

MOTION BY SUPERVISOR HILDA L. SOLIS

April 10, 2018

Acquisition of Property located at 1060 North Vignes Street, Los Angeles, California by the County of Los Angeles

As a result of the settlement of a class action lawsuit known as the Rosas case, corrective directives were imposed on the Sheriff's Department to reform departmental policies and practices concerning the treatment of inmates and the use of force in jail facilities. Implementation of certain settlement directives focused on addressing deficiencies concerning jail supervision and treatment of inmates with mental illness, have caused the Sheriff's Department (Sheriff) and the Department of Health Services (DHS) to increase staffing levels working at the Men's Central Jail (MCJ), Twin Towers Correctional Facility (TTCF), and the Inmate Reception Center (IRC). These jail facilities, which provide secure custody housing, mental health treatment, and booking/release of all male inmates are contained within two buildings located at 441 and 450 Bauchet Street, Los Angeles, California and operate on a full time 24/7 basis requiring day, night and early morning shifts.

The immediate impact of this increase in staffing levels has caused a critical need for supplemental parking to accommodate the additional staff members. Currently, the MCJ, TTCF, and IRC share the use of three parking structures, consisting of a 10-story parking structure providing 936 spaces; a four-story parking structure providing 531 spaces; and a two-story parking structure providing 737 spaces,

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collectively totaling 2,204 available parking spaces. Based on the total amount of 5,729 staff members currently working in these Jail facilities, and allowing for three eight-hour shift changes at an 80% factor (3,881 spaces) and including allowances to account for ridesharing and public transportation participants (854 spaces) there is still a shortage of approximately 823 parking spaces needed to adequately accommodate existing staff.

The property located at 1060 N. Vignes Street, Los Angeles, California (Property) consists of a 172,933 gross square foot parcel of unimproved land which has a paved concrete surface and is used informally for parking purposes. Most recently, it was leased by Federal Express (FedEx) for use as a parking lot for its delivery trucks during the holiday season. The Department of Public Works has reviewed the potential for the Property to be improved as a surface parking lot and estimates the capacity to park 400 vehicles there. The total cost of renovating the Property to accommodate 400 surface parking spaces is estimated at \$800,000. Properties of this size with proximity to the jail facilities do not come on the market very often. The Property is within walking distance of the jail facilities and would partially address Sheriff's and DHS' immediate, critical and permanent need for additional parking spaces for their respective staff members. Staff was unable to identify any other sites in the survey area that could accommodate this requirement, nor are there any County-owned or licensed facilities available for this specific need. The purchase price reflects the fair market value for the Property, which has been substantiated by a County-commissioned appraisal report.

Section 25353 of the California Government Code, authorizes the Board to purchase real property necessary for use of the County for buildings or for other public purposes. Pursuant to Government Code Sections 6063 and 25350, a Notice of Intention to Purchase will be published for the intended action to purchase real property, and a Board meeting will be held on May 1, 2018 or thereafter following the three-week publishing period to receive comments prior to consummating the proposed acquisition. Additionally, as required by Government Code Section 65402, notice of the proposed

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acquisition was submitted to the City of Los Angeles (City) Planning Department. The City responded and found use of the Vignes Site would be consistent with the zoning.

Upon approval of the recommendations by the Board and the execution of the Sale and Purchase Agreement (Agreement) by the Chair, the County of Los Angeles (County) will be authorized to open escrow, order and review all necessary title documents to ensure the County acquires free and clear title to the (Property), issue a warrant for the purchase price of \$24,000,000, plus escrow fees, deposit said funds into escrow, and fulfill the County's obligations associated with the acquisition.

In order to accept the transfer of title, CEO will work with the seller to remove those claims or encumbrances that are not acceptable to the County. CEO, with the assistance of the Department of Public Works, will satisfactorily complete all other due diligence with respect to the proposed acquisition of the Property.

For the reasons set forth in the attached CEQA Findings (Attachment 1), the acquisition of the Property for the anticipated use of surface parking for current County employees qualifies for a categorical exemption from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines, Article 19, Section 15332 (In-Fill Development Projects) because the use would be developed on an infill site, meets all of the requirements of the Class 32 categorical exemption set forth at CEQA Guidelines, Section 15332 and none of the applicable exceptions to the use of the exemption apply.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Find that, for the reasons set forth in the attached CEQA Findings (Attachment 1), the proposed purchase of the property located at 1060 N. Vignes Street, Los Angeles, California (Property) for use as a surface parking lot is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15332 (Class 32 – In-Fill

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Development Projects), and none of the exceptions to the application of the exemption apply.

2. Approve the Notice of Intention to Purchase, in the form attached, for the property located at 1060 N. Vignes Street, Los Angeles, California for a purchase price of \$24,000,000, from 1060 Vignes Owner LLC, plus title and escrow fees of approximately \$30,000, for a total not to exceed an amount of \$24,030,000.
3. Instruct the Executive Office-Clerk of the Board of Supervisors to publish the Notice of Intention to Purchase, in accordance with Government Code Section 6063, which will state the date following the publishing period that the Board will meet to consummate the purchase.
4. Set May 1, 2018 as the date for a Board meeting to receive comment and consummate the proposed acquisition following publication of the Notice of Intention to Purchase, in accordance with Government Code Section 6063.

AT THE BOARD MEETING SET BY THE NOTICE OF INTENTION TO PURCHASE, FOLLOWING THE GOVERNMENT CODE SECTION 6063 PUBLISHING PERIOD, IT IS RECOMMENDED THAT THE BOARD:

1. Order the purchase of the property located at 1060 N. Vignes Street, Los Angeles, California (Property) to be consummated, in accordance with Government Code Sections 25350 and 25353.
2. Instruct the Chair to execute the Sale and Purchase Agreement, approved as to form by County Counsel, to purchase the Property for \$24,000,000 plus

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title and escrow fees in an amount not to exceed \$30,000, and authorize the Chief Executive Officer, or her designee, to take all further actions necessary and appropriate to complete the transaction, including opening and management of escrow, any administrative adjustments to the transfer documents, execution of all the requisite documentation for the completion of the transfer and acceptance of the deed conveying title to the Property to the County of Los Angeles.

3. Authorize the establishment of Capital Project No. 67956, 1060 N. Vignes Lot Acquisition, and approve the project scope including, but not limited to acquisition, paving, striping, and lighting for use by the Sheriff's Department and Health Services for their immediate parking needs.
4. Authorize and direct the Department of Public Works to take actions necessary and appropriate, including the use of Job Order Contracting, to make the land suitable for use as a surface parking lot with up to 400 parking spaces at a cost not to exceed \$800,000.
5. Approve the budget and an appropriation adjustment to appropriate \$24,830,000 fully offset by commercial paper proceeds, to Capital Project No. 67956, 1060 N. Vignes Lot Acquisition, to fully fund the purchase, improvements, and associated escrow costs for the Property.
6. Authorize the use of up to \$24,830,000 of commercial paper notes to provide financing for the purchase, improvements, and associated escrow costs for the Property.
7. Authorize the Auditor-Controller to issue warrants, as directed by the Chief

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Executive Officer, for the purchase and any other related transactional costs.

8. Instruct the Assessor's Office to place the 1060 N. Vignes Lot property under the complete ownership of the County, and remove the Property from the tax roll effective upon the transfer of title to the County of Los Angeles.

Acquisition of Property Located at 1060 North Vignes Street, Los Angeles, California by the County of Los Angeles

Findings for Categorical Exemption (Class 32)

The acquisition of the Property for the anticipated use of surface parking for current County employees qualifies for a categorical exemption from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines, Article 19, Section 15332 (In-Fill Development Projects) because the use would be developed on an infill site and meets the following conditions described in CEQA Guidelines Section 15332:

- a) **The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with the applicable zoning designation and regulations.** The Property consists of approximately 172,933 gross square feet (approximately four acres) of unimproved land which has a paved concrete surface which has been used for parking purposes, most recently by FedEx. The Property is located in the Central City North Community Plan area and designated as Heavy Manufacturing by the City of Los Angeles General Plan. The zoning designation is M3-1-RIO (Heavy Industrial). The M3 (Heavy Industrial) zoning designation permits parking uses. Thus, the anticipated parking use would be in conformance with the General Plan and Zoning designations.
- b) **The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.** The Property is wholly within the City of Los Angeles, is approximately four acres, and is substantially surrounded by urban uses. The Property is bordered by 120-foot railroad tracks to the south, and the Los Angeles County Men's Central Jail is beyond the railroad tracks. A United States postal service building and surface parking lot uses are to the west across North Vignes Street, and various manufacturing and industrial uses surround the Vignes Lot to the north and east, including, but not limited to US Drop Forge Inc. to the north across N. Alhambra Street and Los Angeles Recycling Center to the east across E. College Street.
- c) **The project site has no value as habitat for endangered, rare or threatened species.** The Property is located within an established, fully developed, commercial and industrial area. The Property was used for heavy manufacturing for decades, and the Property is currently covered with concrete paving. No landscaping or other biological resources exist on-site. The Property is not included in any existing conservation plan, and contains no wildlife corridors or jurisdictional waters or wetlands.
- d) **Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.** The Property currently has a paved concrete surface which has been used for parking purposes. The anticipated use of the Property following acquisition by the County is surface parking for approximately 400

vehicles, which would be used to partially address a significant existing parking shortage for County employees currently working at the Men's Central Jail, Twin Towers Correctional Facility, and the Inmate Reception Center (the Jail Facilities). The Property is located approximately 200 feet from the Jail Facilities, and would provide existing employees of the Jail Facilities with parking that is within walking distance. Approximately 823 spaces are currently necessary in order to adequately accommodate existing Jail Facilities employees. The Property's intended use of surface parking for approximately 400 vehicles would meet a portion of the existing need for current County employees at the Jail Facilities, leaving a remaining shortfall of approximately 454 spaces for these current employees. Thus, the anticipated use of the Property would support existing County employees, but would not result in an increase in employees at the Jail Facilities and would not generate new vehicle trips. Minimal improvements would be required for the anticipated use. Construction work would be limited primarily to slurry coating and striping and would not involve significant grading or export. The Property is zoned M3 and is not located within 500 feet of a residential zone, and thus would comply with the construction noise standards of Los Angeles Municipal Code Section 112.05. The parking use would be subject to pollutant discharge, dewatering, and stormwater control requirements, including implementing Best Management Practices for stormwater runoff. Thus, no significant effects relating to traffic, noise, air quality, or water quality would result from the acquisition for the purpose of providing surface parking for current County employees working at the Jail Facilities.

e) **The site can be adequately served by all required utilities and public services.** The Property will be adequately served by all required public utilities and services given that the site is currently served by the City's Department of Water and Power, the City's Bureau of Sanitation, the Los Angeles Police Department, the Los Angeles Fire Department, and other public services, and any different or additional utility or public service needs could be feasibly provided to the Property.

In addition, the acquisition of the Property for purposes of establishing surface parking for County employees is not subject to any of the six exceptions set forth in State CEQA Guidelines Section 15300.2, that would prohibit the use of any categorical exemption. None of the exceptions are triggered for the following reasons:

- (a) **Location.** This exception is not applicable as the proposed project does not rely on any of the Classes that are qualified by consideration of where a project is located (Classes 3, 4, 5, 6, and 11).
- (b) **Cumulative Impact.** There are not sufficient similar projects of the same type in the surrounding area such that a cumulative impact would occur as a result of the use of the Property for parking by County employees, and this exception does not apply.
- (c) **Significant Effect Due To Unusual Circumstances.** The use of the Property for surface parking uses would not be an unusual use in the vicinity. The Property is currently paved and has been used informally for parking uses, and parking uses are a

common use in the general vicinity and larger Central City area. Thus, the acquisition of the Property for surface parking for County employees would not involve any unusual circumstance that may lead to a significant effect on the environment, and this exception does not apply.

(d) **Scenic Highways.** The Property is not located adjacent to a designated Scenic Highway, nor are there any designated Scenic Highways located near the Property. Thus, the acquisition of the Property for parking uses would not result in damage to scenic resources including trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway, and this exception does not apply.

(e) **Hazardous Waste Sites.** No known hazardous waste sites are located on or proximate to the project site. Thus, the acquisition of the Property for parking uses would not result in a significant effect due hazardous waste and this exception does not apply.

(f) **Historical Resources.** There are no structures on the Property and no improvements other than concrete paving. The Property has not been identified as a historic resource by local or state agencies, and has not been determined to be eligible for listing in the National Register of Historic Places, California Register of Historical Resources, the Los Angeles Historic-Cultural Monuments Register, and/or any local register, and was not found to be a potential historic resource based on Survey LA, the citywide historic survey of Los Angeles. Thus, the acquisition of the Property for use as parking for County employees will not result in a substantial adverse change to the significance of a historic resource and this exception does not apply.

The acquisition of the Property for the anticipated parking uses meets all of the requirements of the categorical exemption set forth at CEQA Guidelines, Section 15332 and none of the applicable exceptions to the use of the exemption apply. It is thus appropriate to determine the acquisition is categorically exempt from the requirements of CEQA.

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE (this "Agreement") is dated as of and is effective as of May 1, 2018, (the "Effective Date") and is entered into by and between **1060 VIGNES OWNER LLC**, a Delaware limited liability company ("Seller"), and the **COUNTY OF LOS ANGELES**, a body politic and corporate ("County"). Each of County and Seller are occasionally referred to herein as a "Party" and collectively as the "Parties."

RECITALS:

A. Seller is the owner of the real property located at 1060 N. Vignes Street, Los Angeles, California, which consists of an undeveloped parcel of land.

B. County and Seller are parties to that certain Right of Entry Permit (Site Assessment) dated as of January 24, 2018 (the "Access Agreement"), pursuant to which Seller granted County access to enter the Property in order to conduct an inspection of the Property subject to, and in accordance with the terms and conditions set forth in, the Access Agreement.

C. County desires to purchase the Property (as defined below) from Seller and Seller desires to sell the Property to County upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency are hereby acknowledged by County and Seller, each intending to be legally bound, do hereby covenant and agree as follows:

(1) **Recitals.** All of the recitals set forth above are true and accurate and are incorporated herein by reference.

(2) **Sale and Purchase of Property.** Seller agrees to sell and convey to County, and County agrees to purchase from Seller, at the price and upon the terms, provisions and conditions set forth in this Agreement, all right, title and interest of Seller in and to those certain plots, pieces and parcels of land located in the County of Los Angeles, State of California, as more particularly described in Exhibit A attached hereto and made a part hereof (the "Land"), together with all right, title and interest of Seller in and to (if any) (i) all improvements situated on the Land, including but not limited to any paving, fencing and lighting, (ii) all easements, rights of way, reservations, privileges, appurtenances, and other estates pertaining or appurtenant to the Land (collectively with the Land, the "Real Property"), (iii) any personal property located in, on or under the Land and used in the operation of the Real Property, (iv) intangible property used and necessary in connection with the Real Property, including, without limitation, surveys, reports, plans and specifications, contract rights, warranties, guaranties, licenses, permits, entitlements, governmental approvals and certificates of occupancy (if any) that benefit the Real Property, in each case to the extent assignable or transferable without the necessity of consent or approval, (v) all oil, gas and mineral rights of Seller, if any, in and to the Land, and (vi) all strips and gores, all alleys adjoining the Land to the center line thereof (all items described in clauses (i) - (vi) above being hereinafter sometimes collectively referred to as the "Property"). Notwithstanding the above, however, the "Property" shall expressly exclude: (a) any insurance policies or insurance contracts owned or held by Seller or its affiliates in connection with the Property, and any claims against third parties of any nature held by Seller or its affiliates arising prior to

the Closing; and (b) any deposits, cash and other accounts owned or held by Seller or its affiliates in connection with the Property.

(3) Purchase Price; Independent Consideration.

(a) **Purchase Price.** The purchase price for the Property is Twenty-Four Million Dollars (\$24,000,000) ("**Purchase Price**").

(b) **Independent Consideration.** The Parties acknowledge and agree that the sum of One Hundred Dollars (\$100.00) of the Purchase Price shall be deemed to be independent consideration (the "**Independent Consideration**") for County's right to purchase the Property and for Seller's execution, delivery and performance of this Agreement. Seller shall, in all events, retain the Independent Consideration, but the Independent Consideration shall be applied as a credit against the Purchase Price at the Closing. County and Seller hereby acknowledge and agree that the Independent Consideration constitutes adequate and sufficient consideration for County's right to purchase the Property and Seller's execution, delivery and performance of this Agreement.

(4) Prorations and Apportionments.

(a) Except as otherwise set forth below, the following shall be prorated and apportioned between Seller and County as of 11:59 p.m. (Pacific Time) on the day preceding the Closing Date, and all prorations shall be done on the basis of a three hundred sixty-five (365) day year and the actual number of days elapsed to the Closing Date or the actual number of days in the month in which the Closing occurs and the actual number of days elapsed in such month to the Closing Date, as applicable:

(i) Taxes payable by Seller relating to operations of the Property, including without limitation, business and occupancy taxes and sales taxes, if any;

(ii) All real estate taxes and assessments on the Property payable in respect to the current fiscal year of the applicable taxing authority in which the Closing Date occurs (the "**Current Tax Year**"). Such real estate taxes and assessments shall be prorated on a per diem basis based upon the number of days in the Current Tax Year prior to the Closing Date (which shall be allocated to Seller) and the number of days in the Current Tax Year on and after the Closing Date (which shall be allocated to County). Seller shall be responsible for all real estate taxes and assessments on the Property payable in respect to periods prior to the Current Tax Year. Upon the Closing Date and subject to the adjustment provided for above, County shall be responsible for all unpaid real estate taxes and assessments on the Property payable in respect to the Current Tax Year, including any escape assessments occasioned by the sale contemplated by this Agreement, and all periods after the Current Tax Year;

(iii) Seller shall request, receive and retain all refundable cash and other deposits posted with utility companies serving the Property;

(iv) Seller shall use reasonable efforts to cause any applicable utility meters to be read on the day prior to the Closing Date, and will be responsible for the cost of any applicable utilities used prior to the Closing Date. If the meters are not read as herein set forth, all such expenses shall be prorated; and

(v) Such other items as are customarily apportioned between sellers and purchasers of real property and improvements located in Los Angeles County, California.

(b) Seller shall deliver to County and Title Company a schedule of prorations not later than the date that is five (5) Business Days after the Effective Date. County shall approve the same prior to the Closing. Non-disputed items shall be prorated at the Closing. Any disputes as to prorations shall not delay the Closing. All disputes concerning prorations shall be resolved outside of escrow, and if not resolved by the Parties within two (2) months after the Closing shall, at the election of either party, be resolved by arbitration in accordance with the rules then prevailing of the American Arbitration Association. Except as otherwise expressly set forth in Section 4(a), all prorations shall be made in accordance with customary practice in Los Angeles County, California. Such prorations, if and to the extent known and agreed upon as of the Closing, shall be paid by County to Seller (if the prorations result in a net credit to the Seller) or by Seller to County (if the prorations result in a net credit to the County) by increasing or reducing the cash to be paid by County at the Closing. A "Business Day" shall mean any day of the year that is not a County holiday (as such County holidays are disclosed on <https://www.lacounty.gov/government/about-la-county/county-holidays/>) and any other day in which commercial banks are either not required to open or are authorized to close in Los Angeles, California.

(5) **Closing.**

(a) **Closing Date and Place.** The closing hereunder (the "Closing") shall be conducted through an escrow (the "Escrow") with Fidelity National Title Company acting as both escrow agent and title agent, and whose contact information is set forth below ("Title Company"). The Closing shall occur on or before 2:00 p.m. (Pacific Time) on the Closing Date (as defined below). The "Closing Date" shall mean the date that is fifteen (15) days after the Effective Date, or such other date as Seller and County may agree in writing. Time is of the essence with respect to each of the dates specified above. All funds necessary to consummate the Closing (the "Funds") shall be deposited by County into Escrow no later than 2:00 p.m. (Pacific Time) on the Closing Date. If the Funds are deposited after 2:00 p.m. (Pacific Time) on the Closing Date, all prorations will be recalculated through the next Business Day. The Title Company is located at: 1300 Dove Street, Suite 310, Newport Beach, California 92660, and the primary contact person is Mike Brinkman.

(b) **Seller's Documents.** At or before the Closing (except as otherwise set forth herein), Seller shall execute, acknowledge and/or deliver, as applicable, the following items into Escrow (collectively, the "Seller's Documents"):

(i) A grant deed in the form of Exhibit B attached hereto (the "Deed"), executed and acknowledged by Seller;

(ii) An assignment and assumption in the form of Exhibit C attached hereto ("General Assignment"), executed by Seller;

(iii) A Certificate of Non-Foreign Status in the form of Exhibit D attached hereto ("FIRPTA"), executed by Seller;

(iv) A California FTB Form 593-C ("Cal FIRPTA"), executed by Seller;

(v) A closing statement prepared by Title Company, reflecting all credits, prorations, apportionments and adjustments contemplated hereunder (the "Closing Statement"), executed by Seller; and

(vi) Such evidence of Seller's authority, the owner's affidavit in the form of Exhibit E attached hereto and other documents required to close Escrow as the Title Company may reasonably require.

(c) **Purchase Price; Prorations and Expenses.** County shall, pursuant to the terms of Section 5(a) hereof, deliver into Escrow, by wire transfer in accordance with wire transfer instructions provided by the Title Company, the balance of the Purchase Price (i.e., the Purchase Price less the Independent Consideration), plus County's share of any prorations and expenses as provided herein. Seller's share of prorations and expenses may be paid from Seller's proceeds at Closing.

(d) **County's Documents.** At or before Closing, County shall execute, acknowledge and/or deliver, as applicable, the following items into Escrow (collectively, the "County's Documents"):

(i) The General Assignment, executed by County;

(ii) The Closing Statement, executed by County; and

(iii) Such evidence of County's authority and other documents required to close Escrow as the Title Company may reasonably require.

(e) **Closing Expenses.** At Closing, Seller shall pay (i) all documentary transfer taxes required to be paid as to the Deed, (ii) all costs regarding the satisfaction and discharge of any Seller Liens, (iii) the premium for the CLTA Policy, and (iv) one-half of the Escrow fees and the recording charges with respect to the Deed, if any. At Closing, County shall pay (1) the additional premium costs to obtain the ALTA Policy, including any endorsements desired by County, (2) the cost of any Survey (as defined below) ordered by County, and (3) one-half of the Escrow fees and the recording charges with respect to the Deed, if any. Each party shall be responsible for its own attorney fees (if any). Any Closing expenses not specified herein shall be paid as customary in Los Angeles County.

(f) **County's Conditions Precedent to Closing.** County's obligation to close hereunder is subject to the satisfaction of the following conditions (the "County Conditions Precedent"):

(i) The due performance by Seller of each and every undertaking and agreement to be performed by it hereunder in all material respects, and the truth of each representation and warranty made by Seller in this Agreement in all material respects at the time as of which the same is made and as of the Closing Date as if made on and as of the Closing Date; provided, however, that any matters disclosed by Seller to County in a Material and Adverse Change Notice in accordance with Section 7(e) shall be governed by the provisions of Section 7(e) and shall not constitute a breach of representation or warranty by Seller for purposes of this Section 5(f) or otherwise.

(ii) That at no time on or before the Closing Date shall have occurred a bankruptcy or any other event of dissolution with respect to Seller.

(iii) Seller shall have delivered Seller's Documents into Escrow in accordance with Section 5(b) above.

(iv) The Title Company shall unconditionally commit to County at Closing to issue the Title Policy to County pursuant to Section 6(c) herein.

In the event that any of the County Conditions Precedent are not satisfied as of the Closing Date (a) County may waive such contingency by giving written notice thereof to Title Company and proceed with the Closing, or (b) in the absence of such waiver, this Agreement and the obligations of the Parties hereunder shall terminate (other than the Surviving Obligations (as hereinafter defined)), and neither party shall have any further right or obligation hereunder other than the Surviving Obligations; provided, however, that notwithstanding the foregoing, if the failure of condition is the result of a default by Seller or County of their respective obligations under this Agreement, the disposition of the Parties' respective rights and remedies shall be governed by Section 8 below. "Surviving Obligations" shall mean, collectively: (i) any indemnities and any other indemnification obligations of Seller to County, or of County to Seller, under this Agreement or the Access Agreement that are designated by their terms to survive the termination of this Agreement or the Closing hereunder; (ii) those costs, expenses, and payments specifically stated herein to be the responsibility of County or Seller, respectively, and (iii) and any other obligations by the Parties under this Agreement that are designated by their terms to survive the termination of this Agreement or the Closing, it being the intention of the Parties that the Parties shall nonetheless be and remain liable for their respective obligations under clauses (i) through (iii) above, notwithstanding the termination of this Agreement for any reason or the Closing hereunder.

(g) **Seller's Conditions Precedent to Closing.** Seller's obligation to close hereunder is subject to the satisfaction of the following conditions (the "Seller Conditions Precedent"):

(i) The due performance by County of each and every undertaking and agreement to be performed by it hereunder in all material respects, and the truth of each representation and warranty made by County in this Agreement in all material respects at the time as of which the same is made and as of the Closing Date as if made on and as of the Closing Date.

(ii) That at no time on or before the Closing Date shall have occurred a bankruptcy or any other event of dissolution with respect to County.

(iii) County shall have delivered the Purchase Price and County's Documents into Escrow in accordance with Sections 5(c) and 5(d) above, respectively.

In the event that any of the Seller Conditions Precedent are not satisfied as of the Closing Date (a) Seller may waive such contingency by giving written notice thereof to Title Company and proceed with the Closing, or (b) in the absence of such waiver, this Agreement and the obligations of the Parties hereunder shall terminate (other than the Surviving Obligations), and neither party shall have any further right or obligation hereunder other than the Surviving Obligations; provided, however, if the failure of condition is a result of a default by Seller or County of their respective obligations under this Agreement, the Parties' respective rights and remedies shall be governed by Section 8 below.

(h) **Title Company Actions at Closing.** At Closing, upon Title Company's receipt of (i) the Purchase Price and applicable prorations and expenses, (ii) the County's Documents and the Seller's Documents, (iii) the final Closing Statement approved and signed by County and Seller, and (iv) final authorization from each of Seller and County to proceed with Closing, Seller and County hereby instruct Title Company to:

(i) Wire transfer to Seller (in accordance with wiring instructions to be provided by Seller prior to Closing) in good funds the Purchase Price, together with all other amounts required to be paid by County to Seller pursuant to this Agreement and the approved Closing Statement (net of any amounts required to be paid by Seller to County pursuant to this Agreement and the approved Closing Statement).

(ii) Record the Deed, and deliver to the County Assessor any off-record transfer tax declaration and/or change of ownership statement that may be required by law.

(iii) Issue the Title Policy to County.

(iv) Deliver to Seller: (i) copies of all documents recorded at Closing by Title Company; (ii) at least one (1) fully executed original of the General Assignment; and (iii) a certified copy of the approved Closing Statement; and

(v) Deliver to County: (i) copies of all documents recorded at Closing by Title Company; (ii) at least one (1) fully executed original of the General Assignment; (iii) a certified copy of the approved Closing Statement; and (iv) copies of the FIRPTA and the Cal FIRPTA.

(i) **Operation of the Property Prior to the Closing Date.** Between the Effective Date and the Closing Date, Seller shall continue to operate and maintain the Property in the usual and ordinary course of business consistent with past practices. Seller shall not enter into any new leases, licenses or occupancy agreements without first obtaining County's written consent. In connection therewith, Seller shall keep in full force and effect all of the existing insurance policies maintained by Seller respecting the Property or policies providing similar coverage to the existing insurance policies.

(6) **Condition of Title; Title Policy**

(a) County may update the survey, if any, of the Property (the "Survey") it received from Seller as part of the Due Diligence Materials. The cost of any update shall be borne by County.

(b) A condition precedent to County's obligation to purchase the Property shall be the willingness of Title Company to issue to County at the Closing, a standard CLTA owners policy of title insurance ("**CLTA Policy**"), or equivalent form acceptable to County, in the face amount of the Purchase Price and dated as of the date the Deed is recorded, indicating title to the Property to be vested of record in County, subject solely to the Permitted Exceptions (as defined herein), and containing endorsements and additional coverages as reasonably requested by County; provided, however, County may elect to obtain from the Title Company an ALTA extended coverage owner's policy of title insurance insuring fee title to the Property vested in County (an "**ALTA Policy**"), subject only to the Permitted Exceptions. The selected policy (whether it be a CLTA Policy or an ALTA Policy) shall be referred to herein as the "**Title**

Policy,” and the issuance of the Title Policy shall be a condition to the Closing for the benefit of County. **“Permitted Exceptions”** shall mean: the specific exceptions listed in Schedule 6(b) attached hereto and such other title and survey exceptions as County has approved or may approve in writing, in County’s sole discretion; and any exceptions caused by County, its agents, representatives or employees; provided, however, that the “Permitted Exceptions” shall in no event include any existing mortgage liens, mechanics liens or other monetary liens created or assumed by Seller against the Property (collectively, **“Seller Liens”**).

(c) In the event that County elects to obtain an ALTA Policy, County shall pay the difference in cost between a CLTA Policy and an ALTA Policy and the cost of the Survey. County shall pay the cost of any endorsements to the CLTA Policy or ALTA Policy that County may elect to obtain.

(7) **Representations, Warranties, Covenants and Acknowledgments.**

(a) **Due Diligence Materials.** Seller previously provided County with a copy of that certain Commitment for Title Insurance issued by the Title Company, with an effective date of March 19, 2018 (amended March 29, 2018), for the Land under order no. 997-25008099-C-1MB (the **“Title Commitment”**) and certain due diligence materials listed on Schedule 7(a) attached hereto (collectively, the **“Due Diligence Materials”**). By furnishing the Due Diligence Materials, neither Seller nor any Seller Party shall be deemed to have made any representation or warranty (except as expressly set forth in Section 7(b)) to County of any kind or nature whatsoever with respect to any matter set forth, contained or addressed in such Due Diligence Materials, including, but not limited to, the accuracy, adequacy or completeness thereof. The Seller Parties shall have no liability to County by reason of providing the Due Diligence Materials (including, without limitation, for any inaccuracy contained in the Due Diligence Materials), or any omission of information or any damage to County which may result from County’s reliance upon the contents of the Due Diligence Materials.

(b) **Seller Representations and Warranties.** Seller represents and warrants to County, as of the Effective Date and again as of the Closing Date, as follows:

(i) Seller is a duly formed and validly existing limited liability company organized and in good standing under the laws of the State of Delaware, and is qualified to do business in the State of California.

(ii) Seller has the full power and authority to enter into and comply with the terms of this Agreement and has, or at Closing will have, obtained all necessary consents and approvals required for Seller to enter into and consummate the transaction described in this Agreement.

(iii) This Agreement and the Seller’s Documents are or at the time of Closing will be, duly authorized, executed and delivered by Seller, and are, or at Closing will be, legal, valid and binding obligations of Seller and do not, and at the time of Closing will not, violate any provisions of any agreement or judicial order to which Seller is a party or to which Seller is subject.

(iv) To Seller’s actual knowledge, there are no pending legal actions or arbitrations, at law or in equity, against Seller or affecting the Property.

(v) To Seller's actual knowledge, except as disclosed in the Due Diligence Materials and/or in the Title Commitment, Seller has not received any written notice from any governmental agency that the Property or any condition existing thereon or any present use thereof currently violates any law or regulations applicable to the Property, including, without limitation, environmental statutes, ordinances or regulations governing hazardous substances, and to Seller's knowledge, no such violations exist.

(vi) The execution and delivery of this Agreement, and consummation of the transaction described in this Agreement, will not, to Seller's actual knowledge, constitute a default under any contract or agreement to which Seller is a party.

(vii) Seller has not, to Seller's actual knowledge, received any notice that Seller is in default of its obligations under any declarations, reciprocal easement agreements and other similar cross-easements, use agreements, covenants or similar agreements with adjacent property owners governing the use, maintenance or operation of any part of the Property.

(viii) Seller has not entered into any leases, license agreements or occupancy agreements that currently affect the Property and which will not have been terminated on or before the Closing and, to Seller's actual knowledge, no party other than Seller, has any right to use or occupy the Property.

(ix) To Seller's actual knowledge, Seller has not received written notice from any governmental authority of any pending condemnation action against any of the Real Property.

(x) To Seller's actual knowledge, Seller is in compliance with the requirements of Executive Order No. 13224, 66 Fed. Reg. 49079 (Sept. 23, 2001) (the "Order") and other similar requirements contained in the rules and regulations of the office of Foreign Assets Control, Department of the Treasury ("OFAC") and in any enabling legislation or other Executive Orders or regulations in respect thereof (the Order and such other rules, regulations, legislation, or orders are collectively called the "Orders").

(xi) Neither Seller, nor to Seller's actual knowledge, any beneficial owner of Seller (a) is listed on the Specially Designated Nationals and Blocked Persons List maintained by OFAC pursuant to the Order and/or on any other list of terrorists or terrorist organizations maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable Orders (such lists are collectively referred to as the "Lists") or (b) is a person who has been determined by competent authority to be subject to the prohibitions contained in the Orders; or (c) is owned or controlled by, or acts for or on behalf of, any person on the Lists or any other person who has been determined by competent authority to be subject to the prohibitions contained in the Orders.

(xii) To Seller's actual knowledge, by providing copies of the Due Diligence Materials to County, Seller has provided or made available to County all due diligence materials that materially affect the Property and that were in Seller's possession or control, including but not limited to all soils reports, reports pertaining to hazardous materials or other environmental conditions, government permits, licenses, approvals and significant correspondence with governmental entities, architectural and civil or structural engineering documents, and other studies, reports and information that relate to the Property.

As used herein, the term “**Seller’s actual knowledge**” means the current, actual and personal knowledge, without duty of inquiry or investigation, of (and only of) Jeffrey Goldberger and Charlie Boutwell of Atlas Capital Group, LLC, and does not include knowledge imputed to Seller from any other person or entity. The named individuals are acting for and on behalf of Seller and in a capacity as officers or employees of Seller or one or more of Seller’s affiliates and are in no manner expressly or impliedly making any representations or warranties in an individual capacity. County waives any right to sue or to seek any personal judgment or claim against the named individual.

Except for the representations and warranties of Seller set forth in Sections 7(b)(i), 7(b)(ii) and 7(b)(iii), which shall survive indefinitely, the representations and warranties of Seller set forth in this Section 7(b) shall survive the Closing for a period of nine (9) months following the Closing Date (the “**Survival Period**”), subject to the provisions of Section 7(f).

(c) **County Representations and Warranties.** County warrants and represents to Seller, as of the Effective Date and again as of the Closing Date, as follows:

(i) County is a body politic and corporate.

(ii) County has the full power and authority to enter into and comply with the terms of this Agreement and has, or at Closing will have, obtained all necessary consents and approvals required for County to enter into and consummate the transaction described in this Agreement. Other than those which have already been obtained by County (including approval, prior to the execution hereof, of the County of Los Angeles Board of Supervisors (the “**Board**”) on May 1, 2018), no further consents or approvals are required from the Board or other governmental authorities or third parties in connection with the purchase of the Property or with respect to the performance of County’s obligations under this Agreement and the other County’s Documents.

(iii) This Agreement and County’s Documents are, or at the time of Closing will be, duly authorized, executed and delivered by County, and are, or at Closing will be, legal, valid and binding obligations of County and do not, and at the time of Closing will not, violate any provisions of any agreement or judicial order to which County is a party or to which County is subject.

(iv) The execution and delivery of this Agreement, and consummation of the transaction described in this Agreement, will not, to County’s actual knowledge, constitute a default under any contract or agreement to which County is a party.

(v) To County’s actual knowledge, County has not received any written notice of any currently pending or threatened judicial actions that may have an adverse impact on the transactions contemplated hereby.

(vi) To County’s actual knowledge, County has taken, and shall continue to take until Closing, such measures as are required by law to assure that the funds used to pay the Purchase Price, including any deposits, are derived from transactions that do not violate United States law.

As used herein, the term “**County’s actual knowledge**” means the current, actual and personal knowledge, without duty of inquiry or investigation, of (and only of) Joyce Chang, and does not include knowledge imputed to County from any other person or entity. The named individual is

acting for and on behalf of County and in a capacity as an employee of County and is in no manner expressly or impliedly making any representations or warranties in an individual capacity. Seller waives any right to sue or to seek any personal judgment or claim against the named individual.

Except for the representations and warranties of County set forth in Sections 7(c)(i), 7(c)(ii) and 7(c)(iii), which shall survive indefinitely, the representations and warranties of County set forth in this Section 7(c) shall survive the Closing for the Survival Period.

(d) **Remade on Closing Date.** The representations and warranties of County and Seller set forth in this Agreement shall be true, accurate and correct upon the execution of this Agreement, and shall be deemed to be re-made on and as of the Closing Date (except as they relate only to an earlier date).

(e) **Notice of Material and Adverse Change.** In the event, prior to Closing, either Seller or County discovers that any Party Undertakings (as defined below) have materially and adversely changed, each of Seller and County, as applicable, shall give prompt written notice thereof to the other Party (a "**Material and Adverse Change Notice**") and such Party Undertakings shall be deemed qualified and amended as set forth in such Material and Adverse Change Notice; provided, however, no such change shall be subject to this Section 7(e) or included in a Material and Adverse Change Notice hereunder unless such change (i) occurs between the Effective Date and the Closing Date and (ii) is beyond the reasonable control of Seller or County, as applicable. Within five (5) Business Days after receipt of a Material and Adverse Change Notice (the Closing Date being hereby extended for such period, if necessary to give either County or Seller adequate time to respond), County or Seller, as applicable, as its sole and exclusive remedy at law or in equity on account of such Material and Adverse Change Notice from Seller or County, respectively, all other rights and remedies being hereby waived, may elect by written notice to the other Party either to (1) terminate this Agreement, and neither Party shall have any further right or obligation hereunder other than the Surviving Obligations, or (2) accept and approve the Party Undertakings as so qualified and amended and proceed with the transaction contemplated by this Agreement without any right or remedy on account thereof. If County or Seller, as applicable, does not so terminate this Agreement, such failure to terminate shall constitute County's or Seller's, as applicable, irrevocable election to accept and approve the Party Undertakings as qualified and amended by the Material and Adverse Change Notice and proceed with the transaction contemplated by this Agreement without any right or remedy on account thereof. Notwithstanding the foregoing, (y) in the event the information contained in the Material and Adverse Change Notice was caused directly by County, or its agents or representatives, such information in the Material and Adverse Change Notice shall not constitute a breach of any representation or warranty by Seller, or entitle County to any right to terminate this Agreement, and (z) in the event the information contained in the Material and Adverse Change Notice was caused directly by Seller, or its agents or representatives, such information in the Material and Adverse Change Notice shall not constitute a breach of any representation or warranty by County, or entitle Seller to any right to terminate this Agreement.

(f) **Limitations on Liability.**

(i) Notwithstanding anything to the contrary contained in this Agreement or in any exhibits attached hereto or in any documents executed or to be executed in connection herewith (collectively, including this Agreement, said exhibits and all such documents, the "**Purchase Documents**"), it is expressly understood and agreed by and between the Parties that the recourse of County or its successors or assigns against Seller with

respect to the alleged breach by or on the part of Seller of any representation or warranty of Seller contained in any of the Purchase Documents (collectively, "Seller's Undertakings"), and that the recourse of Seller or its successors or assigns against County with respect to the alleged breach by or on the part of County of any representation or warranty of County contained in any of the Purchase Documents (collectively, "County's Undertakings" and together with Seller's Undertakings, "Party Undertakings") shall (A) be deemed waived unless the Party alleging the breach (the "Claiming Party") has both delivered to the non-Claiming Party written notice that County is seeking recourse under the Party Undertakings (the "Recourse Notice") and filed suit with respect thereto after the Closing Date but prior to the expiration of the Survival Period, and (B) be limited to an amount not to exceed Five Hundred Thousand and No/100 Dollars (\$500,000.00) in the aggregate for all recourse of the Claiming Party for the non-Claiming Party's Party Undertakings under the Purchase Documents; provided, however, such limit shall not apply in the event of any fraud or willful misconduct by the non-Claiming Party. No Party shall have liability for a breach or default of any of Party Undertakings unless the valid claims for all such breaches and defaults collectively aggregate more than \$50,000, in which event the full amount of such, valid claims shall be actionable. Any Party Undertakings for which a Recourse Notice has not been given, or for which such specific suit has not been commenced on or before the expiration of the Survival Period shall terminate and cease to be of any force or effect, and neither Party shall have any right, remedy, obligation or liability thereunder.

(ii) If either Party has actual knowledge of any inaccuracy in any of the other Party's Party Undertakings, whether as a result of (A) notice from the other Party, (B) such Party's own investigations or inquiries or otherwise, or (C) any information contained in any material provided or made available to the Party by the other Party or from any third party (including, without limitation, any report provided by any contractor or consultant engaged by such Party), and notwithstanding clause (A) and clause (B), the Party with actual knowledge of the inaccuracy of the Party Undertakings nonetheless proceeds with the Closing, then such Party Undertakings shall be deemed qualified and amended or modified to the full extent of the Party's actual knowledge, and the Party with actual knowledge shall have no right or remedy, and the Party whose Party Undertakings are the subject of the inaccuracy shall have no obligation or liability, on account thereof. The provisions of this Section 7(f) are a specifically bargained for allocation of risk and liability and shall survive the Closing.

(g) Disclaimer of Seller Representations and Warranties. Except as specifically stated in Section 7(b), neither Seller, its members, nor any of their respective officers, directors, members, employees, agents, attorneys or contractors thereof or therefor (individually and collectively, the "Seller Parties") is making or shall be deemed to have made any express or implied representation or warranty of any kind or nature as to the Property or the transaction contemplated in this Agreement, including, without limitation, (i) the nature, physical or environmental condition, safety or any other aspect of the Property or the Property's compliance with applicable laws, ordinances, rules and regulations, including, without limitation, environmental, hazardous material, natural hazards and endangered species statutes, (ii) the permitted use of the Property, (iii) the accuracy or completeness of any information or data provided or to be provided by Seller Parties, including, without limitation, copies of any reports or documents prepared for Seller Parties whether by third parties or otherwise which may be included with such information, or (iv) any other matter relating to the Property or Seller. Without limiting the foregoing, County hereby acknowledges that, except as expressly provided in Section 7(b), the Property will be sold to County "AS IS", "WHERE IS" and "WITH ALL FAULTS" and except for the express Seller representations and warranties contained in Section 7(b), there are no representations and/or warranties, express or implied, made by Seller Parties

in connection with the transactions contemplated in this Agreement. County acknowledges and agrees that (1) County shall rely upon County's own due diligence and the terms of this Agreement in determining whether the Property is suitable for purchase by County; (2) County is acquiring the Property based exclusively upon County's own investigations and inspections thereof and the terms of this Agreement; (3) Seller has no obligation to repair or correct any facts, circumstances, conditions or defects or compensate County therefor; and (4) by reason of all of the foregoing, County shall, except as otherwise expressly set forth in this Agreement, assume the full risk of any loss or damage occasioned by any fact, circumstance, condition or defect pertaining to the Property. County further acknowledges that:

(i) County is not relying and shall not rely on any investigation, study, projection or other information, economic, physical, environmental or otherwise, prepared by Seller Parties or any person or entity affiliated with Seller;

(ii) Prior to the Effective Date, Seller has made available for County's inspection copies of the Due Diligence Materials. By furnishing these materials neither Seller nor any Seller Party shall be deemed to have made any representation or warranty of any kind or nature whatsoever with respect to any matter set forth, contained or addressed in such materials, including, but not limited to, the accuracy, adequacy or completeness thereof;

(iii) Prior to the Effective Date, the Board has made the findings and determinations that it has deemed necessary to comply with the California Environmental Quality Act, Cal. Pub. Res. Code §§ 21000 *et seq.* ("**CEQA**");

(iv) Prior to the Effective Date, County shall have obtained all approvals required by any governmental authority (including County) having jurisdiction over the acquisition of the Property, in compliance with all applicable laws, rules and regulations;

(v) Prior to the Effective Date, the Board shall have authorized the purchase of the Property by County, in the Board's sole and absolute discretion;

(vi) Section 25359.7 of the California Health and Safety Code requires owners of nonresidential property who know or have reasonable cause to believe that any release of hazardous substance has come to be located on or beneath real property to provide written notice of that condition to a buyer of such real property. There is a possibility that a release of a hazardous substance may have come to be located on or beneath the Property as described in any environmental report provided to or obtained by County. By its execution of this Agreement, County acknowledges its receipt of the foregoing notice given pursuant to Section 25359.7 of the California Health and Safety Code;

(vii) "**Natural Hazards**" described in the following California Code Sections (the "**Natural Hazard Laws**") may affect the Property: Government Code Section 8589.3 (Special Flood Hazard); Government Code Section 8589.5 (Potential Flooding); Government Code Sections 51178 and 51179 (Very High Fire Hazard Severity Zone); Public Resources Code Section 2622 (Earthquake Fault Zone); Public Resources Code Section 2696 (Seismic Hazard Zone); and Public Resources Code Section 4125 (Wildland Forest Fire Risks and Hazards). County acknowledges and agrees that County is fully capable of determining whether any lists or maps delineating properties affected by such Natural Hazards are available and otherwise determining whether any such Natural Hazards affect any of the Property. County further represents and warrants that County has independently evaluated and investigated whether any or all of such Natural Hazards affect the Property. Based on the

foregoing, County knowingly and intentionally waives any disclosures, obligations or requirements of Seller with respect to Natural Hazards, including, without limitation, any disclosure obligations or requirements under the following California Code Sections: Government Code Sections 8589.3, 8589.4 and 51183.5 and Public Resources Code Sections 2621.9, 2694 and 4136 (the "**Natural Hazard Disclosure Requirements**"). County acknowledges and agrees that this waiver has been specifically negotiated and is an essential aspect of the bargain between the Parties; and

(viii) Without in any way limiting the effect of the prior paragraph, and purely as an accommodation without liability therefor, Seller has employed the services of the Title Company (the "**Natural Hazard Expert**") to examine the lists, maps and other information made available by government agencies with respect to the Natural Hazards and to report the result of its examination in writing. County acknowledges receipt of a Natural Hazard Disclosure Statement in the form provided in California Civil Code Section 1103.2(a) to which the Natural Hazard Expert's written report (the "**Natural Hazards Report**") has been attached. County agrees that, if for any reason the provisions of the prior paragraph are not given full force and effect, said Natural Hazard Disclosure Statement and the Natural Hazards Report attached thereto fully and completely discharges Seller from its disclosure obligations under the Natural Hazard Disclosure Requirements. For the purpose of this Agreement, the provisions of Civil Code Section 1102.4 regarding the non-liability of Seller for errors or omissions not within its personal knowledge shall be deemed to apply. County agrees that the Natural Hazard Expert shall be deemed to be an expert, dealing with matters within the scope of its expertise, with respect to the examination and Natural Hazards Report referred to above and that the Natural Hazard Disclosure Statement and Natural Hazards Report shall be deemed to have been provided to County at County's request.

The provisions of this Section 7(g) shall survive the Closing.

(h) **Release.** Except as expressly provided in this Agreement, upon Closing, County shall assume the risk that adverse matters, including, but not limited to, construction defects, adverse physical, environmental, hazardous materials, endangered species, zoning, access or water course issues or conditions, may not have been revealed by County's investigations. County releases all Seller Parties from, and waives any and all liability, claims, demands, damages and costs (including attorneys' fees and expenses) of any and every kind or character, known or unknown, which County may have against Seller Parties for, arising out of, or attributable to, the Due Diligence Materials or any latent or patent issue or condition at the Property, including, without limitation, claims, liabilities and contribution rights relating to the presence, discovery or removal of any hazardous materials in, at, about or under the Property, or for, connected with or arising out of any and all claims or causes of action based thereon, but in all cases except to the extent of any fraud or willful misconduct by Seller. For purposes of this Agreement, the term "**hazardous material**" shall mean any substance, chemical, waste or material that is or becomes regulated by any federal, state or local governmental authority because of its toxicity, infectiousness, radioactivity, explosiveness, ignitability, corrosiveness or reactivity, including, without limitation, asbestos or asbestos containing material, the group of compounds known as polychlorinated biphenyls, flammable explosives, oil, petroleum or any refined petroleum product, fungi or bacterial matter which reproduces through the release of spores or the splitting of cells, including, without limitation, mold, mildew and viruses, whether or not living. It is the intention of the Parties that the foregoing release shall be effective with respect to all matters, past and present, known and unknown, suspected and unsuspected. County realizes and acknowledges that factual matters now unknown to it may have given or may hereafter give rise to losses, damages, liabilities, costs and expenses which are presently

unknown, unanticipated and unsuspected, and County further agrees that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that County nevertheless hereby intends to release, discharge and acquit all Seller Parties from any such unknown losses, damages, liabilities, costs and expenses. In furtherance of this intention, County hereby expressly waives any and all rights and benefits conferred upon it by the provisions of California Civil Code Section 1542, 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."



County's Initials

County acknowledges that the foregoing acknowledgments, releases and waivers including, without limitation, the waiver of the provisions of California Civil Code Section 1542 were expressly bargained for. Notwithstanding the foregoing, the Parties hereby acknowledge and agree that the waiver set forth in this Section 7(h) shall not be deemed to be a waiver by County as to any liability, claims, demands, damages or costs that County may have against any third party for the matters described in Section 7(h). The provisions of this Section 7(h) shall survive the Closing.

(8) **Rights and Remedies Upon Default.**

(a) **Seller's Remedies Upon Default of County.** If the Closing does not occur because of a default under or breach of this Agreement on the part of County, Seller may terminate this Agreement, in which case neither Party shall have any further right or obligation hereunder other than the Surviving Obligations, and thereupon, Seller shall have all rights and remedies at law or in equity, including, without limitation, the right to seek damages (except for any punitive, speculative or special damages); provided, however, in the event of an Intentional County Default (as defined herein), Seller may recover from County Seller's reasonable third-party out-of-pocket expenses actually incurred in connection with the transaction contemplated by this Agreement. As used herein, an "Intentional County Default" means an intentional and deliberate or grossly negligent act of County taken on or after the Effective Date that is intended to result in, and does result in, Seller's inability to consummate the transaction contemplated in this Agreement for a reason other than Seller's default or the failure of any condition to Closing to be satisfied.

(b) **County's Remedies Upon Default of Seller.** If the Closing does not occur because of a default under or breach of this Agreement on the part of Seller, County may: (i) terminate this Agreement, in which case neither Party shall have any further right or obligation hereunder other than the Surviving Obligations; or (ii) pursue the remedy of specific performance of Seller's obligations to proceed to Closing under Section 5; provided, however, in the event of an Intentional Seller Default (as defined herein), County may recover from Seller County's reasonable third-party out-of-pocket expenses actually incurred in connection with the transaction contemplated by this Agreement. Seller acknowledges the unique and special

character of the Property and its utility to County and agrees that specific performance is an appropriate remedy for Seller's default under this Agreement. The foregoing options are mutually exclusive and are the exclusive rights and remedies available to County at law or in equity in the event the sale of the Property is not consummated because of Seller's default under or breach of this Agreement. County hereby waives any and all rights it may now or hereafter have to pursue any other remedy or recover any other damages on account of any such breach or default by Seller, including, without limitation, loss of bargain, special, punitive, compensatory or consequential damages. As used herein, an "Intentional Seller Default" means an intentional and deliberate or grossly negligent act of Seller taken on or after the Effective Date that is intended to result in, and does result in, County's inability to consummate the transaction contemplated in this Agreement for a reason other than County's default or the failure of any condition to Closing to be satisfied.

(9) Risk of Loss; Eminent Domain.

(a) Damage. County is acquiring the Property for development. Accordingly, County and Seller each waive the provisions of any applicable law (including, without limitation, the Uniform Vendor and Purchaser Risk Act, as enacted in California (Cal. Civil Code § 1662)) that would render this Agreement unenforceable, or provide for any reduction in, or credit toward, the Purchase Price, in the event any of the Property is damaged or destroyed prior to the Close of Escrow.

(b) Taking. If prior to the Closing, all or any significant portion of the Property is subject to a taking by any public authority, County has the right, exercisable by giving written notice to Seller within ten (10) Business Days after receiving written notice of such taking (but in any event no later than one (1) Business Day prior to the Closing), either to (i) terminate this Agreement, in which case, each Closing Document in Escrow shall be returned to the Party that had deposited such Closing Document, and neither Party shall have any further rights or obligations under this Agreement, except for those obligations that survive the termination of this Agreement, as expressly set forth elsewhere in this Agreement or (ii) accept the Property in its then-current condition and to proceed with the Closing, without any abatement or reduction in the Purchase Price, and receive an assignment of all of Seller's rights to any condemnation award payable by reason of such taking to the extent allocable to Seller's interest in the Property. A failure by County to notify Seller in writing within such ten (10) Business Day period shall be deemed County's election to proceed under clause (b) above. If County elects (or is deemed to have elected) to proceed under clause (b) above, Seller shall not compromise, settle or adjust any claims to such award without County's prior written consent. As used in this Section 9, "**taking**" means any transfer of the Property or any portion thereof to a governmental entity or other party (other than a Party) with appropriate authority, by exercise of the power of eminent domain. Seller shall give County written notice of any taking, threatened taking (provided in writing), damage or destruction of the Property promptly after Seller obtains knowledge thereof.

(10) Binding Effect. This Agreement shall be binding upon, shall inure to the benefit of, and shall be enforceable by, the Parties and their respective successors and permitted assigns (subject, however, to the restrictions in Section 20 below).

(11) Governing Law. This Agreement shall be governed by and construed under and in accordance with the laws of the State of California. Any litigation with respect to this Agreement shall be conducted in the County of Los Angeles, California.

(12) **Time of Essence.** Time shall be deemed of the essence with respect to consummating the transactions contemplated under this Agreement on the Closing Date and with respect to all other obligations of County and Seller hereunder.

(13) **Counterparts.** This Agreement may be executed in one or more counterparts each of which shall be deemed an original but all of which shall constitute one and the same Agreement.

(14) **Waiver.** Except as otherwise provided herein, the failure of Seller or County to insist upon or enforce any of their respective rights hereunder shall not constitute a waiver thereof.

(15) **Construction.** Each Party acknowledges that the Parties have participated equally in the drafting of this Agreement and that accordingly, no court construing this Agreement shall construe it more stringently against one party than the other.

(16) **Captions.** The captions used herein have been included for convenience of reference only and shall not be deemed to vary the content of this Agreement or limit the provisions or scope of any section or paragraph hereof.

(17) **Pronouns.** All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular, or plural as the identity of the person or entity may require.

(18) **Severability.** Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but in the event that any provision of this Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

(19) **Broker.** Upon the Closing, Seller shall pay real estate brokerage commissions to Mike Condon Jr. of Cushman & Wakefield ("**Seller's Broker**") with respect to this transaction, in accordance with Seller's separate agreement with Seller's Broker (the "**Broker Agreement**"), and Seller hereby agrees to indemnify and hold County free and harmless from such commission obligations payable to Seller's Broker. The Parties hereby warrant that they have dealt with no other real estate broker in this transaction and that no other broker or other person is entitled to any commission, finder's fee or other similar compensation by virtue of the Parties entering into or consummating this Agreement. Each Party hereby defends and indemnifies the other Party against any claims, losses, liability and damages, including reasonable attorneys' fees and costs, in connection with any commissions, finders' fees or other similar compensation sought, based upon some obligation of the indemnifying Party with respect to this transaction. This Section 19 shall survive the Closing.

(20) **Restriction on County Assignment.** This Agreement (and County's right, title and interest in or to this Agreement) shall not be assigned by County without the prior written consent of Seller. Notwithstanding the foregoing, County may assign this Agreement to a wholly owned subsidiary of County without Seller's consent as long as County provides notice of such assignment to Seller at least ten (10) days in advance of the Closing Date. Any permitted assignee shall succeed to all of County's rights and remedies hereunder and no such assignment shall relieve County from its liability under this Agreement.

(21) **Merger.** All prior statements, understandings, letters of intent, representations and agreements between the Parties, oral or written, except for the Access Agreement, are superseded by and merged in this Agreement, which alone fully and completely expresses the agreement between Seller and County in connection with this transaction and which is entered into after full investigation, neither party relying upon any statement, understanding, representation or agreement made by the other not embodied in this Agreement. Notwithstanding the foregoing, the Access Agreement shall not be subject to this merger provision and shall remain in effect.

(22) **Exhibits.** All of the Exhibits annexed hereto are incorporated herein by reference and form a part of this Agreement.

(23) **Date of Performance.** If the date of the performance of any term, provision or condition of this Agreement shall happen to fall on a Saturday, Sunday or other non-Business Day, the date for the performance of such term, provision or condition shall be extended to the next succeeding Business Day immediately thereafter occurring.

(24) **Third Parties.** This Agreement shall not be deemed to confer in favor of any third parties any rights whatsoever as third-party beneficiaries, the Parties intending by the provisions hereof to confer no such benefits or status.

(25) **Acceptance of the Deed.** The delivery by Seller of the Deed into Escrow, and the recording thereof by the Title Company in accordance with the terms and conditions of this Agreement, shall be deemed to be the full performance and discharge of every agreement, obligation, and covenant, guaranty, representation, or warranty on the part of Seller and County, respectively, to be performed pursuant to the provisions of this Agreement in respect of the Property, except for the Surviving Obligations. Certain provisions of this Agreement, as expressly provided herein, shall survive Closing or termination. This Section 25 shall survive the Closing.

(26) **Notices.** All notices, elections, consents, approvals, demands, objections, requests or other communications which Seller or County may be required or desire to give pursuant to, under or by virtue of this Agreement (collectively, "**Notices**") must be in writing and sent by (a) personal delivery, (b) registered or certified mail, return receipt requested, with postage prepaid, or (c) nationally recognized overnight courier service that provides receipted delivery service, delivery charges prepaid, addressed to the respective party at the address for each set forth below. Notices shall be deemed received upon the earlier of (a) if personally delivered or sent by overnight courier, the date of delivery to the address of the person to receive such notice, or (b) if mailed, on the date of delivery as shown on the sender's registry or certification receipt. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the Notice. Seller or County may designate another addressee or change its address for notices and other communications hereunder by a notice given to the other in the manner provided in this Section 26.

To County: County of Los Angeles
Chief Executive Office
Real Estate Division
222 South Hill Street, 3rd Floor
Los Angeles, CA 90012
Attn: Joyce Chang

With a copy to: County of Los Angeles
Office of the County Counsel
648 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012-2713
Attn: Real Property Division

To Seller: 1060 Vignes Owner LLC
c/o Atlas Capital Group, LLC
450 Park Avenue, 4th Floor
New York, NY 10022
Attn: Jeffrey A. Goldberger
Andrew B. Cohen
Christopher Flynn
Charlie Boutwell

With copies to: 1060 Vignes Owner LLC
c/o Atlas Capital Group, LLC
Email: notices@atlas-cap.com

and:

Cox, Castle & Nicholson LLP
2029 Century Park East, Suite 2100
Los Angeles, California 90067
Attention: Adriana A. Vesce, Esq.

(27) **No Modification.** This Agreement and the Access Agreement constitute the entire agreement between the Parties with respect to the transactions contemplated hereby and supersedes all prior understandings or agreements between the Parties as to the subject matter hereof. No term or provision of this Agreement may be changed or waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought.

(28) **Limitation on Liability.** All claims, demands, liabilities, or causes of action (whether in contract or in tort, in law or in equity, or granted by statute) that may be asserted by County or any of its members, directors, officers, shareholders, employees, advisors, affiliates, agents, attorneys, or their respective successors and assigns (each, a "**County Party**" and collectively, the "**County Parties**") arising from, related to or in connection with this Agreement, or the negotiation, execution, or performance of this Agreement, may be made only against Seller. No present or future partner, member, director, officer, shareholder, employee, advisor, affiliate, agent, attorney, property manager, or asset manager of or in Seller or any person or entity holding a direct or indirect interest in any of the foregoing (each, a "**Seller Party**" and collectively, the "**Seller Parties**") shall have any direct or indirect personal liability arising from, related to or in connection with this Agreement or the negotiation, execution, or performance thereof, and to the maximum extent permitted by law, County hereby waives any and all such personal liability against any and all Seller Parties. The limitations on liability contained in this Section 28 are in addition to, and not in limitation of, any limitation on liability applicable to Seller and the Seller Parties provided in any other provision of this Agreement or by law or by any other contract, agreement or instrument.

Without limiting the foregoing, to the maximum extent permitted by law, County, on behalf of itself and the other County Parties, (a) hereby waives and releases any and all rights, claims, demands, or causes of action that may otherwise be available at law or in equity, or granted by statute, to avoid or disregard the entity form of Seller or otherwise impose liability of Seller on any Seller Party, whether granted by statute or based on theories of equity, agency, control, instrumentality, alter ego, domination, sham, single business enterprise, piercing the veil, unfairness, undercapitalization, or otherwise; and (b) disclaims any reliance upon any Seller Party with respect to the performance of this Agreement or any representation or warranty made in, in connection with, or as an inducement to this Agreement.

(29) Rights of Title Company. If there is any dispute as to whether the Title Company is obligated to deliver any monies and/or documents which it now or hereafter holds (collectively, the "Escrowed Property") or as to whom any Escrowed Property are to be delivered, the Title Company shall not be obligated to make any delivery, but, in such event, may hold same until receipt by the Title Company of an authorization, in writing, signed by all of the parties having an interest in such dispute directing the disposition of same; or, in the absence of such authorization, the Title Company may hold any Escrowed Property until the final determination of the rights of the parties in an appropriate proceeding. Within three (3) Business Days after receipt by the Title Company of a copy of a final judgment or order of a court of competent jurisdiction, certified by the clerk of such court or other appropriate official, the Escrowed Property shall be delivered as set forth in such judgment or order. A judgment or order under this Agreement shall not be deemed to be final until the time within which to take an appeal therefrom has expired and no appeal has been taken, or until the entry of a judgment or order from which no appeal may be taken. If such written authorization is not given or proceeding for such determination is not begun and diligently continued, the Title Company shall have the right to bring an appropriate action or proceeding for leave to deposit the Escrowed Property in court, pending such determination. In the event that the Title Company places any Escrowed Property in the registry of the governing court in and for Los Angeles County, California and files an action of, interpleader, naming the Parties, the Title Company shall be released and relieved from any and all further obligation and liability hereunder or in connection herewith. If, without gross negligence on the part of the Title Company, the Title Company shall become a party to any controversy or litigation with respect to the Escrowed Property or any other matter respecting this Agreement, Seller and County shall jointly and severally hold Title Company harmless from any damages or losses incurred by Title Company by reason of or in connection with such controversy or litigation. The provisions of this Section 29 shall survive the Closing or termination of this Agreement.

(30) Solicitation of Consideration. It is improper for any County officer, employee or agent to solicit consideration in any form from Seller with the implication, suggestion or statement that Seller's provision of the consideration may secure more favorable treatment for Seller in the award of this Agreement or that Seller's failure to provide such consideration may negatively affect the County's consideration of the Seller's offer to sell the Property. Seller shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent who has had any involvement in the negotiation, consummation or administration/management of this Agreement. Seller shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County Manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861. Failure to report such solicitation may result in the Seller's submission being eliminated from consideration.

(31) **No Offer or Binding Contract**. The Parties agree that the submission of an unexecuted copy or counterpart of this Agreement by one party to another is not intended by either party to be, or be deemed to be a legally binding contract or an offer to enter into a legally binding contract. The Parties shall be legally bound pursuant to the terms of this Agreement only if and when the Parties have been able to negotiate all of the terms and provisions of this Agreement in a manner acceptable to each of the Parties in their respective sole discretion, and both Seller and County have fully executed and delivered this Agreement.

[Signatures on following page(s)]

IN WITNESS WHEREOF, Seller and County have caused this Agreement to be executed and delivered, as of the Effective Date.

"Seller"

1060 VIGNES OWNER LLC,
a Delaware limited liability company

By: _____
Name: Jeffrey A. Goldberger
Title: Authorized Signatory

By: _____
Name: Andrew B. Cohen
Title: Authorized Signatory

"County"

COUNTY OF LOS ANGELES,
a body politic and corporate

By: _____
Sheila Kuehl
SHEILA KUEHL
Chair, Board of Supervisors



I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

ATTEST:

CELIA ZAVALA
Acting Executive Officer-Clerk
of the Board of Supervisors

By: Lachelle Smitherman
Deputy

CELIA ZAVALA
Acting Executive Officer
Clerk of the Board of Supervisors

By: Lachelle Smitherman
Deputy

APPROVED AS TO FORM:
MARY C. WICKHAM
County Counsel

By: Mary C. Wickham
Senior Associate Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

1 2

MAY 0 1 2018

Celia Zavala
CELIA ZAVALA
ACTING EXECUTIVE OFFICER

ACCEPTANCE BY TITLE COMPANY

The undersigned hereby accepts the duties of Title Company, as escrow agent and as title agent, under that certain Agreement of Purchase and Sale between 1060 VIGNES OWNER LLC, a Delaware limited liability company, as Seller, and the County of Los Angeles, as County, dated _____, 2018, and relating to the property located at 1060 N. Vignes Street, Los Angeles, California, as more particularly described in said Agreement, subject to and in accordance with all the terms and conditions thereof.

Dated _____, 2018

By: _____
Its Duly Authorized Representative

LIST OF EXHIBITS

Exhibit A	Legal Description of the Land
Exhibit B	Grant Deed
Exhibit C	General Assignment
Exhibit D	FIRPTA
Exhibit E	Owner's Affidavit

Exhibit A

LEGAL DESCRIPTION OF THE LAND

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOT "A" OF TRACT NO. 766, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15 PAGE 188 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

THAT CERTAIN PARCEL OF LAND, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF LOT "A" OF TRACT NO. 766, AS PER MAP RECORDED IN BOOK 15 PAGE 188 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE NORTHEASTERLY LINE OF QUEIROLO STREET, AS NOW ESTABLISHED, 40 FEET WIDE, SOUTH 56° 24' 20" EAST 120.66 FEET TO THE NORTHWESTERLY LINE OF THE LAND DESCRIBED IN FINAL DECREE SUPERIOR COURT CASE NO. 400042, RECORDED IN BOOK 14331 PAGE 376, OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG SAID NORTHWESTERLY LINE NORTH 24° 25' 05" EAST 249.80 FEET TO A POINT IN THE SOUTHWESTERLY LINE OF COLLEGE STREET, AS NOW ESTABLISHED; THENCE ALONG SAID SOUTHWESTERLY LINE, NORTH 22° 48' 40" WEST 69.37 FEET TO THE MOST EASTERLY CORNER OF SAID LOT "A"; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID LOT "A", SOUTH 38° 07' 20" WEST 199.55 FEET TO AN ANGLE POINT IN SAID SOUTHEASTERLY LINE; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE SOUTH 38° 24' 20" WEST 86.35 FEET TO THE POINT OF BEGINNING.

PARCEL 3:

THAT PORTION OF THE CITY LANDS OF LOS ANGELES, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 2 PAGE 504 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING A PORTION OF THE LAND DESCRIBED IN DEED TO SANTA FE LAND IMPROVEMENT COMPANY, RECORDED ON APRIL 29, 1936 AS INSTRUMENT NO. 25 IN BOOK 14071 PAGE 256 OF OFFICIAL RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE SOUTHWESTERLY LINE OF QUEIROLO STREET, (FORMERLY ASH STREET) 40 FEET WIDE, WITH THE NORTHWESTERLY LINE OF VACATED DATE STREET, (FORMERLY LOVERS LANE) 40 FEET WIDE; THENCE SOUTH 47° 51' 30" WEST ALONG SAID NORTHWESTERLY LINE OF DATE STREET, A DISTANCE OF 35.87 FEET TO THE POINT OF BEGINNING, BEING A POINT IN THE NORTHWEST RIGHT OF WAY LINE OF THE LOS ANGELES UNION PASSENGER TERMINAL, SAID TRUE POINT OF BEGINNING ALSO BEING THE MOST SOUTHERLY CORNER OF THE LAND DESCRIBED IN PARCEL 4 OF THE DEED TO SOUTHERN PACIFIC

COMPANY, ET AL, RECORDED ON MARCH 13, 1940, AS INSTRUMENT NO. 815 IN BOOK 17373 PAGE 43 OF SAID OFFICIAL RECORDS; THENCE CONTINUING SOUTH 47° 51' 30" WEST ALONG SAID NORTHWESTERLY LINE OF DATE STREET, 39.46 FEET TO A POINT IN THE NORTHEASTERLY LINE OF VIGNES STREET, 80 FEET WIDE; THENCE NORTH 40° 47' 04" WEST ALONG THE NORTHEASTERLY LINE OF VIGNES STREET, A DISTANCE OF 271.28 FEET TO THE SOUTHWESTERLY LINE OF SAID QUEIROLO STREET; THENCE SOUTH 56° 23' 50" EAST ALONG SAID SOUTHWESTERLY LINE OF QUEIROLO STREET, A DISTANCE OF 265.38 FEET TO A POINT IN THE NORTHWESTERLY RIGHT OF WAY LINE OF THE LOS ANGELES UNION PASSENGER TERMINAL; THENCE SOUTH 24° 26' 20" WEST ALONG SAID LAST MENTIONED NORTHWESTERLY LINE, A DISTANCE OF 35.21 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPT ALL MINERAL, OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND, BUT WITHOUT RIGHT OF ENTRY UPON THE SURFACE THEREOF, AS RESERVED BY LOS ANGELES & SALT LAKE RAILROAD COMPANY; THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY; UNION PACIFIC RAILROAD COMPANY, AND SOUTHERN PACIFIC COMPANY, IN DEEDS RECORDED NOVEMBER 16, 1966 AS INSTRUMENT NO. 555.

PARCEL 4:

A TRIANGULAR SHAPED PARCEL OF LAND IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING A PORTION OF DATE STREET (NOW VACATED), WHICH IS A PORTION OF THE LAND DESCRIBED AS PARCEL 1 IN DEED TO THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, LOS ANGELES & SALT LAKE COMPANY, AND SOUTHERN PACIFIC COMPANY, RECORDED JANUARY 10, 1938, IN BOOK 15478 PAGE 237, OFFICIAL RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHWESTERLY LINE OF SAID DATE STREET, DISTANT SOUTH 47° 51' 30" WEST (BEARING ASSUMED FOR PURPOSE OF THIS DESCRIPTION) ALONG SAID NORTHWESTERLY LINE 35.87 FEET FROM THE SOUTHWESTERLY LINE OF QUEIROLO STREET (40 FEET WIDE); THENCE SOUTH 47° 51' 30" WEST ALONG SAID NORTHWESTERLY LINE 39.46 FEET TO A POINT IN THE NORTHEASTERLY LINE OF VIGNES STREET (80 FEET WIDE); THENCE SOUTH 40° 47' 04" EAST ALONG SAID NORTHEASTERLY LINE 17.27 FEET TO A POINT IN THE NORTHWESTERLY RIGHT OF WAY LINE OF LOS ANGELES UNION PASSENGER TERMINAL; THENCE NORTH 24° 26' 20" EAST ALONG SAID NORTHWESTERLY RIGHT OF WAY LINE 43.45 FEET TO THE POINT OF BEGINNING.

EXCEPT ALL MINERALS, OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND, BUT WITHOUT RIGHT OF ENTRY UPON THE SURFACE THEREOF, AS RESERVED BY LOS ANGELES & SALT LAKE RAILROAD COMPANY; THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY; UNION PACIFIC RAILROAD COMPANY, AND SOUTHERN PACIFIC COMPANY, IN DEEDS RECORDED NOVEMBER 16, 1966 AS INSTRUMENT NO. 555.

PARCEL 5:

THAT PORTION OF QUEIROLO STREET, 40 FEET WIDE, AS SHOWN ON THE MAP OF TRACT NO. 766, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF

CALIFORNIA, RECORDED IN BOOK 15 PAGE 188 OF MAPS, AND ON THE MAP OF TRACT NO. 183, RECORDED IN BOOK 15 PAGE 168 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED ON THE EAST BY THE WESTERLY LINE OF THAT PORTION OF QUEIROLO STREET, VACATED BY ORDINANCE NO. 85,810 OF THE CITY OF LOS ANGELES, APPROVED JANUARY 15, 1942, AND DESCRIBED IN PARCEL "G" OF ORDINANCE NO. 85,350 OF THE CITY OF LOS ANGELES, APPROVED OCTOBER 8, 1941, AND BOUNDED ON THE WEST BY A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 1,087.08 FEET AND BEING CONCENTRIC WITH THAT CERTAIN CURVE AND ITS NORTHWESTERLY AND SOUTHEASTERLY CONTINUATION, IN THE SOUTHWESTERLY LINE OF VIGNES STREET DESCRIBED AS BEING CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 1,004.08 FEET, IN DEED TO THE CITY OF LOS ANGELES, RECORDED IN BOOK 15175 PAGE 148 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER.

EXCEPT ALL GAS, OIL, WATER, AND MINERAL RIGHTS, WITHOUT, HOWEVER, THE RIGHT TO USE THE SURFACE OF SAID LAND FOR THE EXTRACTION OF SAID GAS, OIL, WATER, OR MINERALS, AS RESERVED IN DEED RECORDED JULY 16, 1968 AS INSTRUMENT NO 3117.

APN: 5409-014-001

EXHIBIT B

GRANT DEED

**RECORDING REQUESTED BY
COUNTY OF LOS ANGELES**

WHEN RECORDED MAIL TO:

County of Los Angeles
222 South Hill Street, 3rd Floor
Los Angeles, CA 90012
Attention: Joyce Chang

Space above this line for Recorders use

ASSESSOR'S IDENTIFICATION NUMBER: 5409-014-001

THE UNDERSIGNED GRANTOR DECLARES: DOCUMENTARY TRANSFER TAX IS \$0.00; CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA; GOVERNMENTAL AGENCY ACQUIRING TITLE, R & T 11922.

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **1060 VIGNES OWNER LLC**, a Delaware limited liability company ("**Grantor**"), does hereby grant to the **COUNTY OF LOS ANGELES**, a body politic and corporate ("**Grantee**"), all of Grantor's rights, title and interests to that certain real property located at 1060 N. Vignes Street, in the City of Los Angeles, County of Los Angeles, State of California, legally described on Exhibit A, attached hereto and incorporated herein by this reference (the "**Property**").

SUBJECT TO the following:

- (a) All liens, encumbrances, easements, covenants, conditions, restrictions and other matters of record;
- (b) All matters which a correct survey of the Property would disclose; and
- (c) All matters which could be ascertained by a physical inspection of the Property.

[signature on next page]

IN WITNESS WHEREOF, Grantor has caused this Grant Deed to be executed as of the
___ day of _____, 2018.

"Grantor"

1060 VIGNES OWNER LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

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 _____, 2018 before me, _____
(Insert name and title of the officer),

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.

Signature: _____

[Seal]

Exhibit A to Grant Deed

LEGAL DESCRIPTION OF THE LAND

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOT "A" OF TRACT NO. 766, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15 PAGE 188 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

THAT CERTAIN PARCEL OF LAND, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF LOT "A" OF TRACT NO. 766, AS PER MAP RECORDED IN BOOK 15 PAGE 188 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE NORTHEASTERLY LINE OF QUEIROLO STREET, AS NOW ESTABLISHED, 40 FEET WIDE, SOUTH 56° 24' 20" EAST 120.66 FEET TO THE NORTHWESTERLY LINE OF THE LAND DESCRIBED IN FINAL DECREE SUPERIOR COURT CASE NO. 400042, RECORDED IN BOOK 14331 PAGE 376, OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG SAID NORTHWESTERLY LINE NORTH 24° 25' 05" EAST 249.80 FEET TO A POINT IN THE SOUTHWESTERLY LINE OF COLLEGE STREET, AS NOW ESTABLISHED; THENCE ALONG SAID SOUTHWESTERLY LINE, NORTH 22° 48' 40" WEST 69.37 FEET TO THE MOST EASTERLY CORNER OF SAID LOT "A"; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID LOT "A", SOUTH 38° 07' 20" WEST 199.55 FEET TO AN ANGLE POINT IN SAID SOUTHEASTERLY LINE; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE SOUTH 38° 24' 20" WEST 86.35 FEET TO THE POINT OF BEGINNING.

PARCEL 3:

THAT PORTION OF THE CITY LANDS OF LOS ANGELES, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 2 PAGE 504 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING A PORTION OF THE LAND DESCRIBED IN DEED TO SANTA FE LAND IMPROVEMENT COMPANY, RECORDED ON APRIL 29, 1936 AS INSTRUMENT NO. 25 IN BOOK 14071 PAGE 256 OF OFFICIAL RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE SOUTHWESTERLY LINE OF QUEIROLO STREET, (FORMERLY ASH STREET) 40 FEET WIDE, WITH THE NORTHWESTERLY LINE OF VACATED DATE STREET, (FORMERLY LOVERS LANE) 40 FEET WIDE; THENCE SOUTH 47° 51' 30" WEST ALONG SAID NORTHWESTERLY LINE OF DATE STREET, A DISTANCE OF 35.87 FEET TO THE POINT OF BEGINNING, BEING A POINT IN THE NORTHWEST RIGHT OF WAY LINE OF THE LOS ANGELES UNION PASSENGER TERMINAL, SAID TRUE POINT OF BEGINNING ALSO BEING THE MOST SOUTHERLY CORNER OF THE LAND DESCRIBED IN PARCEL 4 OF THE DEED TO SOUTHERN PACIFIC

COMPANY, ET AL, RECORDED ON MARCH 13, 1940, AS INSTRUMENT NO. 815 IN BOOK 17373 PAGE 43 OF SAID OFFICIAL RECORDS; THENCE CONTINUING SOUTH 47° 51' 30" WEST ALONG SAID NORTHWESTERLY LINE OF DATE STREET, 39.46 FEET TO A POINT IN THE NORTHEASTERLY LINE OF VIGNES STREET, 80 FEET WIDE; THENCE NORTH 40° 47' 04" WEST ALONG THE NORTHEASTERLY LINE OF VIGNES STREET, A DISTANCE OF 271.28 FEET TO THE SOUTHWESTERLY LINE OF SAID QUEIROLO STREET; THENCE SOUTH 56° 23' 50" EAST ALONG SAID SOUTHWESTERLY LINE OF QUEIROLO STREET, A DISTANCE OF 265.38 FEET TO A POINT IN THE NORTHWESTERLY RIGHT OF WAY LINE OF THE LOS ANGELES UNION PASSENGER TERMINAL; THENCE SOUTH 24° 26' 20" WEST ALONG SAID LAST MENTIONED NORTHWESTERLY LINE, A DISTANCE OF 35.21 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPT ALL MINERAL, OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND, BUT WITHOUT RIGHT OF ENTRY UPON THE SURFACE THEREOF, AS RESERVED BY LOS ANGELES & SALT LAKE RAILROAD COMPANY; THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY; UNION PACIFIC RAILROAD COMPANY, AND SOUTHERN PACIFIC COMPANY, IN DEEDS RECORDED NOVEMBER 16, 1966 AS INSTRUMENT NO. 555.

PARCEL 4:

A TRIANGULAR SHAPED PARCEL OF LAND IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING A PORTION OF DATE STREET (NOW VACATED), WHICH IS A PORTION OF THE LAND DESCRIBED AS PARCEL 1 IN DEED TO THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, LOS ANGELES & SALT LAKE COMPANY, AND SOUTHERN PACIFIC COMPANY, RECORDED JANUARY 10, 1938, IN BOOK 15478 PAGE 237, OFFICIAL RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHWESTERLY LINE OF SAID DATE STREET, DISTANT SOUTH 47° 51' 30" WEST (BEARING ASSUMED FOR PURPOSE OF THIS DESCRIPTION) ALONG SAID NORTHWESTERLY LINE 35.87 FEET FROM THE SOUTHWESTERLY LINE OF QUEIROLO STREET (40 FEET WIDE); THENCE SOUTH 47° 51' 30" WEST ALONG SAID NORTHWESTERLY LINE 39.46 FEET TO A POINT IN THE NORTHEASTERLY LINE OF VIGNES STREET (80 FEET WIDE); THENCE SOUTH 40° 47' 04" EAST ALONG SAID NORTHEASTERLY LINE 17.27 FEET TO A POINT IN THE NORTHWESTERLY RIGHT OF WAY LINE OF LOS ANGELES UNION PASSENGER TERMINAL; THENCE NORTH 24° 26' 20" EAST ALONG SAID NORTHWESTERLY RIGHT OF WAY LINE 43.45 FEET TO THE POINT OF BEGINNING.

EXCEPT ALL MINERALS, OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND, BUT WITHOUT RIGHT OF ENTRY UPON THE SURFACE THEREOF, AS RESERVED BY LOS ANGELES & SALT LAKE RAILROAD COMPANY; THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY; UNION PACIFIC RAILROAD COMPANY, AND SOUTHERN PACIFIC COMPANY, IN DEEDS RECORDED NOVEMBER 16, 1966 AS INSTRUMENT NO. 555.

PARCEL 5:

THAT PORTION OF QUEIROLO STREET, 40 FEET WIDE, AS SHOWN ON THE MAP OF TRACT NO. 766, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF

CALIFORNIA, RECORDED IN BOOK 15 PAGE 188 OF MAPS, AND ON THE MAP OF TRACT NO. 183, RECORDED IN BOOK 15 PAGE 168 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED ON THE EAST BY THE WESTERLY LINE OF THAT PORTION OF QUEIROLO STREET, VACATED BY ORDINANCE NO. 85,810 OF THE CITY OF LOS ANGELES, APPROVED JANUARY 15, 1942, AND DESCRIBED IN PARCEL "G" OF ORDINANCE NO. 85,350 OF THE CITY OF LOS ANGELES, APPROVED OCTOBER 8, 1941, AND BOUNDED ON THE WEST BY A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 1,087.08 FEET AND BEING CONCENTRIC WITH THAT CERTAIN CURVE AND ITS NORTHWESTERLY AND SOUTHEASTERLY CONTINUATION, IN THE SOUTHWESTERLY LINE OF VIGNES STREET DESCRIBED AS BEING CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 1,004.08 FEET, IN DEED TO THE CITY OF LOS ANGELES, RECORDED IN BOOK 15175 PAGE 148 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER.

EXCEPT ALL GAS, OIL, WATER, AND MINERAL RIGHTS, WITHOUT, HOWEVER, THE RIGHT TO USE THE SURFACE OF SAID LAND FOR THE EXTRACTION OF SAID GAS, OIL, WATER, OR MINERALS, AS RESERVED IN DEED RECORDED JULY 16, 1968 AS INSTRUMENT NO 3117.

APN: 5409-014-001

EXHIBIT C

FORM OF GENERAL ASSIGNMENT

ASSIGNMENT AND ASSUMPTION

THIS ASSIGNMENT AND ASSUMPTION (this "Assignment") is made as of this ___ day of _____, 2018, by and between 1060 VIGNES OWNER LLC, a Delaware limited liability company ("Assignor") and COUNTY OF LOS ANGELES, a body politic and corporate ("Assignee").

1. For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor hereby assigns and transfers to Assignee as of the date title to the property described on Schedule 1 hereto (the "Real Property") is transferred to Assignee (the "Transfer Date"), all of the following relating to the Real Property, in each case to the extent assignable or transferable without the necessity of consent or approval, and without representation or warranty of any kind whatsoever, express or implied:

(a) any and all intangible property used and necessary in connection with the Real Property, including, without limitation, surveys, reports, plans and specifications, contract rights, warranties, guaranties, licenses, permits, entitlements, governmental approvals and certificates of occupancy (if any) that benefit the Real Property (collectively, the "Intangible Property").

2. Assignee accepts the assignment of such Intangible Property.

3. This Assignment shall be binding on and inure to the benefit of the parties herein, their successors-in-interest and assigns.

4. This Assignment shall be governed by and construed in accordance with the laws of the State of California without reference to choice of law principles which might indicate that the law of some other jurisdiction should apply.

5. Nothing contained herein shall be deemed or construed as relieving the Assignor or Assignee of their respective duties and obligations under that certain Agreement of Purchase and Sale dated _____, 2018, by and between Assignor and Assignee, in connection with the Real Property (the "Purchase Agreement"). In addition, it is expressly understood and agreed by and between the parties hereto that any liability of Assignor hereunder shall be limited as set forth in the Purchase Agreement.

6. This Assignment may be executed in any number of counterparts, each of which shall be deemed an original for all purposes, and all of which shall constitute one and the same instrument as if all parties had signed the same signature page.

*[Remainder of page intentionally left blank,
signatures commence on following page]*

IN WITNESS WHEREOF, this Assignment and Assumption is made as of the day and year first above written.

ASSIGNOR: 1060 VIGNES OWNER LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

ASSIGNEE: COUNTY OF LOS ANGELES,
a body politic and corporate

By: _____
SHEILA KUEHL
Chair, Board of Supervisors

ATTEST:

CELIA ZAVALA
Acting Executive Officer-Clerk
of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:
MARY C. WICKHAM
County Counsel

By: _____
Senior Associate

[Attach Exhibit A – Legal Description of the Property]

EXHIBIT D

CERTIFICATE OF NON-FOREIGN STATUS

Section 1445 of the United States Internal Revenue Code (the "Code") provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including Section 1445), the owner of a disregarded entity that has legal title to a U.S. real property interest under local law, and not the disregarded entity itself, is treated as the transferor of the property. 1060 Vignes Owner LLC, a Delaware limited liability company ("Seller") is conveying certain U.S. real property rights to the County of Los Angeles, a body politic and corporate ("Transferee"). Seller is owned one hundred percent (100%), either directly or indirectly, by _____ ("Transferor"). To inform Transferee that withholding of tax will not be required upon the transfer of a U.S. real property interest to Transferee by Seller, Transferor hereby certifies to Transferee the following:

1. Seller is a disregarded entity and Transferor is not a disregarded entity (each as such term is defined in Section 1.1445-2(b)(2)(iii) of the Income Tax Regulations promulgated thereunder).

2. Transferor is not a foreign person, foreign corporation, foreign partnership, foreign trust, or foreign estate (as these terms are defined in the Code and the Income Tax Regulations promulgated thereunder).

3. Transferor's United States employer identification number is:
_____.

4. Transferor's office address is: _____.

[Signature page follows.]

Under penalty of perjury, I declare that I have examined this certification and to the best of my knowledge and belief, it is true, correct and complete.

Dated as of: _____, 20__

TRANSFEROR:

By: _____
Name: _____
Title: _____

EXHIBIT E

FORM OF OWNER'S AFFIDAVIT

Los Angeles County, California
Order/File No. 997-25008099-C-1MB
That certain real property described on Exhibit "A" attached hereto (the "Land")

OWNER'S AFFIDAVIT

The undersigned (hereafter "Owner") does hereby state that the following facts and statements are true and correct to its actual knowledge:

1. That the person executing this Affidavit is fully authorized and qualified to make this Affidavit on Owner's behalf.

2. That during the period of one hundred eighty (180) days immediately preceding the date of this Affidavit, neither Owner nor its agents has caused any work to be done or any materials to be furnished in connection with the erection, repair, or removal of any building or other structure on the Land or in connection with the improvement of the Land, which has not been paid for in full prior to the close of escrow.

3. The following are all of the persons or entities having leases or other occupancy rights affecting the Land or are tenants under leases with rights of possession only: NONE.

4. The undersigned has not entered into any unrecorded sale contracts, deeds, mortgages, rights of first refusal or purchase options affecting the Land or improvements thereon, which are presently in effect and will survive the transfer to the County of Los Angeles, a body politic and corporate ("Buyer"), except as set forth in that certain preliminary title report no. 997-25008099-C-1MB (with an effective date of _____, 2018) (the "Title Commitment") and the purchase agreement with Buyer.

5. In order to effectuate a New York style closing, Owner will not voluntarily create any defect, lien, encumbrance, adverse claim, or other matter (each a "Title Defect") being filed or recorded against the Land between the effective date of the last date down of the Title Commitment and the date of recording of the Grant Deed pursuant to which Buyer acquires the Land (the "Gap Period"). In consideration of the Company (as defined below) issuing its policy or policies of title insurance, without an exception on Schedule B thereof for any Title Defect arising or being recorded during the Gap Period, Owner hereby agrees to promptly defend, remove, bond, or otherwise dispose of any Title Defect arising or recorded during the Gap Period, and to indemnify and hold harmless the Company against actual loss or damage, including attorneys' fees, which the Company may sustain under its policy or policies of title insurance by reason of such Title Defect; provided that the liability of Owner under this Section 5 shall cease six (6) weeks after the date of the above described policy or policies of title insurance.

This Affidavit is made with the intention that Fidelity National Title Insurance Company (the "Company") and its policy issuing agents will rely upon it in issuing their title insurance policies and endorsements. Any statement "to the undersigned's knowledge" (or similar phrase) shall mean the present actual knowledge (excluding constructive, implied or imputed

knowledge) of [_____], who is familiar with the facts and circumstances regarding the undersigned's use and possession of the Land (but such individual shall not have any liability in connection herewith). Notwithstanding anything to the contrary herein, any cause of action for a breach of this Affidavit shall survive, until any obligations under a title policy issued by the Company in reliance of this Affidavit have terminated pursuant to the terms of such policies at which time this Affidavit shall terminate; provided, however, that in no event shall Owner be liable under this Affidavit for any loss or damage arising out of any actions taken by, or at the direction of Buyer or any of Buyer's affiliates, agents, invitees or licensees.

[Signature Page Immediately Follows]

Owner declares under penalty of perjury that the foregoing is true and correct to its actual knowledge.

Dated this ____ day of _____, 2018.

“Owner”:

1060 VIGNES OWNER, LLC,
a Delaware limited liability company

By: _____
Name: _____
Its: _____

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 _____, 2018 before me, _____
(insert name and title of the officer),

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.

Signature: _____

[Seal]

EXHIBIT "A" TO OWNER'S AFFIDAVIT

Description of Land

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOT "A" OF TRACT NO. 766, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15 PAGE 188 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

THAT CERTAIN PARCEL OF LAND, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF LOT "A" OF TRACT NO. 766, AS PER MAP RECORDED IN BOOK 15 PAGE 188 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE ALONG THE NORTHEASTERLY LINE OF QUEIROLO STREET, AS NOW ESTABLISHED, 40 FEET WIDE, SOUTH 56° 24' 20" EAST 120.66 FEET TO THE NORTHWESTERLY LINE OF THE LAND DESCRIBED IN FINAL DECREE SUPERIOR COURT CASE NO. 400042, RECORDED IN BOOK 14331 PAGE 376, OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG SAID NORTHWESTERLY LINE NORTH 24° 25' 05" EAST 249.80 FEET TO A POINT IN THE SOUTHWESTERLY LINE OF COLLEGE STREET, AS NOW ESTABLISHED; THENCE ALONG SAID SOUTHWESTERLY LINE, NORTH 22° 48' 40" WEST 69.37 FEET TO THE MOST EASTERLY CORNER OF SAID LOT "A"; THENCE ALONG THE SOUTHEASTERLY LINE OF SAID LOT "A", SOUTH 38° 07' 20" WEST 199.55 FEET TO AN ANGLE POINT IN SAID SOUTHEASTERLY LINE; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE SOUTH 38° 24' 20" WEST 86.35 FEET TO THE POINT OF BEGINNING.

PARCEL 3:

THAT PORTION OF THE CITY LANDS OF LOS ANGELES, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 2 PAGE 504 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BEING A PORTION OF THE LAND DESCRIBED IN DEED TO SANTA FE LAND IMPROVEMENT COMPANY, RECORDED ON APRIL 29, 1936 AS INSTRUMENT NO. 25 IN BOOK 14071 PAGE 256 OF OFFICIAL RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE SOUTHWESTERLY LINE OF QUEIROLO STREET, (FORMERLY ASH STREET) 40 FEET WIDE, WITH THE NORTHWESTERLY LINE OF VACATED DATE STREET, (FORMERLY LOVERS LANE) 40 FEET WIDE; THENCE SOUTH 47° 51' 30" WEST ALONG SAID NORTHWESTERLY LINE OF DATE STREET, A DISTANCE OF 35.87 FEET TO THE POINT OF BEGINNING, BEING A POINT IN THE NORTHWEST RIGHT OF WAY LINE OF THE LOS ANGELES UNION PASSENGER TERMINAL, SAID TRUE POINT OF BEGINNING ALSO BEING THE MOST SOUTHERLY CORNER OF THE LAND DESCRIBED IN PARCEL 4 OF THE DEED TO SOUTHERN PACIFIC

COMPANY, ET AL, RECORDED ON MARCH 13, 1940, AS INSTRUMENT NO. 815 IN BOOK 17373 PAGE 43 OF SAID OFFICIAL RECORDS; THENCE CONTINUING SOUTH 47° 51' 30" WEST ALONG SAID NORTHWESTERLY LINE OF DATE STREET, 39.46 FEET TO A POINT IN THE NORTHEASTERLY LINE OF VIGNES STREET, 80 FEET WIDE; THENCE NORTH 40° 47' 04" WEST ALONG THE NORTHEASTERLY LINE OF VIGNES STREET, A DISTANCE OF 271.28 FEET TO THE SOUTHWESTERLY LINE OF SAID QUEIROLO STREET; THENCE SOUTH 56° 23' 50" EAST ALONG SAID SOUTHWESTERLY LINE OF QUEIROLO STREET, A DISTANCE OF 265.38 FEET TO A POINT IN THE NORTHWESTERLY RIGHT OF WAY LINE OF THE LOS ANGELES UNION PASSENGER TERMINAL; THENCE SOUTH 24° 26' 20" WEST ALONG SAID LAST MENTIONED NORTHWESTERLY LINE, A DISTANCE OF 35.21 FEET TO THE TRUE POINT OF BEGINNING.

EXCEPT ALL MINERAL, OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND, BUT WITHOUT RIGHT OF ENTRY UPON THE SURFACE THEREOF, AS RESERVED BY LOS ANGELES & SALT LAKE RAILROAD COMPANY; THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY; UNION PACIFIC RAILROAD COMPANY, AND SOUTHERN PACIFIC COMPANY, IN DEEDS RECORDED NOVEMBER 16, 1966 AS INSTRUMENT NO. 555.

PARCEL 4:

A TRIANGULAR SHAPED PARCEL OF LAND IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING A PORTION OF DATE STREET (NOW VACATED), WHICH IS A PORTION OF THE LAND DESCRIBED AS PARCEL 1 IN DEED TO THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, LOS ANGELES & SALT LAKE COMPANY, AND SOUTHERN PACIFIC COMPANY, RECORDED JANUARY 10, 1938, IN BOOK 15478 PAGE 237, OFFICIAL RECORDS OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHWESTERLY LINE OF SAID DATE STREET, DISTANT SOUTH 47° 51' 30" WEST (BEARING ASSUMED FOR PURPOSE OF THIS DESCRIPTION) ALONG SAID NORTHWESTERLY LINE 35.87 FEET FROM THE SOUTHWESTERLY LINE OF QUEIROLO STREET (40 FEET WIDE); THENCE SOUTH 47° 51' 30" WEST ALONG SAID NORTHWESTERLY LINE 39.46 FEET TO A POINT IN THE NORTHEASTERLY LINE OF VIGNES STREET (80 FEET WIDE); THENCE SOUTH 40° 47' 04" EAST ALONG SAID NORTHEASTERLY LINE 17.27 FEET TO A POINT IN THE NORTHWESTERLY RIGHT OF WAY LINE OF LOS ANGELES UNION PASSENGER TERMINAL; THENCE NORTH 24° 26' 20" EAST ALONG SAID NORTHWESTERLY RIGHT OF WAY LINE 43.45 FEET TO THE POINT OF BEGINNING.

EXCEPT ALL MINERALS, OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND, BUT WITHOUT RIGHT OF ENTRY UPON THE SURFACE THEREOF, AS RESERVED BY LOS ANGELES & SALT LAKE RAILROAD COMPANY; THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY; UNION PACIFIC RAILROAD COMPANY, AND SOUTHERN PACIFIC COMPANY, IN DEEDS RECORDED NOVEMBER 16, 1966 AS INSTRUMENT NO. 555.

PARCEL 5:

THAT PORTION OF QUEIROLO STREET, 40 FEET WIDE, AS SHOWN ON THE MAP OF TRACT NO. 766, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF

CALIFORNIA, RECORDED IN BOOK 15 PAGE 188 OF MAPS, AND ON THE MAP OF TRACT NO. 183, RECORDED IN BOOK 15 PAGE 168 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED ON THE EAST BY THE WESTERLY LINE OF THAT PORTION OF QUEIROLO STREET, VACATED BY ORDINANCE NO. 85,810 OF THE CITY OF LOS ANGELES, APPROVED JANUARY 15, 1942, AND DESCRIBED IN PARCEL "G" OF ORDINANCE NO. 85,350 OF THE CITY OF LOS ANGELES, APPROVED OCTOBER 8, 1941, AND BOUNDED ON THE WEST BY A CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 1,087.08 FEET AND BEING CONCENTRIC WITH THAT CERTAIN CURVE AND ITS NORTHWESTERLY AND SOUTHEASTERLY CONTINUATION, IN THE SOUTHWESTERLY LINE OF VIGNES STREET DESCRIBED AS BEING CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 1,004.08 FEET, IN DEED TO THE CITY OF LOS ANGELES, RECORDED IN BOOK 15175 PAGE 148 OF OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER.

EXCEPT ALL GAS, OIL, WATER, AND MINERAL RIGHTS, WITHOUT, HOWEVER, THE RIGHT TO USE THE SURFACE OF SAID LAND FOR THE EXTRACTION OF SAID GAS, OIL, WATER, OR MINERALS, AS RESERVED IN DEED RECORDED JULY 16, 1968 AS INSTRUMENT NO 3117.

APN: 5409-014-001

Schedule 6(b)

Permitted Exceptions

- A. Intentionally Deleted
- B. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the fiscal year 2018-2019.
- C. The lien of supplemental or escaped assessments of property taxes, if any, made pursuant to the provisions of Chapter 3.5 (commencing with Section 75) or Part 2, Chapter 3, Articles 3 and 4, respectively, of the Revenue and Taxation Code of the State of California as a result of the transfer of title to the vestee named in Schedule A or as a result of changes in ownership or new construction occurring on or after Date of Policy.

- 1. Water rights, claims or title to water, whether or not disclosed by the public records.
- 2. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:

Purpose: public street and incidental purposes
Recording Date: May 7, 1968
Recording No: 3541 in Book D-3994, Page 866, Official Records
Affects: A portion of said land as more particularly described in said document.

- 3. Covenant and agreement wherein the owners agree to hold said Land as one parcel and not to sell any portion thereof separately. Said covenant is expressed to run with the Land and be binding upon future owners.

Recording Date: November 12, 1970
Recording No.: 3225 in Book M-3612, Page 197, Official Records

Reference is made to said document for full particulars.

- 4. Matters contained in that certain document

Entitled: Waivers of Damages, Indemnification Agreement and Right of
Ingress and Egress - Covenant to run with the Land
Recording Date: December 02, 1970
Recording No: 2474 in Book M-3626, Page 438, Official Records

Reference is hereby made to said document for full particulars.

Affects: Parcels 1 and 2

5. Covenants, conditions, restrictions and easements but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, source of income, gender, gender identity, gender expression, medical condition or genetic information, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth in the document

Recording Date: September 19, 2005
Recording No: 05-2248560, Official Records

6. Covenants, conditions, restrictions and easements but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, source of income, gender, gender identity, gender expression, medical condition or genetic information, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth in the document

Recording Date: September 19, 2005
Recording No: 05-2248561, Official Records

7. Covenants, conditions, restrictions and easements but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, source of income, gender, gender identity, gender expression, medical condition or genetic information, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth in the document

Recording Date: September 19, 2005
Recording No: 05-2248562, Official Records

8. Intentionally Deleted.

9. Intentionally Deleted

10. Intentionally Deleted

11. Intentionally Deleted.

12. Matters contained in that certain document

Entitled: Notice of Environmental Condition and Environmental Restriction
– California Civil Code Section 1471

Recording Date: April 28, 2017
Recording No: 20170475690 Official Records

Reference is hereby made to said document for full particulars.

13. Intentionally Deleted.

14. Intentionally Deleted.

Schedule 7(a)

Due Diligence Materials

Environmental Document List

1. No Further Action Letter from LACFD dated June 20, 2017
2. Request for Closure from HMC dated March 20, 2017
3. Well Abandonment Work Plan from HMC dated April 25, 2017
4. Notice of Environmental Condition and Environmental Restriction dated April, 2017
(Deed Restriction)
5. Quarterly Groundwater Monitoring Report Q12016
6. Quarterly Groundwater Monitoring Report Q22016
7. Quarterly Groundwater Monitoring Report Q32016
8. Subsurface Investigation Report and Work Plan for Additional Investigations from HMC dated February 27, 2013
9. Revised Excavation of Lead Impacted Foundry Sand from HMC dated June 4, 2014
10. Additional Subsurface Investigation, HMC, 2.28.2014
11. LACFD Review Letter confirming Lead Mitigation 3.28.2014
12. UST Abandonment Report by AEI Consultants 9.17.2007
13. LACFD Lead Mitigation Closure Letter 6.20.2014
14. Workplan to Complete Site Characterization 8.27.2013
15. Workplan to Complete Site Characterization Response Letter 10.31.13
16. Workplan to Mitigate Lead Impacted Foundry Sand 08.02.13
17. Workplan to Mitigate Lead Impacted Foundry Sand Response Letter 11.06.13
18. Subsurface Investigation Report and Workplan Response Letter 06.21.13
19. Remedial Action Plan, AEI, 2.9.2006
20. Remedial Excavation Report, AEI, 8.12.08
21. Supplemental Phase II Environmental Site Assessment, Stechmann Geoscience, 6.4.2002
22. Workplan for Further Site Characterization, AEI, 11.30.2006
23. P1 EA, Smith Emery, 11.15.2000
24. Vapor Extraction System Startup Report – Hazard Management Consulting 07.20.2016
25. HMC Letter re: 'Definition of Environmental Impacts at 1060 N. Vignes, LA County, under the Oversight of the County of Los Angeles' dated December 15, 2017

Title and Survey

- Preliminary Commitment for Title Insurance Issued by Fidelity National Title Insurance Company dated May 26, 2017
- ALTA/ACSM Land Title Survey by Hall & Foreman, Inc. dated 9-03-14
- Owner's Policy of Title Insurance issued by Fidelity National Title Insurance Company dated October 10, 2014

Warehouse Concept Plan

- Distribution Warehouse Concept Plan by EVOQ Properties dated 10.14.13

Geotech

- Geotechnical Investigation – Proposed Industrial Facility – 1060 North Vignes Street by Geocon West, Inc. January 2018 draft

Tax Bills

- Letter from Ryan re: 'October 10, 2014 Base Year Tax Appeal Reduction 1060 N. Vignes' dated April 10, 2017
- 2017-2018 Property Tax Bill
- 2016-2017 Property Tax Bill
- 2015-2016 Property Tax Bill
- 2014-2015 Property Tax Bill

Correspondence

- Letter dated September 15, 2017 from Andrew Brady to Michelle Boehm, Southern California Regional Director for the California High Speed Rail Authority re 1060 Vignes Ave., Los Angeles, CA
- Email dated October 10, 2017 from Andrew Brady to Charlie Boutwell, attaching email dated August 14, 2017 from Ronald Stamm, Principal Deputy County Counsel, to Jerold B. Neuman
- Letter dated October 13, 2017 from James Andrew, Acting Chief Counsel for the California High-Speed Rail Authority to Andrew Brady re 1060 Vignes Avenue, Los Angeles, CA

April 10, 2018
DEPT NO: 060

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICER

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

**ADJUSTMENT REQUESTED AND REASONS THEREFOR
FY 2017-18
4 - VOTES**

SOURCES		USES	
COMMERCIAL PAPER-GENERAL FACILITIES CAPITAL IMPROVEMENT 1060 N VIGNES LOT ACQUISITION J22-CP-94-9276-65065-67956 COMMERCIAL PAPER PROCEEDS / CAPITAL PROJECTS INCREASE REVENUE	24,830,000	COMMERCIAL PAPER-GENERAL FACILITIES CAPITAL IMPROVEMENT 1060 N VIGNES LOT ACQUISITION J22-CP-6006-65065-67956 CAPITAL ASSETS - LAND INCREASE APPROPRIATION	24,030,000
		COMMERCIAL PAPER-GENERAL FACILITIES CAPITAL IMPROVEMENT 1060 N VIGNES LOT ACQUISITION J22-CP-6014-65065-67956 CAPITAL ASSETS - B & I INCREASE APPROPRIATION	800,000
SOURCES TOTAL	\$ 24,830,000	USES TOTAL	\$ 24,830,000

JUSTIFICATION

Reflects an appropriation adjustment of \$24,830,000 to Capital Project No. 67956, 1060 N. Vignes Lot Acquisition, fully offset by Commercial Paper Proceeds, to fund the \$24,030,000 acquisition and \$800,000 improvements of a vacant lot for County parking needs.

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

James Yun
AUTHORIZED SIGNATURE

JAMES YUN, MANAGER, CEO

1 2

MAY 0 1 2018

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

Celia Zavala
CELIA ZAVALA
ACTING EXECUTIVE OFFICER

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR---

- ACTION
- RECOMMENDATION

AUDITOR-CONTROLLER

BY *Jackie Huwana*

B.A. NO. 200

DATE 4/4/18

- APPROVED AS REQUESTED
- APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

BY *James Yun*

DATE 4/4/18