

AGREEMENT OF PURCHASE AND SALE
BY AND BETWEEN
SAM ENTERTAINMENT GROUP, LLC
(“BUYER”)
AND
SUCCESSOR AGENCY TO THE FORMER
MONTEBELLO REDEVELOPMENT AGENCY
(“SELLER”)

November ____, 2022

Property: 701-705 Whittier Boulevard, Montebello, California

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this “**Agreement**”) is made and entered into as of the ____ day of September, 2022, until the Agreement has been finalized, by and between **SAM ENTERTAINMENT GROUP, LLC** (the “**Buyer**”), and **THE SUCCESSOR AGENCY TO THE FORMER MONTEBELLO REDEVELOPMENT AGENCY**, a public body, corporate, and politic (“**Seller**”).

In consideration of the mutual promises, covenants and agreements hereinafter set forth and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

ARTICLE I **Sale of Property**

1.1 **Sale of Property.** Seller hereby agrees to sell, assign and convey to Buyer, and Buyer agrees to purchase from Seller, all of Seller’s respective right, title and interest in and to, the following:

1.1.1 **Land.** That certain real property commonly referred to as 701-705 Whittier Boulevard, Montebello, California 90640 consisting of one (1) parcel measuring approximately 9,750 square feet and contains a commercial building measuring approximately 4,726 square feet and legally described on **Exhibit A** attached to this Agreement and depicted on **Exhibit B** attached to this Agreement (the “**Land**”);

1.1.2 **Real Property.** All rights, privileges and easements appurtenant to Seller’s interest in the Land, including, without limitation, all of Seller’s right, title and interest, if any, in and to all mineral and water rights and all easements, licenses, covenants and other rights-of-way or other appurtenances used in connection with the beneficial use and enjoyment of the Land (collectively, the “**Real Property**”, and the Land and the Real Property are hereinafter collectively referred to as the “**Property**”).

ARTICLE II **Purchase Price**

2.1 **Purchase Price.** The purchase price for the Property shall be **FIVE HUNDRED THOUSAND DOLLARS** (\$500,000.00) (the “**Purchase Price**”). The Purchase Price, as adjusted by all prorations as provided for in this Agreement, shall be paid to Seller by Buyer at Closing (as hereinafter defined) by wire transfer of immediately available federal funds.

ARTICLE III **Deposit**

3.1 **Deposit.** Within five (5) Business Days (as hereinafter defined) after the Effective Date (as hereinafter defined), Buyer shall deposit in an earnest money escrow (“**Earnest Money Escrow**”) with [NAME OF TITLE COMPANY] (“Title Company”) (as hereinafter defined), as escrowee (“**Escrowee**”), at Escrowee’s office located at [TITLE COMPANY ADDRESS], the sum of Ten Thousand and no/100 (\$10,000.00) DOLLARS (“**Deposit**”) (“**Opening of Escrow**”).

For the purposes of this Agreement, “**Effective Date**” shall mean the date this Agreement has been fully executed and delivered to Seller and Buyer. Ten Thousand Dollars (\$10,000.00) of the Deposit shall be released by Title Company to Seller on the first Business Day following the deposit thereof by Buyer, in payment of consideration by Buyer to Seller for the right of Buyer to purchase the Property in accordance with the terms of this Agreement (the “**Non-Refundable Payment**”). The Non-Refundable Payment shall be fully earned and retained by Seller immediately upon receipt and, notwithstanding any provisions of this Agreement to the contrary, the Non-Refundable Payment shall not be returned to Buyer in any circumstance except if Closing fails to occur solely due to a material default by Seller under this Agreement. On the Closing Date, the amount of the Non-Refundable Payment, without interest, shall be applied to the Purchase Price. From and after the release of the Non-Refundable Payment to Seller, the Deposit shall mean and refer to the remaining Deposit amount then held by Title Company (and any payment or refund of the Deposit to be made pursuant to this Agreement shall not include such Non-Refundable Payment). Buyer acknowledges that Seller would not have entered into this Agreement had Buyer not made the bargained for Non-Refundable Payment to Seller on the terms set forth in this Section.

3.2 **Application.** The Deposit shall be paid to Seller and credited against the Purchase Price at Closing. If the Closing does not occur in accordance with the terms of this Agreement, the Deposit shall be held and delivered as provided in this Agreement.

3.3 **Non-interest-Bearing.** The Deposit shall be held in a non-interest-bearing escrow account by the Title Company in an institution as directed by Buyer and reasonably acceptable to Seller.

ARTICLE IV

Closing, Prorations and Closing Costs

4.1 **Closing.** The parties acknowledge and agree that the Seller’s Board has approved the execution of this Agreement by the Seller (the “**PSA Approval**”), and that the closing of the transactions contemplated in this Agreement (the “**Closing**”) shall occur on or before 5:00 P.M. Pacific Standard Time on the thirtieth (30th) day following the Opening of Escrow or the first business day, if the 30th day falls on a weekend or holiday, upon the satisfaction of Buyer’s and Seller’s obligations set forth in this Agreement (the “**Closing Escrow**”), and shall be held at the offices of the Title Company, or at such other place agreed to by Seller and Buyer. The payment of funds and the delivery of all documents required pursuant to this Agreement shall be made through the Closing Escrow. The Closing shall take place in a manner so that, on the date the Closing occurs (the “**Closing Date**”), the Title Policy (as hereinafter defined) will be delivered to Buyer, and Seller shall receive the Purchase Price. The City and Developer shall provide such additional escrow instructions as shall be necessary and consistent with this Agreement. The Escrowee is hereby empowered to act under this Agreement and shall carry out its duties as Escrowee hereunder. In the event of any inconsistency between any escrow instructions and this Agreement, this Agreement shall control. Notwithstanding the foregoing, upon discovery of any inconsistency, the Parties may agree in writing to modify these instructions to address said inconsistency.

4.2 **Prorations.** All matters involving prorations or adjustments to be made in connection with this Agreement and not specifically provided for in some other provision of this Agreement shall be adjusted in accordance with this Section 4.2. For purposes of calculating

prorations, Buyer shall be deemed to be in title to the Property, and, therefore entitled to the income therefrom and responsible for the expenses thereof, on and after the Closing Date. All such prorations shall be made on the basis of the actual number of days of the month which shall have elapsed as of the Closing Date and a three hundred sixty-five (365) day year. Except as otherwise provided in this Section 4.2, the amount of such prorations shall be determined and shall be final as of the Closing Date. All items of income and expense which accrue for the period prior to the Closing Date will be for the account of Seller and all items of income and expense which accrue for the period on and after the Closing Date will be for the account of Buyer.

4.2.1 Taxes. On or before the Closing Date, Seller shall pay all taxes and assessments, including, without limitation, all special assessments, on the Property which are due and payable prior to the Closing Date, if applicable. Unpaid taxes and assessments on the Property shall be prorated on an accrual basis as of the Closing Date based upon the most recent ascertainable assessed valuation, tax multipliers and tax rate, but reparation thereof shall be made between Buyer and Seller at such time as the actual amount of taxes for the applicable tax year shall become known, in order that actual real estate taxes for the periods before and after the Closing Date may be equitably prorated as of the Closing Date and paid between the parties when known. Seller shall be liable for any back tax bill which may be imposed by taxing authorities related to the period prior to the Closing Date, which obligation of Seller shall survive Closing.

4.3 Allocation of Closing Costs and Expenses. Seller shall bear the cost to record any instruments necessary to clear Seller's title, and one-half the cost of the Closing Escrow fees. Buyer shall bear the cost (i) of the Title Policy charges, (ii) any recording fees with respect to the Deed (as hereinafter defined), (iii) the costs incurred in connection with obtaining Buyer's financing for this transaction, if any, (iv) all the cost of all title endorsements, if any, (v) the cost of applicable transfer taxes, and (vi) one-half the cost of the Closing Escrow fees.

ARTICLE V

Title; Condition of the Property

5.1 Title

5.1.1 Promptly after the Effective Date, Buyer shall apply for a title insurance commitment (the "**Commitment**") for an Owner's Policy of Title Insurance (the "**Title Policy**"), issued by the Title Company and covering the Real Property. After receipt of the Commitment, Buyer shall provide or cause the Title Company to provide a copy of the Commitment to Seller. On or before the date (the "**Title Objection Date**") that is ten (10) days after the date Buyer receives the Commitment and the Survey (as hereinafter defined), Buyer shall notify Seller in writing (the "**Title Objection Notice**") of any title exceptions identified in the Commitment or the Survey that Buyer disapproves (collectively, the "**Unpermitted Exceptions**") and any remaining exceptions shall be deemed permitted (collectively, the "**Permitted Exceptions**"). Notwithstanding the foregoing, Buyer and Seller hereby agree that: (i) all non-delinquent property taxes and assessments, (ii) all matters created by or on behalf of Buyer, including, without limitation, any documents or instruments to be recorded as part of any financing of the Property by Buyer, and (iii) a non-exclusive Southern California Edison easement for ingress and egress and a non-exclusive Southern California Gas Company underground gas facilities easement, shall constitute "**Permitted Exceptions**". If Buyer fails to provide Seller with the Title

Objection Notice on or before the Title Objection Date, all exceptions in the Commitment and the Survey shall be deemed to be Permitted Exceptions, and Buyer shall be deemed to have waived its right to object to any exceptions in the Commitment or Survey.

5.1.2 No less than ten (10) days after being given the Title Objection Notice, Seller shall notify Buyer in writing of any Unpermitted Exceptions that Seller is unable or unwilling to cause to be removed or insured against prior to or at Closing. With respect to such exceptions, Buyer shall then elect, by giving written notice to Seller within three (3) days after receipt of Seller's notice, to: (x) terminate this Agreement, or (y) waive its disapproval of such exceptions, in which case such exceptions shall then be deemed to be Permitted Exceptions. Buyer's failure to timely give such notice shall be deemed an election to waive the disapproval of any such exception. If Buyer elects to terminate this Agreement in accordance with clause (x) above, the Deposit shall be returned to Buyer as Buyer's sole and exclusive remedy as a result of such termination.

5.1.3 Monetary Liens. Notwithstanding anything to the contrary contained in Section 5.1.2 above, Seller shall be required to discharge all mortgages, deeds of trust, real estate taxes, assessments and other governmental levies, fees or charges imposed on the Land, all judgment liens, all mechanics' liens and similar liens for labor, materials or supplies, and other such monetary liens that may be removed solely through the payment of money prior to Closing (collectively, the "**Monetary Liens**"), and such matters shall be deemed Objectionable Exceptions, whether or not included in Buyer's Title Objection Notice. If, at or prior to Closing, Seller fails to cure all Monetary Liens, in addition to all other remedies available to Buyer under this Agreement, Buyer shall have the right to proceed to Closing and deduct from the Purchase Price the amount necessary to cure such Monetary Liens.

5.2 "AS-IS" Condition. Except as provided in this Agreement, the Property shall be conveyed and delivered to Buyer in an "as-is" physical condition. BUYER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT SELLER IS SELLING AND BUYER IS PURCHASING THE PROPERTY ON AN "AS IS WITH ALL FAULTS" BASIS AND THAT, EXCEPT AS EXPRESSLY SET FORTH IN SECTION 6.1, BUYER IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM SELLER OR ITS AGENTS AS TO ANY MATTERS CONCERNING THE PROPERTY, INCLUDING WITHOUT LIMITATION:

(a) The quality, nature, adequacy and physical condition and aspects of the Property, including, but not limited to, sewage, and utility systems, the square footage within the Property;

(b) The quality, nature, adequacy, and physical condition of soils, geology and any groundwater;

(c) The existence, quality, nature, adequacy and physical condition of utilities serving the Property;

(d) The development potential of the Property, and the Property's use, habitability, merchantability, or fitness, or the suitability, value or adequacy of the Property for any particular purpose;

- (e) The zoning or other legal status of the Property;
- (f) The compliance of the Property with any applicable codes, laws, regulations, statutes, ordinances, covenants, conditions and restrictions of any governmental or quasi-governmental, entity or of any other person or entity (including, without limitation, the Americans with Disabilities Act);
- (g) The presence of hazardous materials on, under or about the Property or the adjoining or neighboring Property;
- (h) The quality of any labor and materials used in any Improvements; and
- (i) The economics of the operation of the Property.

Seller is not in any way responsible for any demolition or physical site clearance of the Property. Buyer is solely responsible for the relocation of utilities and easements as necessary on the Property.

ARTICLE VI

Representations and Warranties of the Seller

6.1 **Seller's Representations.** Seller represents and warrants that, to Seller's knowledge, the following matters are true and correct as of the Effective Date with respect to the Property.

6.1.1 **Authority.** Seller is a public body, corporate, and politic, duly organized, validly existing and in good standing under the laws of the State of California. This Agreement has been duly authorized, executed and delivered by Seller, is the legal, valid and binding obligation of Seller, and does not violate any provision of any agreement or judicial order to which Seller is a party or to which Seller is subject. All documents to be executed by Seller which are to be delivered at Closing, will, at the time of Closing: (i) be duly authorized, executed and delivered by Seller, (ii) be legal, valid and binding obligations of Seller, and (iii) not violate any provision of any agreement or judicial order to which Seller is a party or to which Seller is subject.

6.1.2 **Violation of Laws.** To Seller's knowledge, Seller has received no written notice of any violation of any statute or ordinance relating to the Property that has not been cured.

6.2 **Seller's Knowledge.** For purposes of this Agreement and any document delivered at Closing, whenever the phrases "to Seller's knowledge" or the "knowledge" of Seller or words of similar import are used, they shall be deemed to refer to the current, actual knowledge only, and not any implied, imputed or constructive knowledge, without any independent investigation having been made or any implied duty to investigate, of the Community & Economic Development Director or other City designee. Notwithstanding anything to the contrary contained in this Agreement, the Community & Economic Development Director or other City designee shall have no personal liability under this Agreement.

6.3 **Change in Representation/Waiver.**

6.3.1 **Representations/Waiver.** Notwithstanding anything to the contrary in this Agreement, Buyer acknowledges that Buyer shall not be entitled to rely on any representation made by Seller in this Article VI, to the extent that, prior to or at Closing, Buyer shall have or obtain actual knowledge of any information contradictory to such representation or warranty; provided, however, if Buyer determines prior to Closing that there is a breach of any of the representations and warranties made by Seller in this Article VI, then Buyer may, at its option, by sending to Seller written notice of its election, either: (i) terminate this Agreement, in which event the Deposit shall be returned to Buyer and, except for the Surviving Obligations, neither party shall have any further rights or obligations to the other under this Agreement, or (ii) waive such breach and/or conditions and proceed to Closing with no adjustment in the Purchase Price, and Seller shall have no further liability as to such matter thereafter.

6.3.2 **Property Condition Waiver.** Notwithstanding any other provision of this Agreement to the contrary, following the Closing Date, Buyer waives its right to recover from Seller, its elected officials, agents, and employees (collectively, “Seller’s Representatives”), and hereby waives, releases and forever discharges Seller and Seller’s Representatives from, any and all damages, losses, liabilities, costs or expenses whatsoever (including attorneys' fees and costs) and claims therefor, whether direct or indirect, known or unknown, foreseen or unforeseen, which may arise on account of or in any way arising out of or connected with the Property, including (i) the physical condition, nature or quality of the Property, including geologic conditions, (ii) the quality of the labor and materials included in any improvements or fixtures located on or within the Property (including latent defects), (iii) the presence of asbestos and lead-based paint or hazardous materials present on the Property or in the subsurface of the Property, (iv) the failure of the Property, including any existing improvements thereon, to comply with any law or regulation applicable thereto, (v) the inaccuracy or incompleteness of plans, drawings, specifications, any documents provided by Seller, and (vi) the environmental condition of the Property. The foregoing waiver and release shall exclude only those losses, liabilities, damages, costs or expenses, and claims therefor, arising from or attributable to any breach by Seller of its express representations or warranties under this Agreement.

In connection with foregoing waiver and release, Buyer expressly waives the benefits of Section 1542 of the California Civil Code, which provides as follows:

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

Buyer's Initials

6.4 **Survival.** The express representations and warranties made in this Agreement by Seller shall not merge into any instrument or conveyance delivered at Closing; provided, however, that any action, suit or proceeding with respect to the truth, accuracy or completeness of such representations and warranties shall be commenced, if at all, on or before the date that is six (6) months after the Closing Date (“**Survival Period**”) and, if not commenced on or before such date, thereafter such representations and warranties shall be void and of no force or effect. Notwithstanding any other term of this Agreement, any claim based upon a misrepresentation or a breach of a covenant or warranty under this Agreement that expressly survives the Closing shall be actionable or enforceable if and only if: (i) notice of such claim(s) is given to Seller prior to the expiration of the Survival Period; and (ii) the amount of damages or losses as a result of such claims suffered or sustained by the party making such claims exceeds \$50,000.00; and provided further that the aggregate liability of Seller for any and all such breaches or misrepresentations shall be limited to \$250,000.00.

ARTICLE VII

Seller’s Interim Operating Covenants

7.1 **Operations.** Seller agrees to continue to operate, manage and maintain the Property through the Closing Date in the ordinary course of Seller’s business and substantially in accordance with Seller’s present practice, subject to ordinary wear and tear.

7.2 **No Sales.** Seller agrees that it shall not convey any interest in the Property to any third party prior to Closing.

ARTICLE VIII

Possession

8.1 **Possession.** Possession of the Property shall be delivered to Buyer on the Closing Date free and clear of all possessory interests, subject to only to the Permitted Exceptions.

ARTICLE IX

Closing

9.1 **Buyer’s Closing Obligations.** Buyer, at its sole cost and expense, shall deliver or cause to be delivered to the Title Company at Closing the following, duly executed and acknowledged as applicable:

9.1.1 The Purchase Price, subject to adjustments and prorations as provided in this Agreement, by wire transfer or other immediately available federal funds.

9.1.2 A Preliminary Change of Ownership Report.

9.1.3 If required by the Title Company, evidence reasonably satisfactory to the Title Company that the person executing the closing documents on behalf of Buyer has full right, power and authority to do so.

9.1.4 Such other documents as may be reasonably necessary or appropriate to effect the consummation of the transactions which are the subject of this Agreement.

9.1.5 A counterpart of a closing statement, prepared in strict accordance with Section 4.2 of this Agreement (the “**Closing Statement**”).

9.2 **Seller’s Closing Obligations.** Seller, at its sole cost and expense, shall deliver or cause to be delivered to the Title Company on or before Closing the following, duly executed and acknowledged as applicable:

9.2.1 A grant deed in the form attached to this Agreement as **Exhibit C** conveying to Buyer the Real Property in fee simple, subject only to the Permitted Exceptions (the “**Deed**”).

9.2.2 California Form 593-C (California Real Estate Withholding Exemption Certificate) in the form required by applicable law.

9.2.3 A Certificate of Non-Foreign Status (“FIRPTA Affidavit”).

9.2.4 If required by the Title Company, evidence reasonably satisfactory to the Title Company that the persons executing the closing documents on behalf of Seller have full right, power and authority to do so.

9.2.5 Such other documents as may be reasonably necessary or appropriate to effect the consummation of the transactions which are the subject of this Agreement.

9.2.6 A counterpart of the Closing Statement.

ARTICLE X
Intentionally Deleted

ARTICLE XI
Default

11.1 **Default by Seller.** If the Closing and the transactions contemplated in this Agreement do not occur as provided in this Agreement by reason of the default of Seller, and said default is not cured within five (5) Business Days after notice from Buyer, Buyer may elect, by written notice to Seller and as the sole and exclusive remedy of Buyer, to: (i) terminate this Agreement and receive the Deposit from the Title Company, and in such event Seller shall not have any liability whatsoever to Buyer under this Agreement except for the Surviving Obligations; or (ii) enforce specific performance of Seller’s obligations under this Agreement.

11.2 **Default by Buyer.** If Buyer should breach any of its covenants contained in this Agreement (and Seller shall not be in default hereunder), Seller may terminate this Agreement without further liability on Seller’s part and retain the Deposit as liquidated damages, and not as a penalty, it being understood that Seller’s actual damages in the event of such a default are difficult to ascertain and that such Deposit represents the parties’ best estimate of such damages. Seller shall not have any other remedy for any default by Buyer. BY INITIALING THIS SECTION 11.2, PURCHASER AND SELLER AGREE THAT IN EVENT OF DEFAULT BY PURCHASER: (A) IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO FIX ACTUAL DAMAGES; (B) AN AMOUNT EQUAL TO THE DEPOSIT WILL CONSTITUTE LIQUIDATED DAMAGES PAYABLE TO SELLER; (C) THE PAYMENT OF THE LIQUIDATED DAMAGES TO SELLER WILL CONSTITUTE THE EXCLUSIVE REMEDY

OF SELLER; (D) SELLER MAY RETAIN THAT PAYMENT AS LIQUIDATED DAMAGES; AND (E) PAYMENT OF THOSE SUMS TO SELLER AS LIQUIDATED DAMAGES IS NOT INTENDED AS A FORFEITURE OR PENALTY WITHIN THE MEANING OF CALIFORNIA CIVIL CODE SECTIONS 3275 OR 3369, BUT INSTEAD, IS INTENDED TO CONSTITUTE LIQUIDATED DAMAGES TO SELLER PURSUANT TO SECTIONS 1671, 1676 AND 1677 OF THE CALIFORNIA CIVIL CODE.

Seller INITIALS: _____ Buyer INITIALS: _____.

ARTICLE XII

Brokers

12.1 **Brokers.** Buyer and Seller each represents and warrants to the other that it has not dealt with any person or entity entitled to a brokerage commission, finder's fee or other compensation with respect to the transaction contemplated in this Agreement. Buyer hereby agrees to indemnify, defend, and hold Seller harmless from and against any claims, demands, suits, obligations, payments, damages, losses, penalties, liabilities, costs and expenses (including but not limited to attorneys' fees and costs) incurred by Seller by reason of any breach or inaccuracy of the Buyer's representations and warranties contained in this Article XII. Seller hereby agrees to indemnify, defend, and hold Buyer harmless from and against any claims, demands, suits, obligations, payments, damages, losses, penalties, liabilities, costs and expenses (including but not limited to attorneys' fees and costs) incurred by Buyer by reason of any breach or inaccuracy of Seller's representations and warranties contained in this Article XII. Seller and Buyer agree that it is their specific intent that no broker shall be a party to or a third party beneficiary of this Agreement or the Deposit, that no broker shall have any rights or cause of action under this Agreement, and further that the consent of a broker shall not be necessary to any agreement, amendment, or document with respect to the transaction contemplated in this Agreement. The provisions of this Article XII shall survive Closing or the termination of this Agreement.

ARTICLE XIII

Conditions Precedent to Closing

13.1 In addition to any conditions provided in other provisions of this Agreement, Buyer's obligation to purchase the Property is and shall be conditioned upon the following:

13.1.1 The due performance of Seller of each and every covenant, undertaking and agreement to be performed by Seller under this Agreement and the truth of each representation and warranty made in this Agreement by Seller.

13.2 Buyer may, at any time or times, at its election, waive any of the conditions to its obligations under this Agreement, but any such waiver shall be effective only if contained in a writing signed by Buyer. The failure of any of the conditions in Section 13.1 shall entitle Buyer, at its option, to cancel and terminate this Agreement by written notice to Seller, in which event the Deposit shall be returned to Buyer and, except as specifically provided in this Agreement, neither party shall have any rights or obligations to the other under this Agreement.

ARTICLE XIV
Miscellaneous

14.1 **Right of Entry; Indemnification**. Between the Effective Date and the Closing Date, Buyer and Buyer's employees, agents, contractors, subcontractors and consultants (collectively, "**Buyer's Representatives**") shall have the right to enter upon the Property, at reasonable times during ordinary business hours, upon notice to Seller at least three (3) business days prior to entry, to perform such non-destructive inspections, investigations, tests and studies. Buyer, in performing its non-destructive inspections, investigations, tests and studies hereunder shall not unreasonably interfere with the operation of the Property, and agrees to coordinate its activities on the Property with Seller in advance to avoid any such interference. Following any such non-destructive tests or inspections, Buyer agrees to promptly return any portions of the Property damaged or altered by Buyer during such tests or inspections to substantially the same condition which existed prior to such test or inspection. In the event Buyer fails to promptly restore Property in accordance with the preceding sentence, Seller may, in its sole and absolute discretion, restore the Property and all costs and expenses shall be paid immediately by Buyer upon demand by Seller. Buyer shall indemnify, defend and hold Seller, including its elected officials, agents, employees harmless from any and all claims, damages or liabilities arising out of or resulting from the entry onto or activities upon the Property by Buyer or Buyer's Representatives or liens arising from Buyer's review of the Property.

14.2 Nothing contained in this Agreement shall be construed as the City's approval of any tentative tract map for the Property or grading/building permits relating to the Property.

14.3 All notices, consents, approvals and other communications which may be or are required to be given by either Seller or Buyer under this Agreement shall be properly given only if made in writing and sent by (i) certified mail, (ii) electronic mail by pdf or (iii) a nationally recognized overnight delivery service (such as Federal Express, UPS Next Day Air), with all delivery charges paid by the sender and addressed to the Buyer or Sellers, as applicable, as follows, or at such other address as each may request in writing. Such notices shall be deemed received, (x) sent by certified mail, in which case notice shall be deemed delivered three (3) Business Days after deposit, postage prepaid, in the United States Mail, (y) if delivered by overnight delivery service, on the date of delivery and (z) if sent by facsimile transmission or electronic mail pdf, on the date of transmission. Notices to be sent on behalf of Buyer or Sellers may be sent by their respective counsel. The refusal to accept delivery shall constitute acceptance and, in such event, the date of delivery shall be the date on which delivery was refused. Said addresses for notices are to be as follows:

If intended for Buyer:

With a copy to:

If intended for Seller:

Successor Agency to the Former Montebello
Redevelopment Agency
Rene Bobadilla
1600 W Beverly Blvd.
Montebello, CA 90640
rbobadilla@cityofmontebello.org

With a copy to:

Arnold M. Alvarez-Glasman
Alvarez-Glasman & Colvin
13181 Crossroads Pkwy. North
Suite 400 – West Tower
City of Industry, California 91746
Email: aglasman@agclawfirm.com

14.4 **Governing Law.** This Agreement shall be governed by and construed in accordance with the internal laws of the State of California, without regard to the conflict of laws principles thereof.

14.5 **Headings.** The captions and headings used in this Agreement are for convenience and reference only and in no way define or limit the scope or content of this Agreement or in any way affect its provisions.

14.6 **Business Days.** If any date set forth in this Agreement for the performance of any obligations of Seller or Buyer or for the delivery of any instrument, Document or notice as herein provided should be on a Saturday, Sunday or legal holiday, the compliance with such obligations or delivery shall be deemed acceptable on the next Business Day following such Saturday, Sunday or legal holiday. As used herein, the term “legal holiday” means any state or Federal holiday for which financial institutions or post offices are generally closed in the State of California, and the term “Business Day” means any day other than a Saturday, Sunday or legal holiday.

14.7 **Counterpart/Electronic Copies.** This Agreement may be executed in two or more counterpart copies, all of which counterparts shall have the same force and effect as if all parties hereto had executed a single copy of this Agreement. Handwritten signatures to this Agreement transmitted by telecopy or electronic transmission (for example, through the use of a Portable Document Format or “PDF” file) shall be valid and effective to bind the parties so signing. It is expressly agreed that each party to this Agreement shall be bound by its own telecopied or electronically transmitted handwritten signature and shall accept the telecopy or electronically transmitted handwritten signature of the other party to this Agreement. The parties hereto agree that the use of telecopied or electronic signatures for the execution of this Agreement shall be legal and binding and shall have the same full force and effect as if originally signed.

14.8 **Binding Effect.** This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. Whenever reference is made in this Agreement to Seller or Buyer, such reference shall include the successors and assigns of such party under this Agreement.

14.9 **Assignment.** The terms, conditions and covenants of this Agreement shall be binding upon and shall inure to the benefit of the parties and their respective nominees, successors, beneficiaries and assigns; provided, however, no conveyance, assignment or transfer of any interest whatsoever of, in, or to the Project or of this Agreement shall be made by Seller during the term of this Agreement. Buyer may assign all or any of its right, title and interest under this Agreement to any corporate, limited liability or partnership entity affiliated with, or related to Buyer (“**Affiliate**”). No such assignee shall accrue any obligations or liabilities hereunder until the effective date of such assignment. In addition to its right of assignment, Buyer shall also have the right, exercisable prior to Closing, to designate any Affiliate, as the grantee or transferee of any or all of the conveyances, transfers and assignments to be made by Seller at Closing hereunder,

independent of, or in addition to, any assignment of this Agreement. In the event of an assignment of this Agreement by Buyer, its assignee shall be deemed to be the Buyer hereunder for all purposes hereof, and shall have all rights of Buyer hereunder (including, but not limited to, the right of further assignment), and the assignor shall be released from all liability hereunder. In the event that an Affiliate shall be designated as a transferee hereunder, that transferee shall have the benefit of all of the representations and rights which, by the terms of this Agreement, are incorporated in or relate to the conveyance in question.

14.10 **Interpretation.** This Agreement shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the parties, it being recognized that both Seller and Buyer have contributed substantially and materially to the preparation of this Agreement.

14.11 **Entire Agreement.** This Agreement and the Exhibits attached hereto contain the final and entire agreement between the parties hereto with respect to the sale and purchase of the Property and are intended to be an integration of all prior negotiations and understandings. Buyer, Seller and their agents shall not be bound by any terms, conditions, statements, warranties or representations, oral or written, not contained in this Agreement. No modification, amendment, discharge, waiver or change of this Agreement shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, amendment, discharge, waiver or change is sought. Writings signed by the attorney for such party shall not be effective for purposes of this Section. Failure by either party to explicitly retain any rights under this Agreement shall not be deemed a waiver of such rights.

14.12 **Severability.** If any one or more of the provisions of this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained in this Agreement.

14.13 **Survival.** Except as otherwise specifically provided for in this Agreement (collectively, the “**Surviving Obligations**”), the provisions of this Agreement and the representations and warranties herein shall not survive Closing or the termination of this Agreement, and if Closing occurs, shall be merged therein.

14.14 **Exhibits.** **Exhibits A** through **D** attached to this Agreement are, by this reference, incorporated in and made a part of this Agreement.

14.15 **Time.** Time is of the essence in the performance of each of the parties’ respective obligations contained in this Agreement.

14.16 **Limitation of Liability.** The obligations of Seller are binding only on Seller and Seller’s assets and shall not be personally binding upon, nor shall any resort be had to, the private properties of any of the affiliates, investment managers, property managers, partners, trustees, shareholders, beneficiaries, directors, or officers of Seller, or of any partners, officers, directors, shareholders or beneficiaries of any partners of Seller, or of any of Seller’s employees or agents. All documents to be executed by Seller shall also be deemed to contain the foregoing exculpation. The provisions of this **Section 14.15** shall survive Closing or the termination of this Agreement.

14.17 **Prevailing Party.** Should either party employ an attorney to enforce any of the provisions hereof, whether before or after Closing, and including any claims or actions involving amounts held in escrow, the non-prevailing party in any final judgment agrees to pay the other party's reasonable expenses, including reasonable attorneys' fees and costs in or out of litigation and, if in litigation, trial, appellate, bankruptcy or other proceedings, expended or incurred in connection therewith, as determined by a court of competent jurisdiction. The provisions of this Section 18.15 shall survive Closing or the termination of this Agreement.

14.18 **No Recording.** Neither this Agreement nor any memorandum or short form of this Agreement shall be recorded or filed in any public land or other public records of any jurisdiction, by either party and any attempt to do so may be treated by the other party as a breach of this Agreement.

14.19 **Waiver of Trial by Jury.** Each of Seller and Buyer hereby waives trial by jury in any action, proceeding or counterclaim brought by such party against the other party on any matters whatsoever arising out of or in any way connected with this Agreement, including without limitation in connection with the enforcement of any remedy under any statute, emergency or otherwise.

[SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement under seal on the date or dates set forth below.

SELLER:

SUCCESSOR AGENCY TO THE FORMER MONTEBELLO REDEVELOPMENT AGENCY, a public body, corporate, and politic

By: _____
Name: Rene Bobadilla
Title: Executive Director

BUYER:

SAM ENTERTAINMENT GROUP, LLC

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Exhibits

- Exhibit A - Legal Description of Real Property
- Exhibit B - Depiction of Real Property
- Exhibit C - Form of Deed

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT B

DEPICTION OF REAL PROPERTY

(See Attached)

EXHIBIT C

FORM OF DEED

FREE RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

CenterPoint Properties Trust
1808 Swift Drive
Oak Brook, Illinois 60523
Attn: Sharon Purcell

SPACE ABOVE THIS LINE FOR RECORDER'S USE
EXEMPT FROM RECORDING FEE PER GOV. CODE § 27383

APN(s):

GRANT DEED

THE UNDERSIGNED GRANTOR declares:

DOCUMENTARY TRANSFER TAX is \$ _____. CITY TAX \$ _____.

- Computed on full value of property conveyed, or
- Computed on full value less value of liens or encumbrances remaining at time of sale,
- Unincorporated area City of _____, and

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the **SUCCESSOR AGENCY TO THE FORMER MONTEBELLO REDEVELOPMENT AGENCY**, a public body, corporate, and politic ("Grantor"), hereby grants to **SAM ENTERTAINMENT GROUP, LLC** ("Grantee"), that certain real property as more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference (the "Property") all of its respective rights, title, and interest of Grantor.

[Signature on the following page]

IN WITNESS WHEREOF, Grantor has executed this Grant Deed on this ____ day of _____, 2022 in Montebello, California.

**SUCCESSOR AGENCY TO THE FORMER
MONTEBELLO REDEVELOPMENT AGENCY,**
a public body, corporate, and politic

Rene Bobadilla, Executive Director

[Signature to be notarized]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA }
COUNTY OF _____ }

On _____, before me, _____, a Notary Public, personally appeared _____

_____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: _____ (Seal)

EXHIBIT A
to Grant Deed

LEGAL DESCRIPTION