (if any) upon the terms and conditions in this Agreement.

2. EFFECTIVE DATE; OPENING OF ESCROW.

2.1 *Effective Date.* This Agreement shall be deemed effective upon execution of this

Agreement by City on behalf of Seller after its approval by the City Council ("**Effective Date**"). Prior to the City Council meeting where approval of this Agreement is on the agenda, Buyer shall deliver three (3) executed copies of this Agreement to Seller.

2.2 Opening of Escrow. Within five (5) days of the Effective Date, the parties shall open an escrow with Escrow Holder by causing an executed copy of this Agreement to be deposited with Escrow Holder, which Escrow Holder shall sign and accept and provide copies thereof to each party. Escrow shall be deemed opened upon Escrow Holder's receipt and acceptance of both an executed copy of this Agreement and the Initial Deposit (as defined in Section 3.2.a.i) by Buyer ("**Opening of Escrow**"). If, due to Buyer's failure to comply with this Agreement, Escrow is not opened (as defined above) within five (5) days after the Effective Date, Seller shall have the right to terminate this Agreement upon written notice to Buyer and Escrow Holder prior to the actual Opening of Escrow.

3. PURCHASE PRICE; PAYMENT OF PURCHASE PRICE.

3.1 Purchase Price. The purchase price for the Property shall be Eight Million Dollars (\$8,000,000) ("**Purchase Price**").

3.2 Payment of Purchase Price.

a. Deposits.

i. Initial Deposit.

- a. **Initial Deposit with Escrow.** Upon Opening of Escrow, Buyer shall deliver the sum of One Million Dollars (\$1,000,000) to Escrow ("**Initial Deposit**").
- b. **Disapproval Notice.** If Buyer delivers the Disapproval and Termination Notice in accordance with Section 7.2 or fails to deliver an Approval Notice together with the Additional Deposit in accordance with Section 7.2, the Initial Deposit shall be promptly returned to Buyer by Escrow Holder and this Agreement and the Escrow shall be terminated.

ii. Additional Deposit.

- a. **Approval Notice.** If Buyer elects to issue the Approval Notice to Seller (with a copy to Escrow Holder) in the time and manner specified in Section 7.2, Buyer must also concurrently with the Approval Notice deliver the sum of One Million Dollars (\$1,000,000) to Escrow ("**Additional Deposit**").
 - b. **Total Deposit.** The Initial Deposit and Additional Deposit are jointly referred to as the "**Total Deposit**".
- b. Balance of Purchase Price.** Buyer shall deposit the Purchase Price less the Total Deposit with Escrow Holder in Good Funds (as defined below) at least one (1) business day prior to the Closing Date.

3.3 Good Funds. All funds deposited in Escrow shall be in “**Good Funds**” which means a wire transfer of funds, cashier's or certified check drawn on or issued by the offices of a financial institution located in the State of California.

4. FUNDS AND DOCUMENTS REQUIRED FROM BUYER AND SELLER.

4.1 Seller. Seller agrees that on or before 12:00 noon at least one (1) business day prior to the Closing Date, Seller will deposit with Escrow Holder such funds and other items and instruments (executed and acknowledged, if appropriate) as may be necessary in order for the Escrow Holder to comply with this Agreement, including without limitation:

- i. Two (2) copies of the SLA Covenant shall be executed and acknowledged by Seller.
- ii. A grant deed in the form attached hereto as Exhibit B (“**Grant Deed**”) executed and acknowledged by Seller.
- iii. A bill of sale and assignment of all Personal Property in the form attached hereto as Exhibit C (“**Bill of Sale/Assignment**”).
- iv. Two (2) copies of the Assignment and Assumption of License Agreement with respect to the Existing Lease in the form attached hereto as Exhibit D (“**Lease Assignment/Assumption**”).
- v. Any documents reasonably required by the Title Company to issue the Title Policy.
- vi. A Non-Foreign Affidavit as required by federal law.
- vii. Such funds and other items and instruments as may be necessary in order for Escrow Holder to comply with this Agreement.

4.2 Buyer. Buyer agrees that on or before 12:00 noon at least one (1) business day prior to the Closing Date, Buyer will deposit with Escrow Holder all additional funds and/or documents (executed and acknowledged, if appropriate) which are necessary to comply with the terms of this Agreement, including without limitation:

- i. A Preliminary Change of Ownership Statement completed in the manner required by Los Angeles County (“**PCOR**”).
- ii. Two (2) copies of the Lease Assignment/Assumption.
- iii. Two (2) copies of the SLA Covenant shall be executed and acknowledged by Buyer.
- iv. Such funds and other items and instruments as may be necessary in order for Escrow Holder to comply with this Agreement.

5. CLOSING DATE; TIME IS OF ESSENCE.

5.1 Closing Date. Escrow shall close not later than thirty (30) days after expiration of the Due Diligence Period (“**Closing Date**”). The terms “**Close of Escrow**” and/or “**Closing**” are

used herein to mean the time the Grant Deed and then the SLA Covenant are filed for recording by the Escrow Holder in the Office of the County Recorder of Los Angeles County, California.

5.2 Possession. Upon the Close of Escrow, Seller shall deliver exclusive possession of the Property to Buyer subject to the CalTrans Agreement and the Existing Lease.

5.3 Time is of Essence. Buyer and Seller specifically agree that time is of the essence under this Agreement. The parties agree that the specified dates under this Agreement are specifically enforceable and shall not be subject to substantial compliance arguments.

5.4 City Manager Authority. By its execution of this Agreement, Seller authorizes the City Manager or his/her designee (who has been designated by Executive Director's written notice delivered to Buyer and Escrow Holder) shall have the authority to execute documents on behalf of Seller including, but not limited to, issuing approvals, disapprovals and extensions. Any such approval, disapproval or extension executed by the City Manager or his/her designee shall be binding on Seller.

6. TITLE POLICY; NHD REPORT.

6.1 Approval of Title. Buyer has previously received a copy of that certain preliminary title report dated as of December 20, 2021 as order no. 30078998 issued by the Title Company with copies of all exceptions listed therein and a map plotting the easements ("**Preliminary Title Report**"). Within thirty (30) days after Opening of Escrow, Buyer shall notify Seller in writing ("**Buyer's Title Notice**") of Buyer's disapproval of any matters contained in the Preliminary Title Report except that Buyer may not disapprove (i) any title exceptions caused by Buyer's entry onto the Property pursuant to Section 7.4, (ii) the SLA Covenant; (iii) CalTrans Agreement; (iv) the covenants in the Grant Deed, or (v) the Existing Lease ("**Disapproved Exceptions**").

In the event Buyer delivers Buyer's Title Notice within said period, Seller shall have a period of ten (10) days after receipt of Buyer's Title Notice in which to notify Buyer of Seller's election to either (i) agree to attempt to remove the Disapproved Exceptions prior to the Close of Escrow; or (ii) decline to remove any such Disapproved Exceptions ("**Seller's Notice**"). If Seller notifies Buyer of its election to decline to remove the Disapproved Exceptions, or if Seller is unable to remove the Disapproved Exceptions, Buyer may elect either to terminate this Agreement and the Escrow and the Total Deposit shall be returned to Buyer or to accept title to the Property subject to the Disapproved Exception(s). Buyer shall exercise such election by delivery of written notice to Seller and Escrow Holder within ten (10) days following the earlier of (i) the date of written advice from Seller that such Disapproved Exception(s) cannot be removed; or (ii) the date Seller declines to remove such Disapproved Exception(s).

Upon the issuance of any amendment or supplement to the Preliminary Title Report which adds additional exceptions, the foregoing right of review and approval shall also apply to said amendment or supplement, provided, however, that Buyer's initial period of review and approval or disapproval of any such additional exceptions shall be limited to ten (10) days following receipt of notice of such additional exceptions. Also, notwithstanding the foregoing, if Seller adds or approves any new exceptions to title Seller, at its sole cost and expense, shall cause such new exceptions to be removed from title prior to the Close of Escrow.

6.2 Title Policy. At the Close of Escrow, Escrow Holder shall furnish Buyer with an ALTA owner's standard (non-extended) coverage Policy of Title Insurance insuring title to the Property vested in Buyer with coverage in the amount of the Purchase Price, containing only the

following exceptions to such title ("**Permitted Exceptions**") (i) which have been approved or waived by Buyer in accordance with Section 6.1; (ii) any exception as a result of Buyer's entry onto the Property pursuant to Section 7.4; (iii) SLA Covenant; (iv) the CalTrans Agreement; (v) the Existing Lease; and (vi) the covenant in the Grant Deed ("**Title Policy**"). The cost of the Title Policy to Buyer shall be paid by Seller but Buyer shall be obligated pay for any endorsements or an extended coverage policy.

Notwithstanding the foregoing, Buyer may elect to timely obtain and deliver to the Title Company an ALTA extended owner's title policy provided that (i) Buyer obtains an ALTA survey or alternative survey acceptable to the Title Company, at its own cost and expense and delivers same to the Title Company in a timely manner; and (ii) Buyer shall pay for the additional cost of the extended coverage policy in excess of the non-extended owner's policy.

6.3 NHD Report. Within five (5) days of Opening of Escrow, Escrow shall order and deliver to Buyer and Seller a Natural Hazards Disclosure report for the Property issued by Disclosure Source ("**NHD Report**"). The cost of the NHD Report shall be paid by Seller.

7. DUE DILIGENCE.

7.1 Due Diligence. Seller has advised Buyer that it does not have and, therefore, is not delivering any documents or other information concerning the Property to Buyer except that certain Soils Investigation Report dated as of December 2, 2014 issued by Eco & Associates, Inc., a copy of which has been delivered to Buyer. For forty-five (45) days from the Opening of Escrow ("**Due Diligence Period**"), Buyer shall have the right, at its cost and expense, to conduct and review such engineering, feasibility studies, soils tests, environmental studies and any other investigations as Buyer, in its sole discretion, may desire including the NHD Report (as defined in Section 6.3) to determine the suitability of the Property for the Proposed Project and its decision to acquire the Property.

7.2 Disapproval of Due Diligence Matters. Not later than the expiration of the Due Diligence Period ("**Due Diligence Expiration Date**"), Buyer may, in its sole discretion, notify Seller in writing (with a copy to Escrow Holder) of either (i) its decision not to purchase the Property and its election to terminate this Agreement and Escrow ("**Disapproval and Termination Notice**"); or (ii) its decision to purchase the Property with the Additional Deposit ("**Approval Notice**"). If Buyer fails to deliver either the Disapproval and Termination Notice or the Approval Notice in the time and manner specified, Buyer shall conclusively be deemed to have elected not to purchase the Property and to terminate this Agreement and Escrow and thereafter, the Initial Deposit (less any cancellation charges) shall be promptly returned to Buyer and Escrow shall be terminated.

7.3 No Assurances Regarding Uses or Entitlements. Buyer specifically understands and agrees that Seller is not making any representations or warranties of any kind with respect to uses for the Property nor that any entitlements will be issued. Buyer is aware that, notwithstanding current zoning for the Property, zoning and other laws can change in the future. Buyer is purchasing the Property with full knowledge that (i) any project proposed by Buyer will be subject to the standard approval process as required by the Carson Municipal Code and applicable law; and (ii) as a governmental agency, City cannot bind itself with respect to discretionary actions or approvals in this Agreement. By initialing below, Buyer expressly acknowledges that it understands and, if it elects to purchase the Property, is knowingly accepting the foregoing risks.

7.4 Right to Enter the Property. Commencing with the Effective Date, Seller grants Buyer, its agents and employees a limited license to enter upon the Property for the purpose of conducting engineering surveys, soil tests, investigations or other studies reasonably necessary to evaluate the condition of the Property, which studies, surveys, reports, investigations and tests shall be done at Buyer's sole cost and expense.

Buyer's right to enter the Property is subject to the terms of the CalTrans Agreement and the Existing Lease and Buyer shall not violate those agreements.

Prior to entry onto the Property, Buyer shall (i) notify Seller the date and purpose of each intended entry together with the names and affiliations of the persons entering the Property; (ii) conduct all studies in a diligent, expeditious and safe manner and not allow any dangerous or hazardous conditions to occur on the Property during or after such investigation; (iii) comply with all applicable laws and governmental regulations; (iv) allow an employee of Seller to be present at Seller's election; (v) keep the Property free and clear of all materialmen's liens, lis pendens and other liens arising out of the entry and work performed under this provision; (vi) maintain or assure maintenance of workers' compensation insurance (or state approved self-insurance) on all persons entering the Property in the amounts required by the State of California; (vii) provide to Seller prior to initial entry a certificate of insurance evidencing that Buyer 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 ONE MILLION DOLLARS (\$1,000,000) which insurance names Seller as additional insured. Buyer shall return the Property to substantially its original condition following Buyer's entry as a result of Buyer's investigations. Following Buyer's entry, Buyer shall provide Seller copies of all studies, surveys, reports, investigations and other tests derived from any inspection ("**Reports**"); and to take the Property at Closing subject to any title exceptions caused by Buyer exercising this right to enter.

Buyer agrees to indemnify, and hold Seller 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 Seller may suffer or incur as a consequence of Buyer's exercise of the license granted pursuant to this Section 7.4 or any act or omission by Buyer, any contractor, subcontractor or material supplier, engineer, architect or other person or entity acting by or under Buyer (except Seller and its agents) with respect to the Property during the term of this Agreement, 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 Buyer of any hazardous materials or other conditions and excepting to the extent such claims arise out of the negligence or misconduct of Seller. Buyer's obligations under this Section 7.4 shall survive termination of this Agreement for any reason..

The parties agree that breach of any Property entry or restoration obligations in this Section 7.4 shall constitute a material breach of this Agreement.

8. CONDITIONS PRECEDENT TO CLOSE OF ESCROW.

8.1 Conditions to Buyer's Obligations. The obligations of Buyer under this Agreement are subject to the satisfaction or written waiver, in whole or in part, by Buyer of each of the following conditions precedent ("**Buyer's Conditions Precedent**"):

- i. Title Company will issue the Title Policy as specified in Section 6.2.

- ii. Buyer has issued the Approval Notice pursuant to Section 7.2.
- iii. Escrow Holder holds and will deliver to Buyer the instruments and funds, if any, accruing to Buyer pursuant to this Agreement.
- iv. Seller is not in default of its obligations under this Agreement.

8.2 Conditions to Seller's Obligations. The obligations of Seller under this Agreement are subject to the satisfaction or written waiver, in whole or in part, by Seller of the following conditions precedent:

- i. Buyer has delivered the balance of the Purchase Price to Escrow Holder.
- ii. Title Company will issue the Title Policy as specified in Section 6.2.
- iii. Escrow Holder holds and will deliver to Seller the instruments and funds accruing to Seller pursuant to this Agreement.
- iv. Buyer is not in material default of its obligations under this Agreement.

9. LIQUIDATED DAMAGES.

IF BUYER SHOULD MATERIALLY DEFAULT UNDER THIS AGREEMENT, BUYER AND SELLER AGREE THAT SELLER WILL INCUR DAMAGES BY REASON OF SUCH DEFAULT WHICH DAMAGES SHALL BE IMPRACTICAL AND EXTREMELY DIFFICULT, IF NOT IMPOSSIBLE, TO ASCERTAIN. THEREFORE, BUYER AND SELLER, IN A REASONABLE EFFORT TO ASCERTAIN WHAT SELLER'S DAMAGES WOULD BE IN THE EVENT OF SUCH DEFAULT BY BUYER HAVE AGREED BY PLACING THEIR INITIALS BELOW THAT \$1,000,000 OF THE DEPOSIT SHALL CONSTITUTE A REASONABLE ESTIMATE OF SELLER'S DAMAGES UNDER THE PROVISIONS OF SECTIONS 1671 AND 1677 OF THE CALIFORNIA CODE OF CIVIL PROCEDURE FOR A BREACH PRIOR TO THE CLOSING. IF BUYER FAILS TO PROMPTLY DELIVER THE SUM SPECIFIED ABOVE TO SELLER, SUCH FAILURE SHALL CONSTITUTE A MATERIAL BREACH OF THIS PROVISION AND SELLER MAY ELECT TO SUE BUYER UNDER THIS PROVISION OR TO WAIVE THIS PROVISION AND PROCEED AGAINST BUYER FOR ALL APPLICABLE DAMAGES RESULTING FROM BUYER'S DEFAULT. THIS PROVISION DOES NOT APPLY TO OR LIMIT IN ANY WAY THE INDEMNITY OBLIGATIONS OF BUYER UNDER THIS AGREEMENT, THE OBLIGATIONS OF BUYER UNDER SECTION 7.4.

Seller's Initials

Buyer's Initials

10. CONDITION OF THE PROPERTY.

10.1 Disclaimer of Warranties. Upon the Close of Escrow, Buyer acknowledges that it had the right to review and inspect the Property during the Due Diligence Period, and accordingly, Buyer shall acquire the Property in its "AS-IS" condition and Buyer shall be responsible for any defects in the Property, whether patent or latent, including, without limitation, the physical, environmental and geotechnical condition of the Property, and the existence of any contamination, Hazardous Materials, vaults, debris, pipelines, or other structures located on,

under or about the Property, and Seller makes no representation or warranty concerning the physical, environmental, geotechnical or other condition of the Property. The foregoing disclaimer includes, without limitation, topography, climate, air, water rights, utilities, soil, subsoil, existence of Hazardous Materials or similar substances, the purpose for which the Property is suited, or drainage. Notwithstanding anything to the contrary provided herein, Seller shall provide an executed and completed Environmental Questionnaire to a third party licensed environmental company ("**Company**") if requested by the Company for preparation of an environmental report such as a Phase I.

10.2 Hazardous Materials. Buyer acknowledges that it has an opportunity to review the Property under the Due Diligence Period and, therefore, understands and agrees that, in the event Buyer incurs any loss or liability concerning Hazardous Materials (as hereinafter defined) and/or underground storage tanks whether attributable to events occurring prior to or following the Closing, then Buyer may only look to prior owners of the Property (excluding Seller and any entity related to Seller) and Seller shall not have any liability or indemnification regarding Hazardous Materials and/or underground storage tanks. Buyer, from and after the Closing, hereby waives, releases, remises, acquits and forever discharges Seller, and each of the entities constituting Seller, if any, 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 Property, the existence of any Hazardous Material thereon, or the release or threatened release of Hazardous Materials there from, 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 Seller, and any and all rights, claims, rights of action, causes of action, demands or legal rights of any kind of Buyer, its successors, assigns or any affiliated entity of Buyer, against the Seller, arising by virtue of the physical or environmental condition of the Property, the existence of any Hazardous Materials thereon, or any release or threatened release of Hazardous Material there from, 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 (or any related entity) may remain liable to governmental agencies or any other parties pursuant to federal and state law, Buyer is hereby waiving any such rights as to Seller and any entity related to Seller. Buyer acknowledges that it has had possession of a portion of the Property pursuant to the Existing Lease pursuant to which Buyer has been parking cars on unpaved ground. In connection therewith, Buyer and each of the entities constituting Buyer, expressly agree to waive any and all rights which said party may have with respect to such released claims 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 or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

Seller's Initials

Buyer's Initials

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

"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 Property or its operations and arising or alleged to arise under any Environmental Law.

“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 Property, including the ground water hereunder, including, without limitation, (i) any direct costs or expenses for investigation, study, assessment, legal representation, cost recovery by governmental agencies, or ongoing monitoring in connection therewith and (ii) any cost, expense, loss or damage incurred with respect to the Property or its operation as a result of actions or measures necessary to implement or effectuate any such containment, removal, remediation, treatment, cleanup or abatement.

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

“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 (i) pollution or protection of the environment, including natural resources, (ii) exposure of persons, including employees, to Hazardous Materials or other products, raw materials, chemicals or other substances, (iii) 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 (iv) 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.

“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: (i) petroleum or oil or gas or any direct or derivate product or byproduct thereof; (ii) 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; (iii) defined as a “hazardous substance” under Section 25316 of the California Health and Safety Code; (iv) defined as a “hazardous material,” “hazardous substance,” or “hazardous waste” under Sections 25501(o) and (p) and 25501.1 of the California Health and Safety Code (Hazardous Materials Release Response Plans and Inventory); (v) defined as a “hazardous substance” under Section 25281 of the California Health and Safety Code (Underground Storage of Hazardous Substances); (vi) “used oil” as defined under Section 25250.1 of the California Health and Safety Code; (vii) asbestos; (viii) listed under Article 9 or defined as hazardous or extremely hazardous pursuant to Article 1 of Title 22 of the California Code of Regulations, Division 4, Chapter 30; (ix) defined as “waste” or a “hazardous substance” pursuant to the Porter-Cologne Act, Section 13050 of the California Water Code; (x) designated as a “toxic pollutant” pursuant to the Federal Water Pollution Control Act, 33 U.S.C. §1317; (xi) 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); (xii) 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); (xiii) defined as “Hazardous Material” or a “Hazardous Substance” pursuant to the Hazardous Materials Transportation Act, 49 U.S.C. §1801, et seq.; or (xiv) defined as such or regulated by any “Superfund” or “Superlien” 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, oil wells, underground storage tanks, and/or pipelines, as now, or at any time hereafter, in effect.

Notwithstanding any other provision of this Agreement, (a) Buyer's release as set forth in the provisions of this Section, as well as all other provisions of this Section, shall survive the termination of this Agreement and shall continue in perpetuity and (b) the foregoing release and waiver shall not apply to any loss, damage or liability to the extent arising from the willful misconduct of Seller including, without limitation, Seller's deposit, storage and/or delivery of Hazardous Materials on or to the Property or Seller's approval of same after the expiration of the Due Diligence Period..

11. NO REPRESENTATIONS AND WARRANTIES. Except as otherwise provided in Sections 12.8, and 13, Buyer acknowledges that Seller is not making any representations or warranties and Buyer is purchasing the Property in AS-IS condition solely based on Buyer's investigation of the Property.

12. ESCROW PROVISIONS.

12.1 *Escrow Instructions.* Sections 1 through 4, inclusive, 5.1, 5.4, 6, 8, 12, 14 and 15 constitute the escrow instructions to Escrow Holder. If required by Escrow Holder, Buyer and Seller agree to execute Escrow Holder's standard escrow instructions, provided that the same are consistent with and do not conflict with the provisions of this Agreement. In the event of any such conflict, the provisions of this Agreement shall prevail. The terms and conditions in sections of this Agreement not specifically referenced above are additional matters for information of Escrow Holder, but about which Escrow Holder need not be concerned. Buyer and Seller will receive Escrow Holder's general provisions directly from Escrow Holder and will execute such provision upon Escrow Holder's request. To the extent that the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller agree to execute additional instructions, documents and forms provide by Escrow Holder that are reasonably necessary to close Escrow.

12.2 *General Escrow Provisions.* Escrow Holder shall deliver the Title Policy to the Buyer and instruct the Los Angeles County Recorder to mail (i) the Grant Deed to Buyer at the address set forth in Section 14 after recordation, and (ii) the SLA Covenant to Seller at the address set forth in Section 14 after recordation. All funds received in this Escrow shall be deposited in one or more general escrow accounts of the Escrow Holder with any bank doing business in the Southern California area and may be disbursed to any other general escrow account or accounts. All disbursements shall be according to that party's instructions.

12.3 *Real Property Taxes.* The Property has not been assessed real property taxes so no prorations shall be made at Closing.

12.4 *Payment of Costs.*

- a. ***Cost Allocation.*** Seller shall pay the costs for the Title Policy (standard coverage non-extended ALTA owner's policy), the NHD Report, documentary transfer taxes and one-half (1/2) of the escrow costs ("**Seller's Charges**"). Buyer shall pay the cost of any additional endorsements to the Title Policy requested by Buyer (including an ALTA extended coverage owner's policy and the necessary survey),

one-half (1/2) of the escrow fees, the recording charges for the Grant Deed and any charges incurred by Buyer's acts ("**Buyer's Charges**"). All other costs of Escrow not otherwise specifically allocated by this Agreement shall be apportioned between the parties in a manner consistent with the custom and usage of Escrow Holder.

- b. Prorations.** The license fees under the Existing Lease shall be prorated to the Closing. The Compensation (as defined in the CalTrans Agreement) which has already been paid in full to Seller shall be prorated to the Closing.
- c. Closing Statement.** At least three (3) business days prior to the Closing Date, Escrow Holder shall furnish Buyer and Seller with a preliminary Escrow closing statement which shall include each party's respective shares of costs. The preliminary closing statement shall be approved in writing by the parties. As soon as reasonably possible following the Close of Escrow, Escrow Holder shall deliver a copy of the final Escrow closing statement to the parties.

12.5 Termination and Cancellation of Escrow. If Escrow fails to close due to a failure of a condition precedent, then the party in whose favor the condition precedent runs may elect to cancel this Escrow upon written notice to the other party and Escrow Holder. Upon cancellation, Escrow Holder is instructed to return all documents then in Escrow to the respective depositor of same and disburse the funds pursuant to Section 3.2.a.i.b. Cancellation of Escrow, as provided herein, shall be without prejudice to whatever legal rights Buyer or Seller may have against each other arising from the Escrow or this Agreement, however Seller's remedies against Buyer are limited by Section 9.

12.6 Documents. Upon recordation of the Grant Deed, Escrow Holder will deliver a conformed copy of the Grant Deed to each party. At Closing, one (1) full executed copy of the Lease Assignment/Assumption shall be delivered to each of Buyer, Seller and WIN Chevrolet, Inc.

12.7 Information Report. Escrow Holder shall file and Buyer and Seller agree to cooperate with Escrow Holder and with each other in completing any report ("**Information Report**") and/or other information required to be delivered to the Internal Revenue Service pursuant to Internal Revenue Code Section 6045I regarding the real estate sales transaction contemplated by this Agreement, including without limitation, Internal Revenue Service Form 1099-B as such may be hereinafter modified or amended by the Internal Revenue Service, or as may be required pursuant to any regulation now or hereinafter promulgated by the Treasury Department with respect thereto. Buyer and Seller also agree that Buyer and Seller, their respective employees and attorneys, and escrow Holder and its employees, may disclose to the Internal Revenue Service, whether pursuant to such Information Report or otherwise, any information regarding this Agreement or the transactions contemplated herein as such party reasonably deems to be required to be disclosed to the Internal Revenue Service by such party pursuant to Internal Revenue Code Section 6045I, and further agree that neither Buyer nor Seller shall seek to hold any such party liable for the disclosure to the Internal Revenue Service of any such information.

12.8 No Withholding as Foreign Seller. Seller represents and warrants to Buyer that Seller is not, and as of the Close of Escrow will not be, a foreign person within the meaning of Internal Revenue Code Section 1445 or an out-of-state seller under California Revenue and Tax Code Section 18805 and that it will deliver to Buyer on or before the Close of Escrow a non-

foreign affidavit on Escrow Holder's standard form pursuant to Internal Revenue Code Section 1445(b)(2) and the Regulations promulgated thereunder and a California Form 590-RE.

12.9 Brokerage Commission. Seller retained Newmark of Southern California, Inc. (dba Newmark Knight Frank) for the sale of the Property ("**Seller's Broker**"). Buyer is not represented by broker. Except for Seller's Broker, Buyer and Seller each represent and warrant to the other that no third party is entitled to a broker's commission and/or finder's fee with respect to the transaction contemplated by this Agreement. Buyer and Seller each agree to indemnify and hold the other parties harmless from and against all liabilities, costs, damages and expenses, including, without limitation, attorneys' fees, resulting from any claims or fees or commissions, based upon agreements by it, if any, to pay a broker's commission and/or finder's fee except as specified above.

13. NON-COLLUSION. No official, officer, or employee of the City has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of the City 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. Seller 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, and City official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded this Agreement. Seller 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. Seller 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.

Seller's Initials

Buyer's Initials

14. NOTICES. Any notice which either party may desire to give to the other party or to the Escrow Holder must be in writing and may be given (i) by personal delivery (including reputable overnight courier (such as Federal Express, UPS or DHL) which will be deemed received the following day, or (ii) by mailing the same by registered or certified mail, return receipt requested which will be deemed delivered three (3) days after depositing same in the mail, addressed to the party to whom the notice is directed as set forth below, or such other address and to such other persons as the parties may hereafter designate:

To Seller:

City of Carson
701 East Carson Street
Carson, CA 90745
Attention: David Roberts, City Manager

With a Copy to:

Aleshire & Wynder, LLP
18881 Von Karman Avenue, Suite 1700
Irvine, CA 92612

Attention: Anne Nelson Lanphar, Esq.

To Buyer: WIN Chevrolet Properties, LLC.
2301 E. 223rd Street
Carson, CA 90745
Attn: Jerry Heuer, Manager,

With a Copy to: Law Offices of Leslie E. Chayo
Leslie E. Chayo, Esq.,
9454 Wilshire Blvd., PH
Beverly Hills, CA 90212

To Escrow Holder: Fidelity National Title Insurance Company
555 S. Flower St., Suite 4420
Los Angeles, CA 90017
Attn. Jessica Avila, J.D., AVP,
Commercial Escrow Officer

15. GENERAL PROVISIONS.

15.1 Assignment. Buyer shall not assign this Agreement without prior written consent of Seller in its sole discretion. Notwithstanding the foregoing, Buyer may assign this Agreement to an entity the majority of which is owned by Jerry Heuer and Hani Nassif ("**Permitted Assignee**"). Any Permitted Assignee shall provide reasonable evidence confirming the required ownership to Seller and the form of such assignment and assumption shall be in a form reasonably acceptable to Seller. If Buyer is an entity, any transfer or change of the ownership interests in the entity shall constitute a transfer under this Section 15.1. Seller's consent to an assignment shall be in writing and original Buyer shall not be released of liability under this Agreement. This Agreement shall be binding upon and shall inure to the benefit of Buyer and Seller and their respective heirs, personal representatives, successors and assigns.

15.2 Attorney's Fees. In any action between the parties hereto, seeking enforcement of any of the terms and provisions of this Agreement or the Escrow, or in connection with the Property, including any defense of any such action, the prevailing party in such action shall be entitled, to have and to recover from the other party its reasonable attorneys' fees and other reasonable expenses in connection with such action or proceeding, in addition to its recoverable court costs.

15.3 Interpretation; Governing Law; Venue. This Agreement shall be construed according to its fair meaning and as if prepared by both parties hereto. This Agreement shall be construed in accordance with the laws of the State of California in effect at the time of the execution of this Agreement. Titles and captions are for convenience only and shall not constitute a portion of this Agreement. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others wherever and whenever the context so dictates. The venue for any dispute shall be Los Angeles County.

15.4 No Waiver. No delay or omission by either party in exercising any right or power accruing upon the compliance or failure of performance by the other party under the provisions of this Agreement shall impair any such right or power or be construed to be a waiver thereof. A waiver by either party of a breach of any of the covenants, conditions or agreements hereof to be

performed by the other party shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions hereof.

15.5 Modifications. Any alteration, change or modification of or to this Agreement, in order to become effective, shall be made by written instrument or endorsement thereon and in each such instance executed on behalf of each party hereto.

15.6 Severability. If any term, provision, condition or covenant of this Agreement or the application thereof to any party or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this instrument, or the application of such term, provisions, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

15.7 Merger. This Agreement and other documents incorporated herein by reference contain the entire understanding between the parties relating to the transaction contemplated hereby and all prior to contemporaneous agreements, understandings, representations and statements, oral or written are merged herein and shall be of no further force or effect.

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

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

15.10 No Third-Party Beneficiaries. This Agreement is only between the parties and is not intended to be nor shall it be construed as being for the benefit of any third party.

15.11 Execution in Counterparts. This Agreement may be executed in several counterparts, and all so executed shall constitute one agreement binding on all parties hereto, notwithstanding that all parties are not signatories to the original or the same counterpart.

15.12 Performance Dates. Unless otherwise expressly provided in this Agreement, any reference in this Agreement to time for performance of obligations or to elapsed time shall mean Pacific Standard Time and time periods shall mean consecutive calendar days, months or years, as applicable. If the date ("**Performance Date**") on which any action is to be taken, any obligation is to be performed, or any notice is to be given under this Agreement falls on a Saturday, Sunday or federal holiday, then such Performance Date shall be automatically extended to the next business day. As used in this Agreement, "**business day**" means any calendar day that is not a Friday, Saturday, Sunday or federal holiday. The time for performance on any Performance Date shall be no later than 6:00 p.m. California time, unless otherwise provided in this Agreement.

15.13 Exhibits. Exhibits A, B, C, D and E attached hereto and incorporated herein by reference.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement for Purchase and Sale of Real Property and Joint Escrow Instructions as of the date set forth above.

NOTE:

Each of Sections 9, 10.2 & 13 must also be initialed.

BUYER:

WIN CHEVROLET PROPERTIES, LLC, a
California liability company

By: _____
Jerry Heuer, Manager

SELLER:

CITY OF CARSON, a charter city

By: _____
Lula Davis-Holmes, Mayor

_____, 2022

ATTEST:

ACCEPTED BY ESCROW HOLDER:

FIDELITY NATIONAL TITLE INSURANCE
COMPANY, a California corporation

By: _____
Jessica Avila, J.D., AVP
Escrow Officer

Dr. Khaleah K. Bradshaw, City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

Dated: _____, 2022

By: _____
Sunny K. Soltani, City Attorney (ANL)

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

The real property located in the City of Carson, County of Los Angeles, State of California described as follows:

THAT PORTION OF LOT 6 IN BLOCK "C" OF THE SUBDIVISION OF A PART OF THE RANCHO SAN PEDRO, (ALSO KNOWN AS DOMINGUEZ COLONY), IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAPS RECORDED IN BOOK 1, PAGES 601 AND 602, AND BOOK 32, PAGES 97 AND 98 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED AS FOLLOWS:

ON THE NORTH BY THE SOUTHERLY LINE OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, AS RECORDED IN BOOK D748, PAGE 676, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, (NOW KNOWN AS THE SAN DIEGO FREEWAY); ON THE SOUTH BOUNDED SOUTHERLY BY NORTHERLY LINE OF 100' STRIP OF LAND DESCRIBED PER (PARCEL 12-13) IN DECREE OF CONDEMNATION, RECORDED OCTOBER 5, 1973, INSTRUMENT NO. 4331, OFFICIAL RECORDS; ON THE WEST BY A LINE WHICH IS AT RIGHT ANGLES TO SAID LAST MENTIONED CENTERLINE AND WHICH PASSES THROUGH A POINT IN SAID CENTERLINE, DISTANT EASTERLY HEREON, 1607.85 FEET FROM THE SOUTHERLY PROLONGATION OF THE WESTERLY LINE OF LOT 5 OF SAID BLOCK "C", AND ON THE EAST BY THE WESTERLY LINE OF THAT CERTAIN 250 FOOT STRIP OF LAND DESCRIBED FIRST IN DEED TO THE PACIFIC ELECTRIC LAND COMPANY RECORDED AS INSTRUMENT NO. 1314 ON JANUARY 24, 1924, IN BOOK 2683, PAGE 358, OFFICIAL RECORDS.

APN: 7315-012-900, 7315-012-804

EXHIBIT B
GRANT DEED

**Recording requested by and
When Recorded Return to:**

WIN Chevrolet Properties, LLC.
2301 E. 223rd Street
Carson, CA 90745
Attn: Jerry Heuer, Manager

APN. 7315-012-900 & 7315-012-804

(Space Above This Line for Recorder's Office Use Only)

THE UNDERSIGNED GRANTOR DECLARES that the
documentary transfer tax (computer on full value) is \$8,800.

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged and subject to the covenants set forth below the CITY OF CARSON, a charter city (as of 2019) ("**Grantor**") grants to WIN CHEVROLET PROPERTIES, LLC., a California limited liability company ("**Grantee**"), all of its rights, title, and interest in that certain real property in the City of Carson, County of Los Angeles, State of California, as more particularly described in Exhibit A attached hereto and incorporated by this reference ("**Property**").

COVENANT AGREEMENTS

1. Post-Closing Covenant.

1.1. Paving. As additional consideration for the sale of the Property to Grantee, Grantee shall, at Grantee's sole cost and expense, promptly obtain all required approvals and permits to pave all portions of the Property upon which Grantee "parks" vehicles in accordance with Los Angeles County Low Impact Requirements (LA County Title 12, Chapter 12.84) and federal law (40 CFR §52.128) with appropriate drainage ("**Required Paving Improvements**"). The Required Paving Improvements shall be pursuant to plans submitted by Grantee to Grantor for approval. Grantee shall obtain all necessary permits from the City of Carson in accordance with standard requirements under the Municipal Code. In accordance with that certain Right of Way Contract – State Highway (#EA 304801/071000084) for Temporary Construction Easements dated 08-31-2021 with State of California, Department of Transportation which term expires on February 18, 2024 ("**CalTrans Agreement**"), the paving shall be conducted in such a manner as to not block CalTrans' access to its portion of the Property. The Required Paving Improvements shall be completed not less than three (3) months after the date this Deed is recorded in the Official Records of Los Angeles County ("**Outside Paving Date**").

1.2. Additional Required Improvements. Not less than three (3) months prior to the

termination of the CalTrans Agreement ("**CalTrans Termination Date**"), Buyer shall have obtained all approvals and permits for the installation of lighting, landscaping and fencing on the Property and to pave the balance of the Property if Grantee intends to park cars thereon ("**Additional Required Improvements**"). Buyer shall start construction of the Additional Required Improvements not less than three (3) months after the CalTrans Termination Date and shall diligently prosecute such work to completion not less than six (6) months after commencement of same. The Additional Required Improvements shall be pursuant to plans submitted by Grantee to Grantor for approval. Grantee shall obtain all necessary permits from the City of Carson in accordance with standard requirements under the Municipal Code. Grantee shall promptly construct and diligently prosecute to completion the Requirement Improvements within (6) months ("**Outside Additional Improvements Date**"). Upon the occurrence of unforeseen circumstances, Grantee may request in writing Grantor grant an extension of not more than three (3) months and Grantor shall not unreasonably withhold consent to such extension.

1.3. Maintenance. Upon completion of the Required Paving Improvements and the Additional Required Improvements, respectively, Grantee shall maintain same in good condition and repair at all times until such time as Grantee constructs permanent improvements on the Property in accordance with plans approved by the City through its standard planning process

1.4. Enforcement Rights. If Grantee fails to comply with the requirements set forth in this Section 1, Grantor shall have the right, but not the obligation, at any time after the specified outside construction date to construct the required improvements and to recover the costs of such work from Grantee. Upon Grantor's completion of the required work, Grantor shall send a written demand to Grantee ("**Reimbursement Notice**"). Within ten (10) days of receipt of the Reimbursement Notice, Grantee shall pay Grantor the amount specified in the Reimbursement Notice. If such amount is not paid in the time specified, the amount shall accrue interest at the rate of ten percent (10%) per annum until paid in full.

2. No Discrimination. Grantee agrees to refrain from restricting the rental, sale, or lease of any portion of the Property 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 forgoing covenants in this Section 2 shall remain in effect in perpetuity.

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

GRANTOR:

CITY OF CARSON, a charter city

NOT TO BE EXECUTED UNTIL CLOSING

By: _____

Lula Davis-Holmes, Mayor

_____, 2022

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

ATTEST:

Dr. Khaleah K. Bradshaw, City Clerk

By: _____
Sunny K. Soltani, City Attorney

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

That certain real property located in the City of Carson, County of Los Angeles, State of California, and is described as follows:

THAT PORTION OF LOT 6 IN BLOCK "C" OF THE SUBDIVISION OF A PART OF THE RANCHO SAN PEDRO, (ALSO KNOWN AS DOMINGUEZ COLONY), IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAPS RECORDED IN BOOK 1, PAGES 601 AND 602, AND BOOK 32, PAGES 97 AND 98 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED AS FOLLOWS:

ON THE NORTH BY THE SOUTHERLY LINE OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, AS RECORDED IN BOOK D748, PAGE 676, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, (NOW KNOWN AS THE SAN DIEGO FREEWAY); ON THE SOUTH BOUNDED SOUTHERLY BY NORTHERLY LINE OF 100' STRIP OF LAND DESCRIBED PER (PARCEL 12-13) IN DECREE OF CONDEMNATION, RECORDED OCTOBER 5, 1973, INSTRUMENT NO. 4331, OFFICIAL RECORDS; ON THE WEST BY A LINE WHICH IS AT RIGHT ANGLES TO SAID LAST MENTIONED CENTERLINE AND WHICH PASSES THROUGH A POINT IN SAID CENTERLINE, DISTANT EASTERLY HEREON, 1607.85 FEET FROM THE SOUTHERLY PROLONGATION OF THE WESTERLY LINE OF LOT 5 OF SAID BLOCK "C", AND ON THE EAST BY THE WESTERLY LINE OF THAT CERTAIN 250 FOOT STRIP OF LAND DESCRIBED FIRST IN DEED TO THE PACIFIC ELECTRIC LAND COMPANY RECORDED AS INSTRUMENT NO. 1314 ON JANUARY 24, 1924, IN BOOK 2683, PAGE 358, OFFICIAL RECORDS.

APN: 7315-012-900, 7315-012-804

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.

[illegible]

On _____, 2022 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:

EXHIBIT C
BILL OF SALE/ASSIGNMENT

This Bill of Sale/Assignment is provided by the CITY OF CARSON, a charter city ("**Seller**") in favor of the WIN CHEVROLET PROPERTIES, LLC, a California limited liability company ("**Buyer**"), with respect to the transfer of any and all right, title and interest in and to the **Personal Property** as defined in Recital A of that certain Agreement for Purchase and Sale Agreement of Real Property and Joint Escrow Instructions dated March __, 2022, between Seller and Buyer related to the sale of that certain real property (APNs 7315-012-900 & 7315-012-804) in the City of Carson, County of Los Angeles, State of California ("**PSA**").

NOW, THEREFORE, this Bill of Sale/Assignment is issued by Seller in favor of Buyer as of the date specified below in accordance with the following:

1. Seller makes no representations or warranties as to the existence of any Personal Property.
2. Seller quitclaims to Buyer any and all of Seller's right, title and interest in and to the Personal Property.
3. This Bill of Sale/Assignment shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, Seller has executed this Bill of Sale/Assignment as of _____, 2022.

SELLER:

CITY OF CARSON, a charter city

By: NOT TO BE EXECUTED UNTIL CLOSING
Lula Davis-Holmes, Mayor

_____, 2022

ATTEST:

Dr. Khaleah K. Bradshaw, City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: _____
Sunny K. Soltani, City Attorney (ANL)

EXHIBIT D

ASSIGNMENT AND ASSUMPTION OF LEASE

This Assignment and Assumption of Lease ("**Assignment/Assumption**") is executed pursuant to that certain Purchase and Sale Agreement or Real Property and Joint Escrow Instructions dated as of March ___, 2021 ("**Agreement**"), by and between CITY OF CARSON, a charter city ("**Assignor**"), and WIN CHEVROLET PROPERTIES, LLC, a California limited liability company ("**Assignee**"), with respect to a portion of the real property located at 2403 223rd Street in the City of Carson, County of Los Angeles, State of California (APNs. 7315-012-900 & 7315-012-804) ("**Real Property**").

As of the recordation of the Grant Deed pursuant to the Agreement ("**Effective Date**"), Assignor, hereby sells, transfers, assigns and sets over unto Assignee, all of Assignor's right, title and interest in that certain License Agreement between Seller and WIN Chevrolet, Inc. ("**Lease**") affecting a portion of the Real Property.

As of the Effective Date, Assignee accepts the foregoing assignment of the Lease assumes and becomes responsible to perform, discharge, fulfill and observe all of the obligations, terms, covenants, provisions and conditions under the Lease arising from and after the Effective Date, and Assignee agrees to be liable for the observance and performance of the Lease.

As of the Effective Date, Assignor agrees to protect, defend, indemnify and hold harmless Assignee, its legal representatives, successors and assigns from any and all losses, damages, expenses, fees (including, without limitation, reasonable attorneys' fees), court costs, suits, judgments, liability, claims and demands whatsoever in law or in equity, incurred or suffered by Assignee arising out of or in connection with the Lease as to events occurring prior to the Effective Date.

This Assignment/Assumption is binding upon and will inure to the benefit of Assignor and Assignee and their respective beneficiaries, legal representatives, heirs, successors and assigns.

This Assignment/Assumption may be executed and delivered in any number of counterparts, each of which so executed and delivered will be deemed to be an original and all of which will constitute one and the same agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Assignment and Assumption of Lease as of the Effective Date.

ASSIGNEE:

WIN CHEVROLET PROPERTIES, LLC, a
California limited liability company

By: _____
Jerry Heuer, Manager

ASSIGNOR:

CITY OF CARSON, a charter city

By:

NOT TO BE EXECUTED UNTIL CLOSING

Lula Davis-Holmes, Mayor
_____, 2022

ATTEST:

Dr. Khaleah K. Bradshaw, City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: _____
Sunny K. Soltani, City Attorney (ANL)

EXHIBIT E

SLA COVENANT

FREE RECORDING REQUESTED AND
WHEN RECORDED, RETURN TO:

City of Carson
701 East Carson St
Carson, CA 90745
Attention: City Clerk

APNs: 7315-012-900, 7315-012-804

(Space above This Line for Recorder's Office Use Only)
(Exempt from Recording Fee per Gov. Code § 6103)

COVENANT AGREEMENT

THIS COVENANT AGREEMENT RESTRICTIONS (this "**Covenant Agreement**") is made and entered into this _____ day of _____, 202__, WIN CHEVROLET PROPERTIES, LLC, a California limited liability company ("**Owner**") in favor of the CITY OF CARSON, a charter city ("**City**"). Owner and City are occasionally referred to herein each as a "**party**" and jointly as the "**parties**".

R E C I T A L S:

- A.** Owner owns that certain real property located in the City of Carson, County of Los Angeles, State of California, more particularly described in Exhibit A attached hereto and incorporated herein by this reference ("**Property**").
- B.** Owner acquired the Property from the City pursuant to that certain Grant Deed recorded immediately prior to this Covenant ("**Grant Deed**") in the Official Records of Los Angeles County ("**Official Records**").
- C.** In order to sell the Property to Owner for non-residential development, the City was required and did comply with the provisions of the Surplus Land Act (Government Code Section 54220 et seq) and the applicable regulations ("**SLA**").
- D.** As material consideration for the sale of the Property to Owner, this Covenant Agreement is mandated under the SLA with respect to any future residential development of the Property.
- E.** Accordingly, City and Owner now desire to place a covenant regarding any future residential development of the Property.

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 Property shall be burdened, held, transferred, encumbered, used, sold, conveyed, leased, and occupied, subject to the covenant hereinafter set forth.

1. EFFECTIVE DATE; TERM. This Covenant Agreement shall be effective as of the date it is recorded in the Official Records ("**Effective Date**") and continue for a period of Fifty-Five (55) years ("**Term**").

2. DEVELOPMENT OF THE PROPERTY. Owner acknowledges the following: (i) City sold the Property to Owner for development and not for speculation in undeveloped land; and (ii) the covenant herein is: (a) material consideration for the conveyance, (b) separate and in addition to any other rights and limitations for the development of the Property by the zoning or other municipal limitations pursuant to the Carson Municipal Code ("**Code**"), and (c) is for the benefit of City.

3. COVENANT. Nothing herein shall be construed to require the Property to be developed for residential. However, if, at any time during the Term, ten (10) or more residential units are developed on the Property, not less than fifteen percent (15%) of the total number of residential units developed on the Property shall be sold or rented at affordable housing cost, as defined in Section 50052.5 of the California Health and Safety Code, or affordable rent, as defined in Section 50053 of the California Health and Safety Code, to lower income households, as defined in Section 50079.5 of the California Health and Safety Code. Thereafter, rental units shall remain affordable to and occupied by lower income households for a period of fifty-five (55) years for rental housing and forty-five (45) years for ownership housing. The initial occupants of all ownership units shall be lower income households, and the units shall be subject to an equity sharing agreement consistent with the provisions of paragraph (2) of subdivision (c) of 65915 of the California Government Code. These requirements are covenants running with the land and shall be enforceable against any owner who violates a covenant and each successor-in-interest who continues the violation by any of the entities described in subdivisions (a) to (f), inclusive, of Section 54222.5 of the California Government Code.

4. COVENANT TO RUN WITH THE LAND. Owner hereby subjects and burdens the Property to the covenant set forth in Section 3. Owner understands that the covenant runs with the land and shall pass to and be binding upon Owner's successors in title to the Property for the Term. Each and every contract, deed or other instrument hereafter executed covering or conveying the Property, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to this Covenant Agreement, regardless of whether such covenants, reservations, and restrictions are set forth in such contract, deed or other instrument.

5. AMENDMENTS, MODIFICATIONS OR TERMINATION. This Covenant Agreement may not be amended, modified or terminated except in writing, executed by the City, the then owner of the Property and the State of California, Housing and Community Development and recorded in the Official Records.

6. MISCELLANEOUS.

- 6.1. Notices.** All notices, demands, requests, elections, approvals, disapprovals, consents or other communications given under this Covenant Agreement 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 City: City of Carson
701 E Carson Street
Carson, CA 90745
Attention: City Manager

With a Copy to: City of Carson
701 E Carson Street
Carson, CA 90745
Attention: City Attorney

To Owner: WIN Chevrolet Properties, LLC.
2301 E. 223rd Street
Carson, CA 90745
Attn: Jerry Heuer, Manager

With Copy To: Law Offices of Leslie E. Chayo
Leslie E. Chayo, Esq.,
9454 Wilshire Blvd., PH
Beverly Hills, CA 90212

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 section.

- 6.2. Governing Law.** This Covenant 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.
- 6.3. Attorney's Fees.** In the event of any litigation or other legal proceeding arising from this Covenant 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.
- 6.4. Construction.** This Covenant Agreement shall be construed according to its fair meaning as if prepared by both parties and in favor of full enforcement. Headings used in this Covenant Agreement are provided for convenience only.
- 6.5. No Waiver.** The failure to enforce any term, covenant, or condition of this Covenant Agreement shall not be construed as a waiver of the right to enforce this, or any other, term, covenant, or condition of this Covenant Agreement.

6.6. Governing Law. This Covenant Agreement shall be governed by the laws of the State of California.

6.7. Incorporation of Recitals. The Recitals set forth above are hereby incorporated into this Covenant Agreement.

IN WITNESS WHEREOF, the parties have executed this Covenant Agreement as of the dates specified below.

OWNER:

WIN CHEVROLET PROPERTIES, LLC, a
California limited liability company

By: _____
Jerry Heuer, Manager

CITY:

CITY OF CARSON, a charter city

NOT TO BE EXECUTED UNTIL CLOSING

By: _____
Lula Davis-Holmes, Mayor

_____, 2022

ATTEST:

Dr. Khaleah K. Bradshaw, City Clerk

APPROVED AS TO FORM:

ALESHIRE & WYNDER LLP

By: _____
Sunny Soltani, City Attorney (ANL)

EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

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

THAT PORTION OF LOT 6 IN BLOCK "C" OF THE SUBDIVISION OF A PART OF THE RANCHO SAN PEDRO, (ALSO KNOWN AS DOMINGUEZ COLONY), IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAPS RECORDED IN BOOK 1, PAGES 601 AND 602, AND BOOK 32, PAGES 97 AND 98 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED AS FOLLOWS:

ON THE NORTH BY THE SOUTHERLY LINE OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, AS RECORDED IN BOOK D748, PAGE 676, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, (NOW KNOWN AS THE SAN DIEGO FREEWAY); ON THE SOUTH BOUNDED SOUTHERLY BY NORTHERLY LINE OF 100' STRIP OF LAND DESCRIBED PER (PARCEL 12-13) IN DECREE OF CONDEMNATION, RECORDED OCTOBER 5, 1973, INSTRUMENT NO. 4331, OFFICIAL RECORDS; ON THE WEST BY A LINE WHICH IS AT RIGHT ANGLES TO SAID LAST MENTIONED CENTERLINE AND WHICH PASSES THROUGH A POINT IN SAID CENTERLINE, DISTANT EASTERLY HEREON, 1607.85 FEET FROM THE SOUTHERLY PROLONGATION OF THE WESTERLY LINE OF LOT 5 OF SAID BLOCK "C", AND ON THE EAST BY THE WESTERLY LINE OF THAT CERTAIN 250 FOOT STRIP OF LAND DESCRIBED FIRST IN DEED TO THE PACIFIC ELECTRIC LAND COMPANY RECORDED AS INSTRUMENT NO. 1314 ON JANUARY 24, 1924, IN BOOK 2683, PAGE 358, OFFICIAL RECORDS.

APN: 7315-012-900, 7315-012-804

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 _____, 2022 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 _____, 2022 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: