



Agenda Item Staff Report for San Dimas Successor Agency to the Former San Dimas Redevelopment Agency

To: Honorable Chair and Members of the Successor Agency

From: Blaine Michaelis, Executive Director

Initiated by: Ken Duran, Assistant Executive Director

Date: June 12, 2018

Subject: Approval of Purchase and Sale Agreement for Agency Owned Property on Bonita Ave. and Eucla Ave.

SUMMARY

The Successor Agency owns vacant property that fronts on Bonita and Eucla Aves. The F & A Federal Credit Union has made an offer to purchase the vacant property from the Agency to merge it with the adjacent property that they recently purchased. The proposed Purchase and Sale Agreement would effectuate the sale of the property from the Agency to the Credit Union for the purchase price of \$1,161,718.74.

BACKGROUND

At the time of the dissolution of Redevelopment Agencies in California, pursuant to Health and Safety Code Section 34191.5(b) Successor Agencies to former Redevelopment Agencies were required to prepare a Long Range Property Management Plan (LRPMP) to address the disposition and use of real properties owned by the former Redevelopment Agency. The San Dimas Successor Agency prepared a LRPMP to address the disposition of five properties owned by the former Redevelopment Agency. The LRPMP was submitted to the Oversight Board in October 2104 and approved by the State Department of Finance in February 2015.

One of the properties on the LRPMP is referred to as the Bonita and Eucla property. The vacant property consists of five separate parcels totaling 61,691 square feet. The properties were acquired in 1987 and 1988 for the purpose of eliminating blight conditions of the existing uses and to assemble properties for future development. The property is irregularly shaped and adjacent to two developed properties.

F & A Federal Credit Union recently purchased the developed property on the corner of Bonita and Eucla. They approached the Agency with their interest in acquiring the vacant property with their desire to merge the properties for an expanded use of the two properties. Staff negotiated with F & A for a selling price of \$1,161,718.74. Staff and the City Attorney have prepared the proposed Purchase and Sales Agreement for Agency consideration.

DISCUSSION/ANALYSIS

The approved LRPMP describes the Agency's disposition of the property as follows:

The property, in and of itself, is severely constrained for future development. Some of the constraints include:

- *The irregular shape of the property.*
- *The proximity of the property to adjacent developed property*

The properties highest and best use is to be combined with one or both of the adjoining properties for an expansion of their existing use or new use. Therefore, its market value is limited. The Agency for years has identified this property in its Redevelopment Plan. In particular the most recently adopted Five Year Implementation Plan identified as a goal:

- *The Agency will assist with the development of the irregularly shaped Agency owned property on Bonita Avenue and Eucla Street adjacent to the bowling alley*

The property has limited, if any, resale property value due to constraints. The property was acquired by the former Redevelopment Agency to eliminate blight and for the development of a commercial center in combination with adjacent and nearby properties. Initially, the property was not needed for the specific commercial center that was developed at the time. However, since that time several attempts have been to encourage the development of the property in conjunction with the adjacent properties. The Successor Agency feels that the highest and best use development opportunity is for the Successor Agency to sell the property to facilitate future development with the adjacent properties. The Plan would be for the Agency to actively pursue development opportunities with adjacent properties and sell the property for this purpose. The sale of the property would be under the oversight of the Oversight Board. The proceeds from the sale of the property will be submitted to the Los Angeles County Auditor Controller for distribution to the taxing entities. The timetable for the Successor Agency to sell the property is no later than 12 months after the former redevelopment agency's final enforceable obligation is paid off.

The sale and intended use of the property to the adjacent property owner, F & A Federal Credit Union, is consistent with the former Redevelopment Agency's Plan and the LRPMP.

The sales price of \$1,161,718.74 is based upon the value of the adjacent Bonita/Cataract property determined by a November 2016 appraisal, factoring in a reduction for constraints on one of the parcels. The analysis of the valuation calculation is as follows:

Property Description – 5 Separate Parcels – Total 61,691 sf

1. 424 W. Bonita Ave. – APN # - 8386-017-901 – 8,950 sf
2. 434 W. Bonita Ave. – APN # - 8386-017-904 – 11,000 sf
3. 120 S. Eucla – APN # - 8386-017-900 – 24,769 sf
4. 204 S. Eucla – APN # - 8386-017-902 – 2,398 sf
5. 204 S. Eucla – APN # - 8386-017-903 – 14,574 sf

Value Calculation

- Bonita/Cataract November, 2016 appraisal - \$19.74/sf
- Total property sf – 61,691
- Deduct for constrained property on APN # 8386-017-903 due to storm drain and irregular shape – 2,820 sf
- Net sf with deduct – 58,851 sf
- Total price using net 58,851 sf x \$19.74/sf = \$1,161,718.74
- Total price of \$1,161,718.74 spread over the total acreage, 61,691 sf, results in an overall \$18.83 blended rate

The F & A Federal Credit Union Board has approved the purchase price. The purchase price and Purchase and Sale Agreement are subject to approval of the San Dimas Oversight Board.

RECOMMENDATION

Staff recommends that the Successor Agency take the following actions:

- Recommend that the San Dimas Oversight Board approve the Purchase and Sale Agreement and sales price of \$1,161,718.74 subject to the City Attorney's final approval of the Agreement as to form and content.
- Authorize the Successor Director to execute the Agreement upon approval of the Oversight Board.

Respectfully submitted,



Ken Duran
Assistant Executive Director

Attachments: Purchase and Sales Agreement

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

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY AND JOINT ESCROW INSTRUCTIONS (“**Agreement**”) is made this ____ day of June, 2018 by and between F&A FEDERAL CREDIT UNION, a duly-organized credit union service organization (“**Buyer**”), and the SUCCESSOR AGENCY TO THE FORMER COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF SAN DIMAS, a public body, corporate and politic (“**Seller**”). _____ TITLE COMPANY, a California corporation, located at _____, with _____ serving as escrow agent, shall administer escrow (the “**Escrow Holder**”).

RECITALS:

A. Seller is the owner of that certain unimproved real property in the City of San Dimas City, County of Los Angeles, State of California, consisting of five separate parcels totalling 61,691 square feet as follows:

- i. 424 W. Bonita Ave. – APN # - 8386-017-901 – 8,950 sf;
- ii. 434 W. Bonita Ave. – APN # - 8386-017-904 – 11,000 sf;
- iii. 120 S. Eucla – APN # - 8386-017-900 – 24,769 sf;
- iv. 204 S. Eucla – APN # - 8386-017-902 – 2.398 sf;
- v. 204 S. Eucla – APN # - 8386-017-903 – 14,574 sf;

(collectively referred to herein as the “**Property**”) and more particularly described in Exhibit “A” attached hereto and by this reference incorporated herein.

B. In 2011, California dissolved the redevelopment agencies. Seller is the legal successor in interest to the former San Dimas Community Redevelopment Agency. Pursuant to the dissolution law, Seller’s Oversight Board formed pursuant to Health and Safety Code 34179 (the “**Oversight Board**”) submitted Seller’s Long-Range Property Management Plan dated October 13, 2014 to the State Department of Finance (the “**LRPMP**”), which was approved by the Department of Finance pursuant to its letter to the Seller dated February 2, 2015.

C. The LRPMP designated the Property to be sold by the Seller for purposes of development that is consistent with the goals and objectives of the former San Dimas Community Redevelopment Plan. The State-approved LRPMP identified the booked amount property value of the Property at \$863,533 with proceeds to be delivered to the Los Angeles County Auditor Controller for distribution to county taxing entities. The parties here have negotiated a purchase price of \$1,161,718.74, which is more than the booked property value set forth in the LRPMP. Hence, all terms and conditions required by the LRPMP have been met or exceeded through this Agreement.

D. Buyer owns a parcel adjacent to the Property, APN #8386-017-011 (“**Buyer’s Existing Parcel**”). Concurrently with the acquisition of the Property, Buyer intends to merge Buyer’s Existing Parcel with the Property by processing the appropriate entitlement for such merger pursuant to the Subdivision Map Act and any other entitlements required by the San Dimas Zoning and Municipal Code (the “**Parcel Merger**”). The closing of the Property under this Agreement is contingent upon Buyer submitting an application for all City entitlements for, and maps establishing, the Parcel Merger.

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

TERMS AND CONDITIONS:

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

2. **EFFECTIVE DATE; OPENING OF ESCROW.**

2.1 **Effective Date.** This Agreement shall be deemed effective upon execution of the Agreement by Seller after the approval by the Oversight Board (“**Effective Date**”). Concurrently with the Effective Date, Buyer agrees to diligently commence pursuing all City entitlements and any other approvals needed to complete the Parcel Merger. The Property is sold AS-IS by Seller to Buyer without representation or warranty of any kind.

2.2 **Opening of Escrow.** Within five (5) days after the execution of this Agreement by Seller, the parties shall open an escrow (“**Escrow**”) with Escrow Holder by causing an executed copy of this Agreement to be deposited with Escrow Holder which Escrow Holder shall sign and accept. Escrow shall be deemed opened upon Escrow Holder’s receipt of the executed copies of this Agreement (“**Opening of Escrow**”). If Escrow is not opened within One-Hundred Eighty (180) days after the Effective Date, Seller shall have the right to terminate this Agreement upon written notice to Buyer and Escrow Holder.

3. **PURCHASE PRICE; PAYMENT OF PURCHASE PRICE.**

3.1 **Purchase Price.** The purchase price for the Property shall be \$1,161,718.74 (“**Purchase Price**”).

3.2 **Payment of Purchase Price.**

a. **Deposit.** Upon Opening of Escrow, Seller shall deliver the Deposit to Escrow Holder in the amount of Fifty Thousand (\$50,000) Dollars (“**Initial Deposit**”).

b. **Balance of Purchase Price.** Buyer shall deposit the balance of the Purchase Price with Escrow Holder in Good Funds (as defined below) at least one (1) business day prior to the Closing Date.

3.3 **Good Funds.** All funds deposited in Escrow shall be in “**Good Funds**”

which means a wire transfer of funds, cashier's or certified check drawn on or issued by the offices of a financial institution located in the State of California.

4. FUNDS AND DOCUMENTS REQUIRED FROM BUYER AND SELLER.

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

- i. Executed and recordable grant deed substantially in the form attached hereto as Exhibit B ("**Grant Deed**") and such other documents as reasonably required by Title Company.
- ii. A Non-Foreign Affidavit as required by federal law.
- iii. Written communication to Escrow Holder demonstrating Seller's satisfaction that all approvals and maps have been completed for the Parcel Merger.
- iv. Such funds and other items and instruments as may be necessary in order for Escrow Holder to comply with this Agreement.

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

5. CLOSING DATE; TIME IS OF ESSENCE.

5.1 Closing Date. Escrow shall close upon satisfaction of both Buyer's Conditions Precedent (as defined in Section 8.1) and Seller's Conditions Precedent (as defined in Section 8.2). The terms "**Close of Escrow**" and/or "**Closing**" are used herein to mean the time Grant Deed is filed for recording by the Escrow Holder in the Office of the County Recorder of Los Angeles County, California.

5.2 Possession. Upon the Close of Escrow, Seller shall deliver possession of the Property to Buyer.

5.3 Time is of Essence. Buyer and Seller specifically agree that time is of the essence under this Agreement.

6. TITLE POLICY.

6.1 Approval of Title. Promptly following execution of this Agreement but, in no event later than five (5) days following Opening of Escrow, a preliminary title report shall be issued by _____ Title Company ("**Title Company**"), describing the state of title of the Property, together with copies of all exceptions listed therein and a map plotting all easements specified therein ("**Preliminary Title Report**"). Within thirty (30) days after Buyer's receipt of the Preliminary Title Report, Buyer shall notify Seller in writing ("**Buyer's Title Notice**") of Buyer's disapproval of any matters contained in the Preliminary Title Report except that Buyer may not disapprove any title exceptions caused by Buyer's entry onto the Property pursuant to Section 7.2 ("**Disapproved Exceptions**").

In the event Buyer delivers Buyer's Title Notice within said period, Seller shall have a period of ten (10) days after receipt of Buyer's Title Notice in which to notify Buyer of Seller's election to either (i) agree to attempt to remove the Disapproved Exceptions prior to the Close of Escrow; or (ii) decline to remove any such Disapproved Exceptions ("**Seller's Notice**"). If Seller notifies Buyer of its election to decline to remove the Disapproved Exceptions, or if Seller is unable to remove the Disapproved Exceptions, Buyer may elect either to terminate this Agreement and the Escrow or to accept title to the Property subject to the Disapproved Exception(s). Buyer shall exercise such election by delivery of written notice to Seller and Escrow Holder within five (5) days following the earlier of (i) the date of written advice from Seller that such Disapproved Exception(s) cannot be removed; or (ii) the date Seller declines to remove such Disapproved Exception(s).

Upon the issuance of any amendment or supplement to the Preliminary Title Report which adds additional exceptions, the foregoing right of review and approval shall also apply to said amendment or supplement, provided, however, that Buyer's initial period of review and approval or disapproval of any such additional exceptions shall be limited to five (5) days following receipt of notice of such additional exceptions.

6.2 Title Policy. At the Close of Escrow, Escrow Holder shall furnish Buyer with an ALTA owner's non-extended Policy of Title Insurance insuring title to the Property vested in Buyer with coverage in the amount of the Purchase Price, containing no exception to such title which has not been approved or waived by Buyer in accordance with Section 6.1 and without requiring separate approval by the Oversight Board or the DOF ("**Title Policy**"). Seller shall pay only for that portion of the Title Policy premium attributable to the premium required for standard coverage for an ALTA non-extended coverage policy in the amount of the Purchase Price and for any endorsements necessary to cure any Disapproved Exceptions that Seller has agreed to cure, and Buyer shall pay for the premium for said additional or extended coverage, including but not limited to an ALTA policy or special endorsements and Buyer shall at its sole cost and expense timely obtain and deliver an ATLA survey to the Title Company in a timely manner so as to not delay the Closing.

7. DUE DILIGENCE.

7.1 Due Diligence. Seller has provided Buyer with any and all documents and information in Seller's possession and control concerning the Property including

contracts, leases, and reports. Commencing with the Effective Date, Buyer shall have the right to obtain at its cost to conduct such engineering, feasibility studies, soils tests, environmental studies and other investigations as Buyer in its sole discretion may desire (subject to the limitations in Section 7.4), to permit Buyer to determine the suitability of the Property for Buyer's contemplated uses and to conduct such other review and investigation which Buyer deems appropriate to satisfy itself to acquire the Property, including Buyer securing financing and necessary entitlements for Buyer's proposed project.

7.2 Disapproval of Due Diligence Matters. No later than One Hundred Eighty (180) days from the Opening of Escrow ("**Due Diligence Expiration Date**"), Buyer may, in its sole discretion, notify Seller in writing (with a copy to Escrow Holder) of (i) its disapproval of the due diligence matters (excluding title matters which are to be approved or disapproved pursuant to Section 6), and (ii) its election to terminate this Agreement and Escrow ("**Disapproval and Termination Notice**").

If Buyer sends the Disapproval and Termination Notice in the time and manner specified above, the parties shall execute any documents required by Escrow Holder and upon receipt of said documents executed by the parties, Escrow Holder shall return the Deposit (less any cancellation charges) to Buyer. If Buyer does not deliver the Disapproval and Termination Notice in the time and manner specified above, Buyer shall conclusively be deemed to have approved due diligence matters and Escrow Holder shall promptly deliver the Deposit to Seller which shall be retained by Seller as consideration for entering this Agreement and taking the Property off the market for a significant period of time; however, if this transaction is consummated, the Deposit shall be credited against the Purchase Price at Closing. Buyer covenants to execute and promptly deliver to Escrow Holder any documents it requires for the release of the Deposit to Seller. Buyer's failure to promptly execute and deliver such documents to Escrow Holder shall constitute a material breach of this Agreement.

7.3 Entitlement for Parcel Merger. As soon as possible after the Effective Date has approved by Seller, Buyer shall promptly apply for all governmental permits and approvals to diligently prosecute the Parcel Merger, but not limited to, providing prompt responses to requests and modifications, payment of all necessary fees, etc.

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

Prior to entry onto the Property, Buyer shall (i) notify Seller the date and purpose of each intended entry together with the names and affiliations of the persons entering the Property; (ii) conduct all studies in a diligent, expeditious and safe manner and not allow any dangerous or hazardous conditions to occur on the Property during or after such investigation; (iii) comply with all applicable laws and governmental regulations; (iv) allow an employee of Seller to be present at Seller's election; (v) keep the Property free and clear of all materialmen's liens, lis pendens and other liens arising out of the entry and work performed under this provision; (vi) maintain or assure maintenance of workers'

compensation insurance (or state approved self-insurance) on all persons entering the Property in the amounts required by the State of California; (vii) provide to Seller prior to initial entry a certificate of insurance evidencing that Buyer has procured and paid premiums for an all-risk public liability insurance policy written on a per occurrence and not claims made basis in a combined single limit of not less than ONE MILLION DOLLARS (\$1,000,000) which insurance names Seller as additional insured; (viii) return the Property to substantially its original condition following Buyer's entry; (ix) provide Seller copies of all studies, surveys, reports, investigations and other tests derived from any inspection ("**Reports**"); and (x) to take the Property at Closing subject to any title exceptions caused by Buyer exercising this right to enter.

Buyer agrees to indemnify, defend, and hold Seller free and harmless from and against any and all losses, damages (whether general, punitive or otherwise), liabilities, claims, causes of action (whether legal, equitable or administrative), judgments, court costs and legal or other expenses (including reasonable attorneys' fees) which Seller may suffer or incur as a consequence of Buyer's exercise of the license granted pursuant to this Section 7.4 or any act or omission by Buyer, any contractor, subcontractor or material supplier, engineer, architect or other person or entity acting by or under Buyer (except Seller and its agents) with respect to the Property, excepting any and all losses, damages (whether general, punitive or otherwise), liabilities, claims, causes of action (whether legal, equitable or administrative), judgments, court costs and legal or other expenses (including reasonable attorneys' fees) arising from the mere discovery by Buyer of any hazardous materials or conditions and excepting to the extent such claims arise out of the negligence or misconduct of Seller. Buyer's obligations under this Section 7.4 shall survive termination of this Agreement for any reason.

8. CONDITIONS PRECEDENT TO CLOSE OF ESCROW.

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

- i. Title Company will issue the Title Policy as specified in Section 6.2.
- ii. Buyer has secured the Parcel Merger as specified in Section 7.3.
- iii. Escrow Holder holds and will deliver to Buyer the instruments and funds, if any, accruing to Buyer pursuant to this Agreement.
- iv. Seller is not in default of its obligations under this Agreement.

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

- i. Buyer has delivered the balance of the Purchase Price to Escrow Holder.
- ii. Seller has approved the Parcel Merger as specified in Section 7.3.
- iii. Title Company will issue the Title Policy as specified in Section 6.2.

- iv. Escrow Holder holds and will deliver to Seller the instruments and funds accruing to Seller pursuant to this Agreement.
- v. Buyer is not in default of its obligations under this Agreement.

9. LIQUIDATED DAMAGES.

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

Seller's Initials

Buyer's Initials

10. CONDITION OF THE PROPERTY.

10.1 Disclaimer of Warranties. Upon the Close of Escrow, Buyer shall acquire the Property in its "AS-IS" condition and Buyer shall be responsible for any defects in the Property, whether patent or latent, including, without limitation, the physical, environmental and geotechnical condition of the Property, and the existence of any contamination, Hazardous Materials, vaults, debris, pipelines, or other structures located on, under or about the Property, and, except as specifically set forth in Section 11, Seller makes no other representation or warranty concerning the physical, environmental, geotechnical or other condition of the Property, and Seller specifically disclaims all representations or warranties of any nature concerning the Property made by it. The foregoing disclaimer includes, without limitation, topography, climate, air, water rights, utilities, soil, subsoil, existence of Hazardous Materials or similar substances, the purpose for which the Property is suited, or drainage.

10.2 Hazardous Materials. Buyer understands and agrees that, in the event Buyer incurs any loss or liability concerning Hazardous Materials (as hereinafter defined) and/or underground storage tanks whether attributable to events occurring prior to or following the Closing, then Buyer may look to current or prior owners of the Property, but in no event shall Buyer look to Seller for any liability or indemnification regarding Hazardous Materials and/or underground storage tanks. Buyer, from and after the Closing, hereby

waives, releases, remises, acquits and forever discharges Seller, and each of the entities constituting Seller, if any, of and from any and all Environmental Claims, Environmental Cleanup Liability and Environmental Compliance Costs, as those terms are defined below, and from any and all actions, suits, legal or administrative orders or proceedings, demands, actual damages, punitive damages, loss, costs, liabilities and expenses, which concern or in any way relate to the physical or environmental conditions of the Property, the existence of any Hazardous Material thereon, or the release or threatened release of Hazardous Materials there from, whether existing prior to, at or after the Closing. It is the intention of the parties pursuant to this release that any and all responsibilities and obligations of Seller, and any and all rights, claims, rights of action, causes of action, demands or legal rights of any kind of Buyer, its successors, assigns or any affiliated entity of Buyer, against the Seller, arising by virtue of the physical or environmental condition of the Property, the existence of any Hazardous Materials thereon, or any release or threatened release of Hazardous Material there from, whether existing prior to, at or after the Closing, are by this release provision declared null and void and of no present or future force and effect as to the parties; provided, however, that no parties other than the Indemnified Parties (defined below) shall be deemed third party beneficiaries of such release.

In connection therewith, Buyer and each of the entities constituting Buyer, expressly agree to waive any and all rights which said party may have with respect to such released claims under Section 1542 of the California Civil Code which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

Buyer Initials _____

Seller Initials _____

Buyer and each of the entities constituting Buyer, shall, from and after the Closing, defend, indemnify and hold harmless Seller and each of the entities constituting Seller (collectively, the "**Indemnified Parties**") from and against any and all Environmental Claims, Environmental Cleanup Liability, Environmental Compliance Costs, and any other claims, actions, suits, legal or administrative orders or proceedings, demands or other liabilities resulting at any time from the physical and/or environmental conditions of the Property whether before or after the Closing or from the existence of any Hazardous Materials or the release or threatened release of any Hazardous Materials of any kind whatsoever, in, on or under the Property occurring at any time whether before or after the Closing, including, but not limited to, all foreseeable and unforeseeable damages, fees, costs, losses and expenses, including any and all attorneys' fees and environmental consultant fees and investigation costs and expenses, directly or indirectly arising there from, and including fines and penalties of any nature whatsoever, assessed, levied or asserted against any Indemnified Parties to the extent that the fines and/or penalties are the result of a violation or an alleged violation of any Environmental Law. Buyer further agrees that in the event Buyer obtains, from former or present owners of the Property or any other persons or entities, releases from liability, indemnities, or other forms of hold harmless relating to the subject matter of this Section, Buyer shall use its diligent efforts to obtain for Seller the same releases, indemnities and other comparable provisions.

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

"Environmental Claim" means any claim for personal injury, death and/or property damage made, asserted or prosecuted by or on behalf of any third party, including, without limitation, any governmental entity, relating to the Property or its operations and arising or alleged to arise under any Environmental Law.

"Environmental Cleanup Liability" means any cost or expense of any nature whatsoever incurred to contain, remove, remedy, clean up, or abate any contamination or any Hazardous Materials on or under all or any part of the Property, including the ground water hereunder, including, without limitation, (i) any direct costs or expenses for investigation, study, assessment, legal representation, cost recovery by governmental agencies, or ongoing monitoring in connection therewith and (ii) any cost, expense, loss or damage incurred with respect to the Property or its operation as a result of actions or measures necessary to implement or effectuate any such containment, removal, remediation, treatment, cleanup or abatement.

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

"Environmental Law" means any federal, state or local statute, ordinance, rule, regulation, order, consent decree, judgment or common-law doctrine, and provisions and conditions of permits, licenses and other operating authorizations relating to (i) pollution or protection of the environment, including natural resources, (ii) exposure of persons, including employees, to Hazardous Materials or other products, raw materials, chemicals or other substances, (iii) protection of the public health or welfare from the effects of by-products, wastes, emissions, discharges or releases of chemical substances from industrial or commercial activities, or (iv) regulation of the manufacture, use or introduction into commerce of chemical substances, including, without limitation, their manufacture, formulation, labeling, distribution, transportation, handling, storage and disposal.

"Hazardous Material" is defined to include any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of California, or the United States Government. The term "Hazardous Material" includes, without limitation, any material or substance which is: (i) petroleum or oil or gas or any direct or derivative product or byproduct thereof; (ii) defined as a "hazardous waste," "extremely hazardous waste" or "restricted hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140, of the California Health and Safety Code; (iii) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code; (iv) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Sections 25501(o) and (p) and 25501.1 of the California Health and Safety Code (Hazardous Materials Release Response Plans and Inventory); (v) defined as a "hazardous substance" under Section 25281 of the California Health and Safety Code (Underground Storage of Hazardous Substances); (vi) "used oil" as defined under Section 25250.1 of the California Health and Safety Code; (vii) asbestos; (viii) listed under Article 9 or defined as hazardous or extremely hazardous pursuant to Article 1 of

Title 22 of the California Code of Regulations, Division 4, Chapter 30; (ix) defined as "waste" or a "hazardous substance" pursuant to the Porter-Cologne Act, Section 13050 of the California Water Code; (x) designated as a "toxic pollutant" pursuant to the Federal Water Pollution Control Act, 33 U.S.C. §1317; (xi) defined as a "hazardous waste" pursuant to the Federal Resource Conservation and Recovery Act, 42 U.S.C. §6901, et seq. (42 U.S.C. §6903); (xii) defined as a "hazardous substance" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601, et seq. (42 U.S.C. §9601); (xiii) defined as "Hazardous Material" or a "Hazardous Substance" pursuant to the Hazardous Materials Transportation Act, 49 U.S.C. §1801, et seq.; or (xiv) defined as such or regulated by any "Superfund" or "Superlien" law, or any other federal, state or local law, statute, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning Hazardous Materials, oil wells, underground storage tanks, and/or pipelines, as now, or at any time hereafter, in effect.

Notwithstanding any other provision of this Agreement, Buyer's release and indemnification as set forth in the provisions of this Section, as well as all other provisions of this Section, shall survive the termination of this Agreement and shall continue in perpetuity.

11. REPRESENTATIONS AND WARRANTIES.

11.1 General Representations and Warranties.

Seller hereby makes the following representations and warranties to Buyer, each of which is true in all respects as of the Opening of Escrow and shall be true in all respects on the date of Close of Escrow on the Property to the best of knowledge of Seller's existing staff without duty to investigate:

(a) There are no contracts, leases, claims or rights affecting the Property and no agreements entered into by or under Seller which shall survive the Close of Escrow that would adversely affect Buyer's rights with respect to the Property except as heretofore disclosed in writing by Seller to Buyer.

(b) Seller has not received any written notice from any third parties, prior owners of the Property, of any federal, state or local governmental agency, indicating that any Hazardous Materials, Environmental Claim, Environmental Cleanup Liability exists or applies to the Property.

(c) Seller is not a foreign person as defined in Internal Revenue Code Section 1445(f)(3).

(d) There are no pending or, to Seller's knowledge without any duty of investigation, any threatened proceedings in eminent domain or otherwise, which would affect the property or any portion thereof.

11.2 Survival of Representations and Warranties of Seller. The representations and warranties provided in this Section 11 shall survive the Closing and delivery of the Grant Deed for a period of one (1) year after the Closing.

12. ESCROW PROVISIONS.

12.1 Escrow Instructions. Sections 1 through 6, inclusive, 8, 12, 15 and 16 constitute the escrow instructions to Escrow Holder. If required by Escrow Holder, Buyer and Seller agree to execute Escrow Holder's standard escrow instructions, provided that the same are consistent with and do not conflict with the provisions of this Agreement. In the event of any such conflict, the provisions of this Agreement shall prevail. The terms and conditions in sections of this Agreement not specifically referenced above are additional matters for information of Escrow Holder, but about which Escrow Holder need not be concerned. Buyer and Seller will receive Escrow Holder's general provisions directly from Escrow Holder and will execute such provision upon Escrow Holder's request. To the extent that the general provisions are inconsistent or conflict with this Agreement, the general provisions will control as to the duties and obligations of Escrow Holder only. Buyer and Seller agree to execute additional instructions, documents and forms provide by Escrow Holder that are reasonably necessary to close Escrow.

12.2 General Escrow Provisions. Escrow Holder shall deliver the Title Policy to the Buyer and instruct the Los Angeles County Recorder to mail the Grant Deed to Buyer at the address set forth in Section 15 after recordation. All funds received in this Escrow shall be deposited in one or more general escrow accounts of the Escrow Holder with any bank doing business in Los Angeles County, California, and may be disbursed to any other general escrow account or accounts. All disbursements shall be according to that party's instructions.

12.3 Proration of Real Property Taxes. As a public agency, Seller is not subject to real property taxes. According, Buyer shall take the Property subject to non-delinquent general and special real property taxes prorated to the Close of Escrow prorated on the basis of a thirty (30) day month and a three hundred sixty (360) day year.

12.4 Payment of Costs.

- a. **Cost Allocation.** The Escrow Agent is authorized to allocate costs as follows: Seller shall pay the cost of the Title Policy as provided in Section 6.2. Seller shall pay the documentary transfer tax. Buyer shall pay all recording fees. Buyer and Seller shall each pay one-half of all Escrow and similar fees, provided that if one party defaults under this Agreement or cancels the Escrow through no fault of the other, the defaulting or canceling party shall pay all Escrow fees and charges. Each party shall pay its own attorneys' fees for preparation of this Agreement.
- b. **Closing Statement.** At least five (5) business days prior to the Closing Date, Escrow Holder shall furnish Buyer and Seller with a preliminary Escrow closing statement which shall include each party's respective shares of costs. The preliminary closing statement shall be approved in writing by the parties. As soon as reasonably possible following the Close of Escrow, Escrow Holder shall deliver a copy of the final Escrow closing statement to the parties.

12.5 Termination and Cancellation of Escrow. If Escrow fails to Close due to a failure of a condition precedent, then the party in whose favor the condition precedent runs may elect to cancel this Escrow upon written notice to the other party and Escrow Holder. Upon cancellation, Escrow Holder is instructed to return (i) all funds (including any Initial Deposit) in accordance with the foregoing provisions of this Agreement, and (ii) all documents then in Escrow to the respective depositor of the same with Escrow Holder. Cancellation of Escrow, as provided herein, shall be without prejudice to whatever legal rights Buyer or Seller may have against each other arising from the Escrow or this Agreement.

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

12.7 No Withholding as Foreign Seller. Seller represents and warrants to Buyer that Seller is not, and as of the Close of Escrow will not be, a foreign person within the meaning of Internal Revenue Code Section 1445 or an out-of-state seller under California Revenue and Tax Code Section 18805 and that it will deliver to Buyer on or before the Close of Escrow a non-foreign affidavit on Escrow Holder's standard form pursuant to Internal Revenue Code Section 1445(b)(2) and the Regulations promulgated thereunder and a California Form 590-RE.

12.8 No Brokerage Commissions. Buyer and Seller each represent and warrant to the other that no-third party is entitled to a broker's commission and/or finder's fee with respect to the transaction contemplated by this Agreement. Buyer and Seller each agree to indemnify and hold the other parties harmless from and against all liabilities, costs, damages and expenses, including, without limitation, attorneys' fees, resulting from any claims or fees or commissions, based upon agreements by it, if any, to pay a broker's commission and/or finder's fee.

13. RISK OF PHYSICAL LOSS. Risk of physical loss to the Property shall be borne by Seller prior to the Close of Escrow and by Buyer after Close of Escrow. In the event that the Property shall be damaged by fire, flood, earthquake or other casualty Buyer shall have the option to terminate this Agreement, provided notice of such termination is delivered to Seller within twenty (20) days following the date Buyer learns of the occurrence of such casualty. If Buyer fails to terminate this Agreement pursuant to the

foregoing sentence within said twenty (20) day period, Buyer shall complete the acquisition of the Property, in which case Seller shall assign to Buyer the interest of Seller in all insurance proceeds relating to such damage (subject to the rights of tenants under leases of the Property). Seller shall consult with Buyer regarding any proposed settlement with the insurer and Buyer shall have the reasonable right of approval thereof. Seller shall hold such proceeds until the Close of Escrow. In the event this Agreement is terminated for any reason, Buyer shall have no right to any insurance proceeds.

14. NON-COLLUSION. No official, officer, or employee of the Agency has any financial interest, direct or indirect, in this Agreement, nor shall any official, officer, or employee of the Agency participate in any decision relating to this Agreement which may affect his/her financial interest or the financial interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any interest of any corporation, partnership, or association in which (s)he is directly or indirectly interested, or in violation of any State or municipal statute or regulation. The determination of "financial interest" shall be consistent with State law and shall not include interest found to be "remote" or "non interest" pursuant to California Government Code Sections 1091 and 1091.5. Seller warrants and represents that (s)he/it has not paid or given, and will not pay or give, to any third party including, but not limited to, and Agency official, officer, or employee, any money, consideration, or other thing of value as a result or consequence of obtaining or being awarded this Agreement. Seller further warrants and represents that (s)he/it has not engaged in any act(s), omission(s), or other conduct or collusion that would result in the payment of any money, consideration, or other thing of value to any third party including, but not limited to, any Agency official, officer, or employee, as a result or consequence of obtaining or being awarded any agreement. Seller is aware of and understands that any such act(s), omission(s) or other conduct resulting in the payment of money, consideration, or other thing of value will render this Agreement void and of no force or effect.

Buyer's Initials: _____

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

To Seller: San Dimas City Successor Agency
245 Bonita Avenue
San Dimas City, CA 91773
Attention: Assistant City Manager's Office

With a Copy to: Aleshire & Wynder, LLP
2361 Rosecrans Avenue, Suite 475
El Segundo, CA 90245
Attention: Mark Steres

To Buyer: F&A Credit Union

Attn. _____

With a copy to:

To Escrow Holder:

Attn. _____

16. GENERAL PROVISIONS.

16.1 Assignment. Buyer has no right to assign this Agreement without the prior written consent of Seller in its sole discretion. This Agreement shall be binding upon and shall inure to the benefit of Buyer and Seller and their respective heirs, personal representatives, successors and assigns.

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

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

16.4 No Waiver. No delay or omission by either party in exercising any right or power accruing upon the compliance or failure of performance by the other party under the provisions of this Agreement shall impair any such right or power or be construed to be a waiver thereof. A waiver by either party of a breach of any of the covenants, conditions or agreements hereof to be performed by the other party shall not be construed as a waiver of any succeeding breach of the same or other covenants, agreements, restrictions or conditions hereof.

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

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

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

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

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

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

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

16.12 Exhibits. Exhibits A and B attached hereto and incorporated herein by reference.

[SIGNATURES ON FOLLOWING PAGE]

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

NOTE: Each of Sections 9, 10.2 & 14 must also be initialed by Buyer & Seller.

BUYER:

F&A FEDERAL CREDIT UNION, a duly-organized credit union service organization

By: _____
Its: _____

By: _____
Its: _____

ACCEPTED BY ESCROW HOLDER:

_____,
a California corporation

By: _____
_____, Escrow Officer

Dated: _____, 2018

SELLER:

SUCCESSOR AGENCY OF THE
COMMUNITY REDEVELOPMENT
AGENCY OF THE CITY OF SAN DIMAS
CITY, a public body, corporate and politic

By: _____
Blaine Michaelis, Executive Director

_____, 2018

ATTEST:

_____, Agency Secretary

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: _____
Mark Steres, Agency Counsel

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

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

EXHIBIT "A"

DEPICTION AND LEGAL DESCRIPTIONS OF THE PROPERTY

EXHIBIT "B"
GRANT DEED

**Recording Requested by &
When Recorded Mail to:**

F&A Credit Union

APN. _____

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

THE UNDERSIGNED GRANTOR DECLARES that the
documentary transfer tax (computer on full value) is
\$ _____

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged and subject to the covenants set forth below SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF SAN DIMAS CITY, a public body, corporate and politic ("**Grantor**") grants to F&A FEDERAL CREDIT UNION, a duly-organized credit union service organization ("**Grantee**"), all of its rights, title, and interest in that certain real property in the City of San Dimas City, County of Los Angeles, State of California, as more particularly described in Exhibit A attached hereto and incorporated by this reference ("**Property**").

As material consideration for this conveyance, Grantee covenants for itself and any successors in interest for the benefit of Grantor and the City of San Dimas City ("**City**"), as follows ("**Covenants**"):

1. Development Covenants.

- 1.1. Covenant.** Upon recordation of this Deed in the Official Records of Los Angeles County ("**Recordation Date**") Grantee covenants to maintain the Property in a neat, clean condition absent of any nuisance conditions and in compliance with all laws.
- 1.2. City as Separate Legal Entity from Grantor.** City is intended as a third-party beneficiary of the Covenants in this Section 1 with full right (but not the obligation) to enforce the terms and provisions hereof. However, City is a separate legal entity from Grantor. Grantor has no authority to bind the City in any discretionary matter, including, but not limited to, any land use or planning entitlements or the approvals required for the Project. Grantee acknowledges that the terms of the Covenants in this Section 1 do not pre-approve any land use or planning entitlements or approvals Grantee may be required to obtain from City for the Project or any other purpose.
- 1.3. Obligations Run with the Land.** Grantee's obligations in this Section 1 constitute covenants, equitable servitudes, restrictions and easements in gross in

favor of Grantor and City which, without regard to technical classification and designation, run with the land and shall be binding on the owner of the Project and all successors.

1.4. Indemnification; Defense. Grantee agrees, at its sole cost and expense, to defend, indemnify and hold harmless Grantor and City (and their respective officers, employees, agents and consultants) from any claim, action or proceeding brought by a third party with respect to all aspects of the Project including, but not limited to, approvals or permits issued by the City and/or Grantor and any claim that the Project is subject to prevailing wages. Grantor and City agree to promptly notify Grantee of any such claim filed against City or Grantor and to fully cooperate in the defense of any such action at no cost or expense to City or Grantor. City and Grantor may elect to participate in the defense of any such claim.

2. Covenant of Non-Discrimination. Grantee agrees to refrain from restricting the rental, sale, or lease of any portion of the Property on the basis of race, color, creed, religion, sex, marital status, age, ancestry, or national origin of any person. All such deeds, leases, or contracts shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

(a) **Deeds:** In deeds the following language shall appear: "The grantee herein covenants by and for itself, its heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the sale, lease, rental, sublease, transfer, use, occupancy, tenure, or enjoyment of the land herein conveyed, nor shall the grantee itself, or any persons claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

(b) **Leases:** In leases the following language shall appear: "The lessee herein covenants by and for itself, its heirs, executors, administrators, successors, and assigns, and all persons claiming under or through them, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the leasing, subleasing, renting, transferring, use, occupancy, tenure, or enjoyment of the land herein leased nor shall the lessee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the land herein leased."

(c) **Contracts:** In contracts pertaining to conveyance of the realty the following language shall appear: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, ancestry, or national origin in the sale, lease, rental, sublease, transfer, use, occupancy, tenure, or enjoyment of the land, nor shall the transferee itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the land."

The forgoing covenants shall remain in effect in perpetuity.

3. **Notice.** All notices shall be in writing and delivered personally, by overnight air courier service, by facsimile transmission or email, or by U.S. certified or registered mail, return receipt requested, postage prepaid, to the parties at their respective addresses set forth below, and the same shall be effective upon receipt if delivered personally, one (1) business day after depositing with an overnight air courier, or two (2) business days after depositing in the mail immediately, upon transmission (as confirmed by electronic confirmation of transmission generated by the sender's machine) for any notice given by facsimile or email:

To Grantor: San Dimas City Successor Agency
245 Bonita Avenue
San Dimas City, CA 91773
Attention: Assistant City Manager's Office

With a Copy to: Aleshire & Wynder, LLP
2361 Rosecrans Avenue, Suite 475
El Segundo, CA 90245
Attention: Mark Steres

To Grantee: F&A Credit Union

Attn. _____

With a copy to: _____

4. **California Law.** The Covenants contained in this Deed shall be construed in accordance with the laws of the State of California.
5. **Interpretation.** If an ambiguity or question of intent or interpretation arises, then the terms of this Deed, including but not limited to, the Covenants, shall be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favoring

or disfavoring any party to this Deed, including but not limited to, the Covenants, by virtue of the authorship of any of the provisions of this Deed.

6. **Severability.** If any provision of this Deed or portion thereof, or the application to any person or circumstances, shall to any extent be held invalid, inoperative or unenforceable, the remainder of the covenants contained in this Deed, or the application of such provision or portion thereof to any other persons or circumstances, shall not be affected thereby.
7. **Attorney's fees.** In the event any action or suit is brought by a party hereto against another party hereunder by reason of any breach of any of the covenants, agreements or provisions on the part of the other party arising out of this Deed, then in that event the prevailing party shall be entitled to have and recover from the other party all costs and expenses of the action or suit, including actual attorneys' fees, expert witness fees, accounting and engineering fees, and any other professional fees resulting therefrom.

[SIGNATURES ON FOLLOWING PAGE]

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

GRANTOR:

SUCCESSOR AGENCY OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF SAN DIMAS CITY, a public body, corporate and politic

By: _____
Blaine Michaelis, Executive Director

_____, 2018

ATTEST:

_____, Agency Secretary

APPROVED AS TO FORM:

ALESHIRE & WYNDER, LLP

By: _____
Mark Steres, Agency Counsel

ACCEPTANCE BY GRANTEE

By its acceptance of this Grant Deed, Grantee hereby agrees as follows:

1. Grantee expressly understands and agrees that the terms of this Grant Deed shall be deemed to be covenants running with the land and shall apply to all of the Grantee's successors and assigns.
2. The provisions of this Grant Deed are hereby approved and accepted.

Dated: _____, 2018

F&A FEDERAL CREDIT UNION, a duly-organized credit union service organization

By: _____
Its: _____

By: _____
Its: _____

EXHIBIT A
LEGAL DESCRIPTION OF THE PROPERTY

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

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

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, 201_ before me, _____, a notary public, personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Notary Public

SEAL:

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

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, 201_ before me, _____,
a notary public, personally appeared _____
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s)
is/are subscribed to the within instrument and acknowledged to me that he/she/they
executed the same in his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s) or the entity upon behalf of which the
person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Notary Public

SEAL