

EXHIBIT “B”

PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

This **PURCHASE AND SALE AGREEMENT** (this “Agreement”) is entered into as of May [REDACTED], 2025, by and among the **CITY OF LANCASTER**, a California charter city and municipal corporation (the “City” or “Buyer”), and **L STREET PROPERTIES LLC**, a California limited liability company (“Seller”), for acquisition by the City of certain real property described below.

R E C I T A L S

A. Seller is the fee owner of that certain unimproved real property legally described in Exhibit A, which is situated in Los Angeles County and designated Assessor’s Parcel Number 3128-004-025. Seller has offered to sell to City such real property for the price and subject to the terms set forth below.

B. City has considered the offer by Seller and agrees to buy from Seller the real property, as more specifically described below.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

1. Purchase and Sale. Seller agrees to sell to City, and City agrees to purchase from Seller, upon the terms and for the consideration set forth in this Agreement, that certain real property located in the City of Lancaster, County of Los Angeles, State of California (Assessor’s Parcel Number 3128-004-025) (the “Property”). The Property is legally described in the Legal Description attached hereto as Exhibit “A” and incorporated herein.

2. Purchase Price. The total purchase price for the Property shall be the sum of Four Million Six Hundred Fifty Thousand Dollars (\$4,650,000.00) (the “Purchase Price”). The Purchase Price shall be payable by City as set forth in this Section 2.

2.1 Promissory Note. City shall deposit a promissory note in the principal amount of Three Million Seven Hundred Twenty Thousand Dollars (\$3,720,000.00), the form of which is attached hereto as Exhibit “B” and incorporated herein (“Promissory Note”), which shall be secured by a deed of trust, the form of which is attached hereto as Exhibit “C” and incorporated herein (“Deed of Trust”), into Escrow prior and as a condition precedent to the close of Escrow.

2.2 Drainage Improvements Funding Agreement Offset. At the Close of Escrow (as defined below), City shall credit the amount of Nine Hundred Thirty Thousand Dollars (\$930,000.00) against the amount Seller is currently indebted to City pursuant to that certain Drainage Improvement Funding Agreement (“Drainage Improvement Agreement”) entered into by

and between the Parties and dated as of August 14, 2007, as well as the promissory note made by Seller in favor of City pursuant to the Drainage Improvement Agreement.

3. Escrow.

3.1 Opening of Escrow. For the purposes of this Agreement, the escrow ("Escrow") shall be deemed opened ("Opening of Escrow") on the date that First American Title Company ("Escrow Holder") receives a copy of this Agreement fully executed by Buyer and Seller. Buyer and Seller shall use their best efforts to cause the Opening of Escrow to occur on or before two (2) business days after the Effective Date. Escrow Holder shall promptly notify Buyer and Seller in writing of the date of the Opening of Escrow. Buyer and Seller agree to execute, deliver and be bound by any reasonable or customary supplemental escrow instructions or other instruments reasonably required by Escrow Holder to consummate the transaction contemplated by this Agreement; provided, however, that no such instruments shall be inconsistent or in conflict with, amend or supersede any portion of this Agreement. If there is any conflict or inconsistency between the terms of such instruments and the terms of this Agreement, then the terms of this Agreement shall control. Without limiting the generality of the foregoing, no such instruments shall extinguish any obligations imposed by this Agreement or any other agreement between Seller and Buyer.

3.2 Closing. For purposes of this Agreement, the "Closing" shall be the date the Deed (as defined below) is recorded pursuant to applicable law in the county in which the Property is located. Unless changed in writing by Buyer and Seller, the Closing shall occur on December 31, 2014 ("Closing Date"). If the Closing has not, for any reason, occurred by the Closing Date, then either Buyer or Seller may terminate this Agreement by delivering written notice to the other at any time after the Closing Date; provided, however, that if either Party is in default under this Agreement at the time of such termination, then such termination shall not affect the rights and remedies of the non-defaulting Party against the defaulting Party.

4. City's Right of Entry. From and after the Opening of Escrow through the earlier to occur of the termination of this Agreement or the Closing, or as otherwise agreed in writing by Seller, Buyer and Buyer's employees, agents, consultants and contractors shall have the right to enter upon the Property during normal business hours, provided reasonable prior notice has been given to Seller.

5. Buyer's Conditions Precedent and Termination Right.

5.1 Conditions Precedent. The Closing and Buyer's obligation to consummate the purchase of the Property under this Agreement are subject to the timely satisfaction or written waiver of the following conditions precedent (collectively, "Buyer's Contingencies"), which are for Buyer's benefit only.

(a) **Title Review.** Within two (2) calendar days after the Opening of Escrow, Seller shall cause First American Title Company ("Title Company") to deliver to Buyer a preliminary title report (the "Report") describing the title to the Property, together with copies of the plotted easements and the exceptions (the "Exceptions") set forth in the Report; provided that the cost of the Report shall be borne by Seller. Seller acknowledges that the Buyer's Title Policy (as

defined below) shall include an endorsement against the effect of any mechanics' liens; Seller will provide such indemnity or other assurances as necessary to induce the Title Company to provide such endorsement. Within five (5) calendar days of Buyer receiving the Report, Buyer shall have approved in writing, in Buyer's sole discretion, any matters of title disclosed by the following (collectively, the "Title Documents"): (i) the Report; (ii) the Exceptions; (iii) the legal description of the Property and (iv) any survey Buyer desires to obtain at Buyer's sole cost and expense. Buyer shall have the same rights to approve or disapprove any exceptions to title that are not created by Buyer and that come into existence after issuance of the Report but prior to Closing. Seller shall, on or before the Closing, remove all deeds of trust, mortgages and delinquent taxes (but not the lien for any real property taxes or assessments not yet delinquent).

(b) Buyer's Title Policy. On or before the Closing, Title Company shall, upon payment of Title Company's premium, have agreed to issue to Buyer, a standard ALTA owner's policy of title insurance insuring only as to matters of record title ("Buyer's Title Policy") in the amount of the Purchase Price showing fee title to the Property vested solely in Buyer and subject only to the (i) the standard, preprinted exceptions to Buyer's Title Policy; (ii) liens to secure payment of real estate taxes or assessments not yet delinquent; (iii) matters affecting the Property created by or with the written consent of Buyer; and (iv) those matters specifically approved in writing by Buyer. Buyer shall have the right, at its sole cost and expense, to obtain coverage beyond that offered by a Standard Buyer's Title Policy (such as an owner's extended coverage ALTA policy); provided, however, that Buyer's ability to obtain such extended coverage shall not be a Buyer's Contingency and Buyer's obligations hereunder shall in no way be conditioned or contingent upon obtaining such extended coverage. Buyer shall have sole responsibility for obtaining, and bearing the cost of, any endorsements and for any survey or other matters required by the Title Company for such extended coverage.

(c) Physical and Legal Inspections and Studies. On or before the Closing, Buyer shall have approved in writing, in Buyer's sole and absolute discretion, the results of any physical and legal inspections, investigations, tests and studies Buyer elects to make or obtain, including, but not limited to, investigations with regard to zoning, building codes and other governmental regulations; engineering tests; soils, seismic and geologic reports; environmental audits, inspections and studies; environmental investigation or other invasive or subsurface testing; and any other physical or legal inspections and/or investigations as Buyer may elect to make or obtain.

(d) Natural Hazard Report. Seller shall cause the Escrow Holder to provide to Buyer prior to the Closing the Natural Hazard Report described in Section 7.1(c) of this Agreement; provided that Seller shall bear the cost to prepare such Natural Hazard Report.

(e) Delivery of Documents. Seller's delivery of all documents described in Section 7, below.

(f) Representations and Warranties. All representations and warranties of Seller contained in this Agreement shall be materially true and correct as of the date made and as of the Closing.

(g) Title Company Confirmation. The Title Company shall have confirmed that it is prepared to issue the Buyer's Title Policy consistent with the provisions of this Agreement.

(h) No Default. As of the Closing, Seller shall not be in default in the performance of any material covenant or agreement to be performed by Seller under this Agreement.

5.2 Termination Right. Should any of Buyer's Contingencies not be met by the respective times set forth for the satisfaction for such contingency (and without regard to whether all such contingencies have been removed or satisfied), Buyer may, by written notice to Seller, terminate this Agreement; such termination rights shall be in addition to those termination rights of Buyer as set forth in this Agreement. If this Agreement is so terminated, and provided such termination is not the result of Seller's breach of or default under this Agreement, then (except to the extent expressly allocated to one party hereto by this Agreement) any escrow, title or other cancellation fees shall be paid by Buyer.

5.3 Seller's Cure Right. Buyer shall notify Seller in writing of Buyer's disapproval or conditional approval of any Title Documents. Seller shall then have the right, but not the obligation, to (i) remove from title any disapproved or conditionally approved Exception(s) (or cure such other title matters that are the basis of Buyer's disapproval or conditional approval of the Title Documents) within two (2) business days after Seller's receipt of Buyer's Termination Notice, or (ii) provide assurances reasonably satisfactory to Buyer that such Exception(s) will be removed (or other matters cured) on or before the Closing. With respect to any such Exception, it shall be sufficient for purposes hereof for Seller to commit in writing, within the applicable period, to remove such Exception at or before the Closing. Seller's failure to remove such Exception after committing to do so shall be a default hereunder. An Exception shall be deemed removed or cured if Seller furnishes Buyer with evidence that the Title Company will issue the Buyer's Title Policy, as defined herein, at the Closing deleting such Exception or providing an endorsement (at Seller's expense) reasonably satisfactory to Buyer concerning such Exception. If Seller cannot or does not remove or agree to remove any of the disapproved Exception(s) (or cure other matters) within such two (2) business day period, Buyer shall have three (3) business days after the expiration of such two (2) business day period to give Seller written notice that Buyer elects to proceed with the purchase of the Property subject to the disapproved Title Document(s), it being understood that Buyer shall have no further recourse against Seller for such disapproved Title Exception(s).

6. Seller's Conditions Precedent and Termination Right.

6.1 Conditions Precedent. The Closing and Seller's obligations with respect to the transaction contemplated by this Agreement are subject to the timely satisfaction or written waiver of the following condition precedent ("Seller's Contingencies"), which are for Seller's benefit only.

(a) Completion of Title Review. Seller shall have received written confirmation from Buyer that Buyer has completed its review of title and that the condition of title satisfactory.

(b) Confirmation Concerning Site. Seller shall have received written confirmation from Buyer on or before the Closing that Buyer has reviewed the condition of the Property, including without limitation concerning Hazardous Materials, zoning and suitability, and approves the condition of the Property.

(c) Confirmation Regarding Buyer's Title Policy. Seller shall have received written confirmation from Buyer on or before the Closing that Buyer has approved a pro forma title policy.

(d) Liens. Seller shall have obtained the consent of any lien holder to the release of such liens prior to or concurrent with the Closing.

(e) Delivery of Documents. Buyer's delivery of all documents described in Section 8.

6.2 Termination Right. Should any of Seller's Contingencies not be met by the respective times set forth for the satisfaction for such contingency (and without regard to whether all such contingencies have been removed or satisfied) and Seller has so informed Buyer, Seller may, by written notice to Buyer, terminate this Agreement; such termination rights shall be in addition to any other termination rights of Seller as set forth in this Agreement. If this Agreement is so terminated, and provided such termination is not the result of Buyer's breach of or default under this Agreement, then (except to the extent expressly allocated to one party hereto by this Agreement) any escrow, title or other cancellation fees shall be paid by Seller.

7. Seller's Deliveries to Escrow Holder.

7.1 Seller's Delivered Documents. At least one (1) business day prior to the Closing Date, Seller shall deposit or cause to be deposited with Escrow Holder the following items, duly executed and, where appropriate, acknowledged ("Seller's Delivered Items"):

(a) Deed. The original executed and acknowledged grant deed, the form of which is attached hereto as Exhibit "D" ("Deed").

(b) FIRPTA/Tax Exemption Forms. A Transferor's Certification of Non Foreign Status in the form required by Escrow Holder, together with any necessary tax withholding forms, and a duly executed California Form 593-C, as applicable (the "California Exemption Certificate").

(c) Hazard Disclosure Report. Unless earlier delivered to Buyer, Seller shall cause Escrow Holder to obtain and deliver to Buyer, at Seller's cost, a Natural Hazard Report as provided for under Sections 1102 and 1103 of the California Civil Code (the "Natural Hazard Report") before the Closing.

(d) Possession of Property. Possession of the Property free of any tenancies or occupancy.

(e) Authority. Such evidence of Seller's authority and authorization to enter into this Agreement and to consummate this transaction as may be reasonably requested by Buyer and the Title Company which are consistent with the terms of this Agreement.

(f) Further Documents or Items. Any other documents or items reasonably requested by Buyer and/or required to close the transaction contemplated by this Agreement as determined by the Title Company which is/are consistent with the terms of this Agreement.

7.2 Failure to Deliver. Should any of Seller's Delivered Items not be timely delivered to Escrow, this Agreement shall automatically terminate without further action or notice. In the event of any such termination, any cash deposited by Buyer shall immediately be returned to Buyer. Under no circumstances shall Buyer have any responsibility to or duty to pay consultants or real estate brokers retained by Seller, Seller being solely responsible in connection with any such contractual arrangements of Seller.

8. Buyer's Deliveries to Escrow. At least one (1) business day prior to the Closing Date, Buyer shall deposit or cause to be deposited with Escrow Holder the following, each duly executed and acknowledged, by Buyer as appropriate ("Buyer's Delivered Items"):

8.1 Purchase Price. The Promissory Note and Deed of Trust, together with additional funds as are necessary to pay Buyer's closing costs set forth in Section 9.2.

8.2 Change of Ownership Report. One (1) original Preliminary Change of Ownership Report.

8.3 Final Escrow Instructions. Buyer's final written escrow instructions to close escrow in accordance with the terms of this Agreement.

8.4 Authority. Such proof of Buyer's authority and authorization to enter into this Agreement and to consummate the transaction contemplated hereby as may be reasonably requested by Seller or the Title Company.

8.5 Further Documents or Items. Any other documents or items reasonably required to close the transaction contemplated by this Agreement as determined by the Title Company.

9. Costs and Expenses.

9.1 Seller's Costs. If the transaction contemplated by this Agreement is consummated, then Seller shall be debited for and bear the following costs: (i) costs and charges associated with the removal of encumbrances; (ii) Seller's share of prorations; (iii) one half of the premium for Buyer's Title Policy with coverage in the amount of the Purchase Price; (iv) one half of the Escrow Holder's fee; (v) one half of the appraisal charges incurred by Seller as to the Property; (vi) documentary recording fees, if any; (vii) documentary transfer tax, if any; and (viii) costs, if any, allocable to Seller under this Agreement and costs for such services as Seller may additionally request that Escrow perform on its behalf (collectively, "Seller's Costs and Debited Amounts").

9.2 Buyer's Costs. If the transaction contemplated by this Agreement is consummated, then Buyer shall bear the following costs and expenses: (i) one half of the Escrow Holder's fee; (ii) Buyer's share of prorations, (iii) one half of the premium for Buyer's Title Policy with coverage in the amount of the Purchase Price; (iv) the premium for title insurance other than or in excess of Buyer's Title Policy based on the Purchase Price, and, if applicable, the cost for any survey required in connection with the delivery of an ALTA owner's extended coverage policy of title insurance; (v) one half of escrow charges; (vi) one half of the appraisal charges incurred by Seller as to the Property; (vii) one half of recording and other costs of closing; and (viii) costs, if any, for such services as Buyer may additionally request that Escrow perform on its behalf (collectively, "Buyer's Costs and Debited Amounts").

9.3 Generally. Each party shall bear the costs of its own attorneys, consultants, and real estate brokers in connection with the negotiation and preparation of this Agreement and the consummation of the transaction contemplated hereby. Buyer represents to Seller that Buyer has not engaged the services of any consultants, finders or real estate brokers in connection with the purchase of the Property from the Seller. Seller represents to Buyer that Seller has not engaged the services of any consultants, finders or real estate brokers in connection with the sale of the Property to the Buyer.

10. Prorations; Withholding. All revenues (if any) and expenses relating to the Property (including, but not limited to, property taxes, utility costs and expenses, water charges and sewer rents and refuse collection charges) shall be prorated as of the Closing Date; provided that all delinquent taxes shall be satisfied at the expense of Seller. Not less than two (2) business days prior to the Closing, Seller shall deliver to Buyer a tentative schedule of prorations for Buyer's approval (the "Proration and Expense Schedule"). If any prorations made under this Section shall require final adjustment after the Closing, then the Parties shall make the appropriate adjustments promptly when accurate information becomes available and either Party hereto shall be entitled to an adjustment to correct the same. Any corrected or adjustment proration shall be paid promptly in cash to the Party entitled thereto.

In the event Seller does not qualify for an exemption from California withholding tax under Section 18662 of the California Revenue and Taxation Code (the "Tax Code") as evidenced by the delivery to Buyer at Closing of the California Exemption Certificate duly executed by Seller, (i) Title Company shall withhold three and one-third percent (3-1/3%) of the Purchase Price on behalf of Buyer at Closing for payment to the California Franchise Tax Board in accordance with the Tax Code, (ii) Buyer shall deliver three (3) duly executed copies of California Form 593 to Title Company at or immediately after Closing, (iii) two (2) copies of California Form 593 shall be delivered by Title Company to Seller, and (iv) on or before the 20th day of the month following the month title to the Property is transferred to Buyer (as evidenced by the recording of the Deed), Title Company shall remit such funds withheld from the Purchase Price, together with one (1) copy of California Form 593 to the California Franchise Tax Board on behalf of Buyer. Buyer and Seller hereby appoint Title Company as a reporting entity under the Tax Code, authorized to withhold and remit the withholding tax contemplated under the Tax Code, together with such other documents required by the Tax Code (including, without limitation, California Form 593), to the California Franchise Tax Board.

11. Closing Procedure. When the Title Company is unconditionally prepared (subject to the payment of the premium therefor) to issue the Buyer's Title Policy and all required documents and funds have been deposited with Escrow Holder, Escrow Holder shall immediately close Escrow in the manner and order provided below.

11.1 Recording. Escrow Holder shall cause the Deed and Deed of Trust to be recorded pursuant to applicable law in the county in which the Property is located and obtain conformed copies thereof for distribution to Buyer and Seller.

11.2 Disburse Funds. Escrow Holder shall debit or credit (as provided herein) all Buyer's Costs and Debited Amounts, Seller's Costs and Debited Amounts and general expenses, prorate matters and withhold funds as provided herein. The Purchase Price, less any applicable debits or credits (which have been confirmed in writing by Seller to Escrow Holder and which may include any liens as to which such liens and the amount to satisfy such liens) shall be distributed by check payable to Seller unless Escrow Holder is instructed otherwise in writing signed by Seller (and, in such event, in accordance with such instructions). Seller authorizes Escrow Holder to request demands for payment and to make such payments from the Purchase Price (or such other funds, if any, as are advanced by Seller) to defray the cost of removing deeds of trust, liens and other encumbrances (but not for obligations of Buyer).

(a) No Distribution to Seller During Rescission Period. The Purchase Price, less any applicable debits or credits (which have been confirmed in writing by Seller to Escrow Holder and which may include any liens as to which such liens and the amount to satisfy such liens) shall be retained by Escrow Holder during the Rescission Period (defined in Section 12) and, *only if Buyer does not exercise Buyer's Rescission Right*, distributed by check payable to Seller unless Escrow Holder is instructed otherwise in writing signed by Seller (and, in such event, in accordance with such instructions). If Buyer exercises Buyer's Rescission Right, such amount shall be refunded and distributed Buyer by check payable to Buyer unless Escrow Holder is instructed otherwise in writing signed by Buyer (and, in such event, in accordance with such instructions).

11.3 Documents to Seller. Escrow Holder shall deliver to Seller a conformed copy of the Deed, Deed of Trust, and other recorded documents, if any, as duly recorded among the official land records of the County of Los Angeles, and a copy of each other document (or copies thereof) deposited into Escrow by Buyer pursuant hereto.

11.4 Documents to Buyer. Escrow Holder shall deliver to Buyer the original FIRPTA Certificate, the original California Exemption Certificate (as applicable), and a conformed copy of the Deed, Deed of Trust, and other recorded documents, if any, as duly recorded among the official land records of the County of Los Angeles, and a copy of each other document (or copies thereof) deposited into Escrow by Seller pursuant hereto.

11.5 Title Company. Escrow Holder shall cause the Title Company to issue the Buyer's Title Policy to Buyer.

11.6 Closing Statement. Escrow Holder shall forward to both Buyer and Seller a separate accounting of all funds received and disbursed for each party.

11.7 Informational Reports. Escrow Holder shall file any information reports required by Internal Revenue Code Section 6045(e), as amended.

11.8 Possession. Possession of the Property shall be delivered to Buyer at the Closing.

12. Buyer's Post-Closing Rescission Right. The Parties acknowledge and agree that Buyer may rescind this Agreement ("Buyer's Rescission Right"), including, without limitation, Buyer's purchase of the Property and Buyer's obligation to pay the Purchase Price, during the sixty (60)-day period immediately following the Close of Escrow ("Rescission Period"). The Rescission Period shall begin at 12:00 a.m. on the day following the Close of Escrow and, unless exercised, automatically expire and be of no force or effect whatsoever as of 12:00 a.m. on the sixty-first (61st) day following the Close of Escrow.

12.1 Manner of Exercise of Rescission Right. Buyer shall exercise Buyer's Rescission Right, if at all, by delivering during the Rescission Period an executed and acknowledged grant, special warranty, or quitclaim deed ("Reconveyance Deed") to the Escrow Holder that reconveys to Seller all rights, title, and interest in and to the Property to the same extent conveyed to Buyer under the Deed.

12.2 Procedure Following Exercise of Rescission Right. Upon Buyer's timely delivery of the executed and acknowledged Reconveyance Deed, Escrow Holder shall do the following: (a) immediately notify Seller of the exercise of Buyer's Rescission Right; (b) cause the Reconveyance Deed to be recorded pursuant to applicable law in the county in which the Property is located and obtain conformed copies thereof for distribution to Buyer and Seller; and (c) refund to Buyer the cash payment made and deposited into the Escrow pursuant to Section 2.1, subject to any permissible deductions or disbursements made by Escrow Holder at the Close of Escrow. The Parties agree that the provisions of this Section 12 shall constitute an irrevocable authorization and instruction to Escrow Holder and that, in the event of conflict with any other agreement, the provisions of this Section 12 shall control. Following an exercise of Buyer's Rescission Right, the Parties agree to cooperate and do any act necessary to restore the status quo ante (*i.e.*, the state of affairs prior to this Agreement). The Parties agree that

13. Seller's Environmental Indemnity. From and after the Effective Date, Seller agrees to and shall indemnify, protect, defend, reimburse and hold Buyer and its elected or appointed officials, agents, employees and attorneys, harmless from and against any and all claims, actions, proceedings, lawsuits, orders, costs, liabilities, judgments, damages, fines, encumbrances, liens, penalties, punitive damages, losses and expenses (including without limitation all costs and expenses reasonably incurred to investigate and defend claims, whether or not such claim is ultimately defeated, and costs and expenses reasonably incurred for consultants, court fees, administrative fees, expert witness fees, and attorneys' fees) of whatever kind or nature, contingent or otherwise, matured or not matured, foreseeable or unforeseeable, any of which are suffered or incurred by said indemnified parties, or assessed, levied or asserted by any person or entity (whether governmental or private) against said indemnified parties and relating to Environmental Claims, Environmental Cleanup Liability and Environmental Compliance Costs arising from the Release or threatened Release of Hazardous Materials in or onto the soil or groundwater in, on, under or from the Property, or any portion thereof, as a result of the use, generation, discharge, storage, handling or disposal of Hazardous Materials by Seller or any other person or entity prior to the Effective Date. The indemnification obligations set forth in this Section 13 shall run with the land and shall survive the Closing, expiration or earlier termination of this Agreement.

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

"Environmental Claims" shall mean any claims by third parties for personal injury (including sickness, disease or death), or for injury to property or natural resources or the environment, including, without limitation, lost profits, consequential damages, diminution of property value or loss of use of property, or for any violation or alleged violation of, or noncompliance with, the requirements of any Environmental Law.

"Environmental Cleanup Liability" shall mean any cost or expense incurred to investigate, monitor, remove, remediate, treat, clean up, abate or otherwise respond to any Release or threatened Release of Hazardous Materials, including, without limitation, the cost of obtaining site closure from applicable governmental agencies and the cost of restoring the affected property upon completion of responsive action.

“Environmental Compliance Costs” shall mean any cost or expense necessary to enable the affected property to comply with all applicable Environmental Laws.

“Environmental Law” shall mean any applicable federal, California, regional or local law, statute, ordinance, rule, regulation or order for the protection of human health or the environment, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. § 9601, et seq.); the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901 et seq.); the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.); the Clean Air Act (42 U.S.C. § 7401 et seq.); the Safe Drinking Water Act (42 U.S.C. § 300f et seq.); the Emergency Planning and Community Right-To-Know Act of 1986 (42 U.S.C. § 11001 et seq.); the Occupational Safety and Health Act (29 U.S.C. § 651 et seq.); the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. § 136 et seq.); the Hazardous Materials Transportation Act (49 U.S.C. § 5101 et seq.); the Carpenter-Presley-Tanner Hazardous Substance Account Act (Health and Safety Code § 25300 et seq.); the Hazardous Waste Control Law (Health and Safety Code § 25100 et seq.); the Hazardous Waste Disposal Land Use law (Health and Safety Code § 25220 et seq.); the Porter-Cologne Water Quality Control Act (Water Code § 13000 et seq.); Hazardous Materials Release Response Plans and Inventory (Health and Safety Code § 25500 et seq.); Underground Storage of Hazardous Substances (Health and Safety § 25280 et seq.) ; The Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65) (Health and Safety Code § 25249.5-25249.13); the Asbestos Notification Law (Health and Safety Code § 25915 et seq.); the California Occupational Safety and Health Act (Labor Code § 6300 et seq.); Chapters 10 and 11, Division 4.5, Title 22, California Code of Regulations; and any law or regulation implementing, amending or succeeding any of the foregoing, and any similar laws or regulations at any time in effect having any of the purposes designated above.

“Hazardous Materials” shall mean any pollutant, contaminant, hazardous or toxic substance, material or waste which is or becomes identified, listed or regulated as such under any Environmental Law by the United States government, the State of California or any regional or local governmental authority having jurisdiction over Seller or the Property (or portion thereof).

“Release” shall mean the release, as defined in Health and Safety Code §§ 25320 and 25321, of a Hazardous Material or Hazardous Materials.

14. Representations and Warranties.

14.1 Seller’s Representations and Warranties. In consideration of Buyer entering into this Agreement and as an inducement to Buyer to purchase the Property, Seller makes the following representations and warranties as of the Effective Date and as of the Closing, each of which is material and is being relied upon by Buyer (and the truth and accuracy of which shall constitute a condition precedent to Buyer’s obligations hereunder), and all of which are material inducements to Buyer to enter into this Agreement (and but for which Buyer would not have entered into this Agreement) and shall survive Closing:

(a)

(b) Seller has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transaction contemplated.

(c) All requisite action (corporate, trust, partnership or otherwise) has been taken by Seller in connection with entering into this Agreement and the instruments referenced herein; and, by the Closing, all such necessary action will have been taken to authorize the consummation of the transaction contemplated hereby.

(d) The individual executing this Agreement and the instruments referenced herein on behalf of Seller has the legal power, right and actual authority to bind Seller to the terms and conditions hereof and thereof.

(e) Seller believes that neither the execution or delivery of this Agreement or the documents or instruments referenced herein, nor incurring the obligations set forth herein, nor the consummation of the transaction contemplated herein, nor compliance with the terms of this Agreement or the documents or instruments referenced herein or therein conflict with or result in the material breach of any terms, conditions or provisions of, or constitute a default under, any bond, note or other evidence of indebtedness or any contract, indenture, mortgage, deed of trust, loan, lease or other agreement or instrument to which Seller is a party or that affect the Property, including, but not limited to, any of the Title Documents.

(f) There is no pending litigation nor, to the best of Seller's knowledge, threatened litigation, which does or will adversely affect the right of Seller to convey the Property. There are no claims which have been received by Seller that have not been disclosed to Buyer.

(g) Seller has made no written or oral commitments to or agreements with any governmental authority or agency materially and adversely affecting the Property, or any part hereof, or any interest therein, which will survive the Closing.

(h) There are no leases or rental agreements in effect as to the Property.

(i) Seller is not in default of its obligations under any contract, agreement or instrument to which Seller is a party pertaining to the Property.

(j) There are no mechanics', materialmen's or similar claims or liens presently claimed or which will be claimed against the Property for work performed or commenced for Seller or on Seller's behalf prior to the date of this Agreement.

(k) There are no undisclosed contracts, licenses, commitments, undertakings or other written or oral agreements for services, supplies or materials concerning the use, operation, maintenance, or management of the Property that will be binding upon Buyer or the Property after the Closing. There are no oral contracts or other oral agreements for services, supplies or materials, affecting the use, operation, maintenance or management of the Property.

(l) There are not as of the Effective Date, nor will there be as of the Closing, any written or oral leases or contractual right or option to lease, purchase, or otherwise enjoy possession, rights or interest of any nature in and to the Property or any part thereof, and no

person other than Buyer shall have any right of possession to the Property or any part thereof as of the Closing.

(m) No person, excepting Seller, has possession or any rights to possession of the Property or portion thereof.

14.2 Subsequent Changes to Seller's Representations and Warranties. If, prior to the Closing, Buyer or Seller should learn, discover or become aware of any existing or new item, fact or circumstance which renders a representation or warranty of Seller set forth herein incorrect or untrue in any respect (collectively, the "Seller Representation Matter"), then the party who has learned, discovered or become aware of such Seller Representation Matter shall promptly give written notice thereof to the other party and Seller's representations and warranties shall be automatically limited to account for the Seller Representation Matter. Buyer shall have the right to approve or disapprove any such change and to terminate this Agreement by written notice to Seller if Buyer reasonably disapproves any such change. If Buyer does not elect to terminate this Agreement, Seller's representation shall be qualified by such Seller Representation Matter and Seller shall have no obligation to Buyer for such Seller Representation Matter.

14.3 Buyer's Representations and Warranties. In consideration of Seller entering into this Agreement and as an inducement to Seller to sell the Property, Buyer makes the following representations and warranties as of the date hereof and at and as of the Closing, each of which is material and is being relied upon by Seller (and the truth and accuracy of which shall constitute a condition precedent to Seller's obligations hereunder), and all of which shall survive Closing:

(a) Buyer has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transaction contemplated hereby.

(b) All requisite action has been taken by Buyer in connection with entering into this Agreement and the instruments referenced herein; and, by the Closing, all such necessary action will have been taken to authorize the consummation of the transaction contemplated hereby.

(c) The individuals executing this Agreement and the instruments referenced herein on behalf of Buyer have the legal power, right and actual authority to bind Buyer to the terms and conditions hereof and thereof.

(d) Neither the execution and delivery of this Agreement and the documents and instruments referenced herein, nor incurring the obligations set forth herein, nor the consummation of the transaction contemplated herein, nor compliance with the terms of this Agreement and the documents and instruments referenced herein conflict with or result in the material breach of any terms, conditions or provisions of, or constitute a default under, any bond, note or other evidence of indebtedness or any contract, indenture, mortgage, deed of trust, loan, partnership agreement, lease or other agreement or instrument to which Buyer is a party or by which any of Buyer's properties are bound.

14.4 Subsequent Changes to Buyer's Representations and Warranties. If, prior to the Closing, Seller or Buyer should learn, discover or become aware of any existing or new item, fact or circumstance which renders a representation or warranty of Buyer set forth herein incorrect or untrue in any respect (collectively, the "Buyer Representation Matter"), then the party who has learned, discovered or become aware of such Buyer Representation Matter shall promptly give written notice thereof to the other party and Buyer's representations and warranties shall be automatically limited to account for the Buyer Representation Matter. Seller shall have the right to approve or disapprove any such change and to terminate this Agreement by written notice to Buyer if Seller reasonably disapproves any such change. If Seller does not elect to terminate this Agreement, Buyer's representation shall be qualified by such Buyer Representation Matter and Buyer shall have no obligation to Seller for such Buyer Representation Matter.

15. Fair Market Value. Each of Buyer and Seller believe that the Purchase Price represents the fair market value of the Property.

16. General Provisions.

16.1 Administration. This Agreement shall be administered and executed on behalf of Buyer/City by the City Manager, or his/her designated representative, following approval of this Agreement by the City Council. City shall maintain authority of this Agreement through the City Manager (or his/her authorized representative). The City Manager shall have the authority to issue interpretations, waive provisions and enter into amendments of this Agreement on behalf of Buyer/City so long as such actions do not substantially add to the costs to Buyer/City as specified herein as agreed to by the City Council.

16.2 Condemnation. If any material portion of the Property shall be taken or appropriated by a public or quasi-public authority exercising the power of eminent domain, Buyer shall have the right, at its option, to (i) terminate this Agreement or (ii) proceed with the purchase of the Property and receive all of the award or payment made in connection with such taking.

16.3 Notices. All notices, demands, requests or other communications required or permitted hereunder (collectively, "Notices") shall be in writing, shall be addressed to the receiving party as provided in this paragraph, and shall be personally delivered, sent by overnight mail (Federal Express or another carrier that provides receipts for all deliveries), sent by certified mail, postage prepaid, return receipt requested, or sent by facsimile transmission (provided that a successful transmission report is received). All Notices shall be effective upon receipt at the appropriate address. For the purposes hereof, the addresses of the parties (until notice of a change thereof given in writing to the other party) shall be as follows:

If to Seller: L Street Properties LLC
Attn: Frank Visco
44824 Cedar Avenue
Lancaster, California 93534

If to Buyer: City of Lancaster
Attn: City Manager

44933 Fern Avenue
Lancaster, California 93534

Copy to:

Stradling Yocca Carlson & Rauth LLP
Attn: Allison E. Burns
600 Newport Center Drive, Suite 1600
Newport Beach, California 92660

16.4 Brokers. Seller has engaged no private parties as consultants, finders or real estate brokers in connection with the sale of the Property to the Buyer, and there are no brokerage commission, finder's fee or other compensation of any kind is due or owing to any person or entity in connection with this Agreement. Seller agrees to and does hereby indemnify and hold the Buyer free and harmless from and against any and all costs, liabilities or causes of action or proceedings which may be instituted by any broker, agent or finder, licensed or otherwise, claiming through, under or by reason of the conduct of the Seller in connection with this Agreement. Buyer represents to Seller that Buyer has engaged no consultants, finders or real estate brokers in connection with the sale of the Property to the Buyer, and there are no brokerage commission, finder's fee or other compensation of any kind is due or owing to any person or entity in connection with this Agreement. Buyer agrees to and does hereby indemnify and hold the Seller free and harmless from and against any and all costs, liabilities or causes of action or proceedings which may be instituted by any broker, agent or finder, licensed or otherwise, claiming through, under or by reason of the conduct of the Buyer in connection with this Agreement.

16.5 Waiver, Consent and Remedies. Each provision of this Agreement to be performed by Buyer and Seller shall be deemed both a covenant and a condition and shall be a material consideration for Seller's and Buyer's performance hereunder, as appropriate, and any breach thereof by Buyer or Seller shall be deemed a material default hereunder. Either party may specifically and expressly waive in writing any portion of this Agreement or any breach thereof, but no such waiver shall constitute a further or continuing waiver of a preceding or succeeding breach of the same or any other provision. A waiving party may at any time thereafter require further compliance by the other party with any breach or provision so waived. The consent by one party to any act by the other for which such consent was required shall not be deemed to imply consent or waiver of the necessity of obtaining such consent for the same or any similar acts in the future. No waiver or consent shall be implied from silence or any failure of a party to act, except as otherwise specified in this Agreement. All rights, remedies, undertakings, obligations, options, covenants, conditions and agreements contained in this Agreement shall be cumulative and no one of them shall be exclusive of any other. Except as otherwise specified herein, either party hereto may pursue any one or more of its rights, options or remedies hereunder or may seek damages or specific performance in the event of the other party's breach hereunder, or may pursue any other remedy at law or equity, whether or not stated in this Agreement.

16.6 Cooperation. Buyer and Seller agree to execute such instruments and documents and to diligently undertake such actions as may be required in order to consummate the

purchase and sale herein contemplated and shall use all reasonable efforts to accomplish the Closing in accordance with the provisions hereof and, following Closing.

16.7 Remedies. Without limitation as to the availability of other remedies, this Agreement may be enforced by an action for specific enforcement.

16.8 Time. Time is of the essence of every provision herein contained. In the computation of any period of time provided for in this Agreement or by law, the day of the act or event from which said period of time runs shall be excluded, and the last day of such period shall be included, unless it is a Saturday, Sunday, or legal holiday, in which case the period shall be deemed to run until 5:00 p.m. of the next day that is not a Saturday, Sunday, or legal holiday. Except as otherwise expressly provided herein, all time periods expiring on a specified date or period herein shall be deemed to expire at 5:00 p.m. on such specified date or period.

16.9 Counterparts; Facsimile Signatures. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute but one and the same instrument. A facsimile signature shall be deemed an original signature.

16.10 Captions. Any captions to, or headings of, the sections or subsections of this Agreement are solely for the convenience of the parties hereto, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

16.11 Third Party Rights. The execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the parties to this Agreement to, any person or entity other than the parties hereto.

16.12 Amendment to this Agreement. The terms of this Agreement may not be modified or amended except by an instrument in writing executed by each of the parties hereto.

16.13 Waiver. The waiver or failure to enforce any provision of this Agreement shall not operate as a waiver of any future breach of any such provision or any other provision hereof.

16.14 Applicable Law. This Agreement shall be governed by and construed in accordance with the local law of the State of California.

16.15 Exhibits and Schedules. The exhibits and schedules attached hereto are incorporated herein by this reference for all purposes.

16.16 Entire Agreement. This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between, and the final expression of, Buyer and Seller with respect to the subject matter hereof. The parties hereto expressly agree and confirm that this Agreement is executed without reliance on any oral or written statements, representations or promises of any kind which are not expressly contained in this Agreement. No subsequent agreement, representation or promise made by either party hereto, or by

or to an employee, officer, agent or representative of either party hereto shall be of any effect unless it is in writing and executed by the party to be bound thereby.

16.17 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the permitted successors and assigns of the parties hereto.

16.18 Survival. The provisions of Section 13 shall be deemed to constitute provisions that survive Closing.

16.19 Assignment. Buyer may assign its rights under this Agreement without the prior consent of the Seller.

[Signatures begin on next page.]

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

SELLER:

L STREET PROPERTIES LLC,
a California limited liability company

By: _____
Its: _____

By: _____
Its: _____

BUYER:

CITY OF LANCASTER,
a California charter city and municipal corporation

By: _____
Its: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Acceptance by Escrow Holder:

First American Title Company hereby acknowledges that it has received a fully executed copy of the foregoing Purchase and Sale Agreement and Joint Escrow Instructions by and between the City of Lancaster, a municipal corporation and charter city (“Buyer”), and L Street Properties LLC, a California limited liability company (“Seller”) and agrees to act as Escrow Holder thereunder and to be bound by and strictly perform the terms thereof as such terms apply to Escrow Holder.

Dated: May , 2025

FIRST AMERICAN TITLE COMPANY

By: _____

Name: _____

Its: _____

EXHIBIT “A”
LEGAL DESCRIPTION

EXHIBIT "B"

PROMISSORY NOTE

\$3,720,000.00

[Insert Closing Date]

Lancaster, California

FOR VALUE RECEIVED, on or before December 31, 20[REDACTED] (the Maturity Date"), the **CITY OF LANCASTER**, a charter city and California municipal corporation ("Borrower"), as maker and obligor, promises to pay to **L STREET PROPERTIES LLC**, a California limited liability company ("Lender"), as holder and beneficiary, or order, at Lender's office at 44824 Cedar Avenue, Lancaster, California 93534, or such other place as Lender may designate in writing, the sum of (a) Three Million Seven Hundred Twenty Thousand Dollars (\$3,720,000.00) ("Note Amount"), and (b) all costs and expenses payable hereunder, in currency of the United States of America, which at the time of payment is lawful for the payment of public and private debts.

1. Agreement. This Promissory Note ("Note") is given in accordance with that certain Purchase and Sale Agreement executed by Borrower and Lender, dated as of May [REDACTED], 2025 ("Agreement"). The rights and obligations of Borrower and Lender under this Note shall be governed by the Agreement and by the additional terms set forth in this Note. In the event of any conflict or inconsistencies between the terms of this Note and the terms of the Agreement or any other document related to the Note Amount, the terms of this Note shall prevail. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Agreement.

2. Interest. The Note Amount shall bear simple interest at 6.9% per annum, which shall begin to accrue upon the Closing. Borrower shall pay accrued interest annually, beginning on the 1-year anniversary of this Note.

3. Security. This Note and all amounts payable hereunder are secured by that certain Deed of Trust and Assignment of Rents, a deed of trust, of even date herewith executed by Borrower in favor of Lender ("Deed of Trust"), which Deed of Trust shall only be subordinate to encumbrances approved by Lender in writing. The terms of the Deed of Trust are incorporated herein and made a part hereof to the same extent and with the same force and effect as if fully set forth herein. A default under any of the provisions of the Deed of Trust, after the expiration of any applicable cure period, shall be a default hereunder, and a default hereunder, after the expiration of any applicable cure period, shall be a default under the Deed of Trust.

4. Application of Payments. All payments, if any, shall be applied (i) first, to costs and fees owing under this Note, (ii) second, to the payment of unpaid accrued interest owing under this Note, (iii) third, to payment of principal. Borrower shall have the right to prepay the Note Amount, or any portion thereof, at any time prior to the Maturity Date without any penalty.

5. Waivers.

(a) Borrower expressly agrees that this Note or any payment hereunder may be extended from time to time at Lender's sole discretion and that Lender may accept security in

consideration for any such extension or release any security for this Note at its sole discretion all without in any way affecting the liability of Borrower.

(b) No extension of time for payment of this Note made by agreement by Lender with any person now or hereafter liable for the payment of this Note shall operate to release, discharge, modify, change or affect the original liability of Borrower under this Note, either in whole or in part.

(c) The obligations of Borrower under this Note shall be absolute and Borrower waives any and all rights to offset, deduct or withhold any payments or charges due under this Note for any reasons whatsoever.

(d) Borrower waives presentment, demand, notice of protest and nonpayment, notice of default or delinquency, notice of acceleration, notice of costs, expenses or leases or interest thereon, notice of dishonor, diligence in collection or in proceeding against any of the rights or interests in or to properties securing this Note, and the benefit of any exemption under any homestead exemption laws, if applicable.

(e) No previous waiver and no failure or delay by Lender in acting with respect to the terms of this Note or the Deed of Trust shall constitute a waiver of any breach, default, or failure or condition under this Note, the Deed of Trust or the obligations secured thereby. A waiver of any term of this Note, the Deed of Trust or of any of the obligations secured thereby must be made in writing and shall be limited to the express written terms of such waiver.

6. Joint and Several Obligation. This Note is the joint and several obligation of all makers, sureties, guarantors and endorsers, and shall be binding upon them and their heirs, successors and assigns.

7. Amendments and Modifications. This Note may not be changed orally, but only by an amendment approved by the parties and evidenced in a writing signed by Borrower and by Lender.

8. Borrower Assignment Prohibited. In no event shall Borrower assign or transfer any portion of this Note without the prior express written consent of Lender, which consent shall not unreasonably be withheld, except pursuant to a transfer which is a permitted by or approved under the Agreement.

9. Acceleration and Other Remedies. Upon the occurrence of an Default as defined in the Agreement, Lender may, at Lender's option, declare the outstanding principal amount of this Note, together with the then accrued and unpaid interest thereon and other charges hereunder, and all other sums secured by the Deed of Trust, to be due and payable immediately, and upon such declaration, such principal and interest and other sums shall immediately become and be due and payable without demand or notice. Any delay or omission on the part of Lender in exercising any right hereunder, under the Agreement or under the Deed of Trust shall not operate as a waiver of such right, or of any other right. No single or partial exercise of any right or remedy hereunder or under the Agreement or any other document or agreement shall preclude other or further exercises

thereof, or the exercise of any other right or remedy. The acceptance of payment of any sum payable hereunder, or part thereof, after the due date of such payment shall not be a waiver of Lender's right to either require prompt payment when due of all other sums payable hereunder or to declare Default for failure to make prompt or complete payment.

10. Consents. Borrower hereby consents to: (a) any extension (whether one or more) of the time of payment under this Note, (b) the release or surrender or exchange or substitution of all or any part of the security, whether real or personal, or direct or indirect, for the payment hereof, (c) the granting of any other indulgences to Borrower, and (d) the taking or releasing of other or additional parties primarily or contingently liable hereunder. Any such extension, release, surrender, exchange or substitution may be made without notice to Borrower or to any endorser, guarantor or surety hereof, and without affecting the liability of said parties hereunder.

11. Successors and Assigns. Whenever "Lender" is referred to in this Note, such reference shall be deemed to include the Lender and its successors and assigns, including, without limitation, any subsequent assignee or holder of this Note. All covenants, provisions and agreements by or on behalf of Borrower, and on behalf of any makers, endorsers, guarantors and sureties hereof which are contained herein shall inure to the benefit of Borrower's successors and assigns.

BORROWER:

CITY OF LANCASTER,
a California charter city and municipal corporation

By: _____
Its: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

EXHIBIT "C"

DEED OF TRUST

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

City of Lancaster
44933 Fern Avenue
Lancaster, California 93534
Attn: City Manager

[Space above for recorder.]

**DEED OF TRUST WITH ASSIGNMENT OF RENTS
(SHORT FORM)**

THIS DEED OF TRUST, dated as of [Insert Closing Date], between the **CITY OF LANCASTER**, a charter city and California municipal corporation, herein called TRUSTOR, whose address is 44933 Fern Avenue, Lancaster, California 93534, [Insert Trustee's Name], a California corporation, herein called TRUSTEE, and **L STREET PROPERTIES LLC**, a California limited liability company, herein called BENEFICIARY,

WITNESSETH: That Trustor grants to Trustee in trust, with power of sale, that property in the City of Lancaster, County of Los Angeles, State of California, described as:

See Attachment No. 1 attached hereto.

together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits for the purpose of securing (1) payment of the sum of \$3,720,000.00 with interest thereon according to the terms of a promissory note or notes dated as of [Insert Closing Date], made by Trustor, payable to order of Beneficiary, and extensions or renewals thereof, and (2) payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each and all of the terms and provisions set forth in subdivision A, and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the fictitious deed of trust recorded in Orange County August 17, 1964, and in all other counties August 18, 1964, in the book and at the page of Official Records in the office of the county recorder of the county where said property is located, noted below opposite the name of such county, namely:

COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE
--------	------	------	--------	------	------	--------	------	------	--------	------	------

Alameda	1288	556	Kings	858	713	Placer	1028	379	Sierra	38	187
Alpine	3	130-31	Lake	437	110	Plumas	166	1307	Siskiyou	506	762
Amador	133	438	Lassen	192	367	Riverside	3778	347	Solano	1287	621
Butte	1330	513	Los Angeles	T-3878	874	Sacramento	5039	124	Sonoma	2067	427
Calaveras	185	338	Madera	911	136	San Benito	300	405	Stanislaus	1970	56
Colusa	323	391	Marin	1849	122	San Bernardino	6213	768	Sutter	655	585
Contra Costa	4684	1	Mariposa	90	453	San Francisco	A-804	596	Tehama	457	183
Del Norte	101	549	Mendocino	667	99	San Joaquin	2855	283	Trinity	108	595
El Dorado	704	635	Merced	1660	753	San Luis Obispo	1311	137	Tulare	2530	108
Fresno	5052	623	Modoc	191	93	San Mateo	4778	175	Tuolumne	177	160
Glenn	469	76	Mono	69	302	Santa Barbara	2065	881	Venture	2607	237
Humboldt	801	83	Monterey	357	239	Santa Clara	6626	664	Yolo	769	16
Imperial	1189	701	Napa	704	742	Santa Cruz	1638	607	Yuba	398	693
Inyo	165	672	Nevada	363	94	Shasta	800	633			
Kern	3756	690	Orange	7182	18	San Diego	SERIES 5 Book 1964, Page 149774				

shall inure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivisions A and B, (identical in all counties, and printed on pages 3 and 4 hereof) are by the within reference thereto, incorporated herein and made a part of this Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed the maximum allowed by law.

The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address hereinbefore set forth.

TRUSTOR:

CITY OF LANCASTER,
a California charter city and municipal corporation

By: _____
Its: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

DO NOT RECORD

The following is a copy of Subdivisions A and B of the fictitious Deed of Trust recorded in each county in California as stated in the foregoing Deed of Trust and incorporated by reference in said Deed of Trust as being a part thereof as if set forth at length therein.

A. To protect the security of this Deed of Trust, Trustor agrees:

(1) To keep said property in good condition and repair, not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor, to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon, not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.

(2) To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

(3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed.

(4) To pay: at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defeat any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

(5) To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date hereof regarding the obligation secured hereby any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time when said statement is demanded.

B. It is mutually agreed:

(1) That any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such monies received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

(2) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

(3) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon, or join in any extension agreement or any agreement subordinating the lien or charge hereof.

(4) That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The Grantee in such reconveyance may be described as "the person or persons legally entitled thereto".

(5) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

(6) That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed, said note and all documents evidencing expenditures secured hereby.

After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of trustee and of this Trust, including costs of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

(7) Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where said property is situated shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed is recorded and the name and address of the new Trustee.

(8) That this Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledgees, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

(9) That Trustee accepts this Trust when this Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

DO NOT RECORD

REQUEST FOR FULL RECONVEYANCE

TO _____, TRUSTEE:

The under signed is the legal owner and holder of the note and of all indebtedness secured by the foregoing Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, have been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you under the same.

Dated _____

Please mail Deed of Trust,
Note and Reconveyance to :

Do Not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made

ATTACHMENT NO. 1

EXHIBIT “D”

GRANT DEED

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

City of Lancaster
44933 Fern Avenue
Lancaster, California 93534
Attn: City Manager

This document is exempt from payment of a recording
fee pursuant to Government Code Section 27383.

Exempt from payment of Documentary Transfer Tax
pursuant to Revenue and Taxation Code Section 11922

GRANT DEED

FOR VALUE RECEIVED, L STREET PROPERTIES LLC, a California limited liability company, hereby grants to the **CITY OF LANCASTER**, a California charter city and municipal corporation, subject to all rights, reservations, restrictions, and encumbrances of record as of the date hereof, all that certain real property located in the City of Lancaster, County of Los Angeles, State of California, more particularly described in Attachment No. 1 attached hereto and incorporated herein.

IN WITNESS WHEREOF, grantors have executed this Grant Deed as of **[Insert Closing Date]**.

GRANTOR:

L STREET PROPERTIES LLC,
a California limited liability company

By: _____
Frank Visco
Managing Member

ATTACHMENT NO. 1

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

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, before me, _____, Notary Public,
(Print Name of 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 of Notary Public

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- ☐ Individual
☐ Corporate Officer

Title(s)

- ☐ Partner(s) ☐ Limited ☐ General
☐ Attorney-In-Fact
☐ Trustee(s)
☐ Guardian/Conservator
☐ Other: _____

Signer is representing:
Name Of Person(s) Or Entity(ies)

DESCRIPTION OF ATTACHED DOCUMENT

Title Or Type Of Document

Number Of Pages

Date Of Documents

Signer(s) Other Than Named Above

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by written deed or grant deed dated [Insert Closing Date], from **L STREET PROPERTIES LLC**, a California limited liability company, to the **CITY OF LANCASTER**, a California charter city and municipal corporation, is hereby accepted by the undersigned officer on behalf of the City of Lancaster pursuant to authority conferred by Resolution No. [] of the City of Lancaster adopted on [], 20[] and the grantee consents to recordation thereof by its duly authorized officer.

Dated this [] day of [], 202[].

CITY OF LANCASTER,
a California charter city and municipal corporation

By: _____
Its: _____