PURCHASE AND SALE AGREEMENT

(250 N. Central Avenue, Compton, CA)

by and among

THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, a public body

("**Successor Agency**"),

THE CITY OF COMPTON, a municipal corporation

("**City**")

and

OLSON URBAN HOUSING, LLC, a Delaware limited liability company

("**Developer**")

_____, 2021

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(250 N. Central Avenue, Compton, CA)

THIS PURCHASE AND SALE AGREEMENT (the "**Agreement**" or the "**PSA**") is dated as of _____, 2021 and is entered into by and among THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON (the "**Successor Agency**"), THE CITY OF COMPTON, a municipal corporation (the "**City**"), and OLSON URBAN HOUSING, LLC, a Delaware limited liability company (the "**Developer**").

RECITALS

A. The Successor Agency owns the land in the City of Compton, State of California located at 250 North Central Avenue (also referred to as 14904 Central Avenue), Compton, California 90220, as described on Exhibit "A" attached hereto (the "**Land**").

B. The purposes of this Agreement are to facilitate (i) the Successor Agency's sale of the Land pursuant to and in furtherance of the Long Range Property Management Plan for the Successor Agency dated December 31, 2013 (the "**LRPMP**"), and (ii) the development on the Land of a for-sale residential project consisting of residential three-story townhomes and other associated improvements which are necessary for the development.

C. Construction of the Improvements (as defined herein), will increase the City's supply of housing, including three (3) townhome units to be restricted for sale to low income persons at affordable sales prices (the "**Affordable Units**"), and will also provide additional jobs, encourage new investment, and otherwise substantially improve the economic and physical conditions in the City.

D. To facilitate the development of the Affordable Units, City agrees, pursuant to the terms of this Agreement, to provide to the Developer a grant of funds from the low and moderate income housing asset fund held by City, as the successor to the housing assets of the former Community Redevelopment Agency of the City of Compton. City acknowledges and agrees, as further set forth in the Financial Gap Analysis prepared by Keyser Marston Associates, Inc. for the City, that as a result of the restricted sales prices for the Affordable Units, the Project (as defined herein) is not financially feasible without said grant of funds.

E. A material inducement to the City to enter into this Agreement is the agreement by the Developer to develop the Affordable Units, as well as the Project, as a whole.

F. The Developer and the City have determined that certain real property identified herein as the "Notch Parcel" would serve as an ideal entry parcel for the Project.

G. The sale of the Land and the Notch Parcel (as defined herein) to the Developer for the Developer's development of the Project pursuant to this Agreement, and the fulfillment generally of this Agreement, are (i) in furtherance of Successor Agency's mandate pursuant to the LRPMP to dispose of the Land, and the City's goals to increase the supply of affordable housing in the City of Compton, (ii) in the vital and best interests of City and the welfare of its residents,

and (iii) in accordance with the public purposes and provisions of applicable federal, state, and local laws and regulations.

AGREEMENT

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

1. DEFINITIONS.

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

1.1.1 "**Affiliate**" means any person or entity directly or indirectly, through one or more intermediaries, controlling, controlled by or under common control with The Olson Company, which, in the case of a partnership, shall include, each of the constituent general partners thereof, and in the case of a limited liability company, each of the constituent members thereof. The term "control", as used in the immediately preceding sentence, means, with respect to a for-profit corporation, the right to exercise, directly or indirectly, fifty percent (50%) or more of the voting rights attributable to the shares of the controlled corporation and, with respect to a person or entity that is not a for-profit corporation, the possession directly or indirectly, of the power to direct or cause the direction of the management or policies of the controlled person.

1.1.2 "**Agreement**" means this Purchase and Sale Agreement and the exhibits attached hereto.

1.1.3 "**Approved Title Exceptions**" is defined in Section 2.3.1.

1.1.4 "**Building Permits**" means, collectively, any and all permits necessary to grade the Land and construct the Project issued by the City.

1.1.5 "**Certificate of Completion**" means the certificate described in Section 4.9.

1.1.6 "**City**" means the City of Compton, a municipal corporation.

1.1.7 "**City Grant**" is defined in Section 3.1.

1.1.8 "**City Manager**" means the City Manager of the City or the City Manager's designee.

1.1.9 "**Close of Escrow**" is defined in Section 2.2.

1.1.10 "**Closing Conditions**" is defined in Section 2.4.

1.1.11 "**Compton Parties**" means the City and Successor Agency.

1.1.12 "**Construction Contract**" is defined in Section 4.1.4.

1.1.13 "**Construction Loan**" is defined in Section 4.1.5.

1.1.14 "**Default**" is defined in Section 7.1.

1.1.15 "**Developer**" means Olson Urban Housing, LLC, a Delaware Limited Liability Company.

1.1.16 "**Escrow**" is defined in Section 2.2.

1.1.17 "**Escrow Holder**" means First American Title Insurance Company (Escrow officer, Jeanne Gould) or another licensed escrow holder mutually selected by the Parties.

1.1.18 "**Executive Director**" means the Executive Director of the Successor Agency or the Executive Director's designee.

1.1.19 "**Feasibility Investigation**" means feasibility investigations of the Land and the Notch Parcel to determine their suitability for development of the Project, including investigation of the environmental and geotechnical suitability of the Land and the Notch Parcel, as deemed appropriate in the sole discretion of the Developer, as further provided in Section 2.6.2.

1.1.20 "**Feasibility Period**" means the time period of one hundred twenty (120) continuous days commencing on the day immediately following the opening of escrow.

1.1.21 "**FIRPTA Certificate**" is defined in Section 2.7.1.4.

1.1.22 "**Force Majeure Delay**" is defined in Section 7.7.

1.1.23 "**General Contractor**" is defined in Section 4.1.4.

1.1.24 "**Grant Deed**" is defined in Section 2.3.2.

1.1.25 "**Hazardous Materials**" means any chemical, material or substance now or hereafter defined as or included in the definition of hazardous substances, hazardous wastes, hazardous materials, extremely hazardous waste, restricted hazardous waste, toxic substances, pollutant or contaminant, imminently hazardous chemical substance or mixture, hazardous air pollutant, toxic pollutant, or words of similar import under any local, state or federal law or under the regulations adopted or publications promulgated pursuant thereto applicable to the Land, including, without limitation: the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. ("**CERCLA**"); the Hazardous Materials Transportation Act, as amended, 49 U.S.C. 1801, et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq.; and the Resource Conservation and Recovery Act of 1976, 42 U.S.C. 6901, et seq. ("**RCRA**"). The term Hazardous Materials shall also include any of the following: any and all toxic or hazardous substances, materials or wastes listed in the United States Department of Transportation Table (49 CFR 172.101) or by the Environmental Protection City as hazardous substances (40 CFR. Part 302) and in any and all amendments thereto in effect as of the Close of Escrow; oil, petroleum, petroleum products (including, without limitation, crude oil or any fraction thereof), natural gas, natural gas liquids, liquefied natural gas or synthetic gas usable for fuel, not otherwise designated as a hazardous substance under CERCLA; any substance which is toxic, explosive, corrosive, reactive, flammable, infectious or radioactive (including any source, special nuclear or by-product material as defined at 42 U.S.C. 2011, et seq.), carcinogenic,

mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority; asbestos in any form; urea formaldehyde foam insulation; transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls; radon gas; or any other chemical, material or substance (i) which poses a hazard to the Land, to adjacent properties, or to persons on or about the Land, (ii) which causes the Land to be in violation of any of the aforementioned laws or regulations, or (iii) the presence of which on or in the Land requires investigation, reporting or remediation under any such laws or regulations.

1.1.26 "**Holder**" is defined in Section 5.3.

1.1.27 "**Improvements**" means all buildings, landscaping and open space, infrastructure, utilities, and other improvements to be built on the Land, as described in the Scope of Development.

1.1.28 "**Independent Contract Consideration**" is defined in Section 2.2.

1.1.29 "**Land**" means the land described on Exhibit "A" attached hereto, and following the Close of Escrow shall include the Notch Parcel.

1.1.30 "**Notch Parcel**" means the land described on Exhibit "I" attached hereto.

1.1.31 "**Notch Parcel Grant Deed**" is defined in Section 2.3.3.

1.1.32 "**Notch Parcel Purchase Price**" is defined in Section 2.1.4.

1.1.33 "**Party**" means any party to this Agreement, and "**Parties**" means all parties to this Agreement.

1.1.34 "**Permitted Exceptions**" is defined in Section 2.3.2.

1.1.35 "**Personnel**" is defined in Section 2.6.1.

1.1.36 "**Plans and Specifications**" means all drawings, landscaping and grading plans, engineering drawings, final construction drawings, and any other plans or specifications for construction of the Project.

1.1.37 "**Project**" means development of the Improvements on the Land.

1.1.38 "**Regulatory Agreement**" means Exhibit "F" attached hereto.

1.1.39 "**Schedule of Performance**" means Exhibit "B" attached hereto.

1.1.40 "**Scope of Development**" means the description of the Project set forth in Exhibit "C" attached hereto.

1.1.41 "**Secured Credit Facility**" is defined in Section 4.1.5.

1.1.42 "**Successor Agency**" means the Successor Agency to the Community Redevelopment Agency of the City of Compton, a public body.

1.1.43 "**Title Company**" means the Escrow Holder (Title Officer, Hugo Tello) (i.e., the Title Company and the Escrow Holder are the same).

1.1.44 "**Title Policy**" is defined in Section 2.8.

1.1.45 "**Transfer**" is defined in Section 5.1.1.

1.1.46 "**Transferee**" is defined in Section 5.1.1.

1.1.47 "**Withholding Affidavit**" is defined in Section 2.7.1.3.

2. PURCHASE AND SALE OF THE LAND AND NOTCH PARCEL; PURCHASE PRICE.

2.1 Sale of Land and Notch Parcel; Purchase Price.

2.1.1 Sale of Land to Developer. In accordance with and subject to the terms and conditions hereinafter set forth, and in consideration of the Developer's performance of all of its responsibilities under this Agreement, Successor Agency agrees to sell the Land to the Developer, and the Developer agrees to purchase the Land from the Successor Agency for the Purchase Price.

2.1.2 Purchase Price for Land. The purchase price which Successor Agency agrees to accept, and the Developer agrees to pay for the Land is the sum of Six Hundred Seven Thousand One Hundred Sixty-One Dollars ($607,161.00) (the "**Purchase Price**"). The Developer shall deposit with the Escrow Holder the Purchase Price (less fifty-percent (50%) of the Independent Contract Consideration), plus Developer's closing costs, subject to adjustment for prorations and other charges, in good funds, on or prior to the Close of Escrow.

2.1.3 Sale of Notch Parcel to Developer. In accordance with and subject to the terms and conditions hereinafter set forth, and in consideration of the Developer's performance of all of its responsibilities under this Agreement, the City agrees to sell the Notch Parcel to the Developer, and the Developer agrees to purchase the Notch Parcel from the City for the Notch Parcel Purchase Price.

2.1.4 Notch Parcel Purchase Price. The purchase price which City agrees to accept, and the Developer agrees to pay for the Notch Parcel is the sum of Twenty-Five Thousand Seven Hundred Fifty Dollars ($25,750.00) (the "**Notch Parcel Purchase Price**"). The Developer shall deposit with the Escrow Holder the Notch Parcel Purchase Price (less fifty percent (50%) of the Independent Contract Consideration), plus Developer's closing costs, subject to adjustment for prorations and other charges, in good funds, on or prior to the Close of Escrow.

2.1.5 City's Failure to Acquire Notch Parcel. Notwithstanding anything to the contrary in this Agreement, if City fails to acquire the Notch Parcel, this Agreement shall not be terminated but shall instead be automatically revised to pertain solely to the Land and to the sale of the Land by Successor Agency to Developer. In such event, the City Grant shall be reduced by Twenty-Five Thousand Dollars ($25,000.00), and the Parties shall reasonably cooperate, as necessary, to effectuate the purchase and sale of the Land.

2.2 Opening and Closing of Escrow. Within fifteen (15) business days after the date this Agreement is executed by the Compton Parties and delivered to the Developer, the Compton Parties and the Developer shall cause an escrow (the "**Escrow**") to be opened with Escrow Holder for the sale of the Land by the Successor Agency to the Developer, and for the sale of the Notch Parcel by the City to the Developer. The Parties shall deposit with Escrow Holder a fully executed duplicate original of this Agreement as the escrow instructions for the Escrow. Concurrently with or promptly following the opening of the Escrow, the Developer shall deliver to Escrow Holder the sum of Two Hundred Dollars ($200) as independent consideration for the rights extended to the Developer under this Agreement (the "**Independent Contract Consideration**"). The Independent Contract Consideration shall be non-refundable to the Developer under any circumstances. Immediately following the Developer's delivery of the Independent Contract Consideration to Escrow Holder, (i) fifty percent (50%) of the Independent Contract Consideration shall be released to the Successor Agency, and thereafter shall be applicable towards the Purchase Price, and (ii) fifty percent (50%) of the Independent Contract Consideration shall be released to the City, and thereafter shall be applicable towards the Notch Parcel Purchase Price. The Compton Parties and the Developer shall provide such additional instructions as shall be necessary and consistent with this Agreement. Subject to the satisfaction of the Closing Conditions, Escrow shall close (the "**Close of Escrow**" or "**Closing**") on or before the date set forth in the Schedule of Performance (the "**Outside Closing Date**"). If the Close of Escrow does not occur by the Outside Closing Date, (as it may be extended), any Party not then in default may terminate this Agreement, and all the funds and documents deposited with Escrow Agent shall be promptly refunded or returned, as the case may be, by Escrow Agent to the depositing Party.

2.3 Condition of Title; Title Insurance.

2.3.1 Prior to the execution of this Agreement, the Developer has obtained a current title report from Title Company for the Land and the Notch Parcel, and copies of the title exception documents, and the Developer shall have the right to approve or disapprove the title exceptions by written notice to Successor Agency given within thirty (30) days after the date of this Agreement. If the Developer does not approve or disapprove the exceptions, then all matters in said title report, shall be deemed to have been approved by the Developer. Title exceptions approved or deemed approved by the Developer are referred to herein as the "**Approved Title Exceptions**". Other than with respect to any deeds of trust or other monetary liens that encumber the Land or the Notch Parcel, which Successor Agency shall be required to remove on or prior to the Closing, Successor Agency shall have the right, but not the obligation, to (i) remove any disapproved exceptions prior to Closing or (ii) provide assurances reasonably satisfactory to the Developer that such disapproved exceptions will be removed on or before the Closing; provided, however, that if Successor Agency does not agree, in a writing delivered to Developer within thirty (30) days after the Developer provides its written notice disapproving exceptions, to undertake (i) or (ii) of this Section 2.3.1, then the Developer shall have the right to cancel the Escrow and terminate this Agreement, in its sole and absolute discretion, without liability to the Compton Parties, by delivery of a notice of termination to the Compton Parties and the Escrow Agent.

2.3.2 Successor Agency shall convey title to the Land to the Developer by grant deed substantially in the form attached hereto as Exhibit "D-1" (the "**Grant Deed**") that is also executed by the Developer. Title shall be conveyed subject to: (i) non-delinquent current real property taxes and assessments not yet due for the tax year during which the conveyance occurs,

(ii) the Approved Title Exceptions, (iii) a Memorandum of Purchase and Sale Agreement in the form attached hereto as Exhibit "E", (vi) a Regulatory Agreement in the form attached hereto as Exhibit "F"; (v) a Notice of Affordability Restrictions in the form attached hereto as Exhibit "G"; (vi) a Subordination Agreement in the form attached hereto as Exhibit "H"; and (vii) any matters which arise out of the actions of the Developer or its agents and representatives (collectively, the "**Permitted Exceptions**").

2.3.3 The City shall convey title to the Notch Parcel to the Developer by grant deed substantially in the form attached hereto as Exhibit "D-2" (the "**Notch Parcel Grant Deed**") that is also executed by the Developer. Title shall be conveyed subject to the Permitted Exceptions.

2.4 Conditions to Close of Escrow. The obligation of the Compton Parties and the Developer under this Agreement to close Escrow shall be subject to the satisfaction or express written waiver by the benefited Party of the following conditions, and the Parties must use reasonable good faith efforts to satisfy of each of the following conditions (collectively, the "**Closing Conditions**"):

2.4.1 For the benefit of the Developer, there shall have been no change to the physical condition of the Land or the Notch Parcel and no new title exceptions after the date of the preliminary title report referenced in Section 2.3.1 hereof (except those changes to the physical condition or new title exceptions resulting from the activities of the Developer as contemplated herein) that, in either case, in the Developer's opinion, would materially and adversely affect the development, use or operation of the Project. All title exceptions disapproved by the Developer shall have been removed or waived by the Developer.

2.4.2 For the benefit of the Compton Parties, the representations and warranties of the Developer contained in this Agreement being true and correct in all material respects.

2.4.3 For the benefit of the Developer, the representations and warranties of the Compton Parties contained in this Agreement being true and correct in all material respects.

2.4.4 For the benefit of the Compton Parties, the delivery by the Developer of all documents and funds required to be delivered pursuant to Section 2.7 hereof.

2.4.5 For the benefit of the Developer, the delivery by the Compton Parties of all documents and funds required to be delivered pursuant to Section 2.7 hereof.

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

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

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

2.4.9 For the benefit of the Compton Parties, the Land and the Notch Parcel constitute one or more separate legal parcels.

2.4.10 For the benefit of the Developer, the Land and the Notch Parcel constitute one or more separate legal parcels.

2.4.11 For the benefit of the Successor Agency, the issuance of all Building Permits required for the Project (or such Building Permits shall be ready to be issued upon the Closing and payment of required permit fees to the City) and the issuance of all other project entitlements. Notwithstanding anything to the contrary contained herein, the failure of the City to issue such permits and entitlements shall not constitute a Default by the Successor Agency or the City.

2.4.12 For the benefit of the Developer, the issuance of all Building Permits required for the Project (or such Building Permits shall be ready to be issued upon the Closing and payment of required permit fees to the City) and the issuance of all other project entitlements. Notwithstanding anything to the contrary contained herein, the failure of the City to issue such permits and entitlements shall not constitute a Default by the Successor Agency or the City.

2.4.13 For the benefit of the Compton Parties, the Developer's issuance of written notice to the Compton Parties accepting the condition of the Land and the Notch Parcel pursuant to Section 2.6.2.

2.4.14 For the benefit of the Developer, the City shall have deposited into Escrow the City Grant.

2.4.15 For the benefit of the Compton Parties and the Developer, the Developer shall obtain, at the Developer's sole cost and expense, an environmental insurance policy (reasonably acceptable in form and substance to the City) which protects the Developer against liability arising from unknown Hazardous Materials located on or under the Land or Notch Parcel as of and prior to the Close of Escrow. The Compton Parties shall be an additionally insured party under such environmental insurance policy. In connection with the issuance of such insurance policy, neither of the Compton Parties shall be required to provide any representations or covenants with respect to the Land or Notch Parcel in addition to, or otherwise modifying those otherwise expressly set forth herein.

2.5 Costs; Escrow Holder Settlement Statement.

2.5.1 The Developer shall be solely responsible for all costs and expenses related to all surveys and endorsements to title policies and any additional premiums for ALTA extended coverage title insurance. The Successor Agency shall be responsible for the cost of CLTA title coverage and transfer taxes. The Successor Agency and the Developer shall each pay one-half (½) of all escrow charges and recording fees. Each Party shall bear its own expenses (including, but

not limited to, attorneys' fees and expenses) incurred by such Party in the negotiation of this Agreement.

2.5.2 Escrow Holder is authorized on the Close of Escrow to pay and charge the Developer and the Successor Agency for any fees, charges and costs payable under Section 2.5.1, which shall be set forth on a settlement statement prepared by Escrow Holder. Escrow Holder shall deliver draft settlement statements to the Parties for their mutual reasonable approval.

2.5.3 In the event that the Close of Escrow does not occur by reason of a default by any Party hereunder, the defaulting Party shall pay all escrow and title cancellation charges and fees. If the Close of Escrow does not occur for any other reason, the Successor Agency and the Developer shall each pay one-half (½) of all escrow and title cancellation charges and fees.

2.6 Condition of the Land and Notch Parcel.

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

2.6.2 Feasibility Investigations. The Developer shall complete all of its Feasibility Investigations within the Feasibility Period. All Feasibility Investigations shall be conducted by the Developer at its sole cost and expense. The Compton Parties hereby license the Developer to enter the Land and the Notch Parcel for the sole purpose of conducting the Feasibility Investigations, subject to all of the terms and conditions of this Agreement. The license given in this Section 2.6.2 shall terminate with the termination of this Agreement. Any Feasibility Investigations by the Developer shall not unreasonably disrupt any existing use or occupancy of the Land or the Notch Parcel. The Developer shall not conduct any intrusive or destructive testing of any portion of the Land or the Notch Parcel, other than low volume soil samples, without the Successor Agency's or the City's, as applicable, prior written consent, which consent shall not be unreasonably withheld or delayed. The Developer shall pay all of its vendors, inspectors, surveyors, consultants or agents engaged in any inspection or testing of the Land or the Notch Parcel, such that no mechanics liens or similar liens for work performed are imposed upon the Land or the Notch Parcel by any such persons. Following the conduct of any Feasibility Investigations on the Land or the Notch Parcel, the Developer shall restore the Land and the Notch

Parcel to substantially their condition prior to the conduct of such Feasibility Investigations. The activities of the Developer or its agents directly or indirectly related to the Feasibility Investigations shall be subject to the Developer's indemnity, defense and hold harmless obligations pursuant to Section 8.2 hereof. The Developer shall provide the Compton Parties with evidence of liability insurance in the amount of One Million Dollars ($1,000,000.00) naming the Compton Parties as beneficiaries, and insuring against any damage or liability that may arise from the activities of the Developer or its agents or contractor's on the Land or the Notch Parcel, prior to the commencement of any Feasibility Investigations on the Land or the Notch Parcel. The Developer shall deliver a written notice to the Compton Parties and Escrow Agent, prior to the end of the Feasibility Period, stating the Developer's unconditional acceptance of the condition of the Land and the Notch Parcel or stating the Developer's rejection of the condition of the Land and the Notch Parcel and refusal to accept a conveyance of title to the Land and the Notch Parcel, and describing in reasonable detail the actions that Developer reasonably believes are indicated to allow Developer to unconditionally accept the condition of the Land and the Notch Parcel. If the Developer does not accept the condition of the Land and the Notch Parcel by delivery of such notice stating such acceptance prior to the end of the Feasibility Period, the Developer shall be deemed to have disapproved the condition of the Land and the Notch Parcel. If the condition of the Land and the Notch Parcel is rejected (or deemed rejected) by the Developer, then the Developer shall have the right to cancel the Escrow and terminate this Agreement, in its sole and absolute discretion, without liability to the Compton Parties, by delivery of a notice of termination to the Compton Parties and the Escrow Agent.

2.6.3 Releases and Waivers. The Developer and anyone claiming by, through or under the Developer hereby, effective as of the Close of Escrow, waives its right to recover from and fully and irrevocable releases the Compton Parties and Personnel from any and all claims, responsibility and/or liability that it may now have or hereafter acquire against any of the Compton Parties or Personnel for any costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to (i) the condition (including any defects, errors, omissions or other conditions, latent or otherwise, and the presence in the soil, air, structures and surface and subsurface waters of materials or substances that have been or may in the future be determined to be Hazardous Materials or otherwise toxic, hazardous, undesirable or subject to regulation and that may need to be specifically treated, handled and/or removed from the Land or the Notch Parcel under current or future federal, state and local laws, regulations or guidelines), valuation, salability or utility of the Land or the Notch Parcel, or their suitability for any purpose whatsoever, and (ii) any information furnished by the Compton Parties or Personnel under or in connection with this Agreement. This release includes claims of which the Developer is presently unaware or which the Developer does not presently suspect to exist which, if known by the Developer, would materially affect the Developer's release of the Compton Parties and Personnel. The Developer specifically waives the provision of California Civil Code Section 1542, 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."

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

The Developer hereby agrees that, if at any time after the Close of Escrow any third party or any governmental agency seeks to hold the Developer responsible for the presence of, or any loss, cost or damage associated with, Hazardous Materials in, on, above or beneath the Land or the Notch Parcel or emanating therefrom, then the Developer waives any rights it may have against the Compton Parties or Personnel in connection therewith, including, without limitation, under CERCLA (as defined in Section 1.1.25) and the Developer agrees that it shall not (i) impede the Compton Parties or Personnel, (ii) bring a contribution action or similar action against the Compton Parties or Personnel, or (iii) attempt in any way to hold the Compton Parties or Personnel responsible with respect to any such matter. The provisions of this Section 2.6.3 shall survive the Close of Escrow and the termination of this Agreement.

The Compton Parties have given the Developer material concessions regarding this transaction in exchange for the Developer agreeing to the provisions of this Section 2.6.3. The Compton Parties and the Developer have each initialed this Section 2.6.3 to further indicate their awareness and acceptance of each and every provision hereof.

_____	_____	_____
CITY'S INITIALS	SUCCESSOR AGENCY'S INITIALS	DEVELOPER'S INITIALS

2.6.4 Environmental Indemnity. From and after the Close of Escrow, the Developer shall indemnify, protect, defend and hold harmless the Compton Parties and Personnel from and against any and all claims, liabilities, suits, losses, costs, expenses and damages, including but not limited to attorneys' fees and costs, arising directly or indirectly out of any claim for loss or damage to any property, including the Land and the Notch Parcel, injuries to or death of persons, or for the cost of cleaning up the Land or the Notch Parcel and removing Hazardous Materials or toxic substances, materials and waste therefrom, by reason of (i) the release of Hazardous Materials on the Land or the Notch Parcel by the Developer or its officers, employees, contractors or subcontractors, or (ii) the violation by the Developer or its officers, employees, contractors or subcontractors of any statutes, ordinances, orders, rules or regulations of any governmental entity or agency related to Hazardous Materials on or under the Land or the Notch Parcel. This indemnification shall survive the Close of Escrow.

2.6.5 Successor Agency Reimbursement for Pre-Closing Environmental Costs. In the event this Agreement is terminated prior to the Close of Escrow for any reason other than a Default by the Developer, then otherwise irrespective of the reason for such termination and/or which Party effected the termination, the Developer shall promptly provide to the Successor Agency copies of invoices, and such other materials as the Successor Agency may reasonably request, evidencing the pre-acquisition environmental costs described in the Scope of Development and actually incurred at the discretion of the Developer (collectively, the "Pre-Acquisition Environmental Costs"). Following the Successor Agency's receipt of the invoices and other materials evidencing the total amount of the Pre-Acquisition Environmental Costs, the Successor Agency shall include the Pre-Acquisition Environmental Costs on the Successor Agency's next recognized obligation payment schedule (the "**Scheduled Obligations**"), and shall thereafter take all commercially reasonable actions necessary, including defending any challenges or disapprovals of the Pre-Acquisition Environmental Costs, to obtain payment for the Pre-Acquisition Environmental Costs. Upon Successor Agency's receipt of payment for the Pre-Acquisition Environmental Costs, Successor Agency shall promptly reimburse the Developer for the Pre-Acquisition Environmental Costs; provided, however, that the Pre-Acquisition Environmental Costs shall not exceed the collective amount of Two Hundred Twenty-Five Thousand Dollars ($225,000.00), as further specified in the Scope of Development. As a condition to such reimbursement, the Developer shall deliver to the Successor Agency original copies of the test results, reports, workplans and such other materials which are the subject of such reimbursement, and the Developer shall assign to the Successor Agency all of the Developer's rights and interests therein, and shall use commercially reasonable efforts to cause the entities which prepared the same to consent to and acknowledge such assignments. Such assignments and consents thereto shall be in form and substance reasonably acceptable to the Successor Agency and its counsel. The Successor Agency and the Developer acknowledge and agree that: (i) the Pre-Acquisition Environmental Costs shall be reimbursed to the Developer only if the Successor Agency receives payment from the County of Los Angeles with respect to the Scheduled Obligations, and shall not be payable from any other source of funds of the Successor Agency or the City, and (ii) that the Successor Agency will not be required to include the Pre-Acquisition Environmental Costs on any subsequent recognized obligation payment schedule if the Scheduled Obligations are not approved by the oversight board for the Successor Agency or the funds to pay the Scheduled Obligations are not otherwise received by the Successor Agency.

2.7 Deposits into Escrow.

2.7.1 The Compton Parties shall deposit, or cause to be deposited, with Escrow Holder, prior to Close of Escrow, the following instruments, documents and funds the delivery of each of which shall be a condition of the Close of Escrow:

2.7.1.1 The Grant Deed, duly executed and acknowledged by the Successor Agency and Developer;

2.7.1.2 The Notch Parcel Grant Deed duly executed and acknowledged by the City and Developer;

2.7.1.3 An affidavit as contemplated by California Revenue and Taxation Code § 18662 (the "**Withholding Affidavit**") with respect to the Land and the Notch Parcel;

2.7.1.4 A Certification of Non-Foreign Status in accordance with I.R.C. Section 1445 (the "**FIRPTA Certificate**") with respect to the Land and the Notch Parcel;

2.7.1.5 A counterpart of a Memorandum of Purchase and Sale Agreement, substantially in the form attached hereto as Exhibit "E", duly executed and acknowledged by the Compton Parties;

2.7.1.6 A counterpart of the Regulatory Agreement, substantially in the form attached hereto as Exhibit "F", duly executed by City and acknowledged;

2.7.1.7 A counterpart of the Notice of Affordability Restrictions, substantially in the form attached hereto as Exhibit "G", duly executed by the City and acknowledged;

2.7.1.8 Such proof of each of the Compton Parties' authority and authorization to enter into this transaction as the Title Company may reasonably require in order to issue the Title Policy; and;

2.7.1.9 A counterpart of the Subordination Agreement, substantially in the form attached hereto as Exhibit "H" duly executed by the City and acknowledged;

2.7.1.10 The Successor Agency shall deposit with Escrow Holder funds sufficient to satisfy the Successor Agency's monetary obligations in accordance with this Agreement; and

2.7.1.11 The City shall deposit the City Grant with Escrow Holder.

2.7.2 The Developer shall deposit with Escrow Holder, prior to the Close of Escrow, (i) the Purchase Price, less the Independent Contract Consideration, (ii) the Notch Parcel Purchase Price, (iii) counterparts of the Grant Deed, the Notch Parcel Grant Deed, the Memorandum of Purchase and Sale Agreement, the Regulatory Agreement, the Notice of Affordability Restrictions, and the Subordination Agreement, all duly executed by the Developer and acknowledged, and (iv) any additional funds sufficient to satisfy the Developer's monetary obligations in accordance with this Agreement.

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

(i) The Title Company can issue in favor of the Developer an ALTA Extended Coverage Owner's Policy of Title Insurance, with liability equal to Six Hundred Thirty-Two Thousand Nine Hundred Eleven Dollars ($232,911.00) (or such other amount as shall have been reasonably requested by the Developer), showing title to the Land and the Notch Parcel vested in the Developer subject only to the Permitted Title Exceptions the "Title Policy".

(ii) The Compton Parties and the Developer shall have deposited, or cause to have been deposited in Escrow the documents required pursuant to Section

2.7.1 and 2.7.2, and the Successor Agency and Developer shall have deposited in Escrow all Escrow closing costs.

(iii) The Compton Parties and the Developer have confirmed to Escrow Holder that all of the other Closing Conditions set forth in Section 2.4 have been satisfied or expressly waived in writing by the Party(s) benefited thereby.

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

2.9 Escrow's Closing Actions. On the Close of Escrow, Escrow Holder shall:

2.9.1 Record the Grant Deed, the Notch Parcel Grant Deed, the Memorandum of Purchase and Sale Agreement, the Regulatory Agreement, the Notice of Affordability Restrictions, and the Subordination Agreement, with the Los Angeles County Recorder, in that order;

2.9.2 Disburse to the Developer the City Grant;

2.9.3 Disburse to the Successor Agency the Purchase Price and to the City the Notch Parcel Purchase Price;

2.9.4 Cause the Title Company to issue the Title Policy;

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

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

2.9.7 Prepare and deliver to the Developer and the Compton Parties, one signed copy of Escrow Holder's closing statement showing all receipts and disbursements of the Escrow; and

2.9.8 Deliver the FIRPTA Certificates and the Withholding Affidavits to the Developer.

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

2.11 Successor Agency Rights and Interest Following Close of Escrow. Following the Close of Escrow, Successor Agency shall have no further rights or obligations under this Agreement other than the indemnification provisions in favor of Successor Agency that expressly survive the Close of Escrow.

3. CITY GRANT.

In consideration of the Developer's agreement to restrict the Affordable Units for sale to low income households at affordable sales prices, as further set forth in the Regulatory Agreement, the City agrees to provide to the Developer a grant of funds from the City's low and moderate income housing asset fund in an amount not to exceed Two Million Two Hundred Twenty-Two Thousand One Hundred Sixty-One Dollars ($2,222,161.00) (the "**City Grant**"). The City Grant shall be utilized solely for costs incurred by Developer to develop the Affordable Units. City acknowledges and agrees, as further set forth in the Financial Gap Analysis prepared by Keyser Marston Associates, Inc. for the City, that as a result of the restricted sales prices for the Affordable Units, the Project is not financially feasible without the City Grant.

4. DEVELOPMENT COVENANTS.

4.1 Development of the Project.

4.1.1 Upon receipt of the prior written consent of the Executive Director and City Manager, which consent shall not be unreasonably withheld, the Developer's agents, employees, contractors, representatives (collectively, "**Licensee's Designees**") shall have the right, at the Developer's discretion and sole expense (without a condition of the Close of Escrow), to enter upon the Land and the Notch Parcel prior to the Close of Escrow for the purpose of performing additional inspections, investigations, and testing, and with the prior written consent of the Executive Director, which consent shall not be unreasonably withheld or delayed, for the purpose of performing demolition, grading, and utility undergrounding and/or installation on site (collectively, the "**Pre-Closing Work**"). The Developer shall indemnify, defend and hold the Compton Parties and Personnel harmless from and against any and all claims, liens, liabilities, damages, losses, costs and expenses of any kind or nature whatsoever (including, without limitation, attorneys' fees and expenses and court costs) ("collectively, "**Claims**") suffered, incurred or sustained by the Successor Agency and the City as a result of, by reason of, or in connection with the Pre-Closing Work, except for Claims resulting from the willful misconduct, negligence or breach of this Agreement by the Successor Agency or the City. The Developer shall procure and maintain reasonable insurance naming the Compton Parties as beneficiary and in such amounts as the Compton Parties shall reasonably require and covering claims for injuries to persons and property that may arise from or are otherwise connected with the performance of the Pre-Closing Work, and the Developer shall deliver evidence of such insurance to the Compton Parties prior to entering the Land or the Notch Parcel. The Developer shall not be obligated by this Agreement to perform any Pre-Closing Work.

4.1.2 The Developer shall develop the Improvements on the Land, in accordance with the Scope of Development, the Schedule of Performance, all requirements of any and all applicable federal, state and local laws and regulations (including any conditions of approval required by the City), the Plans and Specifications, and all other terms, conditions and requirements of this Agreement. The Developer shall comply with the Schedule of Performance in a timely manner, provided that the obligations of the Developer set forth therein which are to be performed after the Close of Escrow shall be delayed by Force Majeure Delays, if applicable, and provided, further, that the City Manager may extend any deadline therein, in writing, in his sole and absolute discretion. Until a Certificate of Completion is issued, the Developer shall

provide the City with periodic progress reports, as reasonably requested by the City, regarding the status of the construction of the Improvements.

4.1.3 City's Right to Review Plans and Specifications. In connection with construction of the Improvements, the Developer shall comply in all respects with Plans and Specifications approved by the City. The City shall have the right to review all Plans and Specifications for the Improvements to ensure that the Improvements are constructed in accordance with the Scope of Development and the other applicable provisions of this Agreement.

4.1.4 Construction Contracts. The Developer shall retain one or more reputable and financially responsible general contractors (each, a "**General Contractor**") to undertake the construction of the Improvements. Each General Contractor shall be acceptable to and approved in writing by the City Manager (in the exercise of his or her reasonable discretion), licensed in California, shall have any other licenses reasonably required by the City, and shall be experienced in constructing the type of improvements constituting the Improvements; provided, however, that Olson Urban Housing, L.P., a Delaware limited partnership. is hereby approved as an acceptable contractor. On or before the date set forth in the Schedule of Performance, the Developer shall enter into a written contract, in form and substance acceptable to the City Manager (in the exercise of his or her reasonable discretion) (the "**Construction Contract**"), with the General Contractor(s) for performing the work constituting the construction of such improvements. Each such Construction Contract shall obligate the General Contractor to commence and complete such construction in accordance with this Agreement and all applicable federal, state and local laws, rules and regulations. The Developer shall require that the General Contractor utilize good faith efforts to provide opportunities to residents and businesses within the City of Compton to be utilized for construction labor and building materials in the construction of the Project.

4.1.5 Construction Financing. The Developer shall submit to the City, for approval by the City Manager (in the exercise of his reasonable discretion), evidence of an executed Construction Loan or Construction Loan commitment. As used herein, the term "**Construction Loan**" shall mean a loan in an aggregate amount equal to (or greater than) all hard costs of designing and constructing the Improvements and all soft costs for owning and operating the Project until maturity of the construction loan, as shown in the budget for such Construction Loan, less the collective sum of the City Grant and equity funds for such purposes to be provided by the Developer, all as shown in a budget for the development of the Project which shall be submitted to and approved by the City Manager, in the exercise of his reasonable discretion, prior to the Close of Escrow. The Construction Loan may be a loan provided under a line of credit or credit facility, and the City hereby approves the credit facility in the aggregate principal amount of Seventy-Five Million Dollars ($75,000,000.00), which may be increased due to its revolving nature, to be provided by Wells Fargo Bank, as administrative agent for the lenders, which is described in Recital B of the form of Subordination Agreement attached hereto (the "**Secured Credit Facility**"). Evidence of an executed Construction Loan commitment may consist of a letter demonstrating that the Project meets the requirements to be added to the Secured Credit Facility.

4.2 Costs of Entitlement, Development and Construction. The Developer agrees that with the exception of the City Grant, all costs, expenses and fees associated with the Project, including the costs for developing and constructing the Improvements on the Land (including, but not limited to governmental permits and approvals), shall be borne by the Developer.

4.3 Rights of Access and Inspection. In addition to those rights of access to and across the Land to which they may be entitled by law, members of the staff of the City shall have a reasonable right of access to the Land, without charge or fee, at any reasonable time, upon not less than seventy-two (72) hours' prior notice to the Developer (which may be telephonic notice to the Developer or its construction foreman) to inspect the work being performed at the Land in connection with the initial development of the Project but shall not be obligated to do so and the City shall not be liable for any failure to disclose any information discovered by the City (or that could or should have been discovered by any City inspection). Such City staff shall be accompanied by a representative of Developer during any such entry onto the Land. The City shall also have the right at all reasonable times following not less than seventy-two (72) hours' prior notice (which may be telephonic notice to the Developer or its construction foreman) to inspect and copy those portions of the books, records and all other documentation of the Developer specifically and directly pertaining to its obligations under this Agreement.

4.4 Local, State and Federal Laws. The Developer shall carry out the construction of the Improvements on the Land in conformity with all applicable federal, state and local laws, including, but only to the extent applicable by law, state labor standards and prevailing wage laws, Labor Code Section 1720, *et seq*., and its implementing regulations ("**Prevailing Wage Laws**"). It is the understanding and intent of the Parties that any assistance provided by City under this Agreement meets the exemption from Prevailing Wage Laws set forth in Labor Code Section 1720(c)(4) for the construction or rehabilitation of affordable housing units for low or moderate-income persons pursuant to paragraph (5) or (7) of subdivision (e) of Section 33334.2 of the Health and Safety Code that are paid for solely with moneys from the Low and Moderate Income Housing Fund established pursuant to Section 33334.3 of the Health and Safety Code or that are paid for by a combination of private funds and funds available pursuant to Section 33334.2 or 33334.3 of the Health and Safety Code. It is the further understanding and intent of the Parties that, other than the City Grant, which shall be utilized for the costs to develop the Affordable Units, neither the City nor the Successor Agency is providing any other assistance to the Project which would cause it to constitute construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds as defined pursuant to Labor Code Section 1720. Notwithstanding the foregoing, the Developer shall be solely responsible for determining and effectuating compliance with any applicable Prevailing Wage Laws, and neither the Successor Agency nor the City make any representation as to the applicability or non-applicability of the Prevailing Wage Laws to the Project. The Developer hereby releases from liability, and agrees to indemnify, defend, assume all responsibility for and hold the Compton Parties and Personnel harmless from any and all claims, demands, actions, suits, proceedings, fines, penalties, damages, expenses resulting from, arising out of, or based upon the Developer's acts or omissions pertaining to the compliance with the Prevailing Wage Laws for the Project. The release and indemnification provisions of this Section 4.4 shall survive the Close of Escrow and the termination of this Agreement.

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

4.6 Anti-discrimination During Construction. The Developer, for itself and its successors and assigns, agrees that it shall not discriminate against any employee or applicant for employment, as provided in Section 5.3, in the construction of the Improvements.

4.7 Taxes, Assessments, Encumbrances and Liens. The Developer shall pay when due all real property taxes and assessments assessed or levied on the Land, from time to time owned by the Developer, commencing immediately after the Close of Escrow.

4.8 No Agency Created. In performing this Agreement, the Developer is an independent contractor and not the agent of the City or the Successor Agency. The Successor Agency nor the City is an agent of the Developer. Neither the City nor the Successor Agency shall have any responsibility whatsoever for payment to any contractor or supplier of the Developer or its contractors. The Developer shall not have any responsibility whatsoever for payment to any contractor or supplier of the City.

4.9 Certificate of Completion. Upon the Developer's completion of the construction of all of the Improvements, the Developer may apply to the City for a Certificate of Completion. The City's issuance of the Certificate of Completion shall constitute the acknowledgement of the City that the Developer has complied in all respects with its development obligations (and only the development obligations) set forth in this Article 4 with respect to all of the Improvements required hereunder. Promptly following the City's issuance of a final certificate of occupancy for a unit of housing (and in conjunction with the sale of such housing unit to a third party), and provided that the Developer is then in full compliance with all of its obligations under Article 4 of this Agreement (and is not otherwise in default under the provisions of this Agreement), the City shall, at the Developer's request, execute, acknowledge and deliver to the Developer a form, reasonably acceptable to the Developer, of an express termination or reconveyance of the City's right to purchase as contained in the Grant Deed, and repurchase as contained in the Notch Parcel Grant Deed, and a release of the Developer of all of requirements set forth in the Grant Deed and Notch Parcel Grant Deed with respect to said housing unit. If the City believes that the Developer is not in compliance with its obligations under this Article 4, the City shall promptly specify the nature of such non-compliance by written notice to the Developer.

5. LIMITATIONS ON TRANSFERS AND SECURITY INTERESTS.

5.1 Restrictions on Transfer of Developer's Rights and Obligations.

5.1.1 Prior to issuance of a Certificate of Completion, the Developer shall not sell, assign, transfer, mortgage, lease (except for space leases conditioned upon Project completion), hypothecate, or convey (collectively, a "**Transfer**") the Land or any part thereof or any of the Developer's rights or obligations hereunder to another person or entity (a "**Transferee**"), without the City's prior written consent, which consent may be granted or withheld in the City's sole and absolute discretion, except that no City approval shall be required for (i) the execution of one or more deeds of trust and related instruments securing the Construction Loan, (ii) a conveyance of the Land resulting from the foreclosure thereof (or a deed-in-lieu of such a foreclosure to the lender or any Affiliate of the lender), (iii) the conveyance or dedication of any portion of the Land to the City or other appropriate governmental agency, (iv) the granting of easements or permits to facilitate construction of the Improvements, (v) the sale of for-sale units in the normal course of

business, including the sale of the Affordable Units to qualified persons and households in accordance with the Regulatory Agreement, (vi) any transfer of the Land and the corresponding rights and obligations of this Agreement to an Affiliate of the Developer, provided that the Transferee assumes all of the provisions of this Agreement that relate to the transferred Land pursuant to an assignment and assumption agreement and all design and constructions contracts and plans and rights to financing shall be assigned in writing to and assumed in writing by the Transferee. The Developer acknowledges that the identity of the Developer is of particular concern to the City, and it is because of the Developer's identity that the City has entered into this Agreement with the Developer. Except for any Transferee approved by the City pursuant to this Section 5.1, and except for any Holder (defined in Section 5.2) that has taken possession of the Land, no voluntary or involuntary successor in interest of the Developer shall acquire any rights or powers under this Agreement. No Transfer of the Developer's interest hereunder without the City's prior written approval shall be deemed to release the Developer from the obligations of the Developer hereunder.

5.2 Holders of Deeds of Trust. Notwithstanding any provisions of Section 5.1 to the contrary, the Developer shall have the right to hypothecate its interest in the Land and Project pursuant to one or more deeds of trust for the purpose of securing the Construction Loan or for refinancing the Construction Loan. Any institutional lender of record holding any such deed of trust, whose name and address shall have been provided by the Developer to the City, shall be referred to herein as a "**Holder**."

5.3 Rights of Holders. The City shall deliver a copy of any notice or demand to the Developer concerning any breach or default by the Developer under this Agreement to each Holder who has previously made a written request to the City for special notice hereunder. Any notice of breach or default by the Developer shall not be effective against any such Holder unless given to such Holder. Such Holder shall have the right at its option to cure or remedy any such default, within the thirty (30) days after the later of the expiration of the Developer's period to cure such default or the Holder's receipt of the default notice from the City, and to add the cost thereof to the secured debt and the lien of its security interest. If such breach or default can only be remedied or cured by such Holder upon obtaining possession, such Holder may remedy or cure such breach or default within a reasonable period of time after obtaining possession, provided such Holder seeks possession with diligence through a receiver or foreclosure. Such Holder shall not undertake or continue the construction or completion of the Improvements beyond the extent necessary to conserve or complete the Improvements. Any Holder completing the Improvements may assume all rights and obligations of the Developer under this Agreement (but without any obligation to do so); provided that, in the event of any such assumption, (i) the City shall reasonably cooperate with the Holder and (ii) such Holder shall be entitled to a reasonable extension of time to complete the Project in accordance with this Agreement. If a Holder should, as a condition of providing financing for development of all or a portion of the Project, request any modification of this Agreement in order to protect its interests in the Project or this Agreement, the City shall not unreasonably withhold its consent to such request consistent with the purpose and intent of this Agreement and the rights and obligations of the parties under this Agreement. As used in this Agreement, to the extent applicable, the term "**Holder**" shall include any successors and assigns of Holder and any person or entity acquiring the Land at or at any time after a foreclosure event.

5.4 Noninterference with Holders. The provisions of this Agreement do not limit the right of Holders (a) to foreclose or otherwise enforce any mortgage, deed of trust, or other security instrument encumbering all or any portion of the Land, and the Improvements thereon, (b) to pursue any remedies for the enforcement of any pledge or lien encumbering such portions of the Land, or (c) to accept, or cause its nominee to accept, a deed or other conveyance in lieu of foreclosure or other realization. In the event of (i) a foreclosure sale under any such mortgage, deed of trust or other lien or encumbrance, (ii) a sale pursuant to any power of sale contained in any such mortgage or deed of trust, or (iii) a deed or other conveyance in lieu of any such sale, the purchaser or purchasers and their successors and assigns, and such portions of the Land shall be, and shall continue to be, subject to all of the conditions, restrictions and covenants of all documents and instruments recorded pursuant to this Agreement, including, without limitation, the restrictions set forth in the Grant Deed and Notch Parcel Grant Deed, subject to the provisions hereof. The City agrees to execute such further documentation regarding the rights of any Holder as set forth in Section 5.7 hereof.

5.5 Right of City to Cure. In the event of a default or breach by the Developer of a loan by a Holder prior to the completion of the Improvements, the City may, upon prior written notice to the Developer, cure the default, prior to the completion of any foreclosure, in accordance with the terms of the Subordination Agreement.

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

5.7 Subordination. Upon the request of the Holder, the Compton Parties shall enter into a subordination agreement, substantially in the form attached hereto as Exhibit "H" and incorporated herein (the "**Subordination Agreement**"), as such form may be amended or otherwise modified at the reasonable request of such Holder, to subordinate their rights under this Agreement, the Grant Deed, the Notch Parcel Grant Deed, the Purchase and Sale Agreement Memorandum and the Regulatory Agreement, to the lien or encumbrance of the therein described financing. The Compton Parties shall also execute such further documents as Holder may reasonably require to effectuate such subordination.

6. USE AND OPERATION OF THE PROPERTY.

6.1 Maintenance by Developer. During their respective periods of ownership of the Project, the Developer and its successors in interest with respect to the Project shall maintain the Project (including landscaping) in a commercially reasonable manner substantially comparable to the maintenance provided to other developments of similar age and quality located in Los Angeles County. The Developer shall maintain the Improvements in good repair and working order, and in a neat, clean and orderly condition, including the walkways, driveways, and landscaping, and from time to time make all necessary and proper repairs, renewals, and replacements. In the event

that there arises at any time prior to the expiration of such period a condition in contravention of the above maintenance standard, then the City shall notify the Developer in writing of such condition, giving the Developer thirty (30) days from receipt of such notice to cure said condition. In the event the Developer fails to cure or commence to cure the condition within the time allowed, the City shall have the right to perform all acts necessary to cure such a condition, or to take other recourse at law or in equity the City may then have and to receive from the Developer the City's actual and reasonable costs in taking such action, which shall be paid by the Developer within ten (10) days after written demand describing the costs. The foregoing provisions shall be a covenant running with the Land and will be enforceable by the City, its successors and assigns.

Prior to selling any housing units, the Developer shall prepare and submit a Declaration of CC&Rs for the Project (the "**CC&Rs**") to the City and obtain its reasonable approval. The CC&Rs shall be recorded prior to the sale of any housing units. The CC&Rs shall obligate the owners of the homes to maintain their individual units and assume all liability for the foregoing maintenance requirements with respect to the individual units, and the owner's association to maintain the common areas and assume all liability for the foregoing maintenance requirements, with respect to the common areas, and the Developer shall have no further responsibility for maintenance of any completed improvements subject to the CC&Rs.

6.2 Obligation to Refrain from Discrimination. The Developer covenants by and for itself, and any successors in interest, that there shall be no discrimination against or segregation of any person, or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, rental, sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Land or Improvements, nor shall the Developer itself or any such 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 foregoing covenants shall run with the Land.

6.3 Form of Nondiscrimination and Non-Segregation Clauses.

All deeds, leases or contracts entered into by the Developer that relate to the Project or any portion thereof shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

1. In deeds: "The grantee herein covenants by and for and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group or persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee himself, 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.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph."

2. In leases: "The lessee herein covenants by and for himself, his heirs, executors, administrators and assigns, and all persons claiming under or through him, and that 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 or persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the leasing, subleasing, transferring, use, or enjoyment of the land herein leased nor shall the lessee himself, or any person claiming under or through him, 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 leased.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph."

3. In contracts: "There shall be no discrimination against or segregation of, any person or group or persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee himself

or any person claiming under or through him, 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.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph."

6.4 Affordability Covenants. The Developer shall comply with the Regulatory Agreement. The Developer shall commence the marketing of the Affordable Units required by the Regulatory Agreement to eligible purchasers, and shall use good faith efforts to designate and sell the Affordable Units as early as practicable. Notwithstanding the foregoing, Developer shall (a)(i) designate, and commence marketing of, the first Affordable Unit within the time that the first Phase (as defined in the Scope of Development) of townhomes are offered for sale, (ii) designate, and commence marketing of the second Affordable Unit within the time that the second Phase of townhomes are offered for sale, and (iii) use commercially reasonable efforts to sell said first two (2) Affordable Units within the time that the first two (2) Phases of townhomes are sold, and (b)(i) designate, and commence marketing of, the third and final Affordable Unit within the time that the third Phase of townhomes are offered for sale, and (ii) use commercially reasonable efforts to sell said third and final Affordable Unit within the time that the third Phase of townhomes are sold. The City shall assist the Developer in the marketing of the Affordable Units by providing the Developer the names and contact information of eligible purchasers known to the City. City acknowledges and agrees that Developer's efforts to sell the Affordable Units within the target timeframes described in this Section 6.4 shall be dependent upon City cooperation and responsiveness in providing interest lists to Developer, reviewing and approving applicants, and providing any necessary documentation to be executed by the purchasers of the Affordable Units. The Compton Parties and Developer acknowledge and agree that (I) the Purchase Price for the Land reflects the value of the Land without development restrictions, because the Successor Agency is conveying the Land to Developer unencumbered, and (II) as further set forth in the Financial Gap Analysis prepared by Keyser Marston Associates, Inc. for the City, upon Developer's acquisition of the Land the actual value of the Land is substantially reduced as a result of the development restrictions set forth in the Regulatory Agreement.

7. EVENTS OF DEFAULT, REMEDIES AND TERMINATION.

7.1 Defaults - Definition. Subject to the provisions of Section 7.7 hereof, the occurrence of any or all of the following shall constitute a default ("**Default**") under this Agreement:

7.1.1 The Developer's failure to perform its obligations under this Agreement on a timely basis as contained herein, or in the Schedule of Performance, involving the payment of money, and the continuance of such breach for a period of ten (10) days after the City or the Successor Agency (as applicable) has given written notice to the Developer, as specified in Section 8.1.

7.1.2 Except as otherwise provided in Section 7.1.1 hereof, a breach of any material term of this Agreement, the Grant Deed, the Notch Parcel Grant Deed, the Regulatory Agreement, or the Subordination Agreement by any Party, not involving the payment of money, and failure of such Party to cure such breach within thirty (30) days after the non-defaulting Party has given written notice to the defaulting Party; provided, however, if such breach is not reasonably curable within such thirty (30) day period, then such Party shall be deemed in Default only if such Party does not commence to cure such breach within such thirty (30) day period and thereafter fails to diligently prosecute such breach to completion;

7.1.3 Developer's Transfer, or the occurrence of any involuntary Transfer, of the Land or Improvements or any part thereof or interest therein, or any rights or obligations of the Developer under this Agreement, in violation of this Agreement;

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

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

7.2 Remedies.

7.2.1 Remedies Prior to the Close of Escrow. In the event of a Default by any Party prior to the Close of Escrow, a non-defaulting Party shall have the right to terminate this Agreement (provided it is not in Default of its obligation under this Agreement), by delivering written notice thereof to the defaulting Party and to Escrow Holder, subject to the rights of the defaulting Party to cure such Default as provided in Section 7.1. Subject to Section 2.2, such Party may seek against the defaulting Party any available remedies at law or equity, including but not limited to, the right to receive damages (excluding damages for lost profits) or to pursue an action

for specific performance. Notwithstanding the foregoing, however, the City or the Successor Agency may exercise the rights in this Section 7.2.1 only if the Developer is the defaulting Party.

7.2.2 Remedies for Default After the Close of Escrow. In addition to, and without limiting, the City's right of re-entry and termination contained in the Grant Deed, in the event of a Default by any Party after the Close of Escrow, a non-defaulting Party shall be entitled to the following remedies, as applicable:

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

(ii) The Developer shall deliver to the City absolute assignments (with appropriate written consents) of all design contracts and plans and specifications for the Project, which shall be in form and substance reasonably acceptable to the City.

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

7.4 No Personal Liability. The Personnel of the City and the Successor Agency shall not be personally be liable to the Developer or any successor in interest of the Developer, in the event of any Default or breach by the City or the Successor Agency, or for any amount which may become due to the Developer or any successor in interest, on any obligation under the terms of this Agreement.

7.5 Rights and Remedies are Cumulative. The rights and remedies of the Parties are cumulative, and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by the non-defaulting Party.

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

7.7 Force Majeure. Following the Close of Escrow, and notwithstanding anything to the contrary in this Agreement, nonperformance shall be excused when performance is prevented or delayed by reason of any of the following forces reasonably beyond the control of such party (a "**Force Majeure Delay**"): (i) failure to perform by the Developer affecting all similar works of construction in the City of Compton, California, area, attributable to any strike, lockout or other labor or industrial disturbance (whether or not on the part of the employees of either party hereto),

civil disturbance, future order claiming jurisdiction, act of the public enemy, acts of terrorism, war, riot, sabotage, blockade, embargo, inability to secure customary materials, supplies or labor through ordinary sources by reason of regulation or order of any government or regulatory body, governmental restrictions and/or delays resulting from the global COVID-19 pandemic; and (ii) delay attributable to severe weather, lightning, earthquake, fire, storm, hurricane, tornado, flood, washout, explosion, or any other similar industry-wide cause beyond the reasonable control of the party from whom performance is required, or any of its contractors or other representatives. Any prevention, delay or stoppage due to any Force Majeure Delay shall excuse the performance of the Party affected for a period of time equal to any such prevention, delay or stoppage (except the obligations of either Party to pay money to the other Party or to close Escrow); provided that the Party claiming Force Majeure Delay notifies the other Party within ten (10) business days after the commencement of the Force Majeure Delay; if the Party claiming delay has no actual knowledge of the event of Force Majeure Delay, the Party claiming the Force Majeure Delay must nevertheless notify the other Party of the Force Majeure Delay within a reasonable time (not to exceed thirty days) after the commencement of the Force Majeure Delay.

8. INSURANCE; INDEMNITY.

8.1 Insurance.

8.1.1 From and after the Close of Escrow and until the issuance of a Certificate of Completion, the Developer shall obtain and maintain at no cost or expense to the Successor Agency or the City, with a reputable and financially responsible insurance company reasonably acceptable to the City, (i) commercially reasonable property insurance for the Improvements in an amount not less than the replacement cost of the Improvements (subject to commercially reasonable deductibles) with a reasonable inflation rider; (ii) commercial general liability insurance, insuring against claims and liability for bodily injury, death, or property damage arising from the construction, use, occupancy, condition, or operation of the Land, which liability insurance shall provide combined single limit protection of at least Five Million Dollars ($5,000,000), contractual liability coverage and products and completed operations coverage, and (iii) commercial automobile liability insurance of at least One Million Dollars ($1,000,000) combined single limit. Such liability insurance policies shall name the Compton Parties and their respective Personnel as additional insureds.

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

8.1.3 The Developer shall also require that any contractor with whom it has contracted for the performance of work on the Land or otherwise pursuant to this Agreement carry workers' compensation insurance as required by law.

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

8.1.5 All such policies required by this Section shall contain (i) language to the effect that with the exception for cancellation for nonpayment, which can be made after ten (10) day's written notice, the policies cannot be cancelled or materially changed except after thirty (30) days' written notice by the insurer to the City, and (ii) a waiver of the insurer of all rights of subrogation against the Compton Parties and the other additional insureds. All such insurance shall have deductibility limits which shall be commercially reasonable.

8.2 Indemnity. From and after the execution of this Agreement, the Developer hereby agrees to indemnify, defend, protect, and hold harmless the Compton Parties and Personnel, from and against all losses, liabilities, claims, damages (including foreseeable or unforeseeable consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorneys' fees) and demands of any nature whatsoever, related directly or indirectly to, or arising out of or in connection with:

(i) the validity of this Agreement;

(ii) the development and construction by the Developer of the Improvements on the Land or the use, ownership, management, occupancy, or possession of the Land during the Developer's period of ownership of the Land;

(iii) any breach or Default by the Developer hereunder (subject to any liquidated damages provisions otherwise contained in this Agreement); or

(iv) any of the Developer's activities on the Land (or the activities of the Developer's agents, employees, lessees, representatives, licensees, guests, invitees, contractors, subcontractors, or independent contractors on the Land), regardless of whether such losses and liabilities shall accrue or are discovered before or after termination or expiration of this Agreement, except to the extent such losses or liabilities are caused by the gross negligence or willful misconduct of any of the Compton Parties and Personnel. The Compton Parties or either of them may in their discretion, and at their own cost, participate in the defense of any legal action naming the City or the Successor Agency (as applicable). The provisions of this Section 8.2 shall survive the Close of Escrow and the termination of this Agreement.

9. REPRESENTATIONS AND WARRANTIES.

9.1 Developer Representations. The Developer represents and warrants to the Compton Parties as of the date of this Agreement and as of the Close of Escrow that:

(i) The Developer is a limited liability company validly existing and in good standing under the laws of the State of Delaware, and eligible to do business within the State of California.

(ii) The Developer has duly authorized the execution and performance of this Agreement and the execution and performance of all of the closing documents set forth herein.

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

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

9.2 Compton Parties' Representations. The Compton Parties hereby represent and warrant to the Developer as of the date of this Agreement and as of the Close of Escrow that:

(i) Neither of the Compton Parties have engaged a broker with respect to the purchase of the Land or the Notch Parcel as contemplated herein.

(ii) This Agreement has been duly authorized by each of the Compton Parties.

(iii) Neither of the Compton Parties is a "foreign person" within the parameters of FIRPTA or any similar state statute, or the Compton Parties are exempt from the provisions of FIRPTA or any similar state statute.

(iv) To the current, actual knowledge of the City Manager, the City's execution, delivery and performance of its obligations under this Agreement will not constitute a default or a breach under any contract, agreement or order to which the City is a party or by which it is bound.

(v) To the current, actual knowledge of the Executive Director, the Successor Agency's execution, delivery and performance of its obligations under this Agreement will not constitute a default or a breach under any contract, agreement or order to which the Successor Agency is a party or by which it is bound.

(vi) The Executive Director has no current, actual knowledge of, nor has the Successor Agency received any notice of, nor does the Executive Director know of any basis for, any actual or pending litigation or proceeding by any organization, person, individual or governmental agency against the Successor Agency with respect to the Land or against the Land.

(vii) The City Manager has no current, actual knowledge of, nor has the City received any notice of, nor does the City Manager know of any basis for, any actual or pending

litigation or proceeding by any organization, person, individual or governmental agency against the City with respect to the Notch Parcel or against the Notch Parcel.

(ix) The Executive Director has no knowledge of, nor has the Successor Agency received any notice of, nor does the Executive Director know of any basis for, any violations of laws, statutes, regulations, ordinances, other legal requirements with respect to the Land (or any part thereof) or with respect to the use, occupancy or construction thereof, or any investigations by any governmental or quasi-governmental authority into potential violations thereof or any condemnation or eminent domain proceedings pending or threatened with respect to the Land or any portion thereof.

(x) The City Manager has no knowledge of, nor has City received any notice of, nor does the City Manager know of any basis for, any violations of laws, statutes, regulations, ordinances, other legal requirements with respect to the Notch Parcel (or any part thereof) or with respect to the use, occupancy or construction thereof, or any investigations by any governmental or quasi-governmental authority into potential violations thereof or any condemnation or eminent domain proceedings pending or threatened with respect to the Notch Parcel or any portion thereof.

(xi) The Successor Agency hereby represents to the current, actual knowledge of the Executive Director, it has delivered all material non-privileged documents in its possession and pertaining to the Land to the Developer. The Successor Agency hereby represents that to the actual knowledge of the Executive Director, the Successor Agency has not received any written notice or written communication from any government agency having jurisdiction over the Land notifying the Successor Agency of the presence of surface or subsurface zone Hazardous Materials in, on, or under the Land, or any portion thereof.

(xii) The City hereby represents to the current, actual knowledge of the City Manager, it has delivered all material non-privileged documents in its possession and pertaining to the Notch Parcel to the Developer. The City hereby represents that to the actual knowledge of the City Manager, the City has not received any written notice or written communication from any government agency having jurisdiction over the Notch Parcel notifying the City of the presence of surface or subsurface zone Hazardous Materials in, on, or under the Notch Parcel, or any portion thereof.

(xiii) The City hereby represents that all funds comprising the City Grant solely constitute moneys from the City's Low and Moderate Income Housing Asset Fund established pursuant to Section 34176(d) of the California Health and Safety Code, all within the meaning of Section 1720(c)(4) of the California Labor Code. The City is not providing funds from any other source in assistance to the Project.

(xiv) There are no leases affecting the Land and no tenants, inhabitants or parties in possession of the Land.

(xiv) Neither the Executive Director nor the City Manager shall have any personal liability with respect to the accuracy of their respective representations contained in this Section 9.2.

10. GENERAL PROVISIONS.

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

Successor Agency: Successor Agency to the Community Redevelopment Agency
of the City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: _____, Executive Director

City: City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: _____, City Manager

With a copy to: The City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: Michael L. Antwine, II, Assistant City Manager

and The City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: Damon M. Brown, City Attorney

and Richards, Watson & Gershon
350 S. Grand Ave., 37th Floor
Los Angeles, California 90071
Attn: Jim G. Grayson, Esq.

Developer: Olson Urban Housing, LLC
3010 Old Ranch Parkway, Suite 100
Seal Beach, California 90740-2751
Attn: Todd J. Olson
Copy to: Katherine Chandler

With a copy to: Rutan & Tucker, LLP
18575 Jamboree Road, 9th Floor
Irvine, CA 92612
Attn: Patrick D. McCalla

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

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

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

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

10.6 Attorneys' Fees. If any Party brings an action to enforce the terms hereof or declare its rights hereunder, the prevailing Party in any such action shall be entitled to its reasonable attorneys' fees to be paid by the losing Party as fixed by the court. If the City or the Successor Agency is made a party to any litigation instituted by or against the Developer or to any litigation attacking the validity of this Agreement, then the Developer shall indemnify and defend the City and/or the Successor Agency in accordance with Section 8.2 hereof.

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

10.8 Severability. Each and every provision of this Agreement is, and shall be construed to be, a separate and independent covenant and agreement. If any term or provision of this Agreement or the application thereof shall to any extent be held to be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to circumstances other

than those to which it is invalid or unenforceable, shall not be affected hereby, and each term and provision of this Agreement shall be valid and shall be enforced to the extent permitted by law.

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

10.10 No Third Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit of the Parties, and their permitted successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

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

10.12 Assignability. Except as otherwise expressly provided in Section 5.1, the Developer may not assign, transfer or convey its rights and obligations under this Agreement without the prior written consent of the City, which the City may withhold in its sole and absolute discretion.

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

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

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

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

[Remainder of this page intentionally left blank]
[Signatures begin on next page]

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

DEVELOPER:

OLSON URBAN HOUSING, LLC,
a Delaware limited liability company

By: In Town Living, Inc.
a Delaware corporation
its Managing Member

By: _____
Name: Todd Olson, President of
Community Development

By: _____
Name: _____

SUCCESSOR AGENCY:

THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON,
a public body, corporate and politic

By: _____
_____, Executive Director

ATTEST:

_____
Alita Godwin, Successor Agency Secretary

APPROVED AS TO FORM:

By: _____
Jim G. Grayson, Successor Agency
Counsel

CITY:

THE CITY OF COMPTON,
a municipal corporation

By: _____
_____, City Manager

ATTEST:

_____
Alita Godwin, City Clerk

APPROVED AS TO FORM:

By: _____
Damon M. Brown, City Attorney

EXHIBIT "A"

LEGAL DESCRIPTION OF LAND

(250 North Central Avenue)

Real property in the City of Compton, County of Los Angeles, State of California, described as follows:

The Land referred to herein below is situated in the City of Compton, County of Los Angeles, State of California, and is described as follows:

PARCEL 1: (APN: 6143-011-902 AND 6143-011-903)

THE SOUTH 132 FEET OF THE PORTION OF BLOCK "I" OF THE TEMPLE AND GIBSON TRACT, IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 2, PAGES 540 AND 541 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE LAND CONVEYED TO FRED C. BURLINGAME, BY DEED RECORDED IN BOOK 66, PAGE 597 OF DEEDS AND IN BOOK 145, PAGE 551 OF DEEDS; THENCE NORTH 89° 43' EAST ALONG THE NORTH LINE OF SAID LAND SO CONVEYED 853 FEET TO THE NORTHEAST CORNER THEREOF; THENCE NORTH 03° 09' WEST ALONG THE EAST LINE OF THE LAND CONVEYED TO NAPOLEON GUAY, BY DEED RECORDED IN BOOK 2140, PAGE 127 OF DEEDS, 437.34 FEET; THENCE SOUTH 89° 43' WEST 913.27 FEET TO THE WEST LINE OF SAID BLOCK "I"; THENCE SOUTH 10° 56' EAST ALONG SAID WEST LINE, 443 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THAT PORTION OF SAID LAND INCLUDED IN CENTRAL AVENUE.

ALSO EXCEPT THEREFROM AN UNDIVIDED FIVE SIXTHS INTEREST IN A WELL SITE UPON SAID LAND, SAID WELL SITE BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LAND; THENCE NORTH 10° 56' WEST ALONG THE WEST LINE THEREOF 85 FEET; THENCE NORTH 79° 04' EAST AT RIGHT ANGLES FROM SAID WEST LINE, 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 79° 04' EAST AT RIGHT ANGLES FROM SAID WEST LINE, 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 10° 56' WEST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE NORTH 79° 04' EAST AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET; THENCE SOUTH 10° 56' EAST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE SOUTH 79° 04' 30" WEST 30 FEET TO THE POINT OF BEGINNING.

PARCEL 2: (APN: 6143-011-018)

AN UNDIVIDED 5/6 INTEREST IN AND TO THE FOLLOWING DESCRIBED LAND:

THAT PORTION OF BLOCK "I" OF THE TEMPLE AND GIBSON TRACT, IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 2, PAGES 540 AND 541 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WEST LINE OF SAID BLOCK "I" DISTANT THEREON NORTH 10° 56' WEST 85 FEET FROM THE NORTHWEST CORNER OF THE LAND CONVEYED TO FRED C. BURLINGAME BY DEEDS RECORDED IN BOOK 66, PAGE 597 OF DEEDS AND BOOK 145, PAGE 551 OF DEEDS; THENCE NORTH 79° 04' EAST, AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET TO THE TRUE POINT OF BEGINNING;

THENCE NORTH 79° 04' EAST, AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 10° 56' WEST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE NORTH 79° 04' EAST AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET; THENCE SOUTH 10° 56' EAST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE SOUTH 79° 04' WEST 30 FEET TO THE TRUE POINT OF BEGINNING.

APN: 6143-011-902 AND 6143-011-903 AND 6143-011-018

EXHIBIT "B"

SCHEDULE OF PERFORMANCE

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

	Action	Date / Deadline
NOTE: The PSA is to be dated as of the date of its execution by Successor Agency and City.		
1.	Opening of Escrow. The Parties shall open escrow with the Escrow Holder.	Within fifteen (15) business days after the date of this PSA.
2.	Entitlements. The Developer shall obtain all Project entitlements from the City.	Prior to or concurrent with the Close of Escrow.
3.	Grading and Building Permits. The Developer shall obtain the Grading Permit for the grading of the Land and all Building Permits for the of construction of the Project.	Prior to the Close of Escrow.

	Action	Date / Deadline
4.	Close of Escrow. The Developer shall acquire the Land from the Successor Agency and the Notch Parcel from the City and shall concurrently close the Construction Loan on the Close of Escrow.	The Close of Escrow shall occur within sixty (60) days after City approval of all Project entitlements and Developer's receipt of the necessary permits for the Project, but in no event later than six (6) months following the date of execution of the Agreement. Notwithstanding the foregoing, if (i) Developer is diligently pursuing required land use entitlements, building and grading permits, but City has not provided final approval by such time due to City's delay and not due to the untimely acts of Developer, and (ii) City receives a written request from Developer to extend such six (6) month period at least thirty (30) days prior to the expiration of the such six (6) month period, then each of the Executive Director and City Manager shall extend such period for an additional six (6) months to obtain final City approvals.
5.	Commencement of Construction. Developer shall substantially commence the Improvements.	No later than sixty (60) days after the Close of Escrow.
6.	Qualification for Certificate of Completion. The Project shall qualify for the Certificate of Completion.	No later than twenty-four (24) months from commencement of construction as described in the preceding item.

EXHIBIT "C"

SCOPE OF DEVELOPMENT

Developer shall cause to be constructed the following improvements on the Land (the "Project"):

- Single Family Townhouses: 57 total on a one-lot subdivision
  - 2-Bedroom*/2.5 Bath** (market) – 16 units
  - 3-Bedroom*/3.5-Bath *** (market) - 41 units
  - 3-Bedroom*/3.5 Bath*** (each an "Affordable Unit") - 3 units

    * Developer may change the mix of 2-bedroom (market) units and 3-bedroom units; provided, however, that the total number of bedrooms in the Project (including the Affordable Units) will not exceed 171.

    ** Developer may increase the number of bathrooms to 3 on some or all 2-bedroom units.

    *** Developer may reduce the number of bathrooms to 3 on some or all units, or increase the number of bathrooms to 4 on some or all units.

    Notwithstanding anything to the contrary in this Scope of Development or in the Agreement, any unit that contains a bedroom on the first floor will also contain either a full or half bathroom on the first floor.

  Developer contemplates constructing the units in five (5) phases (each, a "Phase"), with twelve (12) units contemplated for each of the first three Phases, eleven (11) units contemplated for the fourth Phase, and nine (9) units for the fifth Phase.

  The homes shall be of very good quality, and shall have high efficiency windows and insulation, and quality finishes. Approvals of the finish level will be determined in conjunction with the approval of land use entitlements for the Project.

- Backbone Street

- Site Work

- The Developer may in its discretion and at its cost, as provided in Section 2.6.5 of the Agreement, undertake the following pre-closing environmental activities. The Developer shall not be reimbursed as provided in Section 2.6.5 with respect to any costs in excess of the amount set forth below for each such activity, unless the Developer and the City agree, each in their reasonable discretion, to increase any of such amounts; provided, however, in no event shall the total reimbursement amount exceed Two Hundred Twenty-Five Thousand Dollars ($225,000.00).

  - Testing (soils and groundwater) $75,000

o	Human Health Risk Assessment Report	$10,000
o	Workplan Approval (LAC Fire Admin)	$35,000
o	Legal Costs	$40,000
o	Workplan Report Preparation (Stantec)	$15,000
o	Onsite Consultant Oversight and Reporting (Stantec)	$40,000
o	Operating and Maintenance Manual Preparation (For Vapor Barriers)	$10,000
o	TOTAL PRE-CLOSING COSTS	$225,000

[SUBJECT TO CHANGE]

EXHIBIT "D-1"

FORM OF GRANT DEED

Recording Requested by:

The Successor Agency to the Community
Redevelopment Agency of the City of Compton

And when recorded return to
and mail tax statements to:

Olson Urban Housing, LLC,
3010 Old Ranch Parkway, Suite 100
Seal Beach, CA 90740
Attention: Todd J. Olson

Assessor's Parcel No.: _____

[Space Above this Line for Recorder's Use]

This Grant Deed is exempt from Recording Fees pursuant to California Government Code Sections 6103 and 27383

GRANT DEED
(250 N. Central Avenue, Compton, CA)

The undersigned grantor(s) declare(s):

Documentary Transfer Tax is $
[X] computed on full value of property conveyed, or
[ ] computer on full value less value of liens or encumbrances remaining at time of sale
[ ] Unincorporated area [X] City of Compton

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON**, a public body, corporate and politic ("**Grantor**") hereby GRANTS to **OLSON URBAN HOUSING, LLC**, a Delaware limited liability company ("**Grantee**") the land (the "**Land**") located in the City of Compton, County of Los Angeles, State of California, as described in Exhibit "A" hereto, SUBJECT TO all easements, covenants, conditions, restrictions, and rights of way of record.

1. This grant of the Land is subject to a Purchase and Sale Agreement entered into by and among Grantor, Grantee, and the City of Compton, a municipal corporation (the "City') dated

as of _____, 2021 (the "**Agreement**"), the terms of which are incorporated herein by reference. A copy of the Agreement is available for public inspection at the offices of the Grantor at 205 South Willowbrook Avenue, Compton, California 90220.

2. By acceptance hereof, Grantee agrees, for itself, its successors and assigns, to refrain from restricting the rental, sale or lease of the Land on any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, rental, sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Land or Improvements, nor shall the Grantee himself or any such person claiming under or through him 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 foregoing covenants shall run with the land.

All deeds, leases or contracts entered into by Grantee, its successors and assigns, or any successor-in-interest to all or any portion of or interest in the Land shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

1. In deeds: "The grantee herein covenants by and for and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group or persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee himself, 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.

   Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph."

2. In leases: "The lessee herein covenants by and for himself, his heirs, executors, administrators and assigns, and all persons claiming under or through him, and that 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 or persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the leasing, subleasing, transferring, use, or enjoyment of the land herein leased nor shall the lessee himself, or any person claiming under or through him, 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 leased.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph."

3. In contracts: "There shall be no discrimination against or segregation of, any person or group or persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee himself or any person claiming under or through him, 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.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph."

The foregoing shall be a covenant running with the land for the benefit of, and as a burden upon the Land.

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

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

5. The City shall have, at its option, the additional right, on thirty (30) days' prior written notice to the Grantee and the holders of any mortgages, deeds of trust or other financing instruments, to purchase, enter and take possession of the Land (or portion thereof) with all improvements thereon, if after conveyance of title to the Land and prior to the issuance of a final Certificate of Completion therefor, the Grantee shall:

a. Fail to commence construction of the improvements (or portion thereof) within the time required by the Agreement for a period of three (3) months after written notice thereof from the City (subject to extension of time caused by Force Majeure or time of delay caused by or contributed to by the City) to the Grantee and the holders of any mortgages, deeds of trust or other financing instruments; or

b. Abandon or substantially suspend construction of the improvements (or portion thereof), other than as a result of Force Majeure or any actions by the City which caused or contributed to such suspension, for a period of three (3) months after written notice of such abandonment or suspension from the City to the Grantee and the holders of any mortgages, deeds of trust or other financing instruments; or

c. Assign the Agreement, or transfer or suffer any involuntary transfer of the Property or any part thereof in violation of the Agreement.

Notwithstanding anything to the contrary set forth above, any such right to purchase, enter and possess shall be: (i) subject to and conditioned upon (A) in the case of the Secured Credit Facility, payment to the holders of such Secured Credit Facility, the then current collateral value of the Land (including all improvements thereon) as reflected on the holder of such Secured Credit Facility books and records pursuant to the Secured Credit Facility loan documents or (B) with respect to any other first in priority mortgage or deed of trust holder, payment of the full amount of the unpaid debt, plus any accrued and unpaid interest, costs and expenses; and (ii) subordinate and subject to and be limited by and shall not defeat, render invalid or limit:

d. Any other then existing and remaining mortgage, deed of trust or other security instruments permitted by the Agreement; or

e. Any rights or interests provided in the Agreement for the protection of the holder of such mortgages, deeds of trust or other security instruments.

In addition to payment of the amounts required to be paid above, to exercise its right to purchase, enter and take possession with respect to the Land (or portion thereof), the City (or its designee) shall pay to the Grantee in cash an amount equal to the actual purchase price paid to the Successor Agency for the Land (or allocable to such portion thereof). Grantee shall thereupon execute and deliver to the City a grant deed transferring to the City (or its designee) all of Grantee's interest in the Land (or portion thereof) in its AS-IS, WHERE-IS CONDITION, WITHOUT ANY REPRESENTATIONS OR WARRANTIES. In the event the City exercises its purchase option under this Section 5, such exercise shall constitute Grantor's and the City's sole and exclusive remedy on account of any default of Grantee which gives rise to the City's purchase option hereunder, except that the foregoing limitation on remedies shall not affect the Grantee's indemnity obligations under the Agreement. This Grant Deed may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

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

GRANTOR:

Dated: _____, 2021

THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON,
a public body, corporate and politic

By: _____
Print Name: _____
Title: _____

ATTEST:

_____
Alita Godwin, Successor Agency Secretary

THE CITY OF COMPTON,
a municipal corporation

By: _____
Name: _____
Title: _____

ATTEST:

_____
Alita Godwin, City Clerk

GRANTEE:

Dated: _____, 2021

OLSON URBAN HOUSING, LLC,
a Delaware limited liability company

By: In Town Living, Inc.
a Delaware corporation
its Managing Member

By: _____
Todd Olson, President of
Community Development

By: _____
Name: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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, _____ 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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

_____ Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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, _____ 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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) upon behalf of which the person(s) acted, executed the instrument.

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Signature of Notary Public

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Signature of Notary Public

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STATE OF CALIFORNIA

COUNTY OF _____

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

WITNESS my hand and official seal.

_____ Place Notary Seal Above

Signature of Notary Public

EXHIBIT A

LEGAL DESCRIPTION OF LAND

The Land referred to herein below is situated in the City of Compton, County of Los Angeles, State of California, and is described as follows:

PARCEL 1: (APN: 6143-011-902 AND 6143-011-903)

THE SOUTH 132 FEET OF THE PORTION OF BLOCK "I" OF THE TEMPLE AND GIBSON TRACT, IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 2, PAGES 540 AND 541 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE LAND CONVEYED TO FRED C. BURLINGAME, BY DEED RECORDED IN BOOK 66, PAGE 597 OF DEEDS AND IN BOOK 145, PAGE 551 OF DEEDS; THENCE NORTH 89° 43' EAST ALONG THE NORTH LINE OF SAID LAND SO CONVEYED 853 FEET TO THE NORTHEAST CORNER THEREOF; THENCE NORTH 03° 09' WEST ALONG THE EAST LINE OF THE LAND CONVEYED TO NAPOLEON GUAY, BY DEED RECORDED IN BOOK 2140, PAGE 127 OF DEEDS, 437.34 FEET; THENCE SOUTH 89° 43' WEST 913.27 FEET TO THE WEST LINE OF SAID BLOCK “I”; THENCE SOUTH 10° 56' EAST ALONG SAID WEST LINE, 443 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THAT PORTION OF SAID LAND INCLUDED IN CENTRAL AVENUE.

ALSO EXCEPT THEREFROM AN UNDIVIDED FIVE SIXTHS INTEREST IN A WELL SITE UPON SAID LAND, SAID WELL SITE BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LAND; THENCE NORTH 10° 56' WEST ALONG THE WEST LINE THEREOF 85 FEET; THENCE NORTH 79° 04' EAST AT RIGHT ANGLES FROM SAID WEST LINE, 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 79° 04' EAST AT RIGHT ANGLES FROM SAID WEST LINE, 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 10° 56' WEST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE NORTH 79° 04' EAST AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET; THENCE SOUTH 10° 56' EAST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE SOUTH 79° 04' 30" WEST 30 FEET TO THE POINT OF BEGINNING.

PARCEL 2: (APN: 6143-011-018)

AN UNDIVIDED 5/6 INTEREST IN AND TO THE FOLLOWING DESCRIBED LAND:

THAT PORTION OF BLOCK "I" OF THE TEMPLE AND GIBSON TRACT, IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP

RECORDED IN BOOK 2, PAGES 540 AND 541 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WEST LINE OF SAID BLOCK "I" DISTANT THEREON NORTH 10° 56' WEST 85 FEET FROM THE NORTHWEST CORNER OF THE LAND CONVEYED TO FRED C. BURLINGAME BY DEEDS RECORDED IN BOOK 66, PAGE 597 OF DEEDS AND BOOK 145, PAGE 551 OF DEEDS; THENCE NORTH 79° 04' EAST, AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 79° 04' EAST, AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 10° 56' WEST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE NORTH 79° 04' EAST AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET; THENCE SOUTH 10° 56' EAST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE SOUTH 79° 04' WEST 30 FEET TO THE TRUE POINT OF BEGINNING.

APN: 6143-011-902 AND 6143-011-903 AND 6143-011-018

EXHIBIT "D-2"

FORM OF NOTCH PARCEL GRANT DEED

Recording Requested by:

The City of Compton

And when recorded return to
and mail tax statements to:

Olson Urban Housing, LLC,
3010 Old Ranch Parkway, Suite 100
Seal Beach, CA 90740
Attention: Todd J. Olson

Assessor's Parcel No.: _____

[Space Above this Line for Recorder's Use]

This Grant Deed is exempt from Recording Fees pursuant to California Government Code Sections 6103 and 27383

GRANT DEED
(250 N. Central Avenue, Compton, CA)

The undersigned grantor(s) declare(s):

Documentary Transfer Tax is $
[X] computed on full value of property conveyed, or
[ ] computer on full value less value of liens or encumbrances remaining at time of sale
[ ] Unincorporated area [X] City of Compton

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **THE CITY OF COMPTON**, a municipal corporation ("**Grantor**") hereby GRANTS to **OLSON URBAN HOUSING, LLC**, a Delaware limited liability company ("**Grantee**") the land (the "**Land**") located in the City of Compton, County of Los Angeles, State of California, as described in Exhibit "A" hereto, SUBJECT TO all easements, covenants, conditions, restrictions, and rights of way of record.

1. This grant of the Land is subject to a Purchase and Sale Agreement entered into by and among Grantor, Grantee and the Successor Agency to the Community Redevelopment Agency of the City of Compton dated as of _____, 2021 (the "**Agreement**"), the terms of which are incorporated herein by reference. A copy of the Agreement is available for public inspection at the offices of the Grantor at 205 South Willowbrook Avenue, Compton, California 90220.

2. By acceptance hereof, Grantee agrees, for itself, its successors and assigns, to refrain from restricting the rental, sale or lease of the Land on any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, rental, sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Land or Improvements, nor shall the Developer himself or any such person claiming under or through him 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 foregoing covenants shall run with the land.

All deeds, leases or contracts entered into by Grantee, its successors and assigns, or any successor-in-interest to all or any portion of or interest in the Land shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

1. In deeds: "The grantee herein covenants by and for and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group or persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee himself, 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.

   Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph."

2. In leases: "The lessee herein covenants by and for himself, his heirs, executors, administrators and assigns, and all persons claiming under or through him, and that 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 or persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are

defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the leasing, subleasing, transferring, use, or enjoyment of the land herein leased nor shall the lessee himself, or any person claiming under or through him, 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 leased.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph."

3. In contracts: "There shall be no discrimination against or segregation of, any person or group or persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the California Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the California Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee himself or any person claiming under or through him, 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.

Notwithstanding the immediately preceding paragraph, with respect to familial status, said paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the California Government Code. With respect to familial status, nothing in said paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the California Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the California Civil Code and subdivisions (n), (o) and (p) of Section 12955 of the California Government Code shall apply to said paragraph."

The foregoing shall be a covenant running with the land for the benefit of, and as a burden upon the Land.

3. All covenants contained in this Grant Deed shall run with the land and shall be binding for the benefit of Grantor and its successors and assigns and such covenants shall run in favor of the Grantor and for the entire period during which the covenants shall be in force and

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

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

5. The Grantor shall have, at its option, the additional right, on thirty (30) days' prior written notice to the Grantee and the holders of any mortgages, deeds of trust or other financing instruments, to repurchase, reenter and take possession of the Land (or portion thereof) with all improvements thereon, if after conveyance of title to the Land and prior to the issuance of a final Certificate of Completion therefor, the Grantee shall:

a. Fail to commence construction of the improvements (or portion thereof) within the time required by the Agreement for a period of three (3) months after written notice thereof from the Grantor (subject to extension of time caused by Force Majeure or time of delay caused by or contributed to by the Grantor) to the Grantee and the holders of any mortgages, deeds of trust or other financing instruments; or

b. Abandon or substantially suspend construction of the improvements (or portion thereof), other than as a result of Force Majeure or any actions by the Grantor which caused or contributed to such suspension, for a period of three (3) months after written notice of such abandonment or suspension from the Grantor to the Grantee and the holders of any mortgages, deeds of trust or other financing instruments; or

c. Assign the Agreement, or transfer or suffer any involuntary transfer of the Property or any part thereof in violation of the Agreement.

Notwithstanding anything to the contrary set forth above, any such right to repurchase, enter and repossess shall be: (i) subject to and conditioned upon (A) in the case of the Secured Credit Facility, payment to the holders of such Secured Credit Facility, the then current collateral value of the Land (including all improvements thereon) as reflected on the holder of such Secured Credit Facility books and records pursuant to the Secured Credit Facility loan documents or (B) with respect to any other first in priority mortgage or deed of trust holder, payment of the full amount of the unpaid debt, plus any accrued and unpaid interest, costs and expenses; and (ii) subordinate and subject to and be limited by and shall not defeat, render invalid or limit:

d. Any other then existing and remaining mortgage, deed of trust or other security instruments permitted by the Agreement; or

e. Any rights or interests provided in the Agreement for the protection of the holder of such mortgages, deeds of trust or other security instruments.

In addition to payment of the amounts required to be paid above, to exercise its right to repurchase, reenter and take possession with respect to the Land (or portion thereof), the Grantor (or its designee) shall pay to the Grantee in cash an amount equal to the actual purchase price paid to the Grantor for the Land (or allocable to such portion thereof). Grantee shall thereupon execute and deliver to Grantor a grant deed transferring to Grantor (or its designee) all of Grantee's interest in the Land (or portion thereof) in its AS-IS, WHERE-IS CONDITION, WITHOUT ANY REPRESENTATIONS OR WARRANTIES. In the event Grantor exercises its repurchase option under this Section 5, such exercise shall constitute Grantor's sole and exclusive remedy on account of any default of Grantee which gives rise to Grantor's repurchase option hereunder, except that the foregoing limitation on remedies shall not affect the Grantee's indemnity obligations under the Agreement. This Grant Deed may be executed on one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Remainder of this page intentionally left blank]
[Signatures appear on next page]

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

GRANTOR:

Dated: _____, 2021

CITY OF COMPTON,
a municipal corporation

By: _____
Print Name: _____
Title: _____

ATTEST:

_____
Alita Godwin, City Clerk

GRANTEE:

Dated: _____, 2021

OLSON URBAN HOUSING, LLC,
a Delaware limited liability company

By: In Town Living, Inc.
a Delaware corporation
its Managing Member

By: _____
Todd Olson, President of
Community Development

By: _____
Name: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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, _____ 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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

_____ Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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, _____ 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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) upon behalf of which the person(s) acted, executed the instrument.

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Signature of Notary Public

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STATE OF CALIFORNIA

COUNTY OF _____

On _____ before me, _____ 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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

_____ Place Notary Seal Above

Signature of Notary Public

EXHIBIT A

LEGAL DESCRIPTION OF LAND

The Land referred to herein below is situated in the City of Compton, County of Los Angeles, State of California, and is described as follows:

PARCEL 2: (APN: 6143-011-018)

AN UNDIVIDED 5/6 INTEREST IN AND TO THE FOLLOWING DESCRIBED LAND:

THAT PORTION OF BLOCK "I" OF THE TEMPLE AND GIBSON TRACT, IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 2, PAGES 540 AND 541 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WEST LINE OF SAID BLOCK "I" DISTANT THEREON NORTH 10° 56' WEST 85 FEET FROM THE NORTHWEST CORNER OF THE LAND CONVEYED TO FRED C. BURLINGAME BY DEEDS RECORDED IN BOOK 66, PAGE 597 OF DEEDS AND BOOK 145, PAGE 551 OF DEEDS; THENCE NORTH 79° 04' EAST, AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 79° 04' EAST, AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 10° 56' WEST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE NORTH 79° 04' EAST AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET; THENCE SOUTH 10° 56' EAST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE SOUTH 79° 04' WEST 30 FEET TO THE TRUE POINT OF BEGINNING.

APN: 6143-011-018

EXHIBIT "E"

FORM OF PSA MEMORANDUM

RECORDING REQUESTED BY:

The City of Compton

AND WHEN RECORDED MAIL TO:

The City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: City Manager

With a copy to:

Richards, Watson & Gershon
355 S. Grand Ave., 40th Floor
Los Angeles, CA 90071
Attn: Jim G. Grayson, Esq.

APN: _____

[Space Above This Line For Recorder's Use]

This Memorandum Of Purchase and Sale Agreement is exempt from Recording Fees pursuant to California Government Code Sections 6103 and 27383

MEMORANDUM OF PURCHASE AND SALE AGREEMENT
(250 N. Central Avenue, Compton, CA)

THIS MEMORANDUM OF PURCHASE AND SALE AGREEMENT (the "**Memorandum of PSA**") is made as of _____, 2021, by and among **THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON**, a public body, corporate and politic (the "**Successor Agency**"), **THE CITY OF COMPTON**, a municipal corporation (the "**City**"), and **OLSON URBAN HOUSING, LLC,** a Delaware limited liability company (the "**Developer**"), to confirm that the Successor Agency, the City, and the Developer have entered into that certain Purchase and Sale Agreement dated as of _____, 2021 (the "**PSA**"). The PSA imposes certain conditions (including but not limited to, construction requirements, affordable housing requirements, and transfer restrictions) on the real property described in Exhibit "A" attached hereto and incorporated herein (the "**Land**"). The PSA is a public document and may be reviewed at the principal office of the City.

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

SUCCESSOR AGENCY: **THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON**,
a public body, corporate and politic

By: _____
Print Name: _____
Title: _____

ATTEST:

_____
Alita Godwin, Successor Agency Secretary

CITY: **THE CITY OF COMPTON**,
a municipal corporation

By: _____
Print Name: _____
Title: _____

ATTEST:

_____
Alita Godwin, City Clerk

DEVELOPER: **OLSON URBAN HOUSING, LLC**,
a Delaware limited liability company

By: In Town Living, Inc.
a Delaware corporation
its Managing Member

By: _____
Todd Olson, President of
Community Development

By: _____
Name: _____

[SIGNATURES MUST BE DULY ACKNOWLEDGED BY A NOTARY PUBLIC]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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, _____ 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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

_____ Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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, _____ 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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

_____ Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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STATE OF CALIFORNIA

COUNTY OF _____

On _____ before me, _____ 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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

_____ Place Notary Seal Above

Signature of Notary Public

EXHIBIT A

LEGAL DESCRIPTION OF LAND

Real property in the City of Compton, County of Los Angeles, State of California, described as follows:

EXHIBIT "F"

FORM OF REGULATORY AGREEMENT

RECORDING REQUESTED BY:

The City of Compton

AND WHEN RECORDED MAIL TO:

The City of Compton
205 South Willowbrook Avenue
Compton, CA 90220
Attention: City Manager

With a copy to:

Richards, Watson & Gershon
355 S. Grand Ave., 40th Floor
Los Angeles, CA 90071
Attention: Jim G. Grayson, Esq.

APN: _____

[Space Above This Line For Recorder's Use]

This Regulatory Agreement is exempt from Recording Fees pursuant to California Government Code Sections 6103 and 27383

REGULATORY AGREEMENT
(250 N. Central Avenue, Compton, CA)

THIS REGULATORY AGREEMENT (the "**Restrictions**") is entered into this ____ day of _____, 2021 by and between **OLSON URBAN HOUSING, LLC**, a Delaware limited liability company (the "**Developer**"), and the **CITY OF COMPTON**, a municipal corporation (the "**City**").

RECITALS:

A. Developer, the City, and the Successor Agency to the Community Redevelopment Agency of the City of Compton (the "**Successor Agency**") have entered into that certain Purchase And Sale Agreement (250 N. Central Avenue, Compton, CA), dated _____, 2021 (the "**Agreement**"), for the purpose of providing for the development of affordable housing and market rate housing in the City of Compton. Any capitalized term used herein that is not otherwise defined herein shall have the meaning ascribed to such term in the Agreement.

B. Pursuant to the Agreement, the Successor Agency has conveyed to the Developer certain land located in the City of Compton more particularly described in Exhibit "A" and

depicted in Exhibit "B" (the "**Land**"), upon which the Developer intends to construct fifty-seven (57) townhomes (the "**Townhomes**"), three (3) of which (the "**Affordable Units**") shall be restricted for sale to Low Income Households at an Affordable Sales Price, as more particularly described herein.

C. The Townhomes other than the three (3) Affordable Units (the "**Market Rate Units**") will not be subject to the requirements of these Restrictions.

D. The Agreement contains certain provisions relating to the use of the Land both before and after completion of such development.

NOW, THEREFORE, THE CITY AND THE DEVELOPER COVENANT AND AGREE AS FOLLOWS:

1. Definitions.

"**Area Median Income**" shall mean the median income for Los Angeles County as annually published by the Department of Housing and Community Development pursuant to California Health and Safety Code Section 50093, or the most closely related successor thereto.

"**Area Median Income Adjusted for Household Size**" shall mean the Area Median Income adjusted for the actual number of persons in the applicable household.

"**Area Median Income Adjusted for Household Size Appropriate for the Unit**" shall mean the Area Median Income for a household of three persons in the case of a two-bedroom Unit, a household of four persons in the case of a three-bedroom Unit and a household of five persons in the case of a four-bedroom Unit.

"**Affordable Sales Price**" shall mean a sales price which is established at a level which ensures that the Housing Costs of (a) any Low Income Household purchaser who earns not greater than seventy percent (70%) of the Area Median Income Adjusted for Household Size, does not exceed the product of thirty percent (30%) multiplied by seventy percent (70%) of the Area Median Income Adjusted for Household Size Appropriate for the Unit, and (b) any Low Income Household purchaser whose Gross Income equals or exceeds seventy percent (70%) of the Area Median Income Adjusted for Household Size, does not exceed the greater of (i) thirty percent (30%) of the Gross Income of such purchaser or (ii) the product of thirty percent (30%) multiplied by seventy percent (70%) of the Area Median Income Adjusted for Household Size Appropriate for the Unit.

"**Gross Income**" shall have the meaning ascribed to such term in Section 6914 of Title 25 of the California Code of Regulations, as amended from time to time, and any successor statutes and regulations.

"**Housing Cost**" shall have the meaning ascribed to such term in Section 6920 of Title 25 of the California Code of Regulations, as amended from time to time, and any successor statutes and regulations.

"**Low Income Household**" or "**Qualified Purchaser**" shall mean persons and families whose income does not exceed eighty percent (80%) of the Area Median Income Adjusted for Household Size.

2. Ownership Housing Requirements. The Developer is required to sell each of the Affordable Units to a Low Income Household at an Affordable Sales Price, assuming (i) a reasonable down payment and (ii) a thirty year fixed rate mortgage at prevailing interest rates for similarly situated homes, without providing any vendor/purchase money financing, for use as owner-occupied housing, in accordance with the following restrictions:

(a) Prior to any such sale of an Affordable Unit, the Developer shall submit to the City Manager the proposed location of the Affordable Unit, the proposed sales price, and documentation reasonably demonstrating to the City Manager that the proposed sales price is an Affordable Sales Price, and that the proposed purchaser qualifies as a Low Income Household, in accordance with the procedure set forth in Section 3 hereof.

(b) The grant deed from the Developer to any such proposed Low Income Household purchaser shall restrict the use of the Affordable Unit to owner-occupancy, and shall restrict subsequent resales of the Affordable Unit to Low Income Households, at an Affordable Sales Price, who agree that the use of the Affordable Unit is restricted to owner-occupancy pursuant to and in conformance with the Grant Deed Rider. These restrictions shall continue to apply until the forty-fifth (45th) anniversary of the date of recordation of the grant deed conveying the Affordable Unit from the Developer to a Low Income Household purchaser at an Affordable Sales Price in accordance with these Restrictions.

(c) To implement this Section, the Developer agrees to attach the Grant Deed Rider to the grant deed conveying the Affordable Unit to any such proposed Low Income Household purchaser substantially in the form attached to these Restrictions as Exhibit "C" ("**Grant Deed Rider**"), which is incorporated herein by this reference.

(d) The Affordable Units shall be the units designated by mutual agreement of the Developer and the City Manager.

(e) The Developer shall commence the marketing of the Affordable Units required hereunder to eligible purchasers and shall use good faith efforts to designate and sell the Affordable Units as early as practicable. The City shall assist the Developer in the marketing of the Affordable Units by providing Developer the names and contact information of eligible purchasers on the City's homebuyer interest list.

(f) All construction and sales of Affordable Units as required hereunder and under the Agreement shall be in compliance with the requirements for affordable housing units for low or moderate income persons pursuant to paragraph (5) of subdivision (e) of Section 33334.2 of the Health and Safety Code.

(g) Developer shall not rent any of the Affordable Units without the prior written consent of the City, which consent may be granted or withheld in the sole and absolute discretion of the City.

3. Method of Initial Sale of Affordable Units.

A. Procedures to Notify the City.

(i) Notice of Proposed Sale. For each Affordable Unit proposed to be sold by the Developer, the Developer shall notify the City Manager in writing to that effect not less than thirty (30) days prior to the anticipated closing date, and shall provide such information as the City may reasonably require regarding the proposed Qualified Purchaser. The writing (hereinafter referred to as the "**Notice of Intended Sale**") shall state the street address of the Affordable Unit, the name(s) and existing address of the proposed Qualified Purchaser, and the terms of the proposed documentation reasonably demonstrating to the City Manager that the proposed sales price is an Affordable Sales Price , and that the proposed purchaser qualifies as a Low Income Household. The Notice of Intended Sale, together with the City required information, shall be personally delivered or deposited into the U.S. mail, postage prepaid, first class, certified mail, return receipt requested, addressed to:

CITY OF COMPTON
205 South Willowbrook Avenue
Compton, California 90622-5009
Attn: City Manager

(ii) Submission of Additional Information. The City Manager may at any time after the submission of the Notice of Intended Sale request the Developer or the proposed Qualified Purchaser to provide additional information regarding the proposed Qualified Purchaser and/or the proposed transaction for the sale of the Affordable Unit, and the Developer and/or Qualified Purchaser shall supply such information as soon as possible.

(iii) Assumption of Obligations to the City. If the City Manager determines that the proposed purchaser is a Qualified Purchaser, and the proposed terms of sale result in an Affordable Sales Price, the City shall allow the sale of the Affordable Unit subject to these Restrictions, which shall be deemed to have been assigned to and assumed by the proposed Qualified Purchaser pursuant to and in conformance with the Grant Deed Rider.

B. Disposition of the Subject Land Contrary to These Restrictions. If the Developer disposes of any portion of the Land contrary to these Restrictions, the City and the Successor Agency shall at any time thereafter, have all rights and remedies available to it as described in the Agreement or otherwise available to it at law and in equity and may seek enforcement of the terms and conditions hereof in any manner allowed by law or equity.

C. Disposition of Market Rate Units. The Developer may sell the Market Rate Units without complying with the procedures set forth in these Restrictions. Upon request of the Developer, the City shall furnish to the Developer a release or such other documentation as may be necessary to confirm that a Market Rate Unit is not subject to these Restrictions.

4. Terms of Purchase. The following provisions shall also apply to the initial sale of each of the Affordable Units by Developer:

A. Escrow. The Developer acknowledges and agrees that the percentage amount of any deposit required pending close of escrow shall not exceed that customarily required

for the purchase of newly constructed residential units in Los Angeles County at the time of the escrow. Closing costs shall be allocated between buyer and seller according to the customary practices in Los Angeles County in effect at the time of an offer to purchase by a Qualified Purchaser. The Developer shall agree to reasonable terms of sale that are consistent with promoting the purpose of these Restrictions.

B. Conditions to Close of Escrow. The purchase agreement and escrow instructions for the purchase of an Affordable Unit from the Developer may provide for conditions or contingencies of the type or nature commonly included within purchase agreements and escrow instructions for the purchase of new homes (including, but not limited to, financing contingencies, inspection rights, and preliminary title report approvals), provided that the escrow period shall be not less than sixty (60) days from the date of the purchase agreement. The Qualified Purchaser's qualifications are subject to prior review and approval by the City.

C. Purchase Price. The purchase price paid by the Qualified Purchaser shall not exceed an Affordable Sales Price.

5. Maintenance. Until the sale of an Affordable Unit, the Developer shall maintain the Affordable Unit in compliance with all applicable housing quality standards, and all applicable local code requirements, and shall keep the Land free from any unreasonable accumulation of debris or waste materials. The Developer shall also maintain in a healthy condition any landscaping required to be planted pursuant to the Scope of Development.

6. Non Discrimination and Non Segregation Clauses. Developer shall refrain from restricting the sale of Affordable Units on the basis of race, color, religion, sex, marital status, disability, ancestry or national origin of any person. All deeds or contracts shall contain or be subject to substantially the following nondiscrimination or non-segregation clauses:

(a) In deeds: "The grantee herein covenants by and for himself or herself, his or her 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 any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any 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 premises herein conveyed. The foregoing covenants shall run with the land."

"Notwithstanding the immediately preceding paragraph, with respect to familial status, the immediately preceding paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in the immediately preceding paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section

12955 of the Government Code shall apply to the immediately preceding paragraph."

(b) In contracts: "There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, transfer, use, occupancy, tenure, or enjoyment of the premises which are the subject of the Agreement, nor shall the grantee or any person claiming under or through him or her, establish or permit any 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 premises herein conveyed. The foregoing covenants shall run with the land."

"Notwithstanding the immediately preceding paragraph, with respect to familial status, the immediately preceding paragraph shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in the immediately preceding paragraph shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to the immediately preceding paragraph."

7. The covenants established in these Restrictions and any amendments hereto approved by the City and the Developer shall, without regard to technical classification and designation, be binding for the benefit and in favor of the City and the Successor Agency, and their successors and assigns.

8. The City and the Successor Agency are deemed to be the beneficiary of the terms and provisions of these Restrictions and the covenants herein, both for and in its own right and for the purposes of protecting the interests of the community and other parties, public or private, for whose benefit these Restrictions and the covenants running with the land have been provided. The City shall have the right if the covenants are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of these Restrictions and covenants are entitled.

9. The covenants and agreements contained herein shall run with the land and not be personal obligations of the Developer. Upon the sale, conveyance or other transfer of an Affordable Unit ("**Transfer**") in accordance with the requirements of these Restrictions, the Developer's liability for performance with respect to the transferred Affordable Unit shall be terminated as to any obligation to be performed hereunder after the date of such Transfer.

10. In connection with a sale of an Affordable Unit and in accordance with these Restrictions and recordation of the Grant Deed Rider in the form attached hereto as Exhibit "C", these Restrictions shall cease to apply to the applicable Affordable Unit that is the subject of such sale, and the City shall execute a release of these Restrictions from that Affordable Unit.

11. The provisions of these Restrictions shall be deemed independent and severable, and a determination of invalidity or partial invalidity or unenforceability of any one provision or portion

hereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provisions hereof.

12. These Restrictions may be executed in one or more counterparts, each of which shall be deemed as original but all of which together shall constitute one and the same instrument.

13. These Restrictions shall be governed by, construed, and enforced in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the City and the Developer have executed these Restrictions as of the date on the date set forth herein above.

CITY:

CITY OF COMPTON,
a municipal corporation

By: _____
_____, City Manager

ATTEST:

By: _____
Alita Godwin, City Clerk

DEVELOPER:

OLSON URBAN HOUSING LLC,
a Delaware limited liability company

By: In Town Living, Inc.,
a Delaware corporation
its Managing Member

By: _____
Todd Olson, President of
Community Development

By: _____
Name: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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, _____ 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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

_____ Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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

WITNESS my hand and official seal.

_____ Place Notary Seal Above

Signature of Notary Public

EXHIBIT A TO REGULATORY AGREEMENT

LEGAL DESCRIPTION

Real property in the City of Compton, County of Los Angeles, State of California, described as follows:

EXHIBIT "B" TO REGULATORY AGREEMENT

DIAGRAM/SITE PLAN

(Attached)

[TO BE PROVIDED BY DEVELOPER IN FUTURE]

EXHIBIT C TO REGULATORY AGREEMENT

Form of Grant Deed Rider to be used by Developer
In Connection with a Sale of an Affordable Unit
To Low Income Household Purchaser

GRANT DEED RIDER
(AFFORDABLE HOUSING DEED RESTRICTIONS)

Grantee, by acceptance and recordation of this Grant Deed Rider, expressly accepts, covenants, and agrees to be bound by and assume performance of all the applicable provisions and requirements set forth in this Grant Deed Rider, the provisions and requirements of which are acknowledged by Grantee to be reasonable, and which are incorporated in the grant deed to which this Grant Deed Rider is attached by this reference (the "**Grant Deed**"), and this grant is expressly conditioned upon the performance of such provisions to be performed by Grantee. The use for which the residential unit conveyed by the Grant Deed (the "**Subject Property**") is intended is owner-occupied residential, and the restrictions on its use and subsequent transfer are fully set forth in this Grant Deed Rider, to which the Grant Deed is expressly made subject.

1. Affordable Housing Restrictions. The grant made by the Grant Deed is conditioned upon and subject to the following terms, conditions, covenants and restrictions of this Grant Deed Rider:

(a) Grantee will use and occupy the Subject Property as Grantee's principal place of residence immediately upon the close of escrow and shall continue to so use and occupy the Subject Property for the duration of Grantee's ownership of the Subject Property. Grantee shall not lease or rent the Subject Property for any reason. Grantee shall devote and continuously maintain the Subject Property as a __-bedroom residential dwelling unit affordable for "Qualified Purchaser(s)" (as hereinafter defined) until 12:01 A.M. on the day immediately succeeding the forty-fifth (45th) anniversary of the date of recordation of the Grant Deed.

(b) If, during the duration of his/her/their ownership, Grantee shall fail to use and occupy the Subject Property as his/her/their principal place of residence, the City of Compton (the "**City**"), at its option, shall have the right to purchase the Subject Property upon the payment to Grantee of the lesser of (i) the then fair market value of the Subject Property, as determined by an appraisal obtained by the City, or (ii) an amount which is an "Affordable Sales Price" (as that term is defined in this Grant Deed Rider), subject to the Minimum Amount set forth in Section 3(C) hereof. The City shall exercise its option to purchase the Subject Property by written notice to Grantee within thirty (30) days after providing Grantee written notice of the default that entitles City to the option, and shall close escrow on the purchase of the Subject Property within sixty (60) days after the date of the notice of exercise of the Option. If City does not timely exercise its option, such option rights shall expire with respect to the default that entitled City to the option. The purchase price payable by City shall be applied first to pay off the unpaid principal balance of any first trust deed loan or any other encumbrance secured by a lien on the Subject Property upon such sale to the City (plus any interest or other sums due and payable thereon);

(c) The provisions of the foregoing subparagraphs (a) and (b) and this subparagraph (c) shall terminate and become void automatically at 12:01 A.M. on the day immediately succeeding the forty-fifth (45th) anniversary of the date of the recordation of the Grant Deed, and the same shall constitute and be construed as covenants which shall run with the land.

(d) There shall be no discrimination against or segregation of any person, or group of persons on account of race, color, religion, disability, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Subject Property hereby conveyed. Any owner of the Subject Property and all persons claiming under or through the owner shall not establish or permit any such practice or practices of discrimination against or segregation of, any person or group of persons on account of race, color, religion, disability, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Subject Property, nor shall Grantee 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, sub-tenants, sub-lessees, or vendees in the Subject Property. The foregoing covenants shall run with the land in perpetuity. Each Owner of the Subject Property shall not be responsible for violations of this subparagraph (d) occurring after it has no interest in the Subject Property.

(e) All covenants without regard to technical classification or designation shall be binding for the benefit of City and such covenants shall run in favor of City for the entire period during which such covenants shall be in force and effect, without regard to whether City is or remains an owner of any land or interest therein to which such covenants relate. City, in the event of any breach of any such covenant, shall have the right to exercise all the rights and remedies, and to maintain any action at law or suits in equity or other proper proceedings to enforce the curing of such breach.

(f) In accepting the Grant Deed, the undersigned Grantee understands and acknowledges that the Subject Property is being sold to Grantee at a purchase price that is below the fair market value of the Subject Property as the result of terms and conditions contained in that Purchase and Sale Agreement dated as of _____, 2021 among the Successor Agency to the Community Redevelopment Agency of the City of Compton (the "Successor Agency"), City and Grantor (referred to as the "**Agreement**"), so as to make the Subject Property "affordable" to Grantee. In return for and in consideration of the opportunity for Grantor to sell and Grantee to purchase the Subject Property under the above-referenced terms, conditions, covenants and restrictions, and for other good and valuable consideration, the receipt and legal sufficiency of which the undersigned hereby acknowledges, Grantee, on behalf of himself, herself, or themselves and with the express intent to bind all those defined as "Owner" as hereinafter defined, hereby agrees to comply with all of the requirements of this Grant Deed Rider.

(g) For purposes of this Grant Deed Rider, the following terms shall have the following definitions:

"**Area Median Income**" shall mean the median income for Los Angeles County as annually published by the Department of Housing and Community Development pursuant to California Health and Safety Code Section 50093, or the most closely related successor thereto.

"**Area Median Income Adjusted for Household Size**" shall mean the Area Median Income adjusted for the actual number of persons in the applicable household.

"**Area Median Income Adjusted for Household Size Appropriate for the Unit**" shall mean the Area Median Income for a household of **[**four**]** persons, unless pertinent federal statutes applicable to the Affordable Unit specify otherwise.

"**Affordable Sales Price**" shall mean a sales price which is established at a level which ensures that the Housing Costs of (a) any Low Income Household purchaser who earns not greater than seventy percent (70%) of the Area Median Income Adjusted for Household Size, does not exceed the product of thirty percent (30%) multiplied by seventy percent (70%) of the Area Median Income Adjusted for Household Size Appropriate for the Unit, and (b) any Low Income Household purchaser whose Gross Income equals or exceeds seventy percent (70%) of the Area Median Income Adjusted for Household Size, does not exceed the greater of (i) thirty percent (30%) of the Gross Income of such purchaser or (ii) the product of thirty percent (30%) multiplied by seventy percent (70%) of the Area Median Income Adjusted for Household Size Appropriate for the Unit.

"**Gross Income**" shall have the meaning ascribed to such term in Section 6914 of Title 25 of the California Code of Regulations, as amended from time to time, and any successor statutes and regulations.

"**Housing Cost**" shall have the meaning ascribed to such term in Section 6920 of Title 25 of the California Code of Regulations, as amended from time to time, and any successor statutes and regulations.

"**Low Income Household**" or **"Qualified Purchaser**" shall mean persons and families whose income does not exceed eighty percent (80%) of the Area Median Income Adjusted for Household Size.

"**Owner**" shall mean and include the undersigned Grantee and any or all successors in interest (whether voluntary or involuntary), transferees, assigns, heirs, executors, or administrators of the undersigned.

2. Method of Sale.

A. Notice of Proposed Sale. If at any time during the duration of this Grant Deed Rider, the Owner desires or elects to sell, transfer, convey, assign or otherwise dispose of the Subject Property (to "**dispose**"), the Owner in such event is required to do so only to a Qualified Purchaser and is required to dispose of the Subject Property to such Qualified Purchaser in its entirety. If the Owner of the Subject Property desires to dispose of the Subject Property, the Owner shall notify City Manager in writing to that effect not less than thirty (30) days prior to the anticipated closing date and shall provide such information as City may reasonably require regarding the proposed Qualified Purchaser. That writing (hereinafter referred to as the "**Notice of Intended Sale**") shall state the street address of the Subject Property, the Owner's name(s), the name(s) and existing address of the proposed Qualified Purchaser, and the terms of the proposed transaction, including the proposed purchase price, and documentation reasonably demonstrating to City Manager (or his or her designee) that the proposed purchase price will result in an

Affordable Sales Price, and that the proposed purchaser qualifies as a Low Income Household. The Notice of Intended Sale, together with the City-required information shall be personally delivered or deposited into the U.S. mail, postage prepaid, first class, certified mail, return postage prepaid, first class, certified mail, return receipt requested, addressed to:

CITY OF COMPTON
205 South Willowbrook Avenue
Compton, CA 90220
Attn: City Manager

B. Submission of Additional Information. Representatives of City may at any time after the submission of the Notice of Intended Sale request the Owner or the proposed Qualified Purchaser to provide additional information regarding the proposed Qualified Purchaser and/or the proposed transaction for the disposal of the Subject Property, and the Owner and/or Qualified Purchaser shall supply such information as soon as practicable.

C. City Approval of Sale of Subject Property. If City determines that the proposed purchaser is a Qualified Purchaser, and the proposed terms of sale make the sale price an Affordable Sales Price, City shall allow the disposition of the Subject Property subject to this Grant Deed Rider which shall be deemed to have been assigned to and assumed by the proposed Qualified Purchaser pursuant to and in conformance with the provisions hereof.

D. Notice of Default Under Deed of Trust. The Owner covenants to cause to be filed in the office of the Recorder of the County of Los Angeles a request for a copy of any notice of sale or notice of default under any deed of trust with power of sale encumbering the Subject Property or any part thereof. Such request shall specify that any such notice shall be mailed to:

CITY OF COMPTON
205 South Willowbrook Avenue
Compton, CA 90220
Attn: City Manager

E. Disposition of the Subject Property Contrary to Grant Deed Rider. If the Owner disposes of the Subject Property contrary to this Grant Deed Rider, City and Successor Agency shall at any time thereafter, at their election, have the right to declare such disposition or other act null and void and/or seek enforcement of the terms and conditions hereof in any manner allowed by law or equity.

3. Terms of Purchase. Upon sale of the Subject Property, the following provisions shall govern:

A. Escrow. The Owner acknowledges and agrees that the percentage amount of any deposit required pending close of escrow shall not exceed that customarily required for the purchase of residential units in Los Angeles County, California at the time of the escrow. Closing costs shall be allocated between buyer and seller according to the customary practices in Los Angeles County in effect at the time of an offer to purchase by a Qualified Purchaser. The Owner

shall agree to reasonable terms of sale that are consistent with promoting the purpose of Grant Deed Rider.

B. Condition to Close of Escrow. The purchase agreement and escrow instructions may provide for conditions or contingencies of the type or nature commonly included within residential purchase escrows to the obligation of the purchaser to purchase the Subject Property from the then Owner (including, but not limited to, financing contingencies, inspection rights, and preliminary title report approvals), provided that such purchase agreement and escrow instructions shall provide for an escrow period of at least sixty (60) days. The Qualified Purchaser's qualifications are subject to review and approval by City.

C. Purchase Price. Owner shall have the right to sell the Subject Property to another Qualified Purchaser, for an Affordable Sales Price, for use as owner occupied housing, upon terms and conditions that are in accordance with the following restrictions:

Prior to any such resale of the Subject Property, Owner shall provide Notice of Intended Sale to City, as provided in Paragraph 2.A, above.

The Grant Deed from Owner to any such proposed purchaser shall restrict the use of the Subject Property to owner-occupancy, and shall restrict subsequent resales of the Subject Property to Qualified Purchasers, at an Affordable Sales Price, who agree to occupy the Subject Property as their principal place of residence. This restriction shall continue to apply until the date set forth in Section 1 hereof.

Notwithstanding the requirement herein that the resale price of the Subject Property must be at an Affordable Sales Price, Owner shall not be prohibited by this Grant Deed Rider from obtaining a resale price (whether the sale is to a Qualified Purchaser or to City) which recovers the sum of Owner's original purchase price for the Subject Property, plus Owner's reasonable costs of sale of the Subject Property, plus the reasonable costs of improvements made to the Subject Property by Owner (the "**Minimum Amount**").

To implement this Paragraph 3, Owner agrees that the grant deed conveying the Subject Property to any such proposed Qualified Purchaser shall provide that the grant of the Subject Property is subject to the terms of this Grant Deed Rider.

4. Limits on Liability. Neither the Successor Agency nor the City shall be liable to the Owner or become obligated in any manner to the Owner by reason of the enforcement of this Grant Deed Rider, nor shall City be in any way obligated or liable to the Owner for any failure of any Qualified Purchaser to consummate a purchase of the Subject Property or to comply with the terms of any agreement of escrow for the sale of the Subject Property. Only the purchaser executing a purchase agreement or escrow instruction shall be liable to the Owner pursuant to the terms of any such agreement or escrow instructions. Neither the Successor Agency nor the City shall be liable or responsible for any defect in the condition of the Subject Property of whatever nature and the Owner agrees to release the Successor Agency and the City from any such liability and/or responsibility and further agrees to hold the Successor Agency and the City harmless from any claim or cause of action brought by third parties arising out of any such defect.

5. Transfers and Conveyances. Until such time as this Grant Deed Rider is released by City or expires, the Subject Property and any interest in title thereto shall not be disposed of or rented to any person or entity except with the express written consent of City (except for Permitted Transfers, as provided in Paragraph 6, or Permitted Encumbrances, as provided in Paragraph 7, which do not require the consent of City). Owner acknowledges that its purchase of the Subject Property is being assisted with assistance made available by City, which was made available exclusively for the purpose of increasing, improving or preserving the community's supply of Low Income Household housing, in accordance with applicable state and federal laws, and that City's purpose in restricting the disposition of the Subject Property is to ensure that the Subject Property remains part of City's affordable housing inventory. In light of these purposes, City shall not unreasonably withhold, condition or delay approval of a request by Owner to dispose of the Subject Property, and shall approve sales to Qualified Purchasers, as defined herein, in accordance with and subject to the terms and conditions of this Grant Deed Rider, and any disposition of the Subject Property reasonably requested by Owner as the result of extreme hardship, determined by City in its sole and absolute discretion. Any request for the consent of City to a transfer or disposition of the Subject Property shall be in writing, and City shall approve or disapprove such request, in writing, within thirty (30) days after its receipt of Owner's written request. Any transfer or disposition of the Subject Property without the express written consent of City shall be null and void and City shall have the right to seek judicial enforcement hereof. Owner shall use and occupy the Subject Property as his or her principal place of residence immediately upon the close of escrow and shall continue to so use and occupy the Subject Property for the duration of the Owner's ownership thereof, except as provided in this Paragraph 5.

6. Permitted Transfers. The following transfers of title or any interest therein shall not require the prior written consent of City: transfer by gift, devise or inheritance to the Owner's spouse or issue; the taking of title by a surviving joint tenant; the transfer of title to a spouse in connection with a divorce or dissolution proceeding; acquisition of title or interest therein in conjunction with marriage; provided, however, that the covenants contained in and the restrictions imposed upon the Owner and the Subject Property by Grant Deed (including this Grant Deed Rider shall continue to encumber and run with the title to the Subject Property following any such transfer.

7. Permitted Encumbrances; Termination Upon Foreclosure. Notwithstanding Paragraph 5, deeds of trusts or any other form of conveyance required for any reasonable method of financing are permitted to be recorded against title to the Subject Property, but only for the purpose of securing loans to be used for financing the acquisition of the Subject Property. (Such deed of trust or other security instrument shall be referred to herein as a "**Deed of Trust**" and the holder thereof shall be referred to as a "**Beneficiary**"). City agrees that the terms, conditions, covenants and restrictions herein contained shall be subject and subordinate to the rights of Beneficiary under any such Deed of Trust and shall automatically terminate if title to the Subject Property is transferred by foreclosure or deed in lieu of foreclosure.

8. Runs with the Land. Unless otherwise provided by the terms herein, all of the terms and provisions of this Grant Deed Rider constitute covenants which shall run with the Subject Property, shall further and independently constitute an encumbrance upon the Subject Property, and shall be binding upon the Owner, the Owner's heirs, executors, administrators, successors, transferees and assigns, and all parties having or acquiring any right, title or interest in or to any

part of the Subject Property. As long this Grant Deed Rider has not expired, any attempt to transfer title to any interest in the Subject Property in violation of this Grant Deed Rider shall be voidable at the election of City.

9. Acceptance of Terms by Owner. By acceptance of this Grant Deed Rider, the Owner accepts and agrees to be bound by all of the covenants and restrictions contained in this Grant Deed Rider and further acknowledges receipt of and agrees to be bound by all of the terms and provisions of this Grant Deed Rider.

10. Terms of Restriction. The provisions of this Grant Deed Rider shall terminate and become void automatically at 12:01 A.M. on the day immediately succeeding the forty-fifth (45th) anniversary of the date of the recordation of the Grant Deed.

11. Miscellaneous Provisions.

A. Independent and Severable Provisions. In the event that any provision of this Grant Deed Rider is held by a court of competent jurisdiction to be unenforceable or invalid, such holding shall not render unenforceable any other provision hereof, each provision hereof being expressly severable and independently enforceable to the fullest extent permitted by law.

B. Further Assurances and Restrictions. Grantee covenants that upon the request of City, he, she or they will execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such further instruments and agreements and do such further acts as may be necessary, desirable or proper to carry out more effectively the purpose of this Grant Deed Rider and other instruments required hereunder, and upon the sale or other transfer of an interest in the Subject Property, the Grantee shall cause the purchaser or transferee to execute and acknowledge a Grant Deed Rider in a form acceptable to City, which shall be attached to a grant deed by which the Owner coveys title to the Subject Property.

C. Captions and Paragraph Headings. Captions and paragraph headings used herein are for convenience only and shall not be used in construing this Attachment.

D. Waiver. No waiver by City of any breach by the Owner of any covenant, restriction or condition herein contained shall be effective unless such waiver is in writing, signed by City and delivered to the undersigned. The waiver by City of any such breach or breaches, or the failure by City to exercise any right or remedy in any such breach or breaches, shall not constitute a waiver or relinquishment for the future of any such covenant or condition nor bar any right or remedy of City in respect of any such subsequent breach.

12. City as Third-Party Beneficiary. The City and the Successor Agency are hereby designated a third-party beneficiary under this Grant Deed Rider with the right to enforce the terms, conditions, covenants and restrictions herein contained.

By signature herein below, Grantee hereby accepts and approves the foregoing, agrees to be bound by the provisions of this Grant Deed and the Attachment thereto, and grants to City such powers and rights that are set forth in this Grant Deed Rider.

"GRANTEE"

Date: _____ _____

_____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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, _____ 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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

_____ Place Notary Seal Above

Signature of Notary Public

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

WITNESS my hand and official seal.

_____ Place Notary Seal Above

Signature of Notary Public

EXHIBIT "G"

FORM OF NOTICE OF AFFORDABILITY RESTRICTIONS

(Attached)

RECORDING REQUESTED BY:

City of Compton

AND WHEN RECORDED MAIL TO:

City of Compton
205 South Willowbrook Avenue
Compton, California 990220
Attn: City Manager

With a copy to:

Richards, Watson & Gershon
355 S. Grand Ave., 40th Floor
Los Angeles, CA 90071
Attn: Jim G. Grayson, Esq.

APN: ----------

SPACE ABOVE THIS LINE FOR RECORDER'S USE

FREE RECORDING REQUESTED PURSUANT TO GOVERNMENT CODE §6103

NOTICE OF AFFORDABILITY RESTRICTIONS ON TRANSFER OF PROPERTY

IMPORTANT NOTICE TO OWNERS, PURCHASERS, TENANTS, LENDERS, BROKERS, ESCROW AND TITLE COMPANIES, AND OTHER PERSONS, REGARDING AFFORDABLE HOUSING RESTRICTIONS ON THE REAL PROPERTY DESCRIBED IN THIS NOTICE: RESTRICTIONS HAVE BEEN RECORDED WITH RESPECT TO THE PROPERTY DESCRIBED BELOW WHICH RESTRICT THREE (3) OF THE TOWNHOMES AS DESCRIBED BELOW.

This NOTICE OF AFFORDABILITY RESTRICTIONS (the "**Notice**"), is dated as of _____, 2021, and is executed by **OLSON URBAN HOUSING, LLC**, a Delaware limited liability company (the "**Owner**"), whose address is 3010 Old Ranch Parkway, Suite 100, Seal Beach. CA 90740, and by the **CITY OF COMPTON**, a municipal corporation (the "**City**") in connection with that certain Regulatory Agreement between Owner and the City dated substantially concurrently herewith and recorded in the Official Records of Los Angeles County substantially concurrently herewith (the "**Regulatory Agreement**").

RECITALS

A. Owner owns the land located at 250 N. Central Avenue described on Exhibit "A" in the City of Compton, State of California and the improvements thereon (the "**Property**").

B. Owner and City are entering into the Regulatory Agreement substantially concurrently herewith.

C. Capitalized terms used herein but not defined shall have the meaning set forth as described in the Regulatory Agreement.

TERMS OF NOTICE

1. Requirement for Recorded Notice. This Notice is being executed and recorded pursuant to California Health and Safety Code Section 33334.3(f)(3)(B).

2. Regulatory Agreement. This Notice is being recorded substantially concurrently with the recordation of the Regulatory Agreement, which is incorporated herein by reference.

3. Summary of Affordability Restrictions; Term. The Regulatory Agreement restricts three (3) of the townhomes (the "**Affordable Units**") for sale to Low Income Households (as defined in the Regulatory Agreement) at an Affordable Sales Price (as defined in the Regulatory Agreement) for (45) years from the date of recordation of the grant deed conveying the Affordable Unit from Owner to a Low Income Household at an Affordable Sales Price.

This Notice does not contain a full description of the details of all of the terms and conditions of the Affordable Housing Restrictions. You will need to obtain and read the Regulatory Agreement to fully understand the restrictions and requirements which apply to the Property. In the event of any conflict between the terms of this Notice and the terms of the Regulatory Agreement, the terms of the Regulatory Agreement shall control.

IN WITNESS WHEREOF, this Notice has been executed and made effective on the day and year first above written.

CITY:

CITY OF COMPTON,
a municipal corporation

By: _____
_____, City Manager

OWNER:

OLSON URBAN HOUSING, LLC,
a Delaware limited liability company

By: In Town Living, Inc.,
a Delaware corporation
its Managing Member

By: _____
Todd Olson, President of
Community Development

By: _____
Name: _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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, _____
_____,
(insert name and title of the officer)

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)

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, _____,
(insert name and title of the officer)
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.

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STATE OF CALIFORNIA)
COUNTY OF _____)

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

LEGAL DESCRIPTION OF LAND

Real property in the City of Compton, County of Los Angeles, State of California, described as follows:

PARCEL 1: (APN: 6143-011-902 AND 6143-011-903)

THE SOUTH 132 FEET OF THE PORTION OF BLOCK "I" OF THE TEMPLE AND GIBSON TRACT, IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 2, PAGES 540 AND 541 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE LAND CONVEYED TO FRED C. BURLINGAME, BY DEED RECORDED IN BOOK 66, PAGE 597 OF DEEDS AND IN BOOK 145, PAGE 551 OF DEEDS; THENCE NORTH 89° 43' EAST ALONG THE NORTH LINE OF SAID LAND SO CONVEYED 853 FEET TO THE NORTHEAST CORNER THEREOF; THENCE NORTH 03° 09' WEST ALONG THE EAST LINE OF THE LAND CONVEYED TO NAPOLEON GUAY, BY DEED RECORDED IN BOOK 2140, PAGE 127 OF DEEDS, 437.34 FEET; THENCE SOUTH 89° 43' WEST 913.27 FEET TO THE WEST LINE OF SAID BLOCK "I"; THENCE SOUTH 10° 56' EAST ALONG SAID WEST LINE, 443 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THAT PORTION OF SAID LAND INCLUDED IN CENTRAL AVENUE.

ALSO EXCEPT THEREFROM AN UNDIVIDED FIVE SIXTHS INTEREST IN A WELL SITE UPON SAID LAND, SAID WELL SITE BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LAND; THENCE NORTH 10° 56' WEST ALONG THE WEST LINE THEREOF 85 FEET; THENCE NORTH 79° 04' EAST AT RIGHT ANGLES FROM SAID WEST LINE, 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 79° 04' EAST AT RIGHT ANGLES FROM SAID WEST LINE, 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 10° 56' WEST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE NORTH 79° 04' EAST AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET; THENCE SOUTH 10° 56' EAST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE SOUTH 79° 04' 30" WEST 30 FEET TO THE POINT OF BEGINNING.

PARCEL 2: (APN: 6143-011-018)

AN UNDIVIDED 5/6 INTEREST IN AND TO THE FOLLOWING DESCRIBED LAND:

THAT PORTION OF BLOCK "I" OF THE TEMPLE AND GIBSON TRACT, IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP

RECORDED IN BOOK 2, PAGES 540 AND 541 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WEST LINE OF SAID BLOCK "I" DISTANT THEREON NORTH 10° 56' WEST 85 FEET FROM THE NORTHWEST CORNER OF THE LAND CONVEYED TO FRED C. BURLINGAME BY DEEDS RECORDED IN BOOK 66, PAGE 597 OF DEEDS AND BOOK 145, PAGE 551 OF DEEDS; THENCE NORTH 79° 04' EAST, AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 79° 04' EAST, AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 10° 56' WEST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE NORTH 79° 04' EAST AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET; THENCE SOUTH 10° 56' EAST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE SOUTH 79° 04' WEST 30 FEET TO THE TRUE POINT OF BEGINNING.

APN: 6143-011-902 AND 6143-011-903 AND 6143-011-018

EXHIBIT "H"

FORM OF SUBORDINATION AGREEMENT

[TO BE DISCUSSED]

RECORDING REQUESTED BY: The City of Compton AND WHEN RECORDED MAIL TO: _____ _____ _____ _____ Attention: _____ Loan No.: _____	

SPACE ABOVE THIS LINE FOR RECORDER'S USE

This Subordination Agreement is exempt from Recording Fees pursuant to California Government Code Sections 6103 and 27383

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR RIGHTS IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS SUBORDINATION AGREEMENT (this "**Agreement**") is made as of _____, 2021 by and among **OLSON URBAN HOUSING, LLC**, a Delaware limited liability company, owner of the real property hereinafter described ("**Developer**"), the **CITY OF COMPTON**, a municipal corporation ("**City**"), and the Successor Agency to the Community Redevelopment Agency of the City of Compton, a public body (the "**Successor Agency**") in favor of _____, as Administrative Agent (collectively with its successors or assigns, "**Administrative Agent**"), for its benefit and the benefit of the Lenders (as defined in the Security Instrument referred to below).

R E C I T A L S

A. Pursuant to the terms and provisions of that certain Purchase and Sale Agreement dated as of _____, 2021, executed by the Developer, the City and the Successor Agency, (as amended, restated, amended and restated, supplemented, replaced or otherwise modified from time to time, the "**PSA**"), a memorandum of which was recorded on _____, 2021 in the Official Records of the County of Los Angeles, State of California, as Document No. _____,

certain conditions (including but not limited to, construction requirements, operating covenants, and transfer restrictions) were imposed on the real property described on the Exhibit "A" attached hereto (which property, together with all improvements now or hereafter located on the property, is hereinafter referred to as the "**Property**").

B. The Developer has executed, or proposes to execute, that certain Construction Deed of Trust with Absolute Assignment of Leases and Rents, Security Agreement, and Fixture Filing (as amended, restated, amended and restated, supplemented, replaced or otherwise modified from time to time, the "**Security Instrument**") securing, among other things, one or more Revolving Notes or Swingline Notes (as each may be amended, restated, supplemented, increased, replaced or otherwise modified from time to time, collectively, the "**Note**") in the aggregate principal amount of Twenty-Five Million Dollars ($25,000,000.00) (collectively, and as the same may be increased, the "**Loan**"), executed by Developer and payable to the order of Lenders. The Security Instrument is to be recorded concurrently herewith.

C. As a condition to Administrative Agent and Lenders continuing to make the Loan secured by the Security Instrument, Administrative Agent and Lenders require that the Security Instrument be unconditionally and at all times remain a lien or charge upon the Property, prior and superior to all the rights of the City and the Successor Agency under the PSA, the Grant Deed (as defined in the PSA), the Notch Parcel Grant Deed (as defined in the PSA), the PSA Memorandum (as defined in the PSA) and the Regulatory Agreement (as defined in the PSA), and that the City and the Successor Agency specifically and unconditionally subordinate its rights under the PSA, the Grant Deed, the PSA Memorandum and the Regulatory Agreement to the lien or charge of the Security Instrument.

D. The Developer, the City and the Successor Agency agree to the subordination in favor of Administrative Agent, for its benefit and the benefit of Lenders.

NOW THEREFORE, for valuable consideration and to induce Administrative Agent and Lenders to continue to make the Loan, the Developer, the City and the Successor Agency hereby agree for the benefit of Administrative Agent, for its benefit and the benefit of Lenders, as follows:

1. **Subordination**. The Developer, the City and the Successor Agency hereby agree that:

1.1. **Prior Lien**. The Security Instrument securing the Note in favor of Lenders, and any modifications, renewals or extensions thereof, shall unconditionally be and at all times remain a lien on the Property prior and superior to the PSA and the Regulatory Agreement;

1.2. **Subordination**. Administrative Agent and Lenders would not continue to make the Loan without this agreement to subordinate; and

1.3. **Whole Agreement**. This Agreement shall be the whole agreement with regard to the subordination of the PSA and the Regulatory Agreement to the lien of the Security Instrument and shall supersede and cancel, but only insofar as would affect the priority of the Security Instrument, any prior agreements as to such subordination, including, without limitation, those provisions, if any, contained in the PSA and/or Regulatory Agreement which provide for the

subordination of the PSA and/or Regulatory Agreement to a deed or deeds of trust or to a mortgage or mortgages.

THE CITY AND THE SUCCESSOR AGENCY FURTHER DECLARE, AGREE AND ACKNOWLEDGE FOR THE BENEFIT OF ADMINISTRATIVE AGENT, FOR ITS BENEFIT AND THE BENEFIT OF LENDERS, THAT:

1.4. **Use of Proceeds**. Administrative Agent and Lenders, in continuing to make disbursements pursuant to the Note, the Security Instrument or any loan agreements with respect to the Property, are under no obligation or duty to, nor has Administrative Agent or any Lender represented that it will, see to the application of such proceeds by the person or persons to whom Administrative Agent or any Lender disburses such proceeds, and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat this agreement to subordinate in whole or in part; and

1.5. **Waiver, Relinquishment and Subordination**. The City and the Successor Agency intentionally and unconditionally waive, relinquish and subordinate all of the City's and the Successor Agency's right, title and interest in and to the Property to the lien of the Security Instrument and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination, specific loans and advances are being and will be made by Administrative Agent and Lenders and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination.

2. **Notice of Holder**. By execution of this Agreement, the City and the Successor Agency hereby acknowledge the existence of and consents to the Loan and the Security Instrument, which Security Instrument will be a lien on the Property. The City and the Successor Agency further agree and acknowledge (a) that Administrative Agent, for its benefit and the benefit of Lenders, qualifies as a "Holder" and is entitled to all of the rights of Holder under the PSA (including, without limitation, the right to receive notices from the City and the Successor Agency (which notices shall be sent to Administrative Agent at the address specified in Section 4.1 of this Agreement or such other address as provided to the City and the Successor Agency by written notice from time to time) and to cure the Developer's defaults); (b) that the Security Instrument is a "deed of trust" for all purposes under the PSA; (c) that Administrative Agent, for its benefit and the benefit of Lenders, qualifies as a "Beneficiary" and is entitled to all of the rights of a Beneficiary under the Regulatory Agreement; and (d) that the Security Instrument is a "Deed of Trust" for all purposes under the Regulatory Agreement.

3. **Notice of Default and Cure Rights**. Notwithstanding anything to the contrary contained in this Agreement, the PSA or the Regulatory Agreement, the City and the Successor Agency will notify Administrative Agent in writing concurrently with any notice given to Developer of any default by Developer under the PSA and/or the Regulatory Agreement, and the City and the Successor Agency agree that Administrative Agent has the right (but not the obligation) to cure any breach or default specified in such notice and the City and the Successor Agency will not declare a default of the PSA and/or the Regulatory Agreement, as to Administrative Agent, if Administrative Agent cures such default within thirty (30) days from and after the expiration of the time period provided in the PSA and/or the Regulatory Agreement for the cure thereof by

Developer; provided, however, that if such default cannot with diligence be cured by Administrative Agent within such thirty (30) day period, the commencement of action by Administrative Agent within such thirty (30) day period to remedy the same shall be deemed sufficient so long as Administrative Agent pursues such cure with diligence.

4. **Miscellaneous**

4.1. **Notices**. All notices, demands, or other communications under this Agreement shall be in writing and shall be delivered to the appropriate party at the address set forth below (subject to change from time to time by written notice to all other parties to this Agreement). All notices, demands or other communications shall be considered as properly given if delivered personally or sent by first class United States Postal Service mail, postage prepaid, or by Overnight Express Mail or by overnight commercial courier service, charges prepaid, except that notice of any default may be sent by certified mail, return receipt requested, charges prepaid. Notices so sent shall be effective three (3) days after mailing, if mailed by first class mail, and otherwise upon delivery or refusal; provided, however, that non-receipt of any communication as the result of any change of address of which the sending party was not notified or as the result of a refusal to accept delivery shall be deemed receipt of such communication. For purposes of notice, the address of the parties shall be:

Developer:	Olson Urban Housing, LLC 3010 Old Ranch Parkway, Suite 100 Seal Beach, CA 90740 Attention: Todd J. Olson
with a copy to:	Olson Urban Housing, LLC 3010 Old Ranch Parkway, Suite 100 Seal Beach, CA 90740 Attention: Katherine Chandler
with a copy to:	Rutan & Tucker, LLP 18575 Jamboree Road, 9th Floor Irvine, CA 92612 Attention: Patrick D. McCalla
City:	City of Compton 205 S. Willowbrook Ave. Compton, CA 90220 Attention: Craig J. Cornwell City Manager
with a copy to:	City of Compton 205 S. Willowbrook Ave. Compton, CA 90220 Attention: Michael L. Antwine, II, Assistant City Manager

with a copy to:	Richards, Watson & Gershon 350 S. Grand Ave., 37th Floor Los Angeles, CA 90071 Attention: Jim Grayson, Esq.
Successor Agency:	Successor Agency to the Community Redevelopment Agency of the City of Compton 205 South Willowbrook Avenue Compton, California 90220 Attn: Craig J. Cornwell, Executive Director
with a copy to:	Richards, Watson & Gershon 350 S. Grand Ave., 37th Floor Los Angeles, CA 90071 Attention: Jim Grayson, Esq.
Administrative Agent:	_____ _____ _____ Attention: _____ Loan No.: _____
with a copy to:	_____ _____ _____ Attention: _____ Loan No.: _____

Any party shall have the right to change its address for notice hereunder to any other location within the continental United States by the giving of thirty (30) days' notice to the other party in the manner set forth hereinabove.

4.2. **Heirs, Successors and Assigns**. Except as otherwise expressly provided under the terms and conditions herein, the terms of this Agreement shall bind and inure to the benefit of the heirs, executors, administrators, nominees, successors and assigns of the parties hereto.

4.3. **Headings**. All articles, sections or other headings appearing in this Agreement are for convenience of reference only and shall be disregarded in construing this Agreement.

4.4. **Counterparts**. To facilitate execution, this document may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature of, or on behalf of, each party, or that the signature of all persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single document. It shall not be necessary in making proof of this document to produce or account for more than a single counterpart containing the respective signatures of, or on behalf of, each of the parties hereto. Any signature page to any counterpart may be detached from such counterpart without impairing

the legal effect of the signatures thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature pages.

4.5. **Exhibits, Schedules and Riders**. All exhibits, schedules, riders and other items attached hereto are incorporated into this Agreement by such attachment for all purposes.

4.6. **Governing Law**. This Agreement and the rights and obligations shall be governed by California law.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

DEVELOPER:

OLSON URBAN HOUSING, LLC,
a Delaware limited liability company

By: In Town Living, Inc., a
Delaware corporation
its Managing Member

_____

By: Todd Olson, President of
Community Development

_____

By: _____
Name: _____

CITY

THE CITY OF COMPTON,
a municipal corporation

By: _____

_____
City Manager

ATTEST:

_____
Alita Godwin, City Clerk

SUCCESSOR AGENCY

SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON,
a public body

By: _____
_____, Executive Director

ATTEST:

_____
Alita Godwin, Successor Agency Secretary

APPROVED AS TO FORM:

By: _____
Damon M. Brown, City Attorney

CALIFORNIA ALL PURPOSE ACKNOWLEDGMENT

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, _____ 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, and that by his/her/their signature(s) on the instrument the person(s), or the entity(ies) 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.

_____ Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

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 _____

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Signature of Notary Public

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WITNESS my hand and official seal.

_____ Place Notary Seal Above

Signature of Notary Public

EXHIBIT "A"

LEGAL DESCRIPTION OF LAND

Real property in the City of Compton, County of Los Angeles, State of California, described as follows:

PARCEL 1: (APN: 6143-011-902 AND 6143-011-903)

THE SOUTH 132 FEET OF THE PORTION OF BLOCK "I" OF THE TEMPLE AND GIBSON TRACT, IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 2, PAGES 540 AND 541 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE LAND CONVEYED TO FRED C. BURLINGAME, BY DEED RECORDED IN BOOK 66, PAGE 597 OF DEEDS AND IN BOOK 145, PAGE 551 OF DEEDS; THENCE NORTH 89° 43' EAST ALONG THE NORTH LINE OF SAID LAND SO CONVEYED 853 FEET TO THE NORTHEAST CORNER THEREOF; THENCE NORTH 03° 09' WEST ALONG THE EAST LINE OF THE LAND CONVEYED TO NAPOLEON GUAY, BY DEED RECORDED IN BOOK 2140, PAGE 127 OF DEEDS, 437.34 FEET; THENCE SOUTH 89° 43' WEST 913.27 FEET TO THE WEST LINE OF SAID BLOCK "I"; THENCE SOUTH 10° 56' EAST ALONG SAID WEST LINE, 443 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THAT PORTION OF SAID LAND INCLUDED IN CENTRAL AVENUE.

ALSO EXCEPT THEREFROM AN UNDIVIDED FIVE SIXTHS INTEREST IN A WELL SITE UPON SAID LAND, SAID WELL SITE BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LAND; THENCE NORTH 10° 56' WEST ALONG THE WEST LINE THEREOF 85 FEET; THENCE NORTH 79° 04' EAST AT RIGHT ANGLES FROM SAID WEST LINE, 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 79° 04' EAST AT RIGHT ANGLES FROM SAID WEST LINE, 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 10° 56' WEST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE NORTH 79° 04' EAST AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET; THENCE SOUTH 10° 56' EAST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE SOUTH 79° 04' 30" WEST 30 FEET TO THE POINT OF BEGINNING.

PARCEL 2: (APN: 6143-011-018)

AN UNDIVIDED 5/6 INTEREST IN AND TO THE FOLLOWING DESCRIBED LAND:

THAT PORTION OF BLOCK "I" OF THE TEMPLE AND GIBSON TRACT, IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP

RECORDED IN BOOK 2, PAGES 540 AND 541 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WEST LINE OF SAID BLOCK "I" DISTANT THEREON NORTH 10° 56' WEST 85 FEET FROM THE NORTHWEST CORNER OF THE LAND CONVEYED TO FRED C. BURLINGAME BY DEEDS RECORDED IN BOOK 66, PAGE 597 OF DEEDS AND BOOK 145, PAGE 551 OF DEEDS; THENCE NORTH 79° 04' EAST, AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 79° 04' EAST, AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 10° 56' WEST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE NORTH 79° 04' EAST AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET; THENCE SOUTH 10° 56' EAST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE SOUTH 79° 04' WEST 30 FEET TO THE TRUE POINT OF BEGINNING.

APN: 6143-011-902 AND 6143-011-903 AND 6143-011-018

EXHIBIT "I"

Legal Description of Notch Parcel

PARCEL 2: (APN: 6143-011-018)

AN UNDIVIDED 5/6 INTEREST IN AND TO THE FOLLOWING DESCRIBED LAND:

THAT PORTION OF BLOCK "I" OF THE TEMPLE AND GIBSON TRACT, IN THE CITY OF COMPTON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 2, PAGES 540 AND 541 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WEST LINE OF SAID BLOCK "I" DISTANT THEREON NORTH 10° 56' WEST 85 FEET FROM THE NORTHWEST CORNER OF THE LAND CONVEYED TO FRED C. BURLINGAME BY DEEDS RECORDED IN BOOK 66, PAGE 597 OF DEEDS AND BOOK 145, PAGE 551 OF DEEDS; THENCE NORTH 79° 04' EAST, AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 79° 04' EAST, AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 10° 56' WEST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE NORTH 79° 04' EAST AT RIGHT ANGLES FROM SAID WEST LINE 30 FEET; THENCE SOUTH 10° 56' EAST PARALLEL WITH SAID WEST LINE 15 FEET; THENCE SOUTH 79° 04' WEST 30 FEET TO THE TRUE POINT OF BEGINNING.