

**DISPOSITION AND DEVELOPMENT AGREEMENT**

by and between

City of Whittier,  
Whittier Redevelopment Successor Agency  
and  
Sycamore Group, LLC

**DISPOSITION AND DEVELOPMENT AGREEMENT**

THIS DISPOSITION AND DEVELOPMENT AGREEMENT (the “Agreement”) is dated as of \_\_\_\_\_, 2022 (“Effective Date”) [**TO BE DATED AS OF THE DATE OF EXECUTION BY THE CITY**] and is entered into by and between the **WHITTIER REDEVELOPMENT SUCCESSOR AGENCY** (“WRSA”), having their offices at 13230 Penn Street, Whittier, California 90602, and **SYCAMORE GROUP, LLC**, a California limited liability company (“Developer”), with its principal office located at 10 Sycamore Canyon Dr., Dove Canyon, CA 92679.

**RECITALS**

A. WRSA is the owner of that certain property in the City of Whittier located at 12540 Whittier Boulevard (APN 817-029-900) and 12549 Washington Blvd NW (APN 8170-029-902 (the “Land”).

B. WRSA acquired the Property as the successor to the non-housing assets of the former Redevelopment Agency of the City of Whittier (“RDA”) which was dissolved by operation of law.

C. The purpose of this Agreement is to achieve the development of the Land owned by the WRSA that is more specifically described on Exhibit “A”. The Land and the Improvements to be constructed thereon pursuant to the terms of this Agreement are hereinafter collectively referred to as the “Project.”

D. Construction of the Improvements, which consist of a new 10,968 square foot, 3-story, mixed-use commercial building, per City of Whittier’s Development Review Number DRP21-0017 and Conditional Use Permit Number CUP21-001. Retail drive-thru coffee shop (1,856 square feet of retail that is planned to be leased to Starbucks) and 752-square foot lobby area on the first floor, and 8,360 square feet of office uses on the second and third floors (up to 6,378 sq ft of medical-dental use), and related improvements, will provide additional jobs, encourage new investment, and otherwise substantially improve the economic and physical conditions in the City of Whittier.

E. A material inducement to the City to enter into this Agreement is the agreement by Developer to develop the Project as provided herein.

**AGREEMENT**

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants contained in this Agreement, the parties hereto agree as follows:

1. **DEFINITIONS.**

1.1 **Definitions.** The following capitalized terms used in this Agreement shall have the meanings set forth below:

1.1.1 “City” means City of Whittier.

1.1.2 “Agreement” means this Disposition and Development Agreement.

1.1.3 “Approved Title Exceptions” is defined in Section 2.4.1.

1.1.4 “Building Permit” means, collectively, any and all permits necessary to grade the Land and construct the Project that would be issued by the City.

1.1.5 “Certificate of Completion” means the certificate described in Section 3.12.

1.1.6 “WRSA” means the Whittier Redevelopment Successor Agency.

1.1.7 “Close of Escrow” is defined in Section 2.3.

1.1.8 “Construction Contract” is defined in Section 3.3.

1.1.9 “Construction Loan” is defined in Section 3.4.

1.1.10 “Default” is defined in Section 6.1.

1.1.11 “Deposit” is defined in Section 2.2.

1.1.12 “Disapproved Title Exceptions” is defined in Section 2.4.1.

1.1.13 “Escrow” is defined in Section 2.3.

1.1.14 “Escrow Holder” means Fidelity National Title Company or another licensed escrow holder mutually selected by the Parties.

1.1.15 “FIRPTA Affidavit” is defined in Section 2.8.1.3.

1.1.16 “Force Majeure Delay” is defined in Section 6.7.

1.1.17 “General Contractor” is defined in Section 3.3.

1.1.18 “Grant Deed” is defined in Section 2.4.5.

1.1.19 “Hazardous Materials” means any chemical, material or substance now or hereafter defined as or included in the definition of hazardous substances, hazardous wastes, hazardous materials, extremely hazardous waste, restricted hazardous waste, toxic substances, pollutant or contaminant, imminently hazardous chemical substance or mixture, hazardous air pollutant, toxic pollutant, or words of similar import under any local, state or federal law or under the regulations adopted or publications promulgated pursuant thereto applicable to the Land, including, without limitation: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. (“CERCLA”); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. 1801, et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq.; and the Resource Conservation and Recovery

Act of 1976, 42 U.S.C. 6901, et seq. (“RCRA”) The term Hazardous Materials shall also include any of the following: any and all toxic or hazardous substances, materials or wastes listed in the United States Department of Transportation Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR, Part 302) and in any and all amendments thereto in effect as of the Close of Escrow Date; oil, petroleum, petroleum products (including, without limitation, crude oil or any fraction thereof), natural gas, natural gas liquids, liquefied natural gas or synthetic gas usable for fuel, not otherwise designated as a hazardous substance under CERCLA; any substance which is toxic, explosive, corrosive, reactive, flammable, infectious or radioactive (including any source, special nuclear or by-product material as defined at 42 U.S.C. 2011, et seq.), carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority; asbestos in any form; urea formaldehyde foam insulation; transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls; radon gas; or any other chemical, material or substance (i) which poses a hazard to the Land, to adjacent properties, or to persons on or about the Land, (ii) which causes the Land to be in violation of any of the aforementioned laws or regulations, or (iii) the presence of which on or in the Land requires investigation, reporting or remediation under any such laws or regulations.

1.1.20 “Holder” is defined in Section 4.4.

1.1.21 “Improvements” means all buildings, landscaping, infrastructure, utilities, and other improvements to be built on the Land, as described in the Scope of Development.

1.1.22 “Land” means the land described on Exhibit “A” attached hereto.

1.1.23 “Party” means any party to this Agreement, and “Parties” means all parties to this Agreement.

1.1.24 “Permitted Exceptions” is defined in Section 2.4.5.

1.1.25 “Plans and Specifications” means all drawings, landscaping and grading plans, engineering drawings, final construction drawings, and any other plans or specifications for construction of the Project, per City of Whittier’s Development Review Number DRP21-0017 and Conditional Use Permit Number CUP21-001.

1.1.26 “Project” means the Land and Improvements.

1.1.27 “Project Area” is defined in Recital A.

1.1.28 “Project Budget” is defined in Section 2.7.7.

1.1.29 “Purchase Price” is defined in Section 2.1.

1.1.30 “Released Parties” is defined in Section 2.9.4.

1.1.31 “Schedule of Performance” means the schedule on Exhibit “B” attached hereto and incorporated by reference herein.

1.1.32 “Scope of Development” means the description of the Project set forth in Exhibit “C” attached hereto and incorporated by reference herein.

1.1.33 “Site Designs” is defined in Section 6.8.

1.1.34 “Title Company” shall mean the Escrow Holder (i.e., the Title Company and the Escrow Holder are the same).

1.1.35 “Transfer” is defined in Section 4.1.1.

1.1.36 “Transferee” is defined in Section 4.1.2.

1.1.37 “Withholding Affidavit” is defined in Section 2.8.1.2.

**2. PURCHASE AND SALE OF THE PROPERTY; PURCHASE PRICE; DEPOSIT.**

2.1 Purchase and Sale; Purchase Price. In accordance with and subject to the terms and conditions hereinafter set forth, the WRSA agrees to sell the Land to Developer, and Developer agrees to purchase the Land from the WRSA. The purchase price for the Land to be paid by Developer (the “Purchase Price”) shall be Nine Hundred Forty Thousand Dollars (\$940,000). Notwithstanding anything to the contrary contained herein, the Close of Escrow shall not occur until such time as the Closing Conditions, as defined in Section 2.5 hereof, have been satisfied.

2.2 Deposit. Within ten (10) business days after the date this Agreement is executed by the WRSA and delivered to Developer, the Developer shall deposit the sum of Thirty Thousand Dollars (\$30,000) with Escrow Holder (together with all interest thereon, the “Deposit”). The Deposit shall be held by Escrow Holder in an interest-bearing account. The Deposit shall be credited to the Purchase Price at the Close of Escrow. In the event the Close of Escrow does not occur due to a default by Developer, the Deposit shall be delivered to and retained by the WRSA as liquidated damages for such default. DEVELOPER AND WRSA AGREE THAT BASED UPON THE CIRCUMSTANCES NOW EXISTING, KNOWN AND UNKNOWN, IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO ESTABLISH WRSA’S DAMAGES BY REASON OF A DEFAULT BY DEVELOPER PRIOR TO THE CLOSE OF ESCROW. ACCORDINGLY, DEVELOPER AND WRSA AGREE THAT IN THE EVENT OF A DEFAULT BY DEVELOPER PRIOR TO THE CLOSE OF ESCROW, WRSA SHALL BE ENTITLED TO RETAIN THE DEPOSIT, PLUS ANY ACCRUED INTEREST THEREON, AS LIQUIDATED DAMAGES.

2.3 Opening and Closing of Escrow. Within five (5) business days after the Effective Date of this Agreement is executed by WRSA and delivered to Developer, the WRSA and the Developer shall cause an escrow (the “Escrow”) to be opened with Escrow Holder for the sale of the Land by the WRSA to Developer. The Parties shall deposit with Escrow Holder a fully executed duplicate original of this Agreement as the escrow instructions for the Escrow. The WRSA and Developer shall provide such additional instructions as shall be necessary and consistent with this Agreement. Provided that each of the conditions to closing described in Section 2.7 have been satisfied, Escrow shall close (the “Close of Escrow”) on or before December 12, 2022. If the Close of Escrow does not occur by such date, any party not then in default may

terminate this Agreement by written notice to the other and all the funds and documents deposited with Escrow Agent shall be promptly refunded or returned, as the case may be, by Escrow Agent to the depositing party, except that all escrow and title cancellation fees shall be paid by Developer.

2.4 Condition of Title; Title Insurance.

2.4.1 Developer hereby approves title exceptions [REDACTED] of that certain preliminary title reports dated February 7, 2020 issued by the Title Company [REDACTED] (the “Approved Title Exceptions”) and WRSA agree to eliminate, cause to be eliminated or cause the Title Company to reasonably insure over exceptions [REDACTED] of such preliminary title report (the “Disapproved Title Exceptions”) prior to or concurrently with the Close of Escrow.

2.4.2 At the Close of Escrow, the WRSA shall convey title to the Land to Developer by grant deed substantially in the form attached hereto as Exhibit “D” (the “Grant Deed”). Title to the Land shall be conveyed subject to: (i) non-delinquent current real property taxes and assessments not yet due for the tax year during which the conveyance occurs, (ii) all Approved Title Exceptions, [(iii) a Memorandum of Disposition and Development Agreement in the form attached hereto as Exhibit “E”], and (iv) any matters which arise out of the actions of Developer or its agents and representatives (collectively, the “Permitted Exceptions”).

2.5 Conditions to Close of Escrow. The obligation of the WRSA and Developer under this Agreement to close Escrow shall be subject to the satisfaction (or express written waiver by the benefited party) of each of the following conditions (collectively, the “Closing Conditions”):

2.5.1 There shall have been no change to the physical condition of the Land and no new title exceptions after [REDACTED], 20 [DATE OF THE LATEST TITLE EXCEPTION IN LAST TITLE REPORT DELIVERED TO DEVELOPER] that, in either case, would materially and adversely affect the development, use or operation of the Project.

2.5.2 WRSA’s removal (or Title Company’s reasonably insuring over) the Disapproved Title Exceptions.

2.5.3 The representations and warranties of the WRSA and Developer contained in this Agreement being true and correct.

2.5.4 The delivery by WRSA and Developer of all documents and funds required to be delivered pursuant to Section 2.8 hereof.

2.5.5 The Title Company shall have committed to issue at the Close of Escrow an ALTA extended coverage Owner’s Title Insurance Policy, with any endorsements reasonably requested by Developer, showing fee simple title to the Land vested in Developer (or Developer’s assignee as permitted by this Agreement), subject only to the Permitted Exceptions.

2.5.6 Developer shall have submitted to WRSA, and the WRSA shall have approved, a Project budget, certified by the Developer to be true and correct estimate, and demonstrating that the Developer has identified additional capital funds to finance the difference,

if any, between costs of development of the Development and the amount available to the Developer from external sources (the “Project Budget”).

2.5.7 Developer and WRSA shall have performed, observed and complied with all covenants, agreements and conditions required by this Agreement to be performed, observed and complied with on its part prior to or as of the Close of Escrow.

2.6 Costs; Escrow Holder Settlement Statement.

2.6.1 Developer shall be solely responsible for all costs and expenses related to all surveys, title policies (and endorsements thereto), escrow charges, recording fees, and transfer taxes, and shall, in addition, promptly reimburse the WRSA after receipt of written demand therefore for all third-party fees and expenses (including, but not limited to, attorneys’ fees and expenses) incurred by the WRSA in the negotiation of this Agreement.

2.6.2 Developer has deposited Twenty Thousand Dollars (\$20,000.00) in connection with execution of the Exclusive Negotiation Agreement entered into between City, WRSA, and Sycamore Group, LLC, dated February 11, 2020 as subsequently amended from time to time (“ENA”). Escrow Holder is authorized on the Close of Escrow to use the net available proceeds, as determined by the WRSA as of the date of Close of Escrow, of the \$20,000.00 to pay for any fees, charges and costs payable under Section 2.6.1 as set forth on the settlement statements approved by the Parties. Before such payments are made, Escrow Holder shall notify the WRSA and Developer of the fees, charges, and costs necessary to close under the Escrow, by delivering draft settlement statements to the Parties for their mutual approval. If the fees, charges and costs payable under Section 2.6.1 exceed the net available proceeds, as of the date of Close of Escrow, of Developer’s \$20,000.00 deposited in connection with the ENA, Escrow Holder may charge the Developer for any amounts in excess of the net available proceeds of the Developer deposit.

2.7 Condition of the Property.

2.7.1 “As-Is” Sale. Developer acknowledges and agrees that, except as expressly set forth herein, Developer is acquiring the Land in its “AS IS” condition, WITH ALL FAULTS, IF ANY, AND, EXCEPT AS EXPRESSLY SET FORTH HEREIN, WITHOUT ANY WARRANTY, EXPRESS OR IMPLIED and neither WRSA nor City any agents, representatives, officers, or employees of WRSA have made any representations or warranties, direct or indirect, oral or written, express or implied, to Developer or any agents, representatives, or employees of Developer with respect to the condition of the Land, its fitness for any particular purpose, or its compliance with any laws, and Developer is not aware of and does not rely upon any such representation to any other party. Except as expressly set forth herein, neither WRSA nor any of its representatives is making or shall be deemed to have made any express or implied representation or warranty, of any kind or nature, as to (a) the physical, legal or financial status of the Land, (b) the Land’s compliance with applicable laws, (c) the accuracy or completeness of any information or data provided or to be provided by WRSA, or (d) any other matter relating to the Land.

2.7.2 Acknowledgement of Inspections. Developer has inspected the Land and its physical characteristics and existing conditions and has observed or has had sufficient opportunity to inspect or observe, conducted or had sufficient opportunity to conduct such investigations and studies on and of said Land and adjacent areas as it deems necessary, and hereby waives any and all objections to or complaints regarding the Land and its condition, including, but not limited to, federal, state or common law based actions and any private right of action under state and federal law to which the Land is or may be subject, including, but not limited to, CERCLA (as defined in Section 1.1.19), RCRA (as defined in Section 1.1.19), physical characteristics and existing conditions, including, without limitation, structural and geologic conditions, subsurface soil and water conditions and solid and hazardous waste and Hazardous Materials on, under, adjacent to or otherwise affecting the Land. Developer further hereby assumes the risk of changes in applicable laws and regulations relating to past, present and future environmental conditions on the Land and the risk that adverse physical characteristics and conditions, including, without limitation, the presence of Hazardous Materials or other contaminants, may not have been revealed by its investigations.

2.7.3 Releases and Waivers. Developer and anyone claiming by, through or under Developer hereby waives its right to recover from and fully and irrevocably releases WRSA, City and its council members, board members, employees, officers, directors, representatives, agents, servants, attorneys, successors and assigns (“Released Parties”) from any and all claims, responsibility and/or liability that it may now have or hereafter acquire against any of the Released Parties for any costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to (i) the condition (including any defects, errors, omissions or other conditions, latent or otherwise, and the presence in the soil, air, structures and surface and subsurface waters of materials or substances that have been or may in the future be determined to be Hazardous Materials or otherwise toxic, hazardous, undesirable or subject to regulation and that may need to be specially treated, handled and/or removed from the Land under current or future federal, state and local laws regulations or guidelines), valuation, salability or utility of the Land, or its suitability for any purpose whatsoever, and (ii) any information furnished by the Released Parties under or in connection with this Agreement. This release includes claims of which Developer is presently unaware or which Developer does not presently suspect to exist which, if known by Developer, would materially affect Developer’s release to WRSA and City. Developer specifically waives the provision of California Civil Code Section 1542, which provides as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR EXPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN TO HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY”

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Developer Initials



In this connection and to the extent permitted by law, Developer hereby agrees, represents and warrants that Developer realizes and acknowledges that factual matters now unknown to it may have given or may hereafter give rise to causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses which are presently unknown, unanticipated and unsuspected, and Developer further agrees, represents and warrants that the waivers and releases herein have been negotiated and agreed upon in light of that realization and that Developer nevertheless hereby intends to release, discharge and acquit Released Parties from any such unknown causes of action, claims, demands, debts, controversies, damages, costs, losses and expenses which might in any way be included as a material portion of the consideration given to WRSA by Developer in exchange for WRSA's performance hereunder.

Developer hereby agrees that, if at any time after the Close of Escrow any third party or any governmental agency seeks to hold Developer responsible for the presence of, or any loss, cost or damage associated with, Hazardous Materials in, on, above or beneath the Land or emanating therefrom, then Developer waives any rights it may have against WRSA in connection therewith, including, without limitation, under CERCLA (as defined in Section 1.1.19 and Developer agrees that it shall not (i) implead the WRSA, (ii) bring a contribution action or similar action against WRSA, or (iii) attempt in any way to hold WRSA responsible with respect to any such matter. The provisions of this Section 2.7.3 shall survive the Close of Escrow.

WRSA and Developer have each initialed this Section 2.7.3 to further indicate their awareness and acceptance of each and every provision hereof.

\_\_\_\_\_  
WRSA'S INITIALS

\_\_\_\_\_  
DEVELOPER'S INITIALS

2.7.4 Environmental Indemnity. From or after the Close of Escrow, Developer shall indemnify, protect, defend and hold harmless the WRSA, and the WRSA's officials, officers, attorneys, employees, consultants, agents and representatives, from and against any and all claims, liabilities, suits, losses, costs, expenses and damages, including but not limited to attorneys' fees and costs, arising directly or indirectly out of any claim for loss or damage to the Land or for the cost of remediating the Land and removing Hazardous Materials therefrom, by reason of Developer's release of Hazardous Materials on the Land, or by reason of any statutes, ordinances, orders, rules or regulations of any governmental entity or WRSA requiring the remediation of any Hazardous Materials that Developer releases on the Land.

2.8 Deposits into Escrow.

2.8.1 The WRSA hereby covenants and agrees to deliver to Escrow Holder prior to the Close of Escrow the following instruments and documents, the delivery of each of which shall be a condition of the Close of Escrow:

2.8.1.1 A Grant Deed duly executed and acknowledged by the WRSA, in the form attached hereto as Exhibit "D".

2.8.1.2 The affidavit as contemplated by California Revenue and Taxation Code § 18662 ("Withholding Affidavit");

2.8.1.3 A Certification of Non-Foreign Status in accordance with I.R.C. Section 1445 (the “FIRPTA Certificate”);

2.8.1.4 [An executed and acknowledged Counterpart of the Memorandum of Disposition and Development Agreement in the form attached hereto as Exhibit “E”]; and

2.8.1.5 Such proof of the WRSA’s authority and authorization to enter into this transaction as the Title Company may reasonably require in order to issue Developer’s policy of title insurance.

2.8.2 Developer shall deposit with Escrow Holder, prior to the Close of Escrow, an executed and acknowledged counterpart of a Memorandum of Disposition and Development Agreement in the form attached hereto as Exhibit “E” and funds sufficient to satisfy Developer’s monetary obligations at Closing in accordance with this Agreement.

2.9 Authorization to Record Documents and Disburse Funds. Escrow Holder is hereby authorized to record the documents and disburse the funds and documents called for hereunder upon the Close of Escrow, provided each of the following conditions has then been fulfilled:

(i) The Title Company can issue in favor of Developer an ALTA Extended Coverage Owner’s Policy of Title Insurance, with liability equal to the Purchase Price (or such lesser amount as shall have been requested by Developer), showing the Land vested in Developer subject only to the Permitted Title Exceptions.

(ii) The WRSA shall have deposited in Escrow the documents required pursuant to Section 2.10.1, and Developer shall have deposited in Escrow the Purchase Price and all Escrow closing costs.

(iii) The WRSA and Developer have confirmed to Escrow Holder that all of the other closing conditions set forth in Section 2.5 have been satisfied or expressly waived in writing by the Party(s) benefited thereby.

Unless otherwise instructed in writing, Escrow Holder is authorized to record at the Close of Escrow any instrument delivered through this Escrow if necessary or proper for issuance of Developer’s title insurance policy.

2.10 Escrow’s Closing Actions. On the Close of Escrow, Escrow Holder shall:

2.10.1.1 Record the Grant Deed and then the [Memorandum of Disposition and Development Agreement] with the Los Angeles County Recorder (which shall be deemed delivery of said instruments to Developer);

2.10.1.2 Issue the Title Policy (or cause the Title Company to issue the Title Policy);

2.10.1.3 Prorate taxes, assessments, rents, and other charges as of the Close of Escrow in accordance with the settlement statements approved by the Parties.

2.10.1.4 From funds deposited by Developer, pay prorated amounts and charges to be paid by or on behalf of Developer, and return any excess to Developer;

2.10.1.5 Prepare and deliver to both Developer and the WRSA one signed copy of Escrow Holder's closing statement showing all receipts and disbursements of the Escrow; and

2.10.1.6 Deliver the FIRPTA Certificate and the Withholding Affidavit to Developer.

2.11 Additional Instructions. If required by the Escrow Holder, the Parties shall execute appropriate escrow instructions, prepared by the Escrow Holder, which are not inconsistent herewith. If there is any inconsistency between the terms hereof and the terms of the escrow instructions, the terms hereof shall control unless an intent to amend the terms hereof is expressly stated in such instructions.

3. DEVELOPMENT COVENANTS.

3.1 Development of the Project. Except as set forth below, Developer shall develop the Improvements on the Land in accordance with the Scope of Development, the Schedule of Performance, all requirements of any and all applicable federal, state and local laws, rules and regulations (including any conditions of approval required by the WRSA), the Plans and Specifications, and all other terms, conditions and requirements of this Agreement. Developer shall comply with the Schedule of Performance in a timely manner, provided that the obligations of Developer set forth therein which are to be performed after the Close of Escrow shall be delayed by Force Majeure Delays, if applicable, and provided, further, that the Executive Director of the WRSA may extend any deadline therein in his or her sole and absolute discretion. Until a Certificate of Completion is issued, the Developer shall provide the WRSA with periodic progress reports, as reasonably requested by the WRSA, regarding the status of the construction of the Improvements.

If Close of Escrow occurs and thereafter Developer fails to cause the Project to qualify for a Certificate of Completion by the date which is 36 calendar months following the date of this Agreement, then Developer shall pay damages to the WRSA for such failure to open by such date in the sum of Two Hundred Dollars (\$200) per day thereafter (payable from time to time within ten (10) days after written demand from WRSA), until the Project qualifies for a certificate of occupancy, or a total of Fifty Thousand Dollars (\$50,000), which ever is the lesser amount, which shall constitute WRSA's liquidated damages for such failure to qualify for a certificate of occupancy by such date: *provided, however*, that if Developer relinquishes its right to develop the Project pursuant to this Agreement and reconveys title to the Land to the WRSA free of any liens or encumbrances created by the Developer, such penalty shall thereupon cease to apply from and after the date of such reconveyance. Such payments shall be due from time to time within ten (10) days after receipt of demand therefor from the WRSA given from time to time. Such covenant shall, however, be subject to extensions due to delays in construction caused by reason of any

Force Majeure Delay (as defined in Section 6.7). DEVELOPER AND WRSA AGREE THAT BASED UPON THE CIRCUMSTANCES NOW EXISTING, KNOWN AND UNKNOWN, IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO ESTABLISH WRSA'S DAMAGES BY REASON OF A DEFAULT BY DEVELOPER CONSISTING OF THE FAILURE TO CAUSE THE PROJECT TO QUALIFY FOR A CERTIFICATE OF OCCUPANCY ON OR BEFORE THE DATE WHICH IS 24 CALENDAR MONTHS FOLLOWING THE DATE OF THIS AGREEMENT. ACCORDINGLY, DEVELOPER AND WRSA AGREE THAT IN THE EVENT OF SUCH DEFAULT BY DEVELOPER, WRSA SHALL BE ENTITLED TO THE SUM OF \$200 PER DAY AFTER SUCH DATE UNTIL THE PROJECT QUALIFIES FOR A CERTIFICATE OF OCCUPANCY AS LIQUIDATED DAMAGES.

3.2 City's and WRSA's Right to Review Plans and Specifications. In connection with construction of the Project, Developer shall comply in all respects with Plans and Specifications approved by the City and the WRSA.

3.3 Construction Contracts. Developer shall retain one or more reputable and financially responsible general contractors (each, a "General Contractor") to undertake the construction of the Project. Each General Contractor shall be experienced in constructing the type of improvements constituting the Improvements. On or before the date set forth in the Schedule of Performance, Developer shall enter into a written contract (the "Construction Contract") with the General Contractor(s) for performing the work constituting the construction of all of the Project. Each such Construction Contract shall be a guaranteed maximum cost contract or stipulated sum ensuring construction of the improvements for a fixed or maximum price and shall obligate the General Contractor to commence and complete such construction in accordance with this Agreement and all applicable federal, state and local laws, rules and regulations. Each such Construction Contract shall provide for retention of at least ten percent from each progress payment (except there shall be no retention for any items excused from retention as specified in the Construction Contract) until the final payment, and said final payment shall not be paid to the General Contractor until the portion of the Project covered by such Construction Contract shall have been completed to Developer's satisfaction, and Developer shall have obtained all appropriate lien waivers from the General Contractor and its subcontractors, or bonds acceptable to Developer in form and amount, insuring against loss arising from any mechanics', laborers', materialmen's or other like liens filed against the Land.

3.4 Costs of Entitlement, Development and Construction. The Developer agrees that all costs, expenses and fees associated with the development and construction of the Project including the costs for developing and constructing the Improvements thereon (including, but not limited to, the land acquisition costs and governmental permits and approvals) shall be borne by Developer.

3.5 Rights of Access and Inspection. In addition to those rights of access to and across the Land to which the WRSA and the City may be entitled by law, members of the staffs of the WRSA and the City shall have a reasonable right of access to the Land, without charge or fee, at any reasonable time, upon reasonable notice to Developer (which may be telephonic notice to **Mr. Guilherme Nascimento or Mr. Dietrich Nascimento** or project manager or construction manager or contractor's superintendent ) to inspect the work being performed at the Land in

connection with the initial development of the Project but shall not be obligated to do so and WRSA shall not be liable for any failure to disclose any information discovered by WRSA (or that could or should have been discovered by any City inspection). The WRSA shall also have the right at all reasonable times to inspect and copy the books, records and all other documentation of the Developer pertaining to its obligations under this Agreement.

3.6 Local, State and Federal Laws. Developer shall carry out the construction of the Improvements on the Land in conformity with all applicable federal, state and local laws, including all applicable federal and state occupation, safety and health standards.

3.7 City and Other Governmental Agency Permits and Approvals. Before commencement of construction or development of any work of improvement on the Land, Developer shall (at Developer's expense) secure, or cause to be secured, any and all permits which may be required by the City or any other governmental agency having jurisdiction over such construction or development.

3.8 Anti-discrimination During Construction. Developer, for itself and its successors and assigns, agrees that it shall not discriminate against any employee or applicant for employment because of age, sex, marital status, race, handicap, color, religion, creed, ancestry, or national origin in the construction of the Improvements.

3.9 Taxes, Assessments, Encumbrances and Liens. Developer shall pay when due all real property taxes and assessments assessed or levied on portions of the Land from time to time owned by Developer, commencing immediately after closing of the land acquisition.

3.10 No Joint Venture or Agency Created. In performing this Agreement, Developer is an independent contractor and not the agent of the WRSA or the City. The WRSA and the City are not agents of Developer. Neither the WRSA or the City shall have any responsibility whatsoever for payment to any contractor or supplier of Developer or its contractors. Developer shall not have any responsibility whatsoever for payment to any contractor or supplier of the WRSA or the City.

3.11 Certificate of Completion. Upon Developer's completion of the construction of the Project, Developer will apply to the City for a Certificate of Completion. The City's issuance of the Certificate of Completion shall constitute the acknowledgement of the WRSA that Developer has complied in all respects with its development obligations (and only the development obligations) set forth in this Article 3. Promptly following the City's issuance of a certificate of occupancy for the entire project, and provided that Developer is then in full compliance with all of its obligations under Article 3 of this Agreement, the City shall execute, acknowledge and deliver the Certificate of Completion, which shall be recorded in the Official Records of Los Angeles County and shall include, in form reasonably acceptable to Developer, an express termination or reconveyance of the WRSA's power of termination and right to reversion under Section 6.2.2(ii) of this Agreement and the Grant Deed. If the WRSA believes that the Developer is not in compliance with its obligations under this Article 3, the WRSA shall promptly specify the nature of such non-compliance by written notice to Developer.

4. LIMITATIONS ON TRANSFERS AND SECURITY INTERESTS.

4.1 Restriction on Transfer of Developer's Rights and Obligations.

4.1.1 Except as provided herein, prior to issuance of a Certificate of Completion for the Project and the opening of the Project for business, Developer shall not sell, assign, transfer, mortgage, lease (except for space leases conditioned upon Project completion), hypothecate, or convey (collectively, a "Transfer") the Land or any part thereof or any of Developer's rights or obligations hereunder, without the WRSA's prior written consent, which consent may not be unreasonably withheld by WRSA except for the execution of one or more deeds of trust and related instruments securing Developer's construction loan, a conveyance of the Land resulting from the foreclosure thereof (or a deed-in-lieu of such a foreclosure). Developer acknowledges that the identity of Developer is of particular concern to the WRSA, and it is because of Developer's identity that the WRSA has entered into this Agreement with Developer. WRSA understands, acknowledges and agrees that Developer intends to form a new entity, Whittier Pointe, LLC, and reserves all rights to assign its rights, interests and obligation to Whittier Pointe, LLC. Developer and WRSA further understand, acknowledge and agree that Developer may obtain from the City a parcel map, which map may be applied for as a condominium map, and that upon approval of a condominium plan by City, Developer may sell the individual condominium units to individual investors. Prior to the sale of a condominium unit or interest, Developer shall notify WRSA in writing of its intent to sell, transfer, or assign its interest in the condominium unit, and obtain WRSA's consent which consent may not be unreasonably withheld. Except for any Transferee approved by the WRSA pursuant to this Section 4.1, and except for any Holder (defined in Section 4.2) that has taken possession of the Land, no voluntary or involuntary successor in interest of Developer shall acquire any rights or powers under this Agreement. No transfer or assignment of Developer's interest hereunder without the WRSA's prior written approval shall be deemed to release Developer from the obligations of Developer hereunder.

4.1.2 Subject to Section 4.2 below, after the issuance of a Certificate of Completion for the entire Project, and the opening of the Project for business, Developer shall have the right to Transfer the Land or any divisible portion of the Project to any party (a "Transferee") provided that:

4.1.2.1 the Transferee (and/or its management company or affiliates, if any) has the experience, quality, character, trade record, financial ability and reputation, as determined by WRSA in its reasonable judgment, to own the Project or any portion thereof and to cause it to be managed and operated (whether directly or through an Operating Agreement approved by the WRSA in accordance with this Agreement) in compliance with this Agreement; and

4.1.2.2 the Transferee assumes in writing all obligations of Developer set forth in this Agreement (except those pursuant to Articles 2 and 3, which shall be deemed satisfied upon the Close of Escrow and the issuance of the Certificate of Completion, respectively).

In the event that Developer desires to Transfer the Land pursuant to this Section 4.1.2, Developer will so notify the WRSA, and will provide the WRSA with all pertinent information regarding the

Transferee. The WRSA will approve or disapprove the Transferee, in its reasonable judgment which consent may not be unreasonably withhold, within thirty (30) days after receipt of written notice of Developer's intention to make the Transfer. Upon the completion of any Transfer to a Transferee approved by the WRSA as provided in this Section 4.1.2, the Transferee shall assume all of Developer's rights and obligations under this Agreement with respect to the interest conveyed, and Developer shall be released from all further liabilities and obligations under this Agreement with respect to the interest conveyed.

4.2  Holders of Deeds of Trust. Notwithstanding any provisions of Section 4.2 to the contrary, Developer shall have the right to hypothecate its interest in the Land and the Project pursuant to one or more deeds of trust from an institutional lender approved by the WRSA (which approval shall not unreasonably be withheld or delayed), for the purpose of securing loans of funds to be used for financing the direct and indirect costs of the Project (including land development costs, reasonable and customary developer fees, loan fees and costs, and other normal and customary project costs), or for refinancing the construction financing with permanent financing. Any institutional lender of record holding any such deed of trust, whose name and address shall have been provided by Developer to WRSA referred to herein as a "Holder."

4.3  Rights of Holders. The WRSA shall deliver a copy of any notice or demand to Developer concerning any breach or default by Developer under this Agreement to each Holder who has previously made a written request to the WRSA for special notice hereunder. Any notice of breach or default by Developer shall not be effective against any such Holder unless given to such Holder. Such Holder shall have the right at its option to cure or remedy any such default and to add the cost thereof to the secured debt and the lien of its security interest. If such breach or default can only be remedied or cured by such Holder upon obtaining possession, such Holder may remedy or cure such breach or default within a reasonable period of time after obtaining possession, provided such Holder seeks possession with diligence through a receiver or foreclosure. Such Holder shall not undertake or continue the construction or completion of the Improvements beyond the extent necessary to conserve or complete the Improvements. Any Holder completing the Improvements must assume all rights and obligations of Developer under this Agreement and shall then be entitled, upon written request made to the WRSA, to a Certificate of Completion from the City.

4.4  Noninterference with Holders. The provisions of this Agreement do not limit the right of Holders (a) to foreclose or otherwise enforce any mortgage, deed of trust, or other security instrument encumbering all or any portion of the Land, and the Improvements thereon, (b) to pursue any remedies for the enforcement of any pledge or lien encumbering such portions of the Land, or (c) to accept, or cause its nominee to accept, a deed or other conveyance in lieu of foreclosure or other realization. In the event of (i) a foreclosure sale under any such mortgage, deed of trust or other lien or encumbrance, (ii) a sale pursuant to any power of sale contained in any such mortgage or deed of trust, or (iii) a deed or other conveyance in lieu of any such sale, the purchaser or purchasers and their successors and assigns, and such portions of the Land shall be, and shall continue to be, subject to all of the conditions, restrictions and covenants of all documents and instruments recorded pursuant to this Agreement, including, without limitation, the restrictions set forth in the grant deed on such property from the WRSA to Developer. The WRSA agrees to execute such further documentation regarding the rights of any Holder as is customary with respect

to construction or permanent financing, as the case may be, to the extent that such documentation is reasonably requested by any Holder and is reasonably approved by the WRSA.

4.5 Right of WRSA to Cure. In the event of a default or breach by the Developer of a loan by a Holder prior to the completion of the Improvements, the WRSA may, upon prior written notice to the Developer, cure the default, prior to the completion of any foreclosure. In such event the WRSA shall be entitled to reimbursement from the Developer of all costs and expenses incurred by the WRSA in curing the default. The WRSA shall also be entitled to a lien upon the Land or any portion thereof to the extent of such costs and disbursements. The WRSA agrees that such lien shall be subordinate to any lien in favor of a Holder, and the WRSA shall execute from time to time any and all documentation reasonably requested by the Developer to effect such subordination.

4.6 Right of WRSA to Satisfy Other Liens. After the Close of Escrow and after the Developer has had a reasonable time to challenge, cure, or satisfy any liens or encumbrances on the Land or any portion thereof, and has failed to do so, in whole or in part, the WRSA shall, upon prior written notice to the Developer, have the right to satisfy any such lien or encumbrances; however, nothing in this Agreement shall require the Developer to pay or make provision for the payment of any tax, assessment, lien or charge so long as the Developer in good faith shall contest the validity or amount therein and so long as such delay in payment shall not subject the Land or any portion thereof to forfeiture or sale.

5. USE AND OPERATION OF THE PROPERTY.

5.1 Maintenance by Developer. For a period of Five years after issuance of the Certificate of Completion, Developer and its successors in interest with respect to the Project shall maintain the Project (including landscaping) in a manner substantially comparable to the level of maintenance provided to other developments of similar age and quality to the Project located in Los Angeles County. The Developer shall maintain the Development in good repair and working order, and in a neat, clean and orderly condition, including the walkways, driveways, and landscaping, and from time to time make all necessary and proper repairs, renewals, and replacements. In the event that there arises at any time prior to the expiration of such period a condition in contravention of the above maintenance standard, then the WRSA shall notify the Developer in writing of such condition, giving the Developer thirty (30) days from receipt of such notice to cure said condition. In the event the Developer fails to cure or commence to cure the condition within the time allowed, the WRSA shall have the right to perform all acts necessary to cure such a condition, or to take other recourse at law or in equity the WRSA may then have and to receive from the Developer the WRSA's actual and reasonable costs in taking such action. The parties hereto further mutually understand and agree that the rights conferred upon the WRSA expressly include the right to enforce or establish a lien or other encumbrance against the Land, but such lien shall be subject to previously recorded liens and encumbrances. The foregoing provisions shall be a covenant running with the land and will be enforceable by the WRSA, its successors and assigns.



6. EVENTS OF DEFAULT, REMEDIES AND TERMINATION.

6.1 Defaults - Definition. Subject to the provisions of Section 6.7 hereof, the occurrence of any or all of the following shall constitute a default (“Default”) under this Agreement:

6.1.1 Developer’s failure to perform its obligations on a timely basis as contained in the Schedule of Performance, or any breach of this Agreement by any Party involving the payment of money, and the continuance of such breach for a period of ten (10) days after the non-defaulting Party has given written notice to the defaulting Party, as specified in Section 8.1;

6.1.2 Except as otherwise provided in Section 6.1.1 hereof, a breach of any material term of this Agreement by any Party not involving the payment of money and failure of such Party to cure such breach within thirty (30) days after the non-defaulting Party has given written notice to the defaulting Party; provided, however, if such breach is not reasonably curable within such thirty (30) day period, then such Party shall be deemed in Default only if such Party does not commence to cure such breach within such thirty (30) day period and thereafter fails to diligently prosecute such breach to completion;

6.1.3 Developer’s Transfer (as defined in Section 4.2), or the occurrence of any involuntary Transfer, of the Land or any part thereof or interest therein, or any rights or obligations of Developer under this Agreement, in violation of this Agreement;

6.1.4 Developer’s failure or refusal to keep in force and effect any material permit or approval with respect to construction of the Project, and Developer’s failure to cure such breach within thirty (30) calendar days after notice from the WRSA of Developer’s breach; provided, however, if such breach is not reasonably curable within such thirty (30) day period, then Developer shall be deemed in Default only if Developer does not commence to cure such breach within such thirty (30) day period and thereafter fails to diligently prosecute such breach to completion; or

6.1.5 Filing of a petition in bankruptcy by or against any Party or appointment of a receiver or trustee of any property of any Party, or an assignment by any Party for the benefit of creditors, or adjudication that such Party is insolvent by a court, and the failure of such Party to cause such petition, appointment, or assignment to be removed or discharged within 90 days.

6.1.6 The failure to comply with any of the requirements of Section 7 below.

6.1.7 The failure to maintain, or the cancellation of, any of the bonds described in Section 2.5.14.

6.2 Remedies.

6.2.1 Remedies Prior to the Close of Escrow. In the event of a Default by any Party prior to the Close of Escrow, the non-defaulting Party shall have the right to terminate this Agreement (provided it is not in Default of its obligation under this Agreement), by delivering

written notice thereof to the defaulting Party and to Escrow Holder, subject to the rights of the defaulting Party to cure such Default as provided in Section 6.1. Subject to Section 2.2, such Party may seek against the defaulting Party any available remedies at law or equity, including but not limited to, the right to receive damages (excluding damages for lost profits) or to pursue an action for specific performance.

6.2.2 Remedies for Default After the Close of Escrow. In the event of a Default by any Party after the Close of Escrow, a non-defaulting party shall be entitled to the following remedies, as applicable:

(i) A defaulting Party shall be liable to the non-defaulting Party for all damages, costs and losses incurred by the non-defaulting Party, and the non-defaulting Party may seek against the defaulting Party any available remedies at law or equity, including but not limited to the right to receive damages or to pursue an action for specific performance; and

(ii) With respect to a default that consists of the failure of Developer to timely open the Project for business, the WRSA shall be entitled to the liquidated damages described in Section 3.1; and

(iii) Prior to the issuance of the Certification of Completion, the WRSA shall have the power of termination (i.e., so-called “right of reversion”) provided for below in this Section 6.2.2 in the event that that Developer fails to complete the Improvements in the time period required by Article 3. In such event, but subject to any agreement between the WRSA and Developer’s construction lender(s) in accordance with the provisions of Section 2.5.15 above, the WRSA may terminate this Agreement and reenter and take possession of the Land, with all Improvements thereon, and revert in the WRSA title to the Land theretofore conveyed to the Developer (or its successors in interest), take any and all actions necessary to commence and complete the enforcement of its reversionary interest, and in such event the Developer agrees to promptly take all actions and to execute all documents (including a grant deed) necessary to revert title to the Land to the WRSA (subject to any agreement between the WRSA and Developer’s construction lender in accordance with the provisions of Section 2.5.15 above).

(iv) Upon re-vesting in the WRSA of title to the Land or any portion thereof as provided in this Section, the WRSA shall use good faith efforts to resell the Land or applicable portion thereof to a qualified and responsible party or parties (as determined by the WRSA) [who will assume the obligation of making or completing the Development in accordance with the uses specified for such property herein and in a manner satisfactory to the WRSA]. Upon such resale of the Land or any portion thereof, the proceeds thereof payable to the WRSA shall be applied as follows:

1. First to reimburse the WRSA on its own behalf for all costs and expenses incurred by the WRSA, including but not limited to salaries of personnel and legal fees incurred in connection with the recapture, management, and resale of the Land or any portion thereof and (but less any income derived by the WRSA from any part of the Land in connection with such

management); all taxes, installments of assessments payable prior to resale, and applicable water and sewer charges with respect to the Land or any portion thereof (or, in the event the Land or any portion thereof is exempt from taxation or assessment or such charges during the period of ownership by the WRSA, an amount equal to the taxes, assessments, or charges that would have been payable if the Land or any portion thereof was not so exempt); any payments made or necessarily to be made to discharge any encumbrances or liens existing on the Land or any portion thereof at the time of re-vesting of title in the WRSA or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults, or acts of the Developer, its successors or transferees; and expenditures made or obligations incurred with respect to the making or completion of the Development or any part thereof on the Land; and, any amounts otherwise owing the WRSA by the Developer and its successors or transferee.

2. Second, to reimburse the WRSA for damages to which it is entitled under this Agreement by reason of the Developer's default.

3. Third, to reimburse the Developer, its successor or transferee, up to the amount equal to:

- (a) The lesser of the reasonable cost or fair market value of the improvements the Developer has placed on the Land or applicable portion thereof at the Developer's cost; less
- (b) the sum of (i) any gains or income withdrawn or made by the Developer from the Land or applicable portion thereof, or the improvements thereon; plus (ii) the amount of any liens on the Land.

4. Fourth, any balance remaining after such reimbursements shall be retained by the WRSA as its property.

The rights established in this Section are to be interpreted in light of the fact that the WRSA will convey the Land to the Developer for development and not for speculation.

6.3 No Speculation. The rights established in this Article are to be interpreted in light of the fact that the WRSA will convey the Land to Developer for development and operation of the Project thereon and not for speculation in undeveloped land or for construction of different improvements.

6.4 No Personal Liability. No representative, agent, attorney, consultant, or employee of the WRSA shall personally be liable to the Developer or any successor in interest of Developer, in the event of any Default or breach by the WRSA, or for any amount which may

become due to Developer or any successor in interest, on any obligation under the terms of this Agreement.

6.5 Rights and Remedies are Cumulative. The rights and remedies of the parties are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by the non-defaulting Party; provided, however, that liquidated damages specified herein shall constitute the sole damages recoverable for the default giving rise to such liquidated damages.

6.6 Inaction Not a Waiver of Default. Any failures or delays by either Party in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies or deprive either such Party of its rights to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies. The acceptance by a Party of less than the full amount due from the other party shall not constitute a waiver of such Party's right to demand and receive the full amount due, unless such Party executes a specific accord and satisfaction.

6.7 Force Majeure. Following the Close of Escrow, and notwithstanding anything to the contrary in this Agreement, nonperformance shall be excused when performance is prevented or delayed by reason of any of the following forces reasonably beyond the control of such party (a "Force Majeure Delay"): (i) failure to perform by Developer affecting all similar works of construction in the Los Angeles County, California, area, attributable to any strike, lockout or other labor or industrial disturbance (whether or not on the part of the employees of either party hereto), civil disturbance, pandemic, future order claiming jurisdiction, act of the public enemy, war, riot, sabotage, blockade, embargo, inability to secure customary materials, supplies or labor through ordinary sources by reason of regulation or order of any government or regulatory body; and (ii) delay attributable to severe weather, lightning, earthquake, fire, storm, hurricane, tornado, flood, washout, explosion, or any other similar industry-wide cause beyond the reasonable control of the party from whom performance is required, or any of its contractors or other representatives. Any prevention, delay or stoppage due to any Force Majeure Delay shall excuse the performance of the party affected for a period of time equal to any such prevention, delay or stoppage (except the obligations of either party to pay money to the other party or to close escrow) provided that the Party claiming the Force Majeure Delay notifies the other Party of the Force Majeure Delay within a reasonable time (not to exceed ten business days) after the commencement of the Force Majeure Delay.

6.8 Plans and Data. If this Agreement is terminated for any reason, then Developer shall deliver to the WRSA, without cost or expense to the WRSA, copies of any and all maps, architecture, engineering, subdivision approvals, permits, entitlements, rights, contracts, plans, drawings, studies, designs, reports, surveys, and data pertaining to the Project and its development (collectively, "Site Designs") which are in the possession of Developer.

7. INSURANCE; INDEMNITY.

7.1 Insurance.

7.1.1 From and after the Close of Escrow and for so long as title to the Land has not reverted to by the WRSA, Developer shall obtain and maintain at no cost or expense to the WRSA, with a reputable and financially responsible insurance company reasonably acceptable to the WRSA, (i) after the opening of the Project for business, commercially reasonable casualty insurance for the Improvements in an amount not less than the replacement cost of the Improvements (subject to commercially reasonable deductibles) with a reasonable inflation rider; (ii) commercial broad form general liability insurance, insuring against claims and liability for bodily injury, death, or property damage arising from the construction, use, occupancy, condition, or operation of the Land, which liability insurance shall provide combined single limit protection of at least \$5,000,000 and shall include a reasonable inflation rider, contractual liability coverage and products and completed operations coverage, and (iii) commercial automobile liability insurance of at least \$1,000,000 combined single limit. Such liability insurance policies shall name the WRSA and the City and their council members, board members, officers, agents and employees as additional insureds.

7.1.2 Before commencement of any demolition or construction work by Developer on any portion of the Land owned by Developer, Developer shall obtain and maintain in force until completion of such work (i) “all risk” builder’s risk insurance, including coverage for vandalism and malicious mischief, in a form and amount and with a company reasonably acceptable to the WRSA, and (ii) workers’ compensation insurance covering all persons employed by Developer in connection with work on the Project, or any portion thereof. During the construction of Improvements on any portion of the Land by Developer, such builder’s risk insurance shall cover improvements in place and all material and equipment at the job site furnished under contract, but shall exclude contractors’, subcontractors’, and construction managers’ tools and equipment and property owned by contractors’ and subcontractors’ employees.

7.1.3 Each architect and each engineer engaged by Developer shall provide professional liability insurance with a limit of liability of at least One Million Dollars (\$1,000,000.00).

7.1.4 Developer shall also furnish or cause to be furnished to the WRSA evidence satisfactory to the WRSA that any contractor with whom it has contracted for the performance of work on the Land or otherwise pursuant to this Agreement carries workers’ compensation insurance as required by law.

7.1.5 With respect to each policy of insurance required above, Developer and each of Developer’s general contractors, engineers and architects shall furnish to the WRSA a certificate on the insurance carrier’s form setting forth the general provisions of the insurance coverage promptly after written request by WRSA showing the additional insureds. The certificate shall also be furnished by Developer prior to commencement of construction of any Improvements.

7.1.6 All such policies required by this Section shall contain (i) language to the effect that the policies cannot be cancelled or materially changed except after thirty (30) days’ written notice by the insurer to the WRSA, and (ii) a waiver of the insurer of all rights of subrogation against the WRSA and the other additional insureds. All such insurance shall have deductibility limits which shall be commercially reasonable.

7.2 Indemnity. From and after the execution of this Agreement, Developer hereby agrees to indemnify, defend, protect, and hold harmless the WRSA and the City (as a third party beneficiary) and any and all agents, employees, representatives, council members, board members, consultants, and offices of the WRSA and the City, from and against all losses, liabilities, claims, damages (including foreseeable or unforeseeable consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorneys' fees) and demands of any nature whatsoever, related directly or indirectly to, or arising out of or in connection with:

- (i) the validity of this Agreement;
- (ii) the development and construction by Developer of the Improvements on the Land or the use, ownership, management, occupancy, or possession of the Land during Developer's period of ownership of the Land,
- (iii) any breach or Default by Developer hereunder (subject to any liquidated damages provisions otherwise contained in this Agreement), or
- (iv) any of Developer's activities on the Land (or the activities of Developer's agents, employees, lessees, representatives, licensees, guests, invitees, contractors, subcontractors, or independent contractors on the Land), regardless of whether such losses and liabilities shall accrue or are discovered before or after termination or expiration of this Agreement, except to the extent such losses or liabilities are caused by the gross negligence or willful misconduct of the WRSA or the City. It shall be the sole responsibility of Developer to determine whether to pay prevailing wages for any or all work required by this Agreement. As a material part of this Agreement, Developer agrees to assume all risk of liability arising from any decision not to pay prevailing wages for work required by this Agreement.

The WRSA and the City may in their discretion, and at their own cost, participate in the defense of any legal action naming the WRSA or the City. The provisions of this Section 7.2 shall survive the Close of Escrow or the termination of this Agreement.

8. REPRESENTATIONS AND WARRANTIES.

8.1 Developer Representations. Developer represents and warrants to the WRSA as of the date of this Agreement and as of the Close of Escrow that:

- (i) Developer is a California limited liability company validly existing and in good standing under the laws of the State of California.
- (ii) Developer has duly authorized the execution and performance of this Agreement and the execution and performance of all of the closing documents set forth herein.

(iii) Developer's execution and performance of this Agreement and the closing documents will not violate any provision of the Developer's operating agreement or any deed of trust, lease, contract, agreement, instrument, order, judgment or decree by which Developer is bound.

(iv) The Developer has not engaged a broker with respect to the purchase of the Land contemplated herein.

8.2 WRSA Representation. The WRSA hereby represents and warrants to the Developer that the WRSA has not engaged a broker with respect to the purchase of the Land as contemplated herein.

9. TERM. The Term of this Agreement shall be for period of eight (8) years from the Effective Date. Upon expiration of the Term or upon prior termination as set for in this Agreement, WRSA shall record a Notice of Termination in the Office of the Los Angeles County Recorder.

10. GENERAL PROVISIONS.

10.1 Notices. All notices and demands shall be given in writing by certified mail, postage prepaid, and return receipt requested, or by personal delivery. Notices shall be considered given upon the earlier of (a) one business day following deposit or delivery with a nationally recognized overnight courier delivery charges prepaid, or (b) three (3) business days following after deposit or delivery shown on the return receipt in the United States mail, postage prepaid, certified or registered, return receipt requested. Notices shall be addressed as provided below for the respective Party; provided that if any Party gives notice in writing of a change of name or address, notices to such Party shall thereafter be given as demanded in that notice:

City: Brian Saeki, Whittier City Manager, Executive Director of Whittier  
Redevelopment Successor Agency

With a copy to: Rigoberto Garcia, Jr., Whittier City Clerk-Treasurer, WRSA Secretary

Developer: SYCAMORE GROUP, LLC,  
A California limited liability company  
Guilherme Nascimento, Manager

10.2 Construction. The Parties agree that each Party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in the interpretation of this Agreement or any amendments or exhibits thereto. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the Parties.

10.3 Interpretation. In this Agreement the neuter gender includes the feminine and masculine, and singular number includes the plural, and the words “person” and “party” include corporation, partnership, firm, trust, or association wherever the context so requires. Unless otherwise required by a specific provision of this Agreement, time hereunder is to be computed by excluding the first day and including the last day. If the date for performance falls on a Saturday, Sunday, or legal holiday, the date for performance shall be extended to the next business day. All references in this Agreement to a number of days in which either party shall have to consent approve or perform shall mean calendar days unless specifically stated to be business days.

10.4 Time of the Essence. Time is of the essence of this Agreement.

10.5 Warranty Against Payment of Consideration for Agreement. Developer warrants that it has not paid or given, and will not pay or give, to any third person, any money or other consideration for obtaining this Agreement, other than normal costs of conducting business and costs of professional services such as architects, engineers and attorneys.

10.6 Attorneys’ Fees. If any Party brings an action to enforce the terms hereof or declare its rights hereunder, the prevailing Party in any such action shall be entitled to its reasonable attorneys’ fees to be paid by the losing Party as fixed by the court. If either the WRSA or the City is made a Party to any litigation instituted by or against Developer or to any litigation attacking the validity of this Agreement, then Developer shall indemnify and defend the WRSA and the City against, and save them harmless from, all costs, expenses (including reasonable attorneys’ fees), claims, liabilities, damages and losses incurred by the WRSA and/or the City in connection with such litigation provided, however, that in no event shall the Developer be obligated to pay any damages awarded to any person or entity that result from the gross negligence or willful misconduct of the WRSA or the City.

10.7 Entire Agreement Waivers and Amendments. This Agreement, together with all attachments and exhibits hereto, and all agreements executed pursuant hereto, constitutes the entire understanding and agreement of the Parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the Parties with respect to the subject matter hereof. No subsequent agreement, representation or promise made by either Party hereto, or by or to any employee, officer, agent or representative of either Party, shall be of any effect unless it is in writing and executed by the Party to be bound thereby. No person is authorized to make, and by execution hereof Developer and the WRSA acknowledge that no person has made, any representation, warranty, guaranty or promise except as expressly set forth herein; and no agreement, statement, representation or promise made by any such person which is not contained herein shall be valid or binding on Developer or the WRSA.

10.8 Severability. Each and every provision of this Agreement is, and shall be construed to be, a separate and independent covenant and agreement. If any term or provision of this Agreement or the application thereof shall to any extent be held to be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected hereby, and each term



and provision of this Agreement shall be valid and shall be enforced to the extent permitted by law.

10.9 Headings. All section headings and subheadings are inserted for convenience only and shall have no effect on the construction or interpretation of this Agreement.

10.10 No Third Party Beneficiaries other than the City. The City is a third party beneficiary of this Agreement. This Agreement is made and entered into for the sole protection and benefit of the Parties, the City, WRSA and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

10.11 Governing Law; Jurisdiction; Service of Process. This Agreement and the rights of the Parties shall be governed by California law. The Parties consent to the exclusive jurisdiction of the California Superior Court for the County of Los Angeles. If any legal action is commenced by Developer against the WRSA, or by WRSA against Developer, service of process on the WRSA shall be made by personal service upon the Executive Director or secretary of the WRSA, or in such other manner as may be provided by law. If any legal action is commenced by City or WRSA against Developer, service of process on Developer shall be made by personal service on 10 Sycamore Canyon Dr., Dove Canyon, CA 92679, or in such other manner as may be provided by law. Developer agrees, for the benefit of the WRSA, that it shall designate an agent for service of process in the State of California in the manner prescribed by law.

10.12 Assignability. Except as otherwise expressly provided in Section 4.2, Developer may not assign, transfer or convey its rights and obligations under this Agreement without the prior written consent of the WRSA, which WRSA may withhold in its sole and absolute discretion.

10.13 Survival. The provisions hereof shall not merge into, but rather shall survive, any conveyance hereunder (including, without limitation, the delivery and recordation of the Grant Deed) and the delivery of all consideration.

10.14 Estoppel Certificates. Upon written request of Developer, WRSA shall within thirty (30) days of the date of such request, execute and deliver to Developer, a written statement: certifying, to the best of such WRSA's knowledge, that (a) this Agreement in full force and effect, if such is the case, and has not been modified or amended, except as shall be stated; and (b) that no default by Developer exists under this Agreement.

10.15 WRSA Actions. In addition to any provisions of this Agreement that gives the Executive Director the authority to make decisions and grant approvals, the WRSA hereby authorizes the WRSA's Executive Director to deliver such approvals, consents as are contemplated by this Agreement, waive requirements under this Agreement, and modify this Agreement, on behalf of the WRSA provided that the applicable approval, consent, waiver or modification is minor (*i.e.*, does not change the fundamental business transaction between the Developer and the WRSA, as determined by the Executive Director in his reasonable discretion).

10.16 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed as original but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement as of the day and year first above written.

**DEVELOPER:**  
SYCAMORE GROUP, LLC,  
a California limited liability company

By: \_\_\_\_\_  
Guilherme Nascimento  
Manager

APPROVED AS TO FORM:

**“WRSA”:**

WHITTIER REDEVELOPMENT  
SUCCESSOR AGENCY

By: \_\_\_\_\_  
Brian Saeki  
Executive Director

ATTEST:

\_\_\_\_\_  
Rigoberto Garcia, Jr.,  
WRSA Secretary

By: \_\_\_\_\_  
Richard D. Jones, City Attorney

**EXHIBIT "A"**

**LEGAL DESCRIPTION OF LAND**

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

PARCEL 1:

LOTS 1 AND 2 OF TRACT NO. 13486, IN THE CITY OF WHITTIER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 312 PAGES 16, 17 AND 18 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE NORTHERLY 200 FEET THEREOF.

ALSO EXCEPT THEREFROM ALL DEPOSITS OF MINERALS, INCLUDING OIL AND GAS, IN SAID LAND, TOGETHER WITH THE RIGHT TO PROSPECT FOR, EXTRACT AND REMOVE SUCH DEPOSITS OF MINERALS, INCLUDING OIL AND GAS, THEREFROM AS RESERVED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED MAY 13, 1947 IN BOOK 24570 PAGE 269, OFFICIAL RECORDS.

IN DEED FROM THE STATE OF CALIFORNIA, CONVEYING SAID LAND, IN WHICH DEED THE MINERALS IN SAID LAND ARE RESERVED THE STATE'S INTENTION WITH RESPECT TO THE REMOVAL OF SAID MINERALS IS DECLARED TO BE TO CONDUCT SURFACE OPERATIONS FOR SUCH REMOVAL FROM ADJOINING LANDS THEN OWNED BY THE STATE OR, IN THE EVENT THAT NO ADJOINING LANDS ARE SO OWNED, SUCH SURFACE OPERATIONS SHALL BE LIMITED TO THE FOLLOWING DESCRIBED PARCELS OF LAND:

"A": BEGINNING AT A POINT IN THE NORTHEASTERLY LINE OF THE PROPERTY DESCRIBED IN BOOK 24570 PAGE 268, OFFICIAL RECORDS, DISTANT NORTHWESTERLY THEREON 753 FEET FROM THE MOST SOUTHERLY EXTREMITY OF SAID LINE; THENCE CONTINUING NORTHWESTERLY ALONG SAID LINE 100 FEET; THENCE SOUTHWESTERLY AT RIGHT ANGLES TO SAID LINE 460 FEET; THENCE SOUTHEASTERLY PARALLEL TO SAID LINE 100 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES TO SAID LINE 460 FEET TO THE POINT OF BEGINNING.

"B": BEGINNING AT A POINT IN THE NORTHEASTERLY LINE OF THE PROPERTY DESCRIBED IN BOOK 24570 PAGE 268, OFFICIAL RECORDS, DISTANT NORTHWESTERLY THEREON 1845 FEET FROM THE MOST

SOUTHERLY EXTREMITY OF SAID LINE; THENCE CONTINUING NORTHWESTERLY ALONG SAID LINE 70 FEET; THENCE SOUTHWESTERLY AT RIGHT ANGLES TO SAID LINE 625 FEET; THENCE SOUTHEASTERLY PARALLEL TO SAID LINE 70 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES TO SAID LINE 625 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

THAT PORTION OF WHITTIER BOULEVARD DEDICATED ON TRACT MAP 13486, IN THE CITY OF WHETHER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 312 PAGES 16, 17 AND 18 OF MAPS THAT WOULD PASS WITH A CONVEYANCE OF PARCEL 1 ABOVE.

APN: 8170-029-900

LEGAL DESCRIPTION (12549 Washington Blvd. / APN: 8170-029-902)

**EXHIBIT “B”**

**SCHEDULE OF PERFORMANCE**

This Schedule of Performance requires the submission of plans or other documents at specific times. Some of the submissions are not described in the text of the Agreement. Such plans or other documents, as submitted, must be complete and adequate for review by the WRSA, City or other applicable governmental entity when submitted. Prior to the time set forth for each particular submission, the Developer shall consult with WRSA and City staff informally as necessary concerning such submission in order to assure that such submission will be complete and in a proper form within the time for submission set forth herein.

<u>Action</u>	<u>Date / Deadline</u>
<b>Items 1 – 3 Relate to Developer Actions and Requirements Prior to the Close of Escrow</b>	
1. <u>Opening of Escrow</u> . The Parties shall open escrow with the Escrow Holder.	Within five (5) business days after the execution and delivery of the DDA.
2. <u>Developer Deposit</u> . The Developer shall deposit the Developer Deposit with Escrow Holder.	Within ten (10) business days after the City’s and WRSA execution and delivery of the DDA.
3. <u>Preliminary Project Budget</u> . The Developer shall submit a preliminary Project Budget for the Improvements.  <u>Preliminary Plans</u> . Developer shall submit preliminary Plans and Specifications to the City and WRSA.  <u>Design Development Plans</u> . Developer shall submit interim “design development” Plans and Specifications to the City and WRSA.  <u>Final Plans and Specifications</u> . The Developer shall submit the Final Plans and Specifications for City and WRSA approval.	Complete per City of Whittier’s Development Review Number DRP21-0017 and Conditional Use Permit Number CUP21-001.

<u>Action</u>	<u>Date / Deadline</u>
4. <u>Project Budget</u> . The Developer has submitted the Project Budget to WRSA and shall submit reasonable evidence that the funds described in the Project Budget Plan.	Indication of Loan letter submitted for \$6.4MM and evidence of Developers capacity to make \$3.6MM equity available.
5. <u>Insurance on the Land</u> . The Developer shall submit evidence of insurance to the WRSA.	Prior to close of escrow.
<b>Items 6 Relate to the Conveyance of the Land</b>	
6. <u>Close of Escrow</u> . The Developer shall purchase the Land from the WRSA.	No later than December 12, 2022
<b>Items 7 – 16 Relate to the Developer Actions and Requirements After the Close of Escrow</b>	
7. <u>Building Permits</u> . The Developer shall obtain and the City shall issue the Building Permit for the construction of the Improvements.	No later than 18 months after closing.
8. <u>Performance and Payment Bonds</u> . The Developer shall deliver to the WRSA copies of the required performance and payment bonds.	Within 10 days following City issuance of a Building Permit.
9. <u>Insurance, Builders Risk and Construction</u> . The Developer shall submit evidence of insurance to the WRSA.	Within 10 days following the City's issuance of a Building Permit.
10. <u>Final Project Budget and funding of construction loan, equity set aside</u> . The Developer shall submit the Project Budget to WRSA together with reasonable evidence that the funds described in the Project Budget Plan will be available at the Closing and Closing of Construction Loan.	Within 60 days following the City's issuance of a Building Permit.

<u>Action</u>	<u>Date / Deadline</u>
11. <u>Construction Contract</u> . The Developer shall submit for WRSA approval the construction contract for the construction of the Improvements to the WRSA for approval.	Prior to obtaining a Building Permit, and provide City 60 days for review.
12. <u>Commencement of Construction</u> . Developer shall substantially commence the Improvements.	No later than 60 days after City issuance of a Building Permit.
13. <u>Completion of Grading</u> . Developer shall substantially complete the grading for the Project.	To be determined by construction schedule prepared by Contractor.
14. <u>Commencement of Vertical Construction</u> . Developer shall commence vertical construction.	To be determined by construction schedule prepared by Contractor.
15. <u>Qualification for Certificate of Completion</u> . The Project shall qualify for a Certificate of Occupancy.	No later than 36 months after close of escrow.
16. <u>Opening of the Project</u>	Upon issuance of the certificate of occupancy.



## EXHIBIT “C”

### SCOPE OF DEVELOPMENT

The planned Project consists of a new 10,968 square foot, 3-story, mixed-use commercial building, on a 1.08-acre site, located at Whittier’s Five-Points intersection, and addressed as 12540 Whittier Boulevard and 12549 Washington Boulevard. The Project is located west of Whittier Boulevard and north of Washington Boulevard.

The Project shall be built pursuant to the entitlements approved by the Whittier Design Review Board (D.R.B.) and Planning Commission. On August 12, 2021, Whittier’s D.R.B. adopted D.R.B. Resolution No. 2021-04, approving the architectural design of the Project under Development Review No. DRP21-0017; and on September 6, 2022 the Planning Commission adopted Resolution No. P.C. 2022-14 approving a Mitigated Negative Declaration (M.N.D.) with a Mitigation Monitoring and Reporting Program (MMRP) prepared for the Project and Resolution No. P.C. 2022-15 to approve Development Review No. DRP21-0017 and Conditional Use Permit No. CUP21-0001 with conditions of approval.

Project components include 1,856 square foot retail drive-thru coffee shop on the first floor with a 752 square foot lobby area (planned to be leased to Starbucks), and up to 6,378 square feet of medical-dental office uses on the second and third floors of the building.

Access to the Project will be provided from both Whittier and Washington Boulevards. Each driveway is planned to be 26 feet wide..

Signage: Signage consistent with the City’s conditional approval of the Project’s Master Sign Program. Any major modifications or alterations to the sign program will require approval of the Director of Community Development.

The Project will comply with all adopted conditions of approval and the measures set forth in the Mitigation Monitoring and Reporting Program.

**EXHIBIT “D”**

**FORM OF GRANT DEED**

Recording Requested by and when recorded return to  
and mail tax statements to:

Assessor’s Parcel Map No.:

Exempt from Recording Fees Pursuant to  
Government Code Section 27383

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**GRANT DEED**

The undersigned grantor(s) declare(s):

Documentary transfer tax is \$ \_\_\_\_\_ based on the full value of the property conveyed.

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,  
\_\_\_\_\_ (“Grantor”) hereby GRANTS to \_\_\_\_\_,  
a \_\_\_\_\_ (“Grantee”) the following described real property (the “Land”) located in the  
City of Whittier, County of Los Angeles, State of California:

SUBJECT TO, all easements, covenants, conditions, restrictions, and rights of way of record.

1. This grant of the Land is subject to a Disposition and Development Agreement entered into by and between Grantor and Grantee dated as of \_\_\_\_\_, 2022, (the “Agreement”) the terms of which are incorporated herein by reference. A copy of the Agreement is available for public inspection at the offices of the Grantor at 13230 Penn St., Whittier, CA 90602.

2. The Grantee covenants by and for itself, its representatives, its successors and assigns and every successor in interest to the Land or any part thereof, that during construction of improvements and thereafter the Grantee shall not use or permit the use of the Land in violation of the Redevelopment Plan and City, State and Federal regulations.

3. . The Grantee further covenants and agrees that for a period of 8 years after the date of recordation of this Deed, the Grantee shall maintain the Project (including landscaping) in good condition and repair and in the manner substantially comparable to the highest level of maintenance provided to other projects of similar age and quality as the Project located in Los

Angeles County. [Developer shall also maintain the insurance described in Article 7 of the Agreement.

4. All covenants contained in this Grant Deed shall run with the land and shall be binding for the benefit of Grantor and its successors and assigns and such covenants shall run in favor of the Grantor and for the entire period during which the covenants shall be in force and effect, without regard to whether the Grantor is or remains an owner of any land adjacent to the Land or interest in such adjacent land or any other land. The Grantor, in the event of any breach of any such covenants, shall have the right to exercise all of the rights and remedies available under the Agreement or at law or in equity. The covenants contained in this Grant Deed shall be for the benefit of and shall be enforceable only by the Grantor and its successors and assigns.

5. As provided in, and subject to the provisions contained in, Section 6.2 of the Agreement, the Grantor shall have the right, at its option, to reenter and take possession of the Land hereby conveyed, with all improvements thereon and to terminate and revert in Grantor the Land hereby conveyed to the Grantee (or its successors in interest).

6. The Grantee covenants, for itself and its successors and assigns, that there shall be no sale, transfer, assignment, conveyance, lease, pledge or encumbrance of the DDA, or the Land and the Improvements thereon or any part thereof, or of other ownership interest in the Grantee in violation of the DDA, which contains restrictions on the assignment of the DDA and the transfer of the Land.

IN WITNESS WHEREOF, the undersigned has executed this Grant Deed as of the date set forth below.

Dated: \_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

APPROVED AS TO FORM:

By: \_\_\_\_\_

Richard D. Jones, City Attorney

**EXHIBIT "E"**

**FORM OF DDA MEMORANDUM**

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

No fee for recording pursuant  
to Government Code Section 27383

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**MEMORANDUM OF DISPOSITION AND DEVELOPMENT AGREEMENT**

THIS MEMORANDUM OF DISPOSITION AND DEVELOPMENT AGREEMENT (the "Memorandum of DDA") is made as of \_\_\_\_\_, 202\_\_, by and between the WHITTIER REDEVELOPMENT SUCCESSOR AGENCY (the "WRSA") and \_\_\_\_\_ of the \_\_\_\_\_ (the "Developer") to confirm that the WRSA and the Developer have entered into that certain Disposition and Development Agreement dated as of \_\_\_\_\_, 202█ (the "DDA"). The DDA imposes certain conditions (including but not limited to, construction requirements, operating covenants, and transfer restrictions) on the real property described in Exhibit A attached hereto and incorporated herein (the "Land"). The DDA is a public document and may be reviewed at the principal office of the City of Whittier.

IN WITNESS WHEREOF, the parties have caused this Memorandum of DDA to be duly executed as of the date first above written.

CITY:

\_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Attest:

\_\_\_\_\_  
Secretary

APPROVED AS TO FORM:

By: \_\_\_\_\_

Richard D. Jones, City Attorney

DEVELOPER:

\_\_\_\_\_,

a \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

[SIGNATURES MUST BE DULY ACKNOWLEDGED BY A NOTARY PUBLIC]

State of California )  
 )  
County of \_\_\_\_\_ )

On \_\_\_\_\_ 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)  
Signature of Notary Public

State of California )  
 )  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_  
(insert name and title of the officer)

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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)  
Signature of Notary Public

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

**LEGAL DESCRIPTION (12540 Whittier Blvd. / APN: 8170-029-900)**

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

PARCEL 1:

LOTS 1 AND 2 OF TRACT NO. 13486, IN THE CITY OF WHITTIER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 312 PAGES 16, 17 AND 18 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE NORTHERLY 200 FEET THEREOF.

ALSO EXCEPT THEREFROM ALL DEPOSITS OF MINERALS, INCLUDING OIL AND GAS, IN SAID LAND, TOGETHER WITH THE RIGHT TO PROSPECT FOR, EXTRACT AND REMOVE SUCH DEPOSITS OF MINERALS, INCLUDING OIL AND GAS, THEREFROM AS RESERVED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED MAY 13, 1947 IN BOOK 24570 PAGE 269, OFFICIAL RECORDS.

IN DEED FROM THE STATE OF CALIFORNIA, CONVEYING SAID LAND, IN WHICH DEED THE MINERALS IN SAID LAND ARE RESERVED THE STATE'S INTENTION WITH RESPECT TO THE REMOVAL OF SAID MINERALS IS DECLARED TO BE TO CONDUCT SURFACE OPERATIONS FOR SUCH REMOVAL FROM ADJOINING LANDS THEN OWNED BY THE STATE OR, IN THE EVENT THAT NO ADJOINING LANDS ARE SO OWNED, SUCH SURFACE OPERATIONS SHALL BE LIMITED TO THE FOLLOWING DESCRIBED PARCELS OF LAND:

"A": BEGINNING AT A POINT IN THE NORTHEASTERLY LINE OF THE PROPERTY DESCRIBED IN BOOK 24570 PAGE 268, OFFICIAL RECORDS, DISTANT NORTHWESTERLY THEREON 753 FEET FROM THE MOST SOUTHERLY EXTREMITY OF SAID LINE; THENCE CONTINUING NORTHWESTERLY ALONG SAID LINE 100 FEET; THENCE SOUTHWESTERLY AT RIGHT ANGLES TO SAID LINE 460 FEET; THENCE SOUTHEASTERLY PARALLEL TO SAID LINE 100 FEET; THENCE NORTHEASTERLY AT RIGHT ANGLES TO SAID LINE 460 FEET TO THE POINT OF BEGINNING.

"B": BEGINNING AT A POINT IN THE NORTHEASTERLY LINE OF THE PROPERTY DESCRIBED IN BOOK 24570 PAGE 268, OFFICIAL RECORDS, DISTANT NORTHWESTERLY THEREON 1845 FEET FROM THE MOST SOUTHERLY EXTREMITY OF SAID LINE; THENCE CONTINUING NORTHWESTERLY ALONG SAID

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PARCEL 2:

THAT PORTION OF WHITTIER BOULEVARD DEDICATED ON TRACT MAP 13486, IN THE CITY OF WHITTIER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 312 PAGES 16, 17 AND 18 OF MAPS THAT WOULD PASS WITH A CONVEYANCE OF PARCEL 1 ABOVE.

APN: 8170-029-900

**LEGAL DESCRIPTION (12549 Washington Blvd. / APN: 8170-029-902)**

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LOT 17 OF TRACT NO. 13486, IN THE CITY OF WHITTIER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 312 PAGES 16 TO 18 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THE NORTHERLY 150 FEET THEREOF.

ALSO EXCEPTING THEREFROM ALL DEPOSITS OF MINERALS, INCLUDING OIL AND GAS, IN SAID LAND, TOGETHER WITH THE RIGHT TO PROSPECT FOR, EXTRACT AND REMOVE SUCH DEPOSITS OF MINERALS, INCLUDING OIL AND GAS THEREFROM, AS RESERVED IN THE DEED FROM THE STATE OF CALIFORNIA, RECORDED MAY 13, 1947 IN BOOK 24570 PAGE 269, OFFICIAL RECORDS.

IN THE DEED FROM THE STATE OF CALIFORNIA, CONVEYING SAID LAND, IN WHICH DEED THE MINERALS IN SAID LAND ARE RESERVED, THE STATE'S INTENTION, WITH RESPECT TO THE REMOVAL OF SAID MINERALS, IS DECLARED TO BE CONDUCT SURFACE OPERATIONS FOR SUCH REMOVAL FROM ADJOINING LANDS THEN OWNED BY THE STATE, OR IN THE EVENT THAT NO ADJOINING LANDS ARE SO OWNED, SUCH SURFACE OPERATIONS SHALL BE LIMITED TO THE FOLLOWING DESCRIBED PARCELS OF LAND:

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FEET, THENCE SOUTHWESTERLY, AT RIGHT ANGLES TO SAID LINE, 460 FEET; THENCE SOUTHEASTERLY, PARALLEL TO SAID LINE, 100 FEET; THENCE NORTHEASTERLY, AT RIGHT ANGLES TO SAID LINE, 460 FEET TO THE POINT OF BEGINNING.

B) BEGINNING AT A POINT IN THE NORTHEASTERLY LINE OF THE PROPERTY DESCRIBED IN BOOK 24570 PAGE 268, OFFICIAL RECORDS, DISTANT NORTHWESTERLY THEREON 1845 FEET FROM THE MOST SOUTHERLY EXTREMITY OF SAID LINE; THENCE CONTINUING NORTHWESTERLY, ALONG SAID LINE, 70 FEET; THENCE SOUTHWESTERLY, AT RIGHT ANGLES TO SAID LINE, 625 FEET'; THENCE SOUTHEASTERLY, PARALLEL TO SAID LINE, 70 FEET; THENCE NORTHEASTERLY, AT RIGHT ANGLES TO SAID LINE, 625 FEET TO THE POINT OF BEGINNING.

APN: 8170-029-902

**EXHIBIT "F"**

**LIST OF HAZARDOUS MATERIALS DOCUMENTS  
DELIVERED TO DEVELOPER**

(Attached.)



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