



SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY

**SPECIAL MEETING AGENDA
FEBRUARY 24, 2015 9:00 A.M.**

Location: City Council Chamber, 15651 East Stafford Street, City of Industry, California

Addressing the Agency:

- ▶ **Agenda Items:** Members of the public may address the Successor Agency on any matter listed on the Agenda. In order to conduct a timely meeting, there will be a three-minute time limit per person for any matter listed on the Agenda. Anyone wishing to speak to the Successor Agency is asked to complete a Speaker's Card which can be found at the back of the room and at each podium. The completed card should be submitted to the Secretary prior to the Agenda item being called and prior to the individual being heard by the Successor Agency.
- ▶ **Public Comments (Non-Agenda Items):** Anyone wishing to address the Successor Agency on an item not on the Agenda may do so during the "Public Comments" period. In order to conduct a timely meeting, there will be a three-minute time limit per person for the Public Comments portion of the Agenda. State law prohibits the Successor Agency from taking action on a specific item unless it appears on the posted Agenda. Anyone wishing to speak to the Successor Agency is asked to complete a Speaker's Card which can be found at the back of the room and at each podium. The completed card should be submitted to the Secretary prior to the Agenda item being called by the Secretary and prior to the individual being heard by the Successor Agency.

Americans with Disabilities Act:

- ▶ In compliance with the ADA, if you need special assistance to participate in any meeting (including assisted listening devices), please contact the Office of the Secretary to the Successor Agency (626) 333-2211. Notification of at least 72 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.

Agendas and other writings:

- ▶ In compliance with Government Code Section 54957.5(b), staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 East Stafford Street, Suite 100, City of Industry, California, at the office of the Secretary of the Successor Agency during regular business hours, Monday through Friday, 9:00 a.m. to 5:00 p.m.
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1. Call to Order
 2. Flag Salute
 3. Roll Call
 4. Public Comments
-

5. **BOARD MATTERS**

- 5.1 Consideration of the minutes of the December 11, 2014 special meeting of the Successor Agency to the Industry Urban-Development Agency.

RECOMMENDED ACTION: Approve the minutes.

- 5.2 Consideration of the minutes of the January 22, 2015 special meeting of the Successor Agency to the Industry Urban-Development Agency.

RECOMMENDED ACTION: Approve the minutes, with Board Member Ferrero abstaining.

- 5.3 Consideration of Purchase Agreements for the sale and disposition of certain real property located at 15130 Nelson Avenue, 17201-17301 Gale Avenue, and 17475 Gale Avenue.

RECOMMENDED ACTION: Approve the Agreements, subject to approval from the Oversight Board of the Successor Agency to the Industry Urban-Development Agency and the California Department of Finance.

- 5.4 Discussion regarding a Letter of Intent submitted by Hitchcock Commercial Properties to purchase Agency-owned property located at 17647 Gale Avenue.

RECOMMENDED ACTION: Submit to the Oversight Board for their review and direction.

- 5.5 Consideration of Resolution No. SA 2015-02 - A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY APPROVING A PROPOSED ADMINISTRATIVE BUDGET FOR THE SIX MONTH PERIOD COMMENCING JULY 1, 2015, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j) AND TAKING CERTAIN RELATIVE ACTIONS.

RECOMMENDED ACTION: Adopt Resolution No. SA 2015-02.

- 5.6 Consideration of Resolution No. SA 2015-03 - A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 FOR THE SIX-MONTH FISCAL PERIOD COMMENCING JULY 1, 2015 AND TAKING CERTAIN RELATED ACTIONS.

RECOMMENDED ACTION: Adopt Resolution No. SA 2015-03.

- 5.7 Consideration of a budget increase for Consultant Contract No. 14-SCS 13-01 MP 99-31 #16 for SCS Engineers to perform additional landfill engineering services at the Industry Business Center during construction in the amount of \$305,830.00, as identified in Line Item No. 221 of the Recognized Obligation Payment Schedule.

RECOMMENDED ACTION: Approve the budget increase.

- 5.8 Consideration of a budget increase for Consultant Contract No. 5-JACOBS 05-01 MP 03-10 for Jacobs Civil, Inc., to perform additional engineering design services, construction support and extension of contract in the amount of \$544,638.76 as identified in Line Item No. 117 of the Recognized Obligation Payment Schedule.

RECOMMENDED ACTION: Approve the budget increase.

- 5.9 Consideration of Change Order No. 1 to C.A. Rasmussen, Inc., in the amount of \$500,983.79 for additional costs for extra work due to unforeseen items and plan revisions issued in conjunction with the Industry Business Center Phase 1 Mass Grading Far West Side, Contract No. IBC-0379, as identified in Line Item No. 270 of the Recognized Obligation Payment Schedule.

RECOMMENDED ACTION: Approve Change Order No. 1.

- 5.10 Consideration of a Right-of-Way Contract between the Successor Agency and the State of California Department of Transportation ("Caltrans") for the donation of right-of-way to construct the Westbound On-Ramp from Grand Avenue to the SR-60 Freeway, as identified in Line Item No. 226 of the Recognized Obligation Payment Schedule.

RECOMMENDED ACTION: Approve the Contract.

- 5.11 Consideration to cancel the next regular meeting scheduled for Wednesday, February 25, 2015, at 9:00 a.m.

RECOMMENDED ACTION: Cancel the next regular meeting.

6. Adjournment. If Item 5.12 is approved, the next Successor Agency meeting will be on Wednesday, March 25, 2015 at 9:00 a.m.

SUCCESSOR AGENCY

ITEM NO. 5.1

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CALL TO ORDER

The Special Meeting of the Successor Agency to the Industry Urban-Development Agency was called to order by Chairman Tim Spohn at 8:18 a.m., in the City of Industry Council Chamber, 15651 East Stafford Street, California.

FLAG SALUTE

The flag salute was led by Chairman Spohn.

ROLL CALL

PRESENT: Tim Spohn, Chairman
Jeff Parriott, Vice Chairman
John P. Ferrero, Board Member
Roy Haber, Board Member
Pat Marcellin, Board Member

STAFF PRESENT: Kevin Radecki, Executive Director; William L. Strausz, Legal Counsel; and Diane M. Schlichting, Assistant Secretary.

PUBLIC COMMENTS

There were no public comments.

CONSIDERATION OF THE MINUTES OF THE SEPTEMBER 25, 2014 SPECIAL MEETING OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY

MOTION BY BOARD MEMBER FERRERO, AND SECOND BY VICE CHAIRMAN PARRIOTT TO APPROVE THE MINUTES. MOTION CARRIED 4-0, WITH BOARD MEMBER HABER ABSTAINING.

CONSIDERATION OF THE MINUTES OF THE OCTOBER 9, 2014 SPECIAL MEETING OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY

MOTION BY BOARD MEMBER HABER, AND SECOND BY VICE CHAIRMAN PARRIOTT TO APPROVE THE MINUTES. MOTION CARRIED 5-0.

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CONSIDERATION OF THE MINUTES OF THE OCTOBER 22, 2014 REGULAR MEETING OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY

MOTION BY BOARD MEMBER FERRERO, AND SECOND BY BOARD MEMBER HABER TO APPROVE THE MINUTES. MOTION CARRIED 5-0.

CONSIDERATION OF A BUDGET INCREASE FOR CONSULTANT CONTRACT NO. 5-AVANT 12-01 MP 03-10 FOR AVANT GARDE TO PERFORM ADDITIONAL PROJECT MANAGEMENT AND FUNDING ADMINISTRATION FOR A BUDGET INCREASE OF \$175,000.00, LEMON AVENUE INTERCHANGE PROJECT, AS IDENTIFIED IN LINE ITEM NO. 118 OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Mr. Josh Nelson of CNC Engineering presented a report.

MOTION BY BOARD MEMBER FERRERO, AND SECOND BY BOARD MEMBER HABER TO APPROVE THE BUDGET INCREASE. MOTION CARRIED 5-0.

CONSIDERATION OF A BUDGET INCREASE TO THE WORK AUTHORIZATION BETWEEN THE SUCCESSOR AGENCY AND CNC ENGINEERING FOR ADDITIONAL CONSTRUCTION ADMINISTRATION, INSPECTION, AND MAINTENANCE OVERSIGHT, IN THE AMOUNT OF \$140,000.00 FOR THE LANDSCAPING OF THE BAKER PARKWAY SLOPES PROJECT, AS IDENTIFIED IN LINE ITEM NO. 99 OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Mr. Josh Nelson of CNC Engineering presented a report.

MOTION BY BOARD MEMBER FERRERO, AND SECOND BY BOARD MEMBER HABER TO APPROVE THE BUDGET INCREASE. MOTION CARRIED 5-0

CONSIDERATION OF RESOLUTION NO. SA 2014-04 - A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY AMENDING THE AGENCY'S CONFLICT OF INTEREST CODE CONTAINING DESIGNATED POSITIONS AND DISCLOSURE CATEGORIES

MOTION BY BOARD MEMBER FERRERO, AND SECOND BY BOARD MEMBER MARCELLIN TO ADOPT RESOLUTION NO. SA 2014-04. MOTION CARRIED 5-0.

CONSIDERATION OF RESOLUTION NO. SA 2014-05 - A RESOLUTION OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF THE SUCCESSOR

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AGENCY'S TAX ALLOCATION REVENUE REFUNDING BONDS, SERIES 2015 (CIVIC-RECREATIONAL-INDUSTRIAL REDEVELOPMENT PROJECT NO. 1) IN ONE OR MORE SERIES ON A TAX-EXEMPT OR TAXABLE BASIS, THE SUCCESSOR AGENCY'S SUBORDINATE TAX ALLOCATION REVENUE REFUNDING BONDS, SERIES 2015 (CIVIC-RECREATIONAL-INDUSTRIAL REDEVELOPMENT PROJECT NO. 1), IN ONE OR MORE SERIES ON A TAX-EXEMPT OR TAXABLE BASIS AND THE SUCCESSOR AGENCY'S SECOND SUBORDINATE TAX ALLOCATION REVENUE REFUNDING BONDS, SERIES 2015 (CIVIC-RECREATIONAL-INDUSTRIAL REDEVELOPMENT PROJECT NO. 1), IN ONE OR MORE SERIES ON A TAX-EXEMPT OR TAXABLE BASIS AND APPROVING INDENTURES, COMMITMENT AGREEMENTS AND PURCHASE CONTRACTS FOR PURCHASE AND SALE OF LOCAL OBLIGATION BONDS AND AUTHORIZING CERTAIN ACTIONS RELATING THERETO

Mr. Don Hunt, Bond Counsel with Norton, Rose, Fulbright, distributed a handout and presented a report to the Board Members regarding Resolution Nos. SA 2014-05, SA 2014-06, and SA 2014-07. Mr. Hunt also responded to questions from Members of the Successor Agency.

MOTION BY BOARD MEMBER FERRERO, AND SECOND BY BOARD MEMBER HABER TO ADOPT RESOLUTION NO. SA 2014-05. MOTION CARRIED 5-0.

CONSIDERATION OF RESOLUTION NO. SA 2014-06 - A RESOLUTION OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF THE SUCCESSOR AGENCY'S TAX ALLOCATION REVENUE REFUNDING BONDS, SERIES 2015 (TRANSPORTATION-DISTRIBUTION-INDUSTRIAL PROJECT NO. 2), IN ONE OR MORE SERIES ON A TAX-EXEMPT OR TAXABLE BASIS, THE SUCCESSOR AGENCY'S SUBORDINATE TAX ALLOCATION REVENUE REFUNDING BONDS, SERIES 2015 (TRANSPORTATION-DISTRIBUTION-INDUSTRIAL PROJECT NO. 2), IN ONE OR MORE SERIES ON A TAX-EXEMPT OR TAXABLE BASIS, AND THE SUCCESSOR AGENCY'S SECOND SUBORDINATE TAX ALLOCATION REVENUE REFUNDING BONDS, SERIES 2015 (TRANSPORTATION-DISTRIBUTION-INDUSTRIAL PROJECT NO. 2), IN ONE OR MORE SERIES ON A TAX-EXEMPT OR TAXABLE BASIS, AND APPROVING INDENTURES, COMMITMENT AGREEMENTS AND PURCHASE CONTRACTS FOR PURCHASE AND SALE OF LOCAL OBLIGATION BONDS AND AUTHORIZING CERTAIN ACTIONS RELATING THERETO

MOTION BY VICE CHAIRMAN PARRIOTT, AND SECOND BY BOARD MEMBER FERRERO TO ADOPT RESOLUTION NO. SA 2014-06. MOTION CARRIED 5-0.

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CONSIDERATION OF RESOLUTION NO. SA 2014-07 - A RESOLUTION OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF THE SUCCESSOR AGENCY'S TAX ALLOCATION REVENUE REFUNDING BONDS, SERIES 2015 (TRANSPORTATION-DISTRIBUTION-INDUSTRIAL PROJECT NO. 3), IN ONE OR MORE SERIES ON A TAX-EXEMPT OR TAXABLE BASIS, THE SUCCESSOR AGENCY'S SUBORDINATE TAX ALLOCATION REVENUE REFUNDING BONDS, SERIES 2015 (TRANSPORTATION-DISTRIBUTION-INDUSTRIAL PROJECT NO. 3), IN ONE OR MORE SERIES ON A TAX-EXEMPT OR TAXABLE BASIS, AND THE SUCCESSOR AGENCY'S SECOND SUBORDINATE TAX ALLOCATION REVENUE REFUNDING BONDS, SERIES 2015 (TRANSPORTATION-DISTRIBUTION-INDUSTRIAL PROJECT NO. 3), IN ONE OR MORE SERIES ON A TAX-EXEMPT OR TAXABLE BASIS, AND APPROVING INDENTURES, COMMITMENT AGREEMENTS AND PURCHASE CONTRACTS FOR PURCHASE AND SALE OF LOCAL OBLIGATION BONDS AND AUTHORIZING CERTAIN ACTIONS RELATING THERETO

MOTION BY BOARD MEMBER HABER, AND SECOND BY BOARD MEMBER FERRERO TO ADOPT RESOLUTION NO. SA 2014-07. MOTION CARRIED 5-0.

CONSIDERATION TO CANCEL THE NEXT REGULAR MEETING SCHEDULED FOR WEDNESDAY, DECEMBER 24, 2014 AT 9:00 A.M.

MOTION BY BOARD MEMBER MARCELLIN, AND SECOND BY BOARD MEMBER FERRERO TO CANCEL THE NEXT REGULAR MEETING. MOTION CARRIED 5-0.

ADJOURNMENT

There being no further business, the Successor Agency to the Industry Urban-Development Agency adjourned.

Tim Spohn, Chairman

Diane M. Schlichting, Assistant Secretary

SUCCESSOR AGENCY

ITEM NO. 5.2

SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY
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CALL TO ORDER

The Special Meeting of the Successor Agency to the Industry Urban-Development Agency was called to order by Chairman Tim Spohn at 8:30 a.m., in the City of Industry Council Chamber, 15651 East Stafford Street, California.

FLAG SALUTE

The flag salute was led by Chairman Spohn.

ROLL CALL

PRESENT: Tim Spohn, Chairman
Jeff Parriott, Vice Chairman
Roy Haber, Board Member
Pat Marcellin, Board Member

ABSENT: John P. Ferrero, Board Member

MOTION BY BOARD MEMBER HABER, AND SECOND BY VICE CHAIRMAN PARRIOTT TO GRANT BOARD MEMBER FERRERO AN EXCUSED ABSENCE. MOTION CARRIED 4-0, WITH BOARD MEMBER FERRERO ABSENT.

STAFF PRESENT: Kevin Radecki, Executive Director; William L. Strausz, Legal Counsel; and Diane M. Schlichting, Assistant Secretary.

PUBLIC COMMENTS

There were no public comments.

CONSIDERATION OF THE MINUTES OF THE NOVEMBER 5, 2014 SPECIAL MEETING OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY

MOTION BY BOARD MEMBER HABER, AND SECOND BY VICE CHAIRMAN PARRIOTT TO APPROVE THE MINUTES. MOTION CARRIED 4-0, WITH BOARD MEMBER FERRERO ABSENT.

CONSIDERATION OF THE MINUTES OF THE NOVEMBER 20, 2014 SPECIAL MEETING OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY

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MOTION BY VICE CHAIRMAN PARRIOTT, AND SECOND BY BOARD MEMBER HABER TO APPROVE THE MINUTES. MOTION CARRIED 4-0, WITH BOARD MEMBER FERRERO ABSENT.

CONSIDERATION OF THE ANNUAL AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Executive Director Radecki presented a staff report.

MOTION BY BOARD MEMBER HABER, AND SECOND BY VICE CHAIRMAN PARRIOTT TO APPROVE, RECEIVE, AND FILE THE FINANCIAL STATEMENTS. MOTION CARRIED 4-0, WITH BOARD MEMBER FERRERO ABSENT.

CONSIDERATION OF THE INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS FOR THE FISCAL YEAR ENDED JUNE 30, 2014 FOR THE SUCCESSOR AGENCY

MOTION BY BOARD MEMBER HABER, AND SECOND BY VICE CHAIRMAN PARRIOTT TO APPROVE, RECEIVE, AND FILE THE AUDITOR'S REPORT. MOTION CARRIED 4-0, WITH BOARD MEMBER FERRERO ABSENT.

CONSIDERATION OF THE AUDITOR'S COMMUNICATIONS WITH THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY FOR THE FISCAL YEAR ENDED JUNE 30, 2014

MOTION BY BOARD MEMBER MARCELLIN, AND SECOND BY BOARD MEMBER HABER TO APPROVE, RECEIVE, AND FILE THE AUDITORS COMMUNICATIONS. MOTION CARRIED 4-0, WITH BOARD MEMBER FERRERO ABSENT.

CONSIDERATION OF THE CONTINUING ANNUAL DISCLOSURE REPORT FOR THE SUCCESSOR AGENCY

MOTION BY VICE CHAIRMAN PARRIOTT, AND SECOND BY BOARD MEMBER HABER TO APPROVE THE BUDGET INCREASE. MOTION CARRIED 4-0, WITH BOARD MEMBER FERRERO ABSENT.

CONSIDERATION OF AWARD OF CONTRACT NO. GCD-0382, BAKER PARKWAY SLOPE LANDSCAPE MAINTENANCE TO MARINA LANDSCAPE MAINTENANCE, INC., IN THE AMOUNT OF \$445,290.00, AS IDENTIFIED IN LINE ITEM NO. 1124/276 OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE

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Agency Engineer Ballas presented a report and responded to questions from the Board Members.

MOTION BY BOARD MEMBER HABER, AND SECOND BY BOARD MEMBER MARCELLIN TO AWARD THE CONTRACT TO MARINA LANDSCAPE MAINTENANCE, INC., AND AUTHORIZE THE CHAIRMAN TO EXECUTE THE CONTRACT UPON RECEIPT. MOTION CARRIED 4-0, WITH BOARD MEMBER FERRERO ABSENT.

CLOSED SESSION

Assistant Secretary Schlichting announced there was a need for Closed Session as follows:

1. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
Pursuant to Government Code Section 54956.9(d)(1)
Case: Successor Agency to the Industry-Urban Development Agency v.
Grand Central Recycling & Transfer Station, Inc., et al.
Los Angeles Superior Court
Case No. BC550794

Board Member Haber abstained from the discussion and vote for Item 1 because he has a potential financial conflict of interest in that he is employed by the Hacienda La Puente Unified School District.

There were no public comments on the Closed Session item

Board Member Haber left the Council Chambers at 8:37 a.m.

Chairman Spohn recessed the meeting into Closed Session at 8:37 a.m.

RECONVENE SUCCESSOR AGENCY BOARD MEETING

Chairman Spohn reconvened the meeting at 8:52 a.m. All members of the Board were present, except Board Member Ferrero and Board Member Haber who were absent.

The Successor Agency took no reportable action with regard to Closed Session Item 1.

ADJOURNMENT

There being no further business, the Successor Agency to the Industry Urban-

SUCCESSOR AGENCY

ITEM NO. 5.3



SUCCESSOR AGENCY TO THE
INDUSTRY URBAN - DEVELOPMENT AGENCY

MEMORANDUM

TO: Successor Agency to the Industry Urban-Development Agency
FROM: Kevin Radecki, Executive Director *KR*
DATE: February 18, 2015
SUBJECT: Status Report and Recommendations on Properties for Sale

Status of the Disposition and Sale of Agency-Owned Properties

The Long Range Property Management Plan submitted and approved by the Department of Finance contained the recommendation that 19 properties be conveyed to the City at no cost. These properties included remnants, right of ways, landscape areas, and the Homestead Museum. All of these properties have been conveyed and are now in the ownership of the City. A list of these properties is included as Attachment A.

Of the properties advertised and taken thru the bid process, 13 have Purchase Agreements approved by the Successor Agency and the Oversight Board. These 13 properties have been transmitted to the Department of Finance and have been approved for sale. The Department of Finance has requested that those Purchase Agreements that provide for the repurchase of the property by the Successor Agency have this provision removed. The Successor Agency approved the amended Purchase Agreements at its February 12, 2015 meeting. Attachment B lists those properties approved by the Department of Finance for sale and can now have escrows opened. Three properties have opened escrow and one has closed (property No. 24 - 15710 Rausch Road).

There is one additional property, that at the time of the Successor Agency approval of the above 13 properties, did not have a signed Purchase Agreement. Property No. 11 (15130 Nelson Avenue), has now been signed and is included in the recommendations for your approval and submittal to the Oversight Board. Property No. 18 (111 Hudson Street), on which Northrup proposes a water treatment plant, has yet to submit a signed Purchase Agreement. Once it is signed, we will forward it to the Successor Agency for consideration.

Staff has completed negotiations of the Purchase Agreements for two additional properties, which are included in the recommendations for your approval. These properties are Property No. 31 (17201-17301 Gale Avenue) and Property No. 32 (17475 Gale Avenue). R. Y. Properties is the recommended buyer for both properties. They are the highest bidder on Property No. 32 (17475 Gale Avenue), with a purchase price of \$5,500,000 (appraisal \$5,080,000-\$5,540,000). As contemplated in the Long Range Property Management Plan, the Successor Agency staff has been working directly with R. Y. Properties e

On the acquisition of property #31, (17201 Gale Avenue). They have proposed a purchase price of \$16,000,000 for Property No. 31 (appraisal \$13,000,000-\$16,000,000). R. Y. Properties has proposed the development of a commercial/office center on both properties being purchased from the Agency and including the property they own, which is located between Property Nos. 31 and 32. A summary of the three Purchase Agreements is included as Attachment C.

Property No. 34 (17647 Gale Avenue), which is located in the auto mall, received two bids. The highest bid came from an auto dealer at \$6,500,000 proposing the development of an Infiniti dealership. They were not successful in receiving authorization from Infiniti to locate a dealership on the site and withdrew their offer to purchase. The second and only other bidder was Hitchcock Commercial Properties at \$4,200,000. Hitchcock Properties currently owns and operates a dealership in the auto mall and was informed of the withdrawal of the high bidder. Hitchcock Properties has subsequently submitted a revised Letter of Intent for the property at \$5,355,000. While the proposed purchase price is below the appraised value (\$5,990,000-\$6,530,000), it is within 89.4% of the value. There has been no other interest by auto dealers in the site. The only other auto dealer who bid on property in the auto mall was the Honda dealer on Property No. 32 (17475 Gale Avenue) to meet the area requirements of the manufacturer not for the development of a new dealership. Due to the limited interest in the property and the zoning restriction limiting development to a new car dealership, staff believes the currently proposed purchase price reflects fair-market value. Therefore, staff is recommending that the Successor Agency approve the Hitchcock Properties LOI and authorize staff to proceed with negotiating a Purchase Agreement (LOI included Attachment F).

Staff is proposing to utilize the services of a broker to assist in the sale of Property No. 68, (Tres Hermanos Ranch) in order to advertise and market this property to a broad range of potential buyers. It is being recommended that staff be authorized to solicit through Request for Proposals qualified brokers with national and international presence. Once the Advisory Committee has evaluated the RFP's, the selection of a broker would be brought back to the Successor Agency for approval (list of brokers to be solicited through Request for Proposals, Attachment G).

The other properties remaining include those that need City Council and/or other public agency review to determine their interest in acquiring them (Attachment D), and those properties which contain leases and need further analysis (Attachment E). Staff will be setting a Council review session and those that garner no interest will be added to the website as additional properties for sale. To proceed with these properties, staff is recommending the Board authorize the use of the two appraisal firms previously approved and utilized on the other properties. Note: Property No. 14 (southwest corner of Workman Mill Road and Crossroads Parkway) and Property No. 15 (Crossroads Parkway South) did not receive any qualified offers and will remain on the list of properties for sale.

Recommendation:

1. It is recommended that the Successor Agency Board approve the Purchase Agreements for the following properties and direct staff to forward to the Oversight Board and Department of

2. Finance, and authorize the Chairman to sign once approved by the Department of Finance: Property No. 11 (15130 Nelson Avenue), Property No. 31 (17301 Gale Avenue), and Property No. 32 (17475 Gale Avenue).
3. It is recommended that the Successor Agency Board approve the Hitchcock Commercial Properties LOI for Property No. 34 (17647 Gale Avenue).
4. It is recommended that the Successor Agency Board authorize the Executive Director to solicit through RFP's a qualified broker to assist in the sale of Property No. 68, (Tres Hermanos Ranch).
5. It is recommended that the Successor Agency Board authorize the Executive Director to utilize the appraisal firms previously approved and used (Steven H. White and John Laurain) for additional appraisals needed.

ATTACHMENT A

Properties conveyed to the City at no cost as approved in the Long Range Property Management Plan

- Property # 13 on Property List (Landscape Area)
- Property #25 on Property List (Landscape Area)
- Property #26 on Property List (Remnant)
- Property #27 on Property List (Remnant)
- Property #37 on Property List Remnant)
- Property # 38 on Property List (Remnant)
- Property #39 on Property List (Remnant)
- Property #52 on Property List (Landscape Area)
- Property #56 on Property List (Landscape Area)
- Property #61 on Property List (ROW)
- Property #62 on Property List (ROW)
- Property #63 on Property List (Part of San Jose Creek)
- Property #71 on Property List (Remnant, ROW)
- Property # 36 on Property List (Remnant, ROW)
- Property #67 on Property List (Water Well)
- Property # 57 on Property List (747 Anaheim Puente Road, Pump Station)
- Property #70 on Property List (804 Azusa Ave., vacant industrial)
- Property #44 on Property List (205 Hudson, YAL office)
- Property #55 on Property List,(15415 Don Julian, Homestead Museum)

ATTACHMENT B

Properties with approved Purchase Agreements ad Transmitted to the Department of Finance

Property #1, 333 S. Hacienda Blvd.

Property #2, 333 Turnbull Canyon Road

Property #4, 17370 Gale Avenue

Property #7 and #8, 14624-14700 Nelson Avenue

Property #9, 15000 Nelson Avenue

Property #16, 151 Long Lane

Property #17, 125 Orange Avenue

Property #24, 15710 & 15718 Rausch Road

Property #28, East of Parriott Place

Property #30 & #58, 17300 Chestnut and East side of Azusa

Property #43, 841 S. 7th Street

ATTACHMENT C

SUMMARY OF PURCHASE AGREEMENTS PROPERTIES RECOMMENDED FOR SALE

January 2015

SUMMARY OF PURCHASE AGREEMENT

Property # 11, 15130 Nelson Ave.

Buyer: Weiss Industrial Holdings, LLC

Purchase Price: \$2,375,000

Appraisal: \$2,050,000-\$2,280,000

Purchase and Sale Agreement: complete and executed by buyer

Terms

- Escrow: opens upon approval by DOF of sale, within 5 business days after execution of agreement
- Deposits: within 5 days of escrow opening \$23,750 (1%), upon "approval notice" by buyer and within 5 business days following the end of due the diligence period an additional \$95,000 (4%), becomes non-refundable at the end of due diligence period
- Closing Funds: the amount of the disposition costs (legal and appraisal costs) and all other costs payable by buyer
- Due Diligence Period: 60 days after effective date (after DOF approval)
- Close of Escrow: 30 days after due diligence period
- Development/Use: rehab and reuse of existing 35,000 SF industrial building
- Commencement Date: 180 days after close of escrow
- Completion Date for Improvements: 340 days after commencement date

January 2015

SUMMARY OF PURCHASE AGREEMENT

Property #31, 17201-17301 Gale Avenue

Buyer: R. Y. Properties

Purchase Price: \$16,000,000

Appraisal: \$13,000,000-\$16,000,000

Purchase and Sale Agreement: complete and executed by buyer

Terms

- **Escrow:** opens upon approval by DOF of sale, within 5 business days after execution of agreement
- **Deposits:** within 5 days of escrow opening \$160,000 (1%), upon "approval notice" by buyer prior to end of due diligence period an additional \$640,000 (4%), becomes non-refundable at the end of due diligence period
- **Closing Funds:** the amount of the disposition costs (legal and appraisal costs), all other costs payable by buyer
- **Due Diligence Period:** 90 days after effective date (after DOF approval)
- **Close of Escrow:** 12 months after due diligence period
- **Development/Use:** a commercial/office center
- **Commencement Date:** NA

January 2015

SUMMARY OF PURCHASE AGREEMENT

Property #32, 17475 Gale Avenue

Buyer: R. Y. Properties

Purchase Price: \$5,500,000

Appraisal: \$5,080,000-\$5,540,000

Purchase and Sale Agreement: complete and executed by buyer

Terms

- **Escrow:** opens upon approval by DOF of sale, within 5 business days after execution of agreement

- **Deposits:** within 5 days of escrow opening \$55,000 (1%), upon "approval notice" by buyer prior to end of due diligence period an additional \$220,000 (4%), becomes non-refundable at the end of due diligence period

- **Closing Funds:** the amount of the disposition costs (legal and appraisal costs), all other costs payable by buyer

- **Due Diligence Period:** 90 days after effective date (after DOF approval)

- **Close of Escrow:** 12 months after due diligence period

- **Development/Use:** A commercial/office center

Additional Comments: the development includes the property owned by R. Y. Properties that is in between and adjacent to properties #31 and #32.

ATTACHMENT D

PROPERTIES TO BE SCHEDULED FOR CITY COUNCIL AND OTHE GOVERNMENTAL AGENCY REVIEW

Property #45, #22 and part of #46, west of Hacienda south of Stafford (Sheriff Helipad and adjacent)

Property #49 and #23, 15660 Stafford Street (P.O. and Fire Prevention Office and adjacent)

Property #48 and part of #46, west of Hacienda and north of Stafford (Sheriff parking and adjacent)

Property #51, north side of Stafford west of Glendora (Park and Ride and adjacent)

Property #53, 555 El Encanto Road (El Encanto Hospital)

Property #54, west side of Parriott adjacent to El Encanto (vacant)

Property #66, Garcia Lane (Fire Station site)

Property #65, 208 Waddingham Way (electrical substation)

Property #72, (Puente Basin Water Rights)

Property #10, 13530 Nelson Avenue

Property #12, 15432 Nelson Avenue

Property #59 and #60, 1123-1135 Hatcher (portion used for City storage)

Property #19, #20, #21, #50 and #47 15625 Stafford Street (2 banks, parking lot and vacant)

ATTACHMENT E

Properties that have leases and need additional analysis prior to sale

Property #41, Grand Crossing, leased to Majestic Realty

Property #35, 17723 Gale Avenue, leased to Mazda

Property #40, Industry Business Center, leased to Majestic Realty

Property #29, 911 Bixby, leased to Mission Energy

Property #33, 17545 Gale Avenue, leased to Best Buy

ATTACHMENT F

Hitchcock Commercial Properties LOI

Hitchcock Commercial Properties, Inc.

Post Office Box 8610
City of Industry, CA 91748-0610

January 12, 2015

Successor Agency to the Industry
Urban-Development Agency
15625 E. Stafford Street
City of Industry CA 91744
Attn: Kevin Radecki, Executive Director

RE: Letter of Intent to Purchase 17647 Gale Avenue, city of Industry (the "Property")

Ladies and Gentlemen:

Hitchcock Commercial Properties, a California limited partnership ("Buyer") hereby submits six (6) copies of this executed, non-binding Letter of Intent to purchase the above-referenced Property from the Successor Agency to the Industry-Urban Development Agency ("Seller").

- Purchase Price:** Five Million Three Hundred Fifty Five thousand Dollars (\$5,355,000); however, Buyer acknowledges that the Purchase Price shall not be less than the fair market value of the Property as determined by an appraisal prepared by a duly licensed MAI appraiser to be selected by Seller, which appraisal has not yet obtained (the "Purchase Price")
- Appraisal Costs:** Buyer shall reimburse Seller for Seller's appraisal costs through the escrow at the closing.
- Deposits:** Within five (5) business days after escrow is opened, Buyer shall deposit one percent (1%) of the Purchase Price into escrow (the "Initial Deposit") which shall be refundable (less an escrow cancellation fee) if Buyer terminates the Purchase Agreement (described below) before the end of the Due Diligence Period (defined below). If Buyer does not so terminate, Buyer shall make another deposit (the "Additional Deposit") in an amount equal to four percent (4%) of the Purchase Price. The Initial Deposit and Additional Deposit shall constitute liquidated damages payable to Seller in the event of a Buyer default and shall otherwise be applied to the Purchase Price at closing.
- Due Diligence:** Buyer shall have sixty (60) calendar days after the date of the Purchase Agreement (the "Due Diligence Period") to examine documents relating to the Property on the Seller's website under the link "Properties for Sale-Information and Documents Available", perform inspections and a survey and approve or disapprove the title exceptions in a title report, all at Buyer's sole cost and expense. If Buyer terminates the Purchase Agreement, Buyer shall provide copies of all due diligence reports, surveys, studies, etc. Prepared by or at the direction of Buyer, to Seller within five (5) business days after the termination.

Project; Completion Deadline: Buyer shall covenant to build the following project (the "Project") on the Property on or before 12/31/2016 (subject to force majeure Delays):
Completion of a new vehicle automobile dealership and facility
(discussion with various manufacturers underway)

Documents Delivered by Buyer: Enclosed are all of the following (i) copies of the organizational documents of Buyer; (ii) a statement as to whether Buyer intends to form a new legal entity to take title to the Property and to take an assignment of the Purchase Agreement (and if so, a description of its type, structure and state of organization (iii) reasonable evidence (such as financial statements, bank account statements, and loan letters of intent) describing the equity capital and loan(s) that Buyer will obtain in order to finance the purchase and/or construction of the Project, as well as a preliminary Project budget; (iv) an estimate of the jobs anticipated to be created by the Project after completion; (v) a detailed narrative description of the Project, with a site plan stating the approximate square footage of each building; (vi) an estimate of assessed value upon completion, with a brief explanation as to how it was calculated; and (vii) an estimate of projected annual sales tax revenue with a brief explanation as to how it was calculated.

Closing: The closing shall occur within thirty (30) days after the Due Diligence Period.

AS-IS Purchase: The Property is being sold on an "AS IS" basis, without representation or warranty, express or implied.

**Escrow Company/
Title Company:** First American Title Insurance Company.

Title & Escrow Fees: Seller will pay the premium for a CLTA title insurance policy and transfer taxes. Escrow fees shall be split 50/50. Buyer shall have the right to require an ALTA Extended Coverage Policy, but in that case Buyer shall obtain the necessary survey and pay the additional cost of the extended coverage. Buyer shall pay for all title insurance endorsements.

Brokers: Buyer must pay any commissions payable to Buyer's broker, if any. Seller has not engaged a broker.

Non-Binding Letter of Intent: This Letter of Intent shall serve only as an expression of the Buyer's interest in exploring the possibility of purchasing the Property; it shall not constitute a legally binding agreement and shall not create any rights, duties or obligations on the part, or in favor, of the Buyer or Seller. Buyer and Seller shall be legally bound with respect to the sale of the Property if, and only if, they approve, execute and deliver the Purchase Agreement.


Which is subject to the approval of the Oversight Board to the Seller and the California Department of Finance.

Purchase Agreement: Buyer agrees that the Purchase Agreement shall be in the form attached hereto as Exhibit "A".

Right of Entry Agreement: FOR IMPROVED PROPERTIES ONLY: Prior to execution of the Purchase Agreement upon Seller's selection of Buyer's proposal to acquire the Property, Seller and Buyer shall enter into a right of entry agreement in the form attached hereto as Exhibit "B" to permit preliminary inspection buy Buyer of the Improvements on the Property.

PROSPECTIVE BUYER:

Hitchcock Commercial Properties a
California limited partnership
By: Hitchcock Commercial Properties Inc.
A California corporation, the general partner

By: 
Printed Name: Frederick E. Hitchcock Jr.
Title: President

ATTACHMENT G

List of brokers to be solicited by Request for Proposals on property #68, Tres Hermanos Ranch

Eastdil Secured
100 Wilshire Blvd., Ste. 1500
Santa Monica, CA 90401
Roy March, CEO
310-526-9000

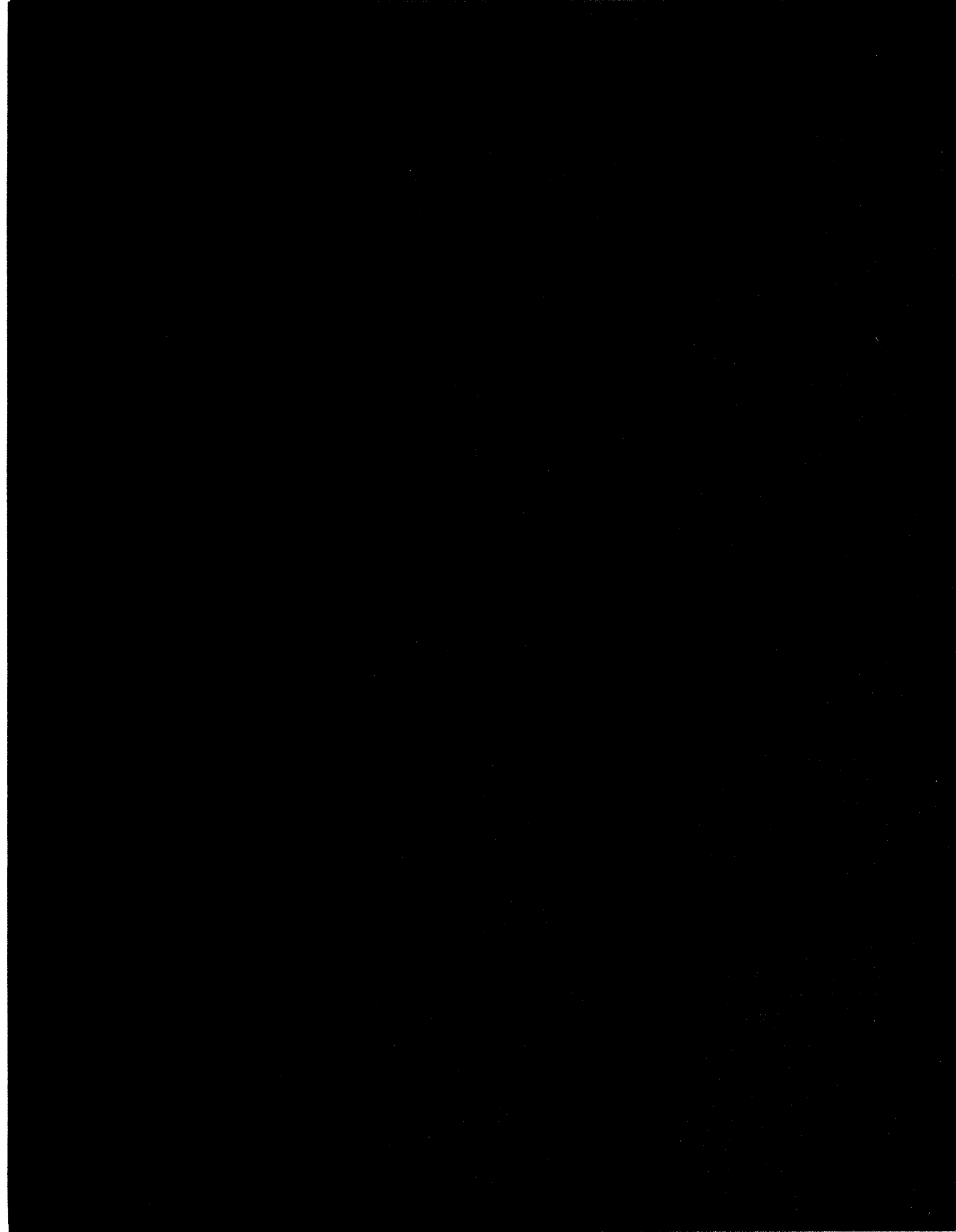
Cushman Wakefield
Land Practice Group
One Tampa City Center, Ste. 3600
Tampa Florida, 33602-5163
Bruce Erhardt
813-204-5312

Province West
17755 Sky Park East, Ste. 101
Irvine, CA 92614
Nam Joe
949-751-6827

Land Advisors Organization
8105 Irvine Center Drive, Ste. 1460
Irvine, CA 92618
Thomas J. Reimers
949-852-8288 x28

Sotheby's International
11911 San Vicente Blvd.
Los Angeles, CA 90049
310-481-6262

Whittlesey-Doyle
94 Discovery
Irvine, CA 92618
Les Whittlesey
949-789-4555 x14



PURCHASE AGREEMENT
[15130 NELSON AVENUE]

SUCCESSOR AGENCY TO THE
INDUSTRY URBAN-DEVELOPMENT AGENCY
“Agency”

WEISS INDUSTRIAL HOLDINGS, LLC,
a California limited liability company
“Developer”

_____, 2015

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**PURCHASE AGREEMENT
[15130 NELSON AVENUE]**

THIS PURCHASE AGREEMENT [15130 NELSON AVENUE] (this “**Agreement**”), dated as of _____, 2015 (the “**Effective Date**”) is entered into by and between the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY** (the “**Agency**”), and **WEISS INDUSTRIAL HOLDINGS, LLC**, a California limited liability company (the “**Developer**”). The Agency and the Developer are hereinafter sometimes individually referred to as a “**party**” and collectively referred to as the “**parties**”.

RECITALS

This Agreement is entered into with reference to the following facts:

A. The Agency owns the fee interest in that certain real property located in the City of Industry, County of Los Angeles, State of California, as more particularly described in Exhibit “A” attached hereto and incorporated herein by this reference (such real property is referred to herein as the “**Property**”). The Developer wishes to acquire fee title to the Property from the Agency to enable the Developer to construct the Improvements (as such term is defined in Section 1.1.22) on the Property (the “**Project**”).

B. Development of the Project will assist in the elimination of blight, provide jobs, and substantially improve the economic and physical conditions in the City, and is in the best interests of the Agency and City, and the health, safety and welfare of the residents and taxpayers of the City.

C. A material inducement to the Agency to enter into this Agreement is the agreement by the Developer to rehabilitate the Project within a limited period of time, and the Agency would be unwilling to enter into this Agreement in the absence of an enforceable commitment by the Developer to develop the Project within such period of time.

NOW, THEREFORE, in reliance upon the foregoing Recitals, in consideration of the mutual covenants in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**ARTICLE 1
DEFINITIONS**

1.1 Definitions. The following terms as used in this Agreement shall have the meanings given unless expressly provided to the contrary:

1.1.1 Agency means the Successor Agency to the Industry Urban-Development Agency. The principal office of the Agency is located at 15625 East Stafford Street, Suite 100, City of Industry, California 91744.

1.1.2 Agreement means this Purchase Agreement.

1.1.3 Breach Notice is defined in Section 5.7.

1.1.4 Certificate of Completion means a certificate described in Section 3.7, to be provided by the Agency to the Developer upon satisfactory completion of construction of the Improvements.

1.1.5 Certificate of Occupancy means a final certificate of occupancy issued by the City for all of the Improvements.

1.1.6 City means the City of Industry, a municipal corporation, exercising governmental functions and powers, and organized and existing under the laws of the State of California. The principal office of the City is located at 15625 East Stafford Street, City of Industry, California 91744.

1.1.7 Close of Escrow and Closing are defined in Section 2.3.2.

1.1.8 Commencement Date is defined in Section 3.1.1.

1.1.9 Completion Date is defined in Section 3.1.1.

1.1.10 Deemed Disapproved Exceptions is defined in Section 2.5.2.

1.1.11 Default is defined in Section 6.2.

1.1.12 Deposit is defined in Section 2.2.1.

1.1.13 Developer means Weiss Industrial Holdings, LLC, a California limited liability company. The principal office of the Developer for purposes of this Agreement is 10616 Rush Street, South El Monte, California 91733-3432.

1.1.14 Disapproved Exceptions is defined in Section 2.5.2.

1.1.15 Disapproval Notice is defined in Section 2.5.2.

1.1.16 Due Diligence Period is defined in Section 2.7.

1.1.17 Escrow is defined in Section 2.3.1.

1.1.18 Escrow Holder means First American Title Insurance Company. The principal office of the Escrow Holder for purposes of this Agreement is 18500 Von Karman Avenue, Suite 600, Irvine, California 92612, Attention: Patty Beverly, Escrow Officer, Telephone: (949) 885-2465, Fax: (877) 372-0260, Email: pbeverly@firstam.com.

1.1.19 Grant Deed is defined in Section 2.5.3.

1.1.20 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 Property, 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. The term “**Hazardous Materials**” shall also include any of the following: any and all toxic or hazardous substances, materials or wastes listed in the United States Department of Transportation Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and in any and all amendments thereto in effect as of the date of the close of any 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. § 2012, 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 biphenyl’s; radon gas; or any other chemical, material or substance (i) which poses a hazard to the Property, to adjacent properties, or to persons on or about the Property, (ii) which causes the Property to be in violation of any of the aforementioned laws or regulations, or (iii) the presence of which on or in the Property requires investigation, reporting or remediation under any such laws or regulations.

1.1.21 Holder is defined in Section 4.3.2.

1.1.22 Improvements means the improvements described in Section 3.1.1.

1.1.23 Outside Date is defined in Section 2.3.2.

1.1.24 Oversight Board means the Oversight Board of the Successor Agency to the Industry Urban-Development Agency.

1.1.25 Plans and Specifications means the plans and specifications approved by the City for construction of the Improvements.

1.1.26 Project is defined in Recital A.

1.1.27 Property is defined in Recital A.

1.1.28 Purchase Price is defined in Section 2.1.

1.1.29 Released Parties is defined in Section 2.8.

1.1.30 Review Period is defined in Section 2.5.2.

1.1.31 Right of Entry Agreement is defined in Section 2.7.

1.1.32 Schedule of Performance means the schedule attached hereto as Exhibit “B” and incorporated herein by this reference.

1.1.33 Survey is defined in Section 2.5.1.

1.1.34 Title Company is defined in Section 2.5.4.

1.1.35 Title Policy is defined in Section 2.5.4.

1.1.36 Title Report is defined in Section 2.5.1.

1.1.37 Transaction Costs means all costs incurred by either party in entering into this transaction and closing Escrow, including but not limited to escrow fees and costs, attorney's fees, staff time, appraisal costs, and costs of financial advisors and other consultants.

ARTICLE 2 PURCHASE AND SALE OF THE PROPERTY

2.1 Purchase and Sale. The Agency agrees to sell the Property to the Developer, and the Developer agrees to purchase the Property from the Agency, for the sum of Two Million Three Hundred and Seventy Five Thousand (\$2,375,000.00) (the "**Purchase Price**"). In addition, Developer shall reimburse the Agency for the Agency's costs of obtaining an appraisal of the Property and the Agency's legal costs in connection with this Agreement and the disposition of the Property under this Agreement; such costs shall not exceed Fifteen Thousand Dollars (\$15,000.00) (the "**Disposition Costs**") and will be paid by Developer to Agency at the Closing through the Escrow (as hereinafter defined).

2.2 Payment of Purchase Price. The Purchase Price shall be payable by Developer as follows:

2.2.1 Deposit. Within five (5) business days following the opening of Escrow, Developer shall deposit with Escrow Holder the sum of Twenty-Three Thousand Seven Hundred and Fifty Dollars (\$23,750.00), and unless Developer terminates this Agreement during the Due Diligence Period under Section 2.7 below, Developer shall deposit with Escrow Holder an additional Ninety-Five Thousand Dollars (\$95,000.00) within five (5) business days following the Due Diligence Period, all in the form of certified or bank cashier's checks made payable to Escrow Holder or by confirmed wire transfers of funds (collectively, the "**Deposit**"). The Deposit shall be invested by Escrow Holder in an interest bearing account acceptable to Developer and Agency with all interest accruing thereon to be credited to the Purchase Price upon the Close of Escrow. Except as otherwise provided herein, the Deposit shall be applicable in full towards the Purchase Price upon Closing.

2.2.2 Closing Funds. Prior to the Close of Escrow, Developer shall deposit or cause to be deposited with Escrow Holder, by a certified or bank cashier's check made payable to Escrow Holder or by a confirmed federal wire transfer of funds, the balance of the Purchase Price, plus the Disposition Costs, plus an amount equal to all other costs, expense and prorations payable by Developer hereunder.

2.3 Escrow.

2.3.1 Opening of Escrow. Within five (5) business days after the parties' full execution of this Agreement, the Developer and the Agency shall open an escrow (the "**Escrow**") with the Escrow Holder for the transfer of the Property to the Developer. The parties shall deposit with the Escrow Holder a fully executed duplicate original of this Agreement, which shall serve as the escrow instructions (which may be supplemented in writing by mutual agreement of the parties) for the Escrow. The Escrow Holder is authorized to act under this Agreement, and to carry out its duties as the Escrow Holder hereunder.

2.3.2 Close of Escrow. "**Close of Escrow**" or "**Closing**" means the date Escrow Holder causes the Grant Deed (as hereinafter defined) to be recorded in the Official Records of the County of Los Angeles and delivers the Purchase Price and Disposition Costs (less any costs, expenses and prorations payable by the Agency) to the Agency. Possession of the Property shall be delivered to the Developer on the Close of Escrow. Close of Escrow shall occur within thirty (30) days following the expiration of the Due Diligence Period (the "**Outside Date**") or this Agreement shall automatically terminate; provided, however, the Outside Date may be extended upon written consent of the Developer and the Executive Director of the Agency, which consent may be given or withheld in the exercise of their sole discretion. If the Closing does not occur on or before the Outside Date due to a default by either party, then the defaulting party shall pay all Escrow cancellation fees (and if the defaulting party is the Developer, then the Agency shall be entitled to the Deposit under Section 6.3.1). If the Closing does not occur due to a termination by Developer under Section 2.5.2, then the Deposit shall be returned to Developer, and Developer shall pay all Escrow cancellation fees (which may be deducted from the Deposit). If the Closing does not occur for any other reason, then this Agreement shall automatically terminate, the Deposit shall be promptly returned to the Developer, and each party shall pay one half (1/2) of any Escrow cancellation charges.

2.3.3 Delivery of Closing Documents.

(a) The Agency and Developer agree to deliver to Escrow Holder, at least two (2) days prior to the Close of Escrow, the following instruments and documents, the delivery of each of which shall be a condition precedent to the Close of Escrow:

(i) The Grant Deed, duly executed and acknowledged by the Agency, conveying a fee simple interest in the Property to Developer, subject only to such exceptions to title as Developer may have approved or have been deemed to approve pursuant to Section 2.5.2;

(ii) The Agency's affidavit as contemplated by California Revenue and Taxation Code Section 18662;

(iii) A Certification of Non-Foreign Status signed by Agency in accordance with Internal Revenue Code Section 1445; and

(iv) Such proof of the Agency's and Developer's authority and authorization to enter into this transaction as the Title Company may reasonably require in order to issue the Title Policy.

The Agency and the Developer further agree to execute such reasonable and customary additional documents, and such additional escrow instructions, as may be reasonably required to close the transaction which is the subject of this Agreement pursuant to the terms hereof.

2.4 Conditions to Close of Escrow. The obligations of the Agency and Developer to close the transaction which is the subject of this Agreement shall be subject to the satisfaction, or waiver in writing by the party benefited thereby, of each of the following conditions:

2.4.1 For the benefit of the Agency, the Developer shall have deposited the balance of the Purchase Price, together with such funds as are necessary to pay for costs, expenses and prorations payable by Developer hereunder (including the Agency's appraisal costs).

2.4.2 For the benefit of the Agency, all actions and deliveries to be undertaken or made by Developer on or prior to the Close of Escrow as set forth in the Schedule of Performance shall have occurred, as reasonably determined by the Agency.

2.4.3 For the benefit of the Developer, all actions and deliveries to be undertaken or made by the Agency on or prior to the Close of Escrow shall have occurred, as reasonably determined by the Developer.

2.4.4 For the benefit of the Agency, all Agency approvals required by the Schedule of Performance to be obtained prior to the Close of Escrow shall have been so obtained.

2.4.5 For the benefit of the Agency, the Developer shall have executed and delivered to Escrow Holder all documents and funds required to be delivered to Escrow Holder under the terms of this Agreement and the Developer shall otherwise have satisfactorily complied with its obligations hereunder.

2.4.6 For the benefit of the Developer, the Agency shall have executed and delivered to Escrow Holder all documents and funds required to be delivered to Escrow Holder under the terms of this Agreement and the Agency shall otherwise have satisfactorily complied with its obligations hereunder.

2.4.7 For the benefit of the Agency, the representations and warranties of the Developer contained in this Agreement shall be true and correct in all material respects as of the Close of Escrow.

2.4.8 For the benefit of the Developer, the representations and warranties of the Agency contained in this Agreement shall be true and correct in all material respects as of the Close of Escrow.

2.4.9 For the benefit of the Developer, Title Company shall be irrevocably committed to issuing in favor of the Developer the Title Policy, in form and substance, and with endorsements reasonably acceptable to the Developer, as provided in Section 2.5.2.

If all the foregoing conditions have not been met to the benefitted party's sole satisfaction or expressly waived in writing by the benefitted party on or before the respective dates set forth therein, or if no date is set forth therein on the Outside Date, then this Agreement shall, at the option of the benefitted party, become null and void, in which event, except as expressly set forth in this Agreement, neither party shall have any further rights, duties or obligations hereunder, and Developer shall be entitled to the immediate refund of the Deposit.

2.5 Condition of Title; Survey; Title Insurance.

2.5.1 Within ten (10) days after the Effective Date, the Agency shall deliver to the Developer for the Developer's review and approval, (i) a current preliminary title report covering the Property (the "**Title Report**") and legible copies of any instruments noted as exceptions thereon, and (ii) any survey of the Property in the Agency's possession. The Developer at its sole expense may obtain a current or updated ALTA survey of the Property in connection with the issuance of the Title Policy and the Agency shall cooperate with the same. Any survey provided by the Agency or obtained by the Developer are each a "**Survey**" hereunder.

2.5.2 The Developer shall have until the expiration of the Due Diligence Period (the "**Review Period**") to disapprove any exceptions to title shown on the Title Report or reflected on the Survey (collectively, "**Disapproved Exceptions**") and to provide Agency with notice thereof describing the defect with reasonable particularity (the "**Disapproval Notice**"). Any exceptions to title not disapproved within the Review Period shall be deemed approved. Within five (5) days after the Agency's receipt of the Disapproval Notice, the Agency shall notify the Developer whether or not the Agency intends to remove the Disapproved Exceptions. The Agency shall be under no obligation to remove any Disapproved Exception, but the Agency agrees to cooperate in good faith with the Developer in the Developer's efforts to eliminate any Disapproved Exception, provided the Agency is not obligated to pay any sum or assume any liability in connection with the elimination of any such Disapproved Exception. If the Agency notifies the Developer that the Agency intends to eliminate any Disapproved Exception, the Agency shall do so concurrently with or prior to the Close of Escrow. If the Agency notifies the Developer that the Agency does not intend to eliminate any Disapproved Exception(s), the Developer, by notifying the Agency within five (5) days after its receipt of such notice, may elect to terminate this Agreement and receive a refund of the Deposit or take the Property subject to the Disapproved Exception(s). If Developer desires to terminate this Agreement, Agency shall have the right, but not obligation, to purchase from Developer any due diligence reports or studies obtained by Developer during the Due Diligence Period. The cost of the reports and studies shall be the amount Developer paid to have said report or study performed. Notwithstanding the foregoing, the Agency covenants to pay in full all loans secured by deeds of trust, any mechanics' and materialmen's liens, and any other monetary liens (other than liens for charges, assessments, taxes, and impositions subject to proration as provided in Section 2.6.2) (collectively, the "**Deemed Disapproved Exceptions**") prior to, or concurrently with, the Close of Escrow, and Escrow Holder is hereby directed to cause the same to be paid from the Purchase Price. The Title Policy shall include such endorsements as the Developer shall reasonably request. Any endorsements to the Title Policy are to be paid for by the Developer. Notwithstanding the foregoing, the Developer may notify the Agency of its disapproval of an exception to title (including exceptions reflected on the Survey) first raised by Title Company or

the surveyor after the Review Period, or otherwise first disclosed to the Developer after the Review Period, by the earlier of (a) within ten (10) days after the same was first raised or disclosed to the Developer in writing, and (b) fifteen (15) days prior to the Close of Escrow. With respect to any exceptions disapproved by the Developer in such notice, the Agency shall have the same option to eliminate such exceptions that applies to Disapproved Exceptions, and the Developer shall have the same option to accept title subject to such exceptions or to terminate this Agreement and receive a refund of the Deposit.

2.5.3 At the Close of Escrow, the Developer shall receive title to the Property by grant deed substantially in the form attached hereto as Exhibit "C" and incorporated herein by this reference (the "**Grant Deed**").

2.5.4 At Closing, the Developer shall receive a CLTA Owner's Coverage Policy of Title Insurance (the "**Title Policy**"), together with all endorsements requested by the Developer, issued by First American Title Insurance Company ("**Title Company**") in the amount of the Purchase Price, insuring that title to the Property is free and clear of all Disapproved Exceptions, all Deemed Disapproved Exceptions and all liens, easements, covenants, conditions, restrictions, and other encumbrances of record except (a) current taxes and assessments of record, but not any overdue or delinquent taxes or assessments, (b) the matters set forth or referenced in the Grant Deed, and (c) such other encumbrances as the Developer approves in writing including those reflected in the Title Report for the Property approved by Developer, or as are deemed approved by Developer as provided in Section 2.5.2. The Developer may obtain an extended coverage policy of title insurance at its own costs.

2.6 Escrow and Title Charges; Prorations.

2.6.1 The Agency shall pay all documentary transfer taxes and the coverage premiums on the standard CLTA Title Policy. Developer shall pay the costs of (i) any Survey obtained by the Developer, (ii) any endorsements to the Title Policy and (iii) any title insurance premiums for any coverage over and above the standard policy coverage on the CLTA Title Policy to be paid by the Agency. In addition, the Developer and the Agency shall each pay one-half of any and all other usual and customary costs, expense and charges relating to the escrow and conveyance of title to the Property, including without limitation, recording fees, document preparation charges and escrow fees. Each party shall be responsible for its own Transaction Costs.

2.6.2 All non-delinquent and current installments of real estate and personal property taxes and any other governmental charges, regular assessments, or impositions against the Property on the basis of the current fiscal year or calendar year shall be prorated as of the Close of Escrow based on the actual current tax bill. If the Close of Escrow shall occur before the tax rate is fixed, the apportionment of taxes on the Close of Escrow shall be based on the tax rate for the next preceding year applied to the latest assessed valuation after the tax rate is fixed, which assessed valuation shall be based on the Property's assessed value prior to the Close of Escrow and the Agency and Developer shall, when the tax rate is fixed, make any necessary adjustment. All prorations shall be determined on the basis of a 365 day year. The provisions of this Section 2.6.2 shall survive the Close of Escrow and the recordation of the Grant Deed and shall not be deemed merged into the Grant Deed upon its recordation.

2.6.3 Any Escrow cancellation charges shall be allocated and paid as described in Section 2.3.2 above.

2.7 Due Diligence Period; Access. During the period (the “**Due Diligence Period**”) commencing on the Effective Date and ending at 5:00 p.m. on the date which is sixty (60) days after the Effective Date, the Developer may inspect the Property as necessary to (i) approve all zoning and land use matters relating to the Property, (ii) approve the physical condition of the Property, and (iii) satisfy any due diligence requirements of the Developer’s lender, if any. Subject to the terms of the Right of Entry and Access Agreement in the form of which is attached hereto as Exhibit “D” (the “**Right of Entry Agreement**”), the Developer and its agents shall have the right to enter upon the Property during the Due Diligence Period to make inspections and other examinations of the Property and the improvements thereon, including without limitation, the right to perform surveys, soil and geological tests of the Property and the right to perform environmental site assessments and studies of the Property. Prior to the Developer’s entry upon the Property, the parties shall execute the Right of Entry Agreement. The Agency shall reasonably cooperate with the Developer in its conduct of the due diligence review during the Due Diligence Period. In the event the Developer does not approve of the condition of the Property for any reason by written notice to the Agency prior to the expiration of the Due Diligence Period, this Agreement shall terminate, the Deposit shall be returned to Developer (including any interest earned thereon) the costs of Escrow shall be paid 50/50 by Agency and Developer (as set forth in Paragraph 2.3.2 above) and, except as otherwise expressly stated in this Agreement, neither party shall have any further rights or obligations to the other party.

2.8 Condition of the Property. The Property shall be conveyed from the Agency to the Developer on an “AS IS” condition and basis with all faults and the Developer agrees that the Agency has no obligation to make modifications, replacements or improvements thereto. Except as expressly and specifically provided in this Agreement, the Developer and anyone claiming by, through or under the Developer hereby waives its right to recover from and fully and irrevocably releases the Agency, the City and the Oversight Board, and their respective officers, directors, employees, representatives, agents, advisors, servants, attorneys, successors and assigns, and all persons, firms, corporations and organizations acting on the Agency’s, City’s or Oversight Board’s behalf (collectively, the “**Released Parties**”) from any and all claims, responsibility and/or liability that the Developer may now have or hereafter acquire against any of the Released Parties for any costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to the matters pertaining to the Property described in this Section 2.8. 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 Released Parties. If the Property is not in a condition suitable for the intended use or uses, then it is the sole responsibility and obligation of the Developer to take such action as may be necessary to place the Property in a condition suitable for development of the Project thereon. Except as otherwise expressly and specifically provided in this Agreement and without limiting the generality of the foregoing, THE AGENCY MAKES NO REPRESENTATION OR WARRANTY AS TO (i) THE VALUE OF THE PROPERTY; (ii) THE INCOME TO BE DERIVED FROM THE PROPERTY; (iii) THE HABITABILITY, MARKETABILITY, PROFITABILITY, MERCHANTABILITY OR FITNESS FOR PARTICULAR USE OF THE PROPERTY; (iv) THE MANNER, QUALITY, STATE OF REPAIR OR CONDITION OF THE PROPERTY; (v) THE COMPLIANCE OF OR BY THE

PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY; (vi) COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION OR POLLUTION LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS; (vii) THE PRESENCE OR ABSENCE OF HAZARDOUS MATERIALS AT, ON, UNDER OR ADJACENT TO THE PROPERTY; (viii) THE FACT THAT ALL OR A PORTION OF THE PROPERTY MAY BE LOCATED ON OR NEAR AN EARTHQUAKE FAULT LINE; AND (ix) WITH RESPECT TO ANY OTHER MATTER, THE DEVELOPER FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY AND REVIEW INFORMATION AND DOCUMENTATION AFFECTING THE PROPERTY, THE DEVELOPER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND REVIEW OF SUCH INFORMATION AND DOCUMENTATION AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY THE AGENCY.

THE DEVELOPER HEREBY ACKNOWLEDGES THAT IT HAS READ AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542, WHICH IS SET FORTH BELOW:

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

BY INITIALING BELOW, DEVELOPER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES.

Developer's Initials

The waivers and releases by the Developer herein contained shall survive the Close of Escrow and the recordation of the Grant Deed and shall not be deemed merged into the Grant Deed upon its recordation.

2.9 Escrow Holder.

2.9.1 Escrow Holder is authorized and instructed to:

(a) Pay and charge the Developer for any fees, charges and costs payable by the Developer under this Article. Before such payments are made, the Escrow Holder shall notify the Agency and the Developer of the fees, charges, and costs necessary to close the Escrow;

(b) Pay and charge the Agency for any fees, charges and costs payable by the Agency under this Article. Before such payments are made, the Escrow Holder shall

notify the Agency and the Developer of the fees, charges, and costs necessary to close the Escrow;

(c) Disburse funds and deliver the Grant Deed and other documents to the parties entitled thereto when the conditions of the Escrow and this Agreement have been fulfilled by the Agency and the Developer; and

(d) Record the Grant Deed and any other instruments delivered through the Escrow, if necessary or proper, to vest title in the Developer in accordance with the terms and provisions of this Agreement.

2.9.2 Any amendment of these escrow instructions shall be in writing and signed by both the Agency and the Developer.

2.9.3 All communications from the Escrow Holder to the Agency or the Developer shall be directed to the addresses and in the manner established in Section 7.3 of this Agreement for notices, demands and communications between the Agency and the Developer.

2.9.4 The responsibility of the Escrow Holder under this Agreement is limited to performance of the obligations imposed upon it under this Article, any amendments hereto, and any supplemental escrow instructions delivered to the Escrow Holder that do not materially amend or modify the express provisions of these escrow instructions.

ARTICLE 3 DEVELOPMENT OF THE PROPERTY

3.1 Scope of Development.

3.1.1 The “**Improvements**” to be completed by Developer shall be those described on Exhibit “E” attached hereto and incorporated herein by this reference. The Developer shall, subject to extension for force majeure delays as provided in Section 7.9 below, commence construction of the Project no later than the date One Hundred Eighty (180) days after the Close of Escrow (“**Commencement Date**”). Subject to force majeure delays as provided in Section 7.9 below, the Project shall be completed no later than Three Hundred Forty (340) days after the Commencement Date (“**Completion Date**”). To the extent of any inconsistency between the Schedule of Performance and this Section 3.1.1, this Section 3.1.1 shall control.

3.1.2 The Developer shall submit all appropriate Plans and Specifications pertaining to the Improvements to the City, and shall construct the Improvements, and all associated public infrastructure improvements required by the City, pursuant to the City’s conditions of approval, if any, and all parking areas and landscaping, in accordance with and within the limitations established therefor in this Agreement and as required by the City. The Developer shall also comply with any and all applicable federal, state and local laws, rules and regulations, and any applicable mitigation measures adopted pursuant to the California Environmental Quality Act. The Agency shall cooperate in all reasonable respects, at no out-of-pocket cost to the Agency, with the Developer’s pursuit and acquisition of permits and approvals for the Project from all applicable governmental and quasi-governmental agencies and public utilities.

3.2 Cost of Construction. The cost of constructing all Improvements and all public infrastructure improvements relating to the Project or required by the City or Agency in connection with the Project, if any, shall be borne by the Developer.

3.3 Construction Schedule. Subject to force majeure delays as provided in Section 7.9, the Developer shall begin and complete all construction within the times specified in the Schedule of Performance.

3.4 Rights of Access. In addition to those rights of access to and across the Property to which the Agency and the City may be entitled by law, members of the staffs of the Agency and the City shall have a reasonable right of access to the Property, without charge or fee, at any reasonable time, to inspect the work being performed at the Property.

3.5 Local, State and Federal Laws. The Developer shall carry out the construction of the Improvements in conformity with all applicable laws, including all applicable federal, state and local prevailing wage laws, occupation, safety and health laws, rules, regulations and standards.

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

3.7 Certificate of Completion.

3.7.1 After (i) completion of construction by the Developer of all of the Improvements, (ii) the Developer has obtained a Certificate of Occupancy, and (iii) the Developer has caused a notice of completion (as described in California Civil Code Section 3093) with respect to the Improvements to be recorded in the Official Records of Los Angeles County, California, the Agency shall, following written request by the Developer, furnish the Developer with a Certificate of Completion for the Improvements within ten (10) business days of such request. The Certificate of Completion shall be in the form attached hereto as Exhibit "F" and incorporated herein by this reference. The Agency shall not unreasonably withhold, condition or delay the issuance of the Certificate of Completion. The Certificate of Completion shall be, and shall so state that it is, a conclusive determination of satisfactory completion by the Developer of all of its construction obligations under this Agreement as to the Improvements.

3.7.2 If the Agency refuses or fails within ten (10) business days after receipt of a written request from the Developer to issue a Certificate of Completion, the Agency shall provide the Developer with a written statement of the reasons the Agency refused or failed to furnish a Certificate of Completion. The statement shall also specify the actions the Developer must take to obtain a Certificate of Completion for the Improvements. If the reason for such refusal is confined to the immediate availability of specific items or material for landscaping or any other non-structural matters, and the costs of completion does not exceed Two Hundred Fifty Thousand Dollars (\$250,000.00), the Agency shall issue its Certificate of Completion upon the Developer's depositing with the Agency cash or an irrevocable standby letter of credit issued by

a bank or other financial institution acceptable to the Agency in an amount equal to the fair value of the work not yet completed as determined by the Agency. The determination of fair value shall be made by the Agency in the exercise of its reasonable judgment.

3.7.3 The Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of the Developer to any holder of a mortgage, trust deed or other security instrument. Such Certificate of Completion shall not be construed as a notice of completion as described in California Civil Code Section 3093.

ARTICLE 4 LIMITATIONS ON TRANSFERS AND SECURITY INTERESTS

4.1 Limitation As To Transfer of the Property and Assignment of Agreement. Prior to the Agency's issuance of the Certificate of Completion, the Developer shall not transfer its rights and obligations, in whole or in part, under this Agreement, or sell, assign, transfer, encumber, pledge or lease the Property, nor cause or suffer a change of more than 49% of the Ownership interests in Developer, directly or indirectly, in one or a series of transactions, without the Agency's prior written consent, which consent shall not be unreasonably withheld or delayed. The Developer acknowledges that the identity of the Developer is of particular concern to the Agency, and it is because of the Developer's identity that the Agency has entered into this Agreement with the Developer. No voluntary or involuntary successor in interest of the Developer shall acquire any rights or powers under this Agreement in violation of the terms hereof. Notwithstanding any provision contained herein to the contrary, this prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Project, or any mortgage or deed of trust permitted by this Agreement. Upon the Agency's issuance of a Certificate of Completion, the Developer may transfer the Property to a transferee without restriction so long as the transferee agrees to all of the applicable covenants and conditions set forth in Article 5 of this Agreement.

Upon providing ten (10) days prior written notice to Developer, the Agency may assign its rights and obligations, in whole or in part, under this Agreement to the City without the prior consent of the Developer.

4.2 Limitation As To Transfer of the Property and Assignment of Agreement. Prior to the Agency's issuance of the Certificate of Completion, the Developer shall not transfer its rights and obligations, in whole or in part, under this Agreement, or sell, assign, transfer, encumber, pledge or lease the Property, nor cause or suffer a change of more than 49% of the Ownership interests in Developer, directly or indirectly, in one or a series of transactions, without the Agency's prior written consent, which consent shall not be unreasonably withheld or delayed. The Developer acknowledges that the identity of the Developer is of particular concern to the Agency, and it is because of the Developer's identity that the Agency has entered into this Agreement with the Developer. No voluntary or involuntary successor in interest of the Developer shall acquire any rights or powers under this Agreement in violation of the terms hereof. Notwithstanding any provision contained herein to the contrary, this prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Project, or any mortgage or deed of trust permitted by this Agreement. Upon the Agency's issuance of a Certificate of Completion, the Developer may transfer the Property to a transferee

without restriction so long as the transferee agrees to all of the applicable covenants and conditions set forth in Article 5 of this Agreement.

Upon providing ten (10) days prior written notice to Developer, the Agency may assign its rights and obligations, in whole or in part, under this Agreement to the City without the prior consent of the Developer.

4.3 Security Financing; Right of Holders.

4.3.1 No Encumbrances Except Mortgages, Deeds of Trust, Conveyances or Other Conveyance for Financing For Development.

(a) Notwithstanding Section 4.1 or any other provision herein to the contrary, only mortgages, deeds of trust, sales and leasebacks, or any other form of encumbrance, conveyance, security interest or assignment required for any reasonable method of construction and permanent financing are permitted prior to the issuance of a Certificate of Completion for the Property, but only for the purpose of securing loans of funds to be used for the purchase of the Property or financing the direct and indirect costs of the development of the Project (including reasonable and customary developer fees, loan fees and costs, and other normal and customary project costs), and each such loan secured by the Property shall expressly allow for its prepayment or assumption (upon payment of a market standard prepayment or assumption fee) by and at the option of the City upon the exercise of its option to purchase provided in Section 5.7.

(b) The words “mortgage” and “deed of trust” as used herein include all other appropriate modes of financing commonly used in real estate acquisition, construction and land development. Any reference herein to the “holder” of a mortgage or deed of trust shall be deemed also to refer to a lessor under a sale and leaseback.

4.3.2 Notice of Default to Mortgage, Deed of Trust or Other Security Interest Holders; Right to Cure. Whenever the Agency shall deliver a notice or demand to the Developer with respect to any Default by the Developer in completion of development of the Project or otherwise, the Agency shall at the same time deliver a copy of such notice or demand to each holder of record of any first mortgage, deed of trust or other security interest authorized by this Agreement who has previously made a written request to the Agency for special notice hereunder (a “**Holder**”). No notice of Default to the Developer shall be effective against any such Holder unless given to such Holder as aforesaid. Such Holder shall (insofar as the rights of the Agency are concerned) have the right, at such Holder’s option, within sixty (60) days after receipt of the notice, to cure or remedy any such Default and to add the cost thereof to the security interest debt and the lien of its security interest; provided, however, that if longer than sixty (60) days is required to cure such Default, such longer period shall be granted to Holder, provided that Holder diligently pursues such cure during such longer period. If such Default shall be a default which can only be remedied or cured by such Holder upon obtaining possession of the Property, such Holder shall seek to obtain possession of the Property with diligence and continuity through a receiver or otherwise, and shall remedy or cure such Default within a reasonable period of time as necessary to remedy or cure such Default of the Developer.

If such Default shall be a default as to or by Developer which cannot be cured, Agency shall not seek to enforce the same against Holder and Holder shall not be subject thereto.

4.3.3 Noninterference with Holders. The provisions of this Agreement do not limit the right of Holders to foreclose or otherwise enforce any mortgage, deed of trust, or other security instrument encumbering the Property and the improvements thereon, or the right of Holders to pursue any remedies for the enforcement of any pledge or lien encumbering the Property; provided, however, that in the event of a foreclosure sale under any such mortgage, deed of trust or other lien or encumbrance, or sale pursuant to any power of sale contained in any such mortgage or deed of trust, the purchaser or purchasers and their successors and assigns, and the Property, shall be, and shall continue to be, subject to all of the conditions, restrictions and covenants of this Agreement and all documents and instruments recorded pursuant hereto.

ARTICLE 5 USE OF THE PROPERTY

5.1 Use. The Developer covenants and agrees for itself, and its successors and its assigns, that the Developer, such successors, and such assignees shall use the Property, and every part thereof, only for the construction of the Improvements thereon, and thereafter for any use permitted by applicable laws. Notwithstanding the foregoing, if and when the Developer conveys the Property to a third party after completion of the Improvements thereon or assigns the Agreement in accordance with this Agreement, the Developer shall be relieved of any further responsibility under this Section 5.1 as to the Property so conveyed.

5.2 Maintenance of the Property. After completion of the Project, Developer shall maintain the Property and the Project (including landscaping) in a commercially reasonable condition and repair to the extent practicable and in accordance with industry health and safety standards. Notwithstanding the foregoing, if and when the Developer conveys the Property to a third party after completion of the Improvements thereon in accordance with the Agreement, the Developer shall be relieved of any further responsibility under this Section 5.2 as to the Property so conveyed.

5.3 Obligation to Refrain from Discrimination. The Developer covenants and agrees for itself, its successors and assigns, and for every successor in interest to the Property or any part thereof, that there shall be no discrimination against or segregation of any person, or group of persons, on account of sex, marital status, age, handicap, race, color, religion, creed, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, and the Developer (itself or any person claiming under or through the Developer) shall not 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 Property or any portion thereof. Notwithstanding the foregoing, if and when the Developer conveys the Property to a third party after completion of the Improvements thereon in accordance with the Agreement, the Developer shall be relieved of any further responsibility under this Section 5.3 as to the Property so conveyed.

5.4 Form of Nondiscrimination and Nonsegregation Clauses. All deeds, leases or contracts for sale shall contain the following nondiscrimination or nonsegregation clauses:

5.4.1 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 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 premises herein conveyed, nor shall the Grantee himself or herself, 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, 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.”

5.4.2 In leases: “The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of 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 occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the premises 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.”

5.4.3 In contracts: “The contracting party or parties hereby covenant by and for himself or herself and their respective successors and assigns, 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, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the contracting party or parties, any subcontracting party or parties, or their respective assigns or transferees, establish or permit any such practice or practices of discrimination or segregation.

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.”

5.5 Restrictive Covenant. In order to insure the Developer’s compliance with the covenants set forth in Sections 5.1, 5.2, 5.3, and 5.4 hereof, such covenants shall be set forth in the Grant Deed. Such covenants shall run with the Property for the benefit of the Agency and the Agency shall have the right to assign all of its rights and benefits therein to the City.

5.6 Effect and Duration of Covenants. The following covenants shall be binding upon the Property and Developer and its successors and assigns and shall remain in effect for the following periods, and each of which shall be set forth with particularity in any document of transfer or conveyance by the Developer:

(1) The non-discrimination and non-segregation requirements set forth in Sections 5.1, 5.3 and 5.4 shall remain in effect in perpetuity;

(2) The maintenance requirements set forth in Section 5.2 shall remain in effect for the period described therein, and;

(3) Easements to the Agency, City or other public agencies for utilities existing as of the execution of this Agreement, which shall remain in effect according to their terms.

(4) The use requirement regarding using the Property only for the construction of the Improvements set forth in Section 5.1 shall remain in effect until the earlier of the completion of the Improvements, or one (1) year after Close of Escrow if the reason for the failure to complete the Improvements is not due to a default by Developer. The use requirement regarding using the Property for any lawful purpose shall remain in effect in perpetuity.

5.7 Option to Purchase for Failure to Complete Construction. If the Developer shall fail to commence construction of the Improvements on or prior to the Commencement Date or complete the construction of the Improvements on or prior to the Completion Date, both subject to force majeure delays as provided in Section 7.9, the Agency may give written notice (a “**Breach Notice**”) of such breach to the Developer and, if applicable, to any Holder. The Developer shall have a period of thirty (30) days after the date of the Breach Notice to cure said breach, or if a cure is not possible within such thirty (30) day period, to commence such cure and diligently prosecute the same to completion, which shall in any event not exceed ninety (90) days from the date of the Breach Notice. In the event that the Developer shall fail to cure such breach

within such period, the City shall have the right, at its option, to purchase and take possession of the Property with all improvements thereon. To exercise its option to purchase and take possession of the Property, the City shall pay to the Developer, in cash, an amount equal to:

1. the Purchase Price paid to Agency for the Property; plus
2. the amount, if any, of the costs incurred by Developer for on-site labor and materials for the construction of the Improvements, as well as fees and commissions paid to architects, designers, other design professionals, lawyers, accountants and brokers, that are not otherwise payable or paid from the proceeds of any loan secured by any Holders' mortgage or deed of trust encumbering the Property or the Improvements, provided such costs are reasonably documented by reasonable evidence delivered to the Agency and City within thirty (30) days after the Purchase Notice (as hereinafter defined) and such sums are reflected in an overall Project budget approved in writing by the Agency prior to the commencement of construction on the Property; less
3. any and all sums outstanding under any Holder's mortgage or deed of trust encumbering the Property or the Improvements and any prepayment premium and expenses related thereto.

The City's option to purchase and take possession of the Property pursuant to this Section 5.7 must be exercised by City, if at all, by giving sixty (60) days written notice to Developer ("**Purchase Notice**"). If timely notice is given by the City, then the City must purchase and take possession of the Property, and close escrow for the purchase, within six (6) months after the act or failure to act giving rise to such option. If the City fails to timely notice its option to purchase or fails to timely purchase, then the option of the City to purchase shall be terminated. Developer agrees to cooperate in good faith, and to promptly execute and record all documents necessary to effect the option to purchase described in this Section 5.7. City is a third party beneficiary of this Article 5.

ARTICLE 6 EVENTS OF DEFAULT, REMEDIES AND TERMINATION

6.1 Developer Events of Defaults. Occurrence of any or all of the following, if uncured after the expiration of any applicable cure period, shall constitute a default ("**Developer Event of Default**") under this Agreement:

6.1.1 The Developer's failure to commence construction of the Improvements or to complete construction of the Improvements as provided herein and the Developer's failure to cure such breach, as provided in Section 5.7, provided that such failure is not due to causes beyond the Developer's control as provided in Section 7.9; or

6.1.2 The Developer's sale, lease, or other transfer, or the occurrence of any involuntary transfer, of the Property or any part thereof or interest therein in violation of this Agreement; or

6.1.3 The Developer's neglect, failure or refusal to keep in force and effect any permit or approval with respect to development of the Project (and the Agency shall reasonably

cooperate with the Developer as to the same), unless such failure is due to causes beyond the Developer's reasonable control as provided in Section 7.9, or any policy of insurance required hereunder, and, so long as such failure is not caused by any wrongful act of the Agency or the City, the Developer's failure to cure such breach within thirty (30) days after receipt of written notice from the Agency of the Developer's breach; or

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

6.1.5 The Developer's failure to perform any requirement or obligation of Developer set forth herein or in the Schedule of Performance, on or prior to the date for such performance set forth herein or in the Schedule of Performance (subject to delays pursuant to Section 7.9), and, so long as such failure is not caused by any wrongful act of the Agency or the City, the Developer's failure to cure such breach within thirty (30) days after receipt of written notice from the Agency of the Developer's breach; or

6.1.6 The Developer's failure to deposit with Escrow Holder the Deposit or the balance of the Purchase Price as required by Section 2.2.

6.2 Agency Events of Default. Occurrence of any or all of the following, if uncured after the expiration of the applicable cure period, shall constitute a default ("**Agency Event of Default**", and together with the Developer Event of Default, a "**Default**") under this Agreement:

6.2.1 The Agency, in violation of the applicable provision of this Agreement, fails to convey the Property to Developer at the Close of Escrow; or

6.2.2 The Agency breaches any other material provision of this Agreement.

Upon the occurrence of any of the above-described events, the Developer shall first notify the Agency in writing of its purported breach or failure, giving the Agency thirty (30) days from receipt of such notice to cure such breach or failure (other than a failure by the Agency to convey the Property at the Close of Escrow, for which there shall be no cure period) or if a cure is not possible within the thirty (30) day period, to begin such cure and diligently prosecute the same to completion, which shall, in any event, not exceed one hundred eighty (180) days from the date of receipt of the notice to cure.

6.3 Remedies in the Event of Default.

6.3.1 Remedies General. In the event of a breach or a default under this Agreement by either Developer or Agency, prior to the Close of Escrow, the non-defaulting party shall have the right to terminate this Agreement by providing ten (10) days written notice thereof to the defaulting party. If such breach or default is not cured within such ten (10) day period (other than a failure by the Agency to convey the Property at the Close of Escrow, for which there shall be no cure period), this Agreement and the Escrow for the purchase and sale of the Property shall terminate, and if Developer is the non-defaulting party, Developer shall

thereupon promptly receive a refund of the Deposit and all interest accrued thereon. Except as herein otherwise expressly provided, such termination of the Escrow by a non-defaulting party shall be without prejudice to the non-defaulting party's rights and remedies against the defaulting party at law or equity.

In the event of a Default under this Agreement after the Close of Escrow, 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 reimbursement for its documented out-of-pocket costs relating to this purchase transaction or to pursue an action for specific performance, but in no event shall such non-defaulting party be entitled to receive any consequential or special damages. In addition, the City shall have the option to purchase and take possession of the Property as set forth in Section 5.7.

IF THE DEVELOPER FAILS TO COMPLETE THE ACQUISITION OF THE PROPERTY AS HEREIN PROVIDED BY REASON OF ANY DEFAULT OF THE DEVELOPER, IT IS AGREED THAT THE DEPOSIT SHALL BE NON-REFUNDABLE AND THE AGENCY SHALL BE ENTITLED TO SUCH DEPOSIT, WHICH AMOUNT SHALL BE ACCEPTED BY THE AGENCY AS LIQUIDATED DAMAGES AND NOT AS A PENALTY AND AS THE AGENCY'S SOLE AND EXCLUSIVE REMEDY. IT IS AGREED THAT SAID AMOUNT CONSTITUTES A REASONABLE ESTIMATE OF THE DAMAGES TO THE AGENCY PURSUANT TO CALIFORNIA CIVIL CODE SECTION 1671 ET SEQ. THE AGENCY AND DEVELOPER AGREE THAT IT WOULD BE IMPRACTICAL OR IMPOSSIBLE TO PRESENTLY PREDICT WHAT MONETARY DAMAGES THE AGENCY WOULD SUFFER UPON THE DEVELOPER'S FAILURE TO COMPLETE ITS ACQUISITION OF THE PROPERTY. THE DEVELOPER DESIRES TO LIMIT THE MONETARY DAMAGES FOR WHICH IT MIGHT BE LIABLE HEREUNDER AND THE DEVELOPER AND AGENCY DESIRE TO AVOID THE COSTS AND DELAYS THEY WOULD INCUR IF A LAWSUIT WERE COMMENCED TO RECOVER DAMAGES OR OTHERWISE ENFORCE THE AGENCY'S RIGHTS. IF FURTHER INSTRUCTIONS ARE REQUIRED BY ESCROW HOLDER TO EFFECTUATE THE TERMS OF THIS PARAGRAPH, THE DEVELOPER AND AGENCY AGREE TO EXECUTE THE SAME. THE PARTIES ACKNOWLEDGE THIS PROVISION BY PLACING THEIR INITIALS BELOW:

Agency

Developer

6.3.2 Liberal Construction. The rights established in this Agreement are to be interpreted in light of the fact that the Agency will convey the Property to the Developer for development and operation of the Project thereon and not for speculation in undeveloped land or for construction of different improvements. The Developer acknowledges that it is of the essence of this Agreement that the Developer is obligated to complete all Improvements comprising the Project.

6.4 No Personal Liability. Except as specifically provided herein to the contrary, no representative, employee, attorney, agent or consultant of the Agency, City or Oversight Board shall personally be liable to the Developer, or any successor in interest of the Developer, in the

event of any Default or breach by the 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.

6.5 Legal Actions.

6.5.1 Institution of Legal Actions. Any legal actions brought pursuant to this Agreement must be instituted in either the Superior Court of the County of Los Angeles, State of California, or in an appropriate municipal court in that County.

6.5.2 Applicable Law. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

6.5.3 Acceptance of Service of Process. If any legal action is commenced by the Developer against the Agency, service of process on the Agency shall be made by personal service upon the Executive Director or Secretary of the Agency, or in such other manner as may be provided by law. If any legal action is commenced by the Agency against the Developer, service of process on the Developer shall be made by personal service upon the Developer, or in such other manner as may be provided by law, whether made within or without the State of California.

6.6 Rights and Remedies are Cumulative. Except as otherwise expressly stated in this Agreement, 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 other party.

6.7 Inaction Not a Waiver of Default. Except as expressly provided in this Agreement to the contrary, any failure or delay 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.

**ARTICLE 7
GENERAL PROVISIONS**

7.1 Insurance.

7.1.1 Prior to commencement of any demolition or construction work on the Property by the Developer, the Developer shall obtain, at the Developer's sole cost and expense, and shall maintain in force until completion of construction of the Improvements, with a reputable and financially responsible insurance company reasonably acceptable to the Agency, broad form commercial general public liability insurance, insuring the Developer and the Agency against claims and liability for bodily injury, death, or property damage arising from the use, occupancy, condition, or operation of the Property and the Improvements thereon, which insurance shall provide combined single limit protection of at least Two Million Dollars (\$2,000,000.00), and include contractual liability endorsement. Such insurance shall name the

City, the Agency and the Oversight Board and their respective council members, board members, officers, employees, consultants, independent contractors, and attorneys as additional insureds.

7.1.2 Prior to commencement of any demolition or construction work on the Property by the Developer, the Developer shall also obtain, or cause to be obtained, at the Developer's sole cost and expense, and shall maintain in force until completion of the construction of the Improvements, with a reputable and financially responsible insurance company reasonably acceptable to the Agency (i) "all risk" builder's risk insurance, including coverage for vandalism and malicious mischief, in a form and amount and with a reputable and financially responsible insurance company reasonably acceptable to the Agency, and (ii) workers' compensation insurance covering all persons employed in connection with work. The builder's risk insurance shall cover improvements in place and all material and equipment at the job site furnished under contract, but shall exclude contractors', subcontractors', and construction managers' tools and equipment and property owned by contractors' and subcontractors' employees.

7.1.3 Prior to the commencement of any demolition or construction work on the Property by the Developer, the Developer shall also furnish or cause to be furnished to the Agency evidence satisfactory to the Agency that any contractor with whom it has contracted for the performance of work on the Property carries workers' compensation insurance as required by law.

7.1.4 With respect to each policy of insurance required above, the Developer shall furnish a certificate of insurance countersigned by an authorized agent of the insurance carrier on the insurance carrier's form setting forth the general provisions of the insurance coverage. The required certificate shall be furnished by the Developer prior to commencement of any demolition or construction work on the Property.

7.1.5 All such policies required by this Section shall be nonassessable and shall contain language to the effect that (i) the policies cannot be canceled or materially changed except after thirty (30) days' written notice by the insurer to the Agency, and (ii) the Agency shall not be liable for any premiums or assessments. All such insurance shall have deductibility limits reasonably satisfactory to the Agency. The provisions of this Section shall survive the Close of Escrow and the recordation of the Grant Deed and shall not be deemed merged into the Grant Deed upon its recordation.

7.2 Indemnity.

7.2.1 Except for the negligence or willful misconduct of the Agency, the Developer shall indemnify, defend, protect, and hold harmless the Agency, the City and the Oversight Board and any and all agents, employees, attorneys and representatives of the Agency, the City and the Oversight Board, from and against all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney's fees) and demands of any nature whatsoever, related directly or indirectly to, or arising out of or in connection with:

- (a) the Developer's use, ownership, management, occupancy, or possession of the Property;
- (b) any breach or Default of the Developer hereunder;
- (c) any of the Developer's activities on the Property (or the activities of the Developer's agents, employees, lessees, representatives, licensees, guests, invitees, contractors, subcontractors, or independent contractors on the Property), including without limitation, the construction of the Improvements on the Property;
- (d) the presence or clean-up of Hazardous Substances on, in or under the Property to the extent the same was caused by Developer or Developer's affiliates, agents or employees; or,
- (e) any other fact, circumstance or event related to the Developer's performance hereunder, or which may otherwise arise from the Developer's ownership, use, possession, improvement, operation or disposition of the Property, regardless of whether such damages, losses and liabilities shall accrue or are discovered before or after termination or expiration of this Agreement, or before or after the conveyance of the Property.

The Developer's indemnity obligations set forth in this Section 7.2 shall not extend to any damages, losses, or liabilities incurred by the Agency, the City or the Oversight Board to the extent such losses or liabilities are caused by or contributed to by the negligence or willful misconduct of the Agency, as finally determined by a court of competent jurisdiction.

7.2.2 The indemnity obligations described in this Section 7.2 shall survive for a period of four (4) years from the earlier of (i) the termination of this Agreement, or (ii) the completion of the Improvements, and shall not be deemed merged into the Grant Deed upon the recordation.

7.3 Notices. All notices and demands shall be given in writing by certified mail, postage prepaid, and return receipt requested, by nationally recognized overnight courier or by personal delivery. Notices shall be considered given upon the earlier of (a) personal delivery, (b) three (3) business days following deposit in the United States mail, postage prepaid, certified or registered, return receipt requested, (c) the next business day after deposit with a nationally reorganized overnight courier, in each instance addressed to the recipient as set forth below. 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:

Agency:	Successor Agency to the Industry Urban-Development Agency 15625 East Stafford Street, Suite 100 City of Industry, California 91744 Attention: Kevin Radecki
---------	---

with a copy to: Richards, Watson & Gershon
355 South Grand Avenue, 40th Floor
Los Angeles, California 90071
Attention: Jim G. Grayson

Developer: Weiss Industrial Properties, LLC
10616 Rush Street
South El Monte, California 91733
Attention: Matthew Sawyer

7.4 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.

7.5 Developer's Warranties. The Developer warrants and represents to the City and the Agency as follows:

7.5.1 The Developer has full power and authority to execute and enter into this Agreement and to consummate the transaction contemplated hereunder. This Agreement constitutes the valid and binding agreement of the Developer, enforceable in accordance with its terms subject to bankruptcy, insolvency of other creditors' rights laws of general application. Neither the execution nor delivery of this Agreement, nor the consummation of the transactions covered hereby, nor compliance with the terms and provisions hereof, shall conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default under, any agreement or instrument to which the Developer is a party.

7.5.2 As of the Close of Escrow, the Developer will have inspected the Property and will be familiar with all aspects of the Property and its condition, and will accept such condition.

7.5.3 The Developer 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.

7.6 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.

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

7.8 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 Agency, or the Developer, without fault, is made a party to any litigation instituted by or against the other party, such other party shall defend it against and save it harmless from all costs and expenses including reasonable attorney's fees incurred in connection with such litigation.

7.9 Enforced Delay: Extension of Times of Performance. Notwithstanding anything to the contrary in this Agreement, unexcused failure to commence construction of the Improvements on or prior to the Commencement Date or to complete construction of the Improvements on or prior to the Completion Date shall constitute a Default hereunder as herein set forth; provided, however, nonperformance of such obligations or any other obligations to be performed hereunder shall be excused when performance is prevented or delayed by reason of any of the following forces reasonably beyond the control of the party responsible for such performance: (i) war, insurrection, riot, flood, severe weather, earthquake, fire, casualty, acts of public enemy, governmental restriction, litigation, acts or failures to act of any governmental or quasi-governmental agency or entity, including the Agency, or public utility, or any declarant under any applicable conditions, covenants, and restrictions affecting the Property, or (ii) inability to secure necessary labor, materials or tools, strikes, lockouts, delays of any contractor, subcontractor or supplier or (iii) other matters generally constituting a force majeure event in circumstances similar to those contemplated by this Agreement (but which shall not in any event include the availability of financing to construct the Improvements). In the event of an occurrence described in clauses (i), (ii) or (iii) above, such nonperformance shall be excused and the time of performance shall be extended by the number of days the matters described in clauses (i), (ii) or (iii) above materially prevent or delay performance.

7.10 Approvals by the Agency and the Developer. Unless otherwise specifically provided herein, wherever this Agreement requires the Agency or the Developer to approve any contract, document, plan, proposal, specification, drawing or other matter, such approval shall not unreasonably be withheld, conditioned or delayed.

7.11 Developer's Private Undertaking. The development covered by this Agreement is a private undertaking, and the Developer shall have full power over and exclusive control of the Property while the Developer holds title to the Property; subject only to the limitations and obligations of the Developer under this Agreement and the Redevelopment Plan.

7.12 Entire Agreement, Waivers and Amendments. This Agreement is executed in duplicate originals, each of which is deemed to be an original. This Agreement, together with all attachments and exhibits 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 and the Agency acknowledge that no person has made, any representation, warranty, guaranty or promise except as 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 or the Agency.

7.13 Counterparts. This Agreement may be executed simultaneously 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.

7.14 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.

7.15 Survival. The provisions hereof shall not terminate but rather shall survive any conveyance hereunder and the delivery of all consideration.

7.16 Representations of Agency. The Agency warrants and represents to the Developer as follows:

(a) The Agency has full power and authority to execute and enter into this Agreement and to consummate the transactions contemplated hereunder. This Agreement constitutes the valid and binding agreement of the Agency, enforceable in accordance with its terms subject to bankruptcy, insolvency and other creditors' rights laws of general application. Neither the execution nor delivery of this Agreement, nor the consummation of the transactions covered hereby, nor compliance with the terms and provisions hereof, shall conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default under, any agreement or instrument to which the Agency is a party.

(b) As of the Effective Date, the Agency has made available to Developer, by online link entitled <http://www.cityofindustry.org/?p=city-hall&s=for-sale>, complete copies of all studies, reports, agreements, documents, instruments, environmental assessments, surveys, soils reports, documents, plans, maps, permits and entitlements in Agency's possession (excluding only appraisals) concerning the Property.

(c) As of the Effective Date and the Close of Escrow, the Property is not presently the subject of any condemnation or similar proceeding, and to the Agency's knowledge, no such condemnation or similar proceeding is currently threatened or pending.

(d) As of the Close of Escrow, there are no management, service, supply or maintenance contracts affecting the Property which shall affect the Property on or following the Close of Escrow.

(e) The Agency has not authorized any broker or finder to act on its behalf in connection with the sale and purchase hereunder and the Agency has not dealt with any broker or finder purporting to act on behalf of the Agency or otherwise.

(f) As of the Close of Escrow, there are no leases or other occupancy agreements affecting the Property which shall affect the Property on or following the Close of Escrow.

(g) As of the Close of Escrow and to the actual knowledge of the Agency, the Agency has not received any written notice from any governmental entity regarding the violation of any law or governmental regulation with respect to the Property.

As used in this Section 7.16, the phrase “to the actual knowledge of the Agency” shall mean the actual and current knowledge of Kevin Radecki. Kevin Radecki is primarily responsible for the management of the Property on behalf of the Agency. Kevin Radecki shall have no personal responsibility or liability with respect to the representation contained in Section 7.16 (f) above.

7.17 Developer’s Broker(s). Developer shall pay all commissions and fees that may be payable to any broker, finder or salesperson engaged by Developer, and shall defend, indemnify and hold Agency and City harmless from and against any and all claims, liabilities, losses, damages, costs and expenses relating thereto.

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

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

DEVELOPER

WEISS INDUSTRIAL PROPERTIES, LLC,
a California limited liability company

By: _____
Name: Matthew Sawyer
Title: _____

By: _____
Name: _____
Title: _____

AGENCY

SUCCESSOR AGENCY TO THE INDUSTRY
URBAN-DEVELOPMENT AGENCY

By: _____
Tim Spohn, Chairman

ATTEST:

Diane M. Schlichting, Assistant Secretary

APPROVED AS TO FORM:

Richards, Watson & Gershon,
a professional corporation

By: _____
Agency Attorney

LIST OF EXHIBITS

- Exhibit "A" Legal Description of the Property
- Exhibit "B" Schedule of Performance
- Exhibit "C" Form of Grant Deed
- Exhibit "D" Form of Right of Entry Agreement
- Exhibit "E" Improvements
- Exhibit "F" Form of Certificate of Completion

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

(Attached.)

LEGAL DESCRIPTION
15130 Nelson Avenue

CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

(APN 8208-011-903)

THE WEST 200 FEET OF THAT PORTION OF LOT 445 OF TRACT 606, IN THE CITY OF INDUSTRY, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15, PAGES 142 AND 143 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

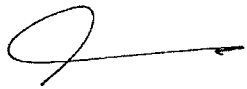
BEGINNING AT A POINT IN THE SOUTHEASTERLY LINE OF LOT 445, DISTANT THEREON NORTH 41°29'50" EAST, 443.21 FEET FROM THE MOST SOUTHERLY CORNER OF SAID LOT; THENCE PARALLEL WITH THE NORTHEASTERLY LINE OF SAID LOT, NORTH 48°28'45" WEST, 418.66 FEET; THENCE PARALLEL WITH SAID SOUTHEASTERLY LINE, NORTH 41°29'50" EAST, 445.15 FEET TO SAID NORTHEASTERLY LINE; THENCE ALONG SAID NORTHEASTERLY LINE, SOUTH 48°28'45" EAST, 418.66 FEET TO THE MOST EASTERLY CORNER OF SAID LOT; THENCE ALONG SAID SOUTHEASTERLY LINE SOUTH 41°29'50" WEST 445.14 FEET TO THE POINT OF BEGINNING.


EXCEPT THEREFROM THE "PRECIOUS METALS AND ORES THEREOF" AS EXCEPTED FROM THE PARTITION BETWEEN JOHN ROWLAND, SR. AND WILLIAM WORKMAN, IN THE PARTITION DEED RECORDED IN BOOK 10, PAGE 39 OF DEED.

THE ABOVE DESCRIBED PARCEL CONTAINING 2.04 ACRES (88910.00 SQUARE FEET) OF LAND, MORE OR LESS.

Page 1 of 2

AND AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART OF HEREOF.



CLEMENT N. CALVILLO, RCE 27743
CNC Engineering
Job No. MP 12-03 #3 Legal No.1013R
Checked by:  February 18, 2015



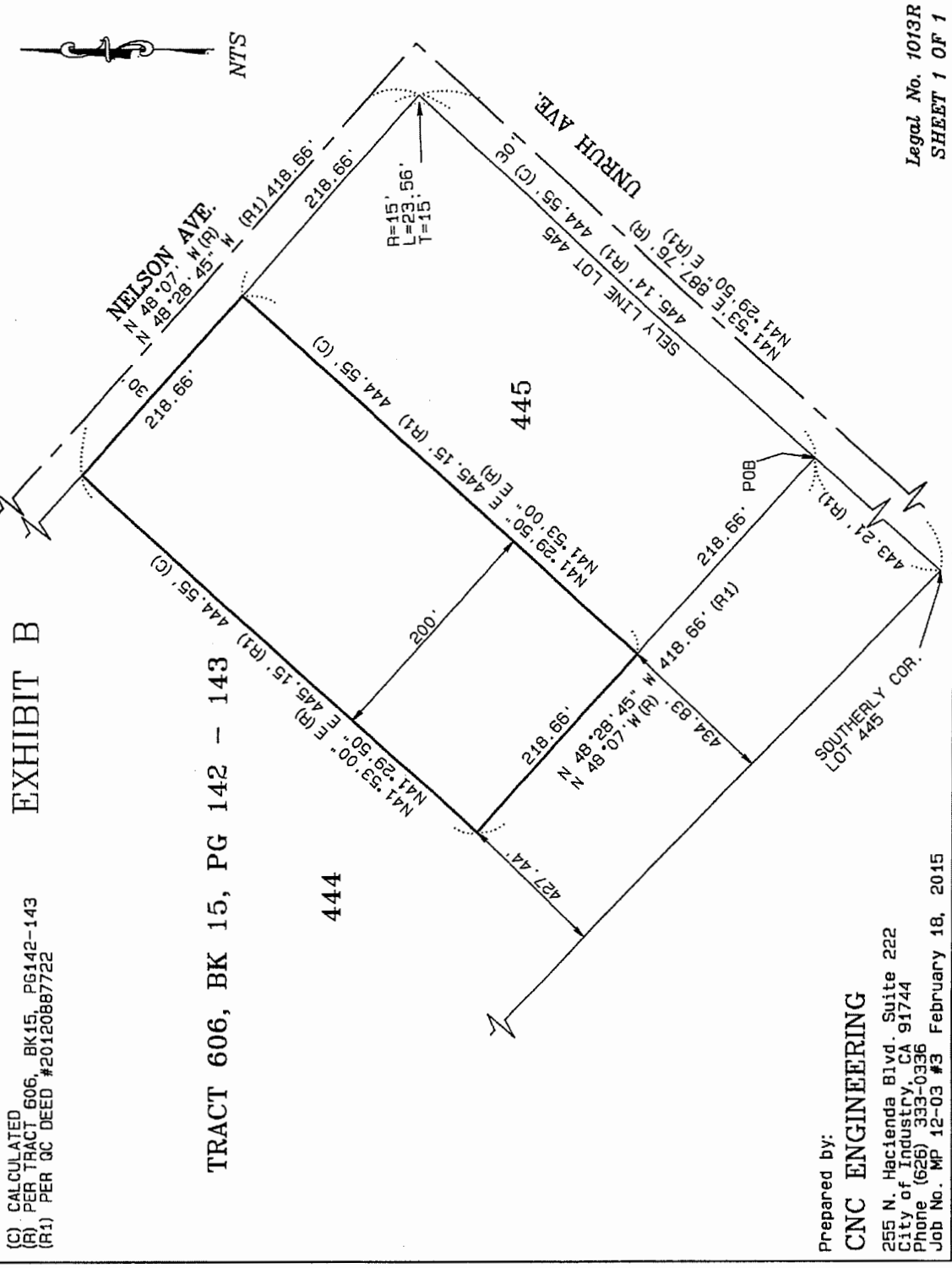


EXHIBIT B

(C) CALCULATED
 (R) PER TRACT 606, BK15, PG142-143
 (R1) PER GC DEED #20120887722

TRACT 606, BK 15, PG 142 - 143

Prepared by:
CNC ENGINEERING
 255 N. Hacienda Blvd. Suite 222
 City of Industry, CA 91744
 Phone (626) 333-0336
 Job No. MP 12-03 #3 February 18, 2015

Legal No. 1013R
 SHEET 1 OF 1

EXHIBIT "B"

SCHEDULE OF PERFORMANCE

<u>Activity</u>	<u>Time Frame</u>
<u>Initial Deposit</u>	Within five (5) business days after opening escrow
<u>Developer reviews and approves or disapproves the title report</u>	Prior to the expiration of the Due Diligence Period
<u>Additional Deposit</u>	Within five (5) business days after the expiration of the Due Diligence Period
<u>Developer reviews and approves or disapproves physical condition of the Property</u>	On or prior to the expiration of the Due Diligence Period
<u>Close of Escrow</u>	Within thirty (30) days following the expiration of the Due Diligence Period
<u>Land Use Approvals.</u> Developer receives all required land use and building approvals and permits from City and other governmental entities (if any)	Prior to the commencement of construction of the Improvements
<u>Developer Commences Construction of Improvements</u>	Within 180 days after the Close of Escrow
<u>Developer Completes Construction of Improvements</u>	Within 340 days following commencement of construction
<u>Issuance of Certificate of Completion.</u> Upon completion of construction in conformance with Agreement, the Agency Executive Director or designee shall issue a Certificate of Completion for the Improvements.	Promptly after Agency receives written request from Developer if all requirements of the Agreement have been satisfied

EXHIBIT "C"

FORM OF GRANT DEED

RECORDING REQUESTED BY:

FIRST AMERICAN TITLE INSURANCE COMPANY

AND WHEN RECORDED RETURN TO:

Successor Agency to the
Industry Urban-Development Agency
15625 East Stafford Street, Suite 100
City of Industry, California 91744
Attention: Diane Schlichting

[The undersigned declares that this Grant Deed is exempt from Recording Fees pursuant to California Government Code Section 27383]

GRANT DEED

Documentary Transfer Tax: \$ _____

THE UNDERSIGNED GRANTOR DECLARES:

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY** (the "**Grantor**"), hereby grants to **WEISS INDUSTRIAL PROPERTIES, LLC**, a California limited liability company (the "**Grantee**"), that certain real property described in Exhibit A attached hereto (the "**Site**") and incorporated herein by this reference, together with all of Grantor's right title and interest in and to all easements, privileges and rights appurtenant to the Site.

This Grant Deed of the Site is subject to the provisions of a Purchase Agreement [15130 Nelson Avenue] (the "**Agreement**") entered into by and between the Grantor and Grantee dated as of _____, 2015, 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 located at 15625 East Stafford Street, Suite 100, City of Industry, California 91744. The Site is conveyed further subject to all easements, rights of way, covenants, conditions, restrictions, reservations and all other matters of record, and the following conditions, covenants and agreements.

1. Subject to the provisions of Section 5.6(4) of the Agreement, the Site as described in Exhibit A is conveyed subject to the condition that the Grantee covenants and agrees for itself, and its successors and its assigns, that the Grantee, such successors, and such assignees shall use the Site, and every part thereof, only for the construction of certain improvements thereon as described in the Agreement and thereafter for any use allowed under applicable law. The Grantor shall have the right to assign all of its rights and benefits hereunder to the City of Industry, California ("**City**"). As provided in Section 5.7 of the Agreement, upon the violation

or failure of the foregoing covenant, the City shall have the option to purchase and take possession of the Site from the Grantee or its successors and assigns; provided, however, that the City's option to purchase and take possession of the Site shall not arise unless and until the Grantor gives the Grantee written notice thereof specifying the particular failure or violation in the manner and time period provided in Section 5.7 of the Agreement and, at the expiration of the cure period specified in Section 5.7 of the Agreement, the failure has not been remedied or the violation has not ceased.

2. The Site is conveyed subject to the condition that:

(a) The Grantee covenants and agrees for itself, its successors and assigns, and every successor in interest to the Site, that after completion of the Project (as defined in the Agreement), the Grantee and the Grantee's transferees, successors and assigns, shall maintain the Site and the Project (including landscaping) in a commercially reasonable condition and repair for a period of fifteen (15) years, and following construction of certain improvements thereon shall use the Site for any such uses as are allowed under applicable law.

(b) The Grantee 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 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 premises herein conveyed, nor shall the Grantee himself or herself, 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.

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. All deeds, leases or contracts entered into with respect to the Property shall contain or be subject to substantially the following nondiscrimination/nonsegregation 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 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 premises herein conveyed, nor shall the Grantee himself or herself, 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, 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.”

(b) In leases: “The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of 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 occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the premises 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.”

(c) In contracts: “The contracting party or parties hereby covenant by and for himself or herself and their respective successors and assigns, 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, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the contracting party or parties, any subcontracting party or parties, or their respective assigns or transferees, establish or permit any such practice or practices of discrimination or segregation.

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.”

4. All covenants and agreements 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 as provided in the Agreement, without regard to whether the Grantor is or remains an owner of any land or interest therein to which such covenants relate. The Grantor, in the event of any breach of any such covenants, shall have the right to exercise all of the rights and remedies provided herein or otherwise available, and to maintain any actions at law or suits in equity or other property proceedings to enforce the curing of such breach. The covenants contained in this Grant Deed shall be for the benefit of and shall be enforceable only by the Grantor and its successors and assigns.

5. The covenants contained in Paragraphs 2 and 3 of this Grant Deed shall remain in effect in perpetuity except as otherwise expressly set forth therein.

6. This Grant Deed may be executed simultaneously 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.

[Signatures appear on next page.]

IN WITNESS WHEREOF, Grantor and Grantee have caused this Grant Deed to be executed and notarized as of this ____ day of _____, 20__.

GRANTOR: SUCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY

By: _____
Name: _____
Title: _____

ATTEST:

Assistant Secretary

GRANTEE: WEISS INDUSTRIAL HOLDINGS, LLC,
a California limited liability company

By: _____
Name: Matthew Sawyer
Title: _____

By: _____
Name: _____
Title: _____

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 Los Angeles)

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 Los Angeles)

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
(Attached.)

LEGAL DESCRIPTION
15130 Nelson Avenue

CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

(APN 8208-011-903)

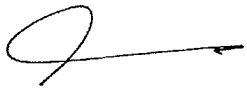
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
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EXCEPT THEREFROM THE "PRECIOUS METALS AND ORES THEREOF" AS EXCEPTED FROM THE PARTITION BETWEEN JOHN ROWLAND, SR. AND WILLIAM WORKMAN, IN THE PARTITION DEED RECORDED IN BOOK 10, PAGE 39 OF DEED.

THE ABOVE DESCRIBED PARCEL CONTAINING 2.04 ACRES (88910.00 SQUARE FEET) OF LAND, MORE OR LESS.

AND AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART OF HEREOF.



CLEMENT N. CALVILLO, RCE 27743
CNC Engineering
Job No. MP 12-03 #3 Legal No.1013R
Checked by:  February 18, 2015



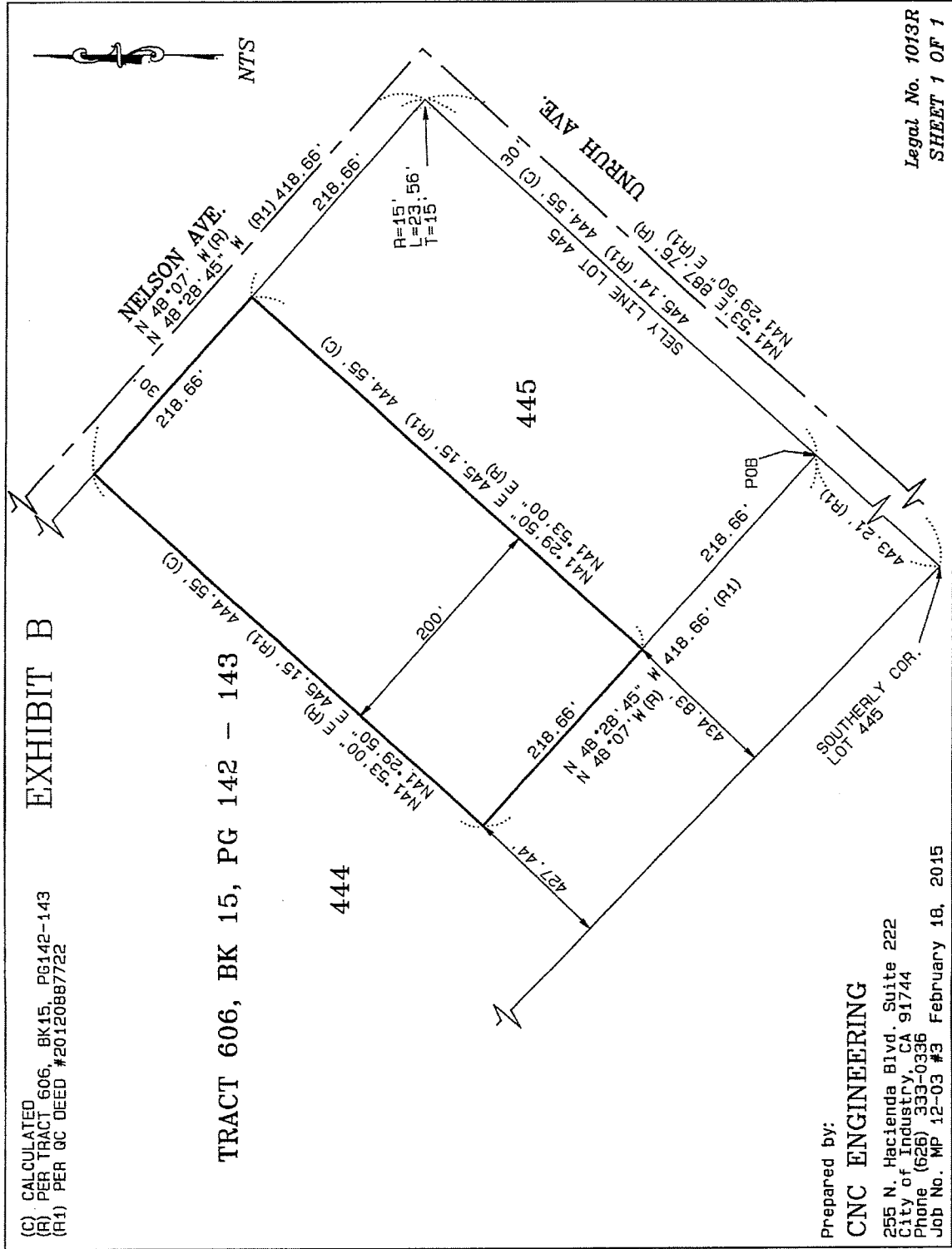
(C) CALCULATED
 (R) PER TRACT 606, BK15, PG142-143
 (R1) PER QC DEED #20120887722

EXHIBIT B

TRACT 606, BK 15, PG 142 - 143

444

445



Legal No. 1013R
 SHEET 1 OF 1

Prepared by:
CNC ENGINEERING
 255 N. Hacienda Blvd. Suite 222
 City of Industry, CA 91744
 Phone (626) 333-0336
 Job No. MP 12-03 #3 February 18, 2015

EXHIBIT "D"

RIGHT OF ENTRY AND ACCESS AGREEMENT

THIS RIGHT OF ENTRY AND ACCESS AGREEMENT (herein called this "**Agreement**") is made and entered into as of _____, 2015, by the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**, a public body (herein called "**Grantor**"), and **WEISS INDUSTRIAL HOLDINGS, LLC**, a California limited liability company (herein called "**Grantee**").

WITNESSETH:

WHEREAS, Grantor is the owner of the real property more particularly described on Exhibit A, which exhibit is attached hereto and incorporated herein by reference (herein called the "**Property**");

WHEREAS, concurrently with the execution of this Agreement, Grantor and Grantee contemplate entering into a Purchase Agreement related to the Property (the "**Purchase Agreement**");

WHEREAS, Grantee has requested the right of entry upon and access to the Property for the purpose of undertaking tests, inspections and other due diligence activities (herein called the "**Due Diligence Activities**") in connection with the proposed acquisition by Grantee of the Property;

WHEREAS, Grantor has agreed to grant to Grantee, and Grantee has agreed to accept from Grantor, a non-exclusive, revocable license to enter upon the Property to perform the Due Diligence Activities in accordance with the terms and provisions of this Agreement;

WHEREAS, Grantor and Grantee desire to execute and enter into this Agreement for the purpose of setting forth their agreement with respect to the Due Diligence Activities and Grantee's entry upon the Property.

NOW, THEREFORE, for and in consideration of the foregoing premises, the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee do hereby covenant and agree as follows:

1. Access by Grantee.

(a) Subject to Grantee's compliance with the terms and provisions of this Agreement, until the earlier to occur of (i) the expiration of the Due Diligence Period (as defined in the Purchase Agreement); or (ii) the earlier termination of this Agreement, Grantee and Grantee's agents, employees, contractors, representatives and other designees (herein collectively called "**Grantee's Designees**") shall have the right to enter upon the Property for the purpose of conducting the Due Diligence Activities.

(b) Grantee expressly agrees as follows: (i) any activities by or on behalf of Grantee, including, without limitation, the entry by Grantee or Grantee's Designees onto the Property in connection with the Due Diligence Activities shall not materially damage the Property in any manner whatsoever or disturb or interfere with the rights or possession of any tenant on the Property, (ii) in the event the Property is materially altered or disturbed in any manner in connection with the Due Diligence Activities, Grantee shall immediately return the Property to substantially the same condition existing prior to the Due Diligence Activities, and (iii) Grantee, to the extent allowed by law, shall indemnify, defend and hold Grantor harmless from and against any and all claims, liabilities, damages, losses, costs and expenses of any kind or nature whatsoever (including, without limitation, attorneys' fees and expenses and court costs) suffered, incurred or sustained by Grantor as a result of, by reason of, or in connection with the Due Diligence Activities or the entry by Grantee or Grantee's Designees onto the Property; provided, however, that in no event shall Grantee be liable for any liabilities, damages, losses, costs or expenses of any kind or nature that relate, directly or indirectly, to (y) consequential or punitive damages; or (z) matters that are merely discovered, but not exacerbated, by Grantee. Notwithstanding any provision of this Agreement to the contrary, Grantee shall not have the right to undertake any invasive activities or tests upon the Property, or any environmental testing on the Property beyond the scope of a standard "Phase I" investigation, without the prior written consent of Grantor of a workplan for such "Phase II" or invasive testing. If Grantor does not respond or reject any workplan within ten (10) days of Grantee's delivery of the written workplan proposal to Grantor pursuant to the notice provisions of this Agreement, then Grantor shall be deemed to have approved the submitted workplan and Grantee may proceed with such testing. If Grantor rejects such proposed workplan in whole or in part, then this Agreement shall become null and void at the sole option of Grantee, which option must be exercised by Grantee's giving Grantor written notice on or before the expiration of the Due Diligence Period, as defined in the Purchase Agreement.

2. Lien Waivers. Upon receipt of a written request from Grantor, Grantee will provide Grantor with lien waivers following completion of the Due Diligence Activities from each and every contractor, materialman, engineer, architect and surveyor who might have lien rights, in form and substance reasonably satisfactory to Grantor and its counsel. Grantee hereby indemnifies Grantor from and against any claims or demands for payment, or any liens or lien claims made against Grantor or the Property as a result of the Due Diligence Activities.

3. Insurance. Grantee shall, and shall cause all of Grantee's Designees performing the Due Diligence Activities to, procure or maintain a policy of commercial general liability insurance issued by an insurer reasonably satisfactory to Grantor covering each of the Due Diligence Activities with a single limit of liability (per occurrence and aggregate) of not less than One Million Dollars (\$1,000,000.00), and to deliver to Grantor a certificate of insurance evidencing that such insurance is in force and effect, and evidencing that Grantor has been named as an additional insured thereunder with respect to the Due Diligence Activities. Such insurance shall be maintained in force throughout the term of this Agreement.

4. Successors. To the extent any rights or obligations under this Agreement remain in effect, this Agreement shall be binding upon and enforceable against, and shall inure to the benefit of, the parties hereto and their respective heirs, legal representatives, successors and permitted assigns.

5. Limitations. Grantor does not hereby convey to Grantee any right, title or interest in or to the Property, but merely grants the specific rights and privileges hereinabove set forth.

6. Notices. Whenever any notice, demand, or request is required or permitted under this Agreement, such notice, demand, or request shall be in writing and shall be delivered by hand, be sent by registered or certified mail, postage prepaid, return receipt requested, or shall be sent by nationally recognized commercial courier for next business day delivery, to the addresses set forth below the respective executions of the parties hereof, or to such other addresses as are specified by written notice given in accordance herewith, or shall be transmitted by facsimile to the number for each party set forth below their respective executions hereof, or to such other numbers as are specified by written notice given in accordance herewith. All notices, demands, or requests delivered by hand shall be deemed given upon the date so delivered; those given by mailing as hereinabove provided shall be deemed given on the date of deposit in the United States Mail; those given by commercial courier as hereinabove provided shall be deemed given on the date of deposit with the commercial courier; and those given by facsimile shall be deemed given on the date of facsimile transmittal. Nonetheless, the time period, if any, in which a response to any notice, demand, or request must be given shall commence to run from the date of receipt of the notice, demand, or request by the addressee thereof. Any notice, demand, or request not received because of changed address or facsimile number of which no notice was given as hereinabove provided or because of refusal to accept delivery shall be deemed received by the party to whom addressed on the date of hand delivery, on the date of facsimile transmittal, on the first calendar day after deposit with commercial courier, or on the third calendar day following deposit in the United States Mail, as the case may be.

7. Assignment. This Agreement may be assigned by Grantee, in whole or in part.

8. Governing Law. This Agreement shall be construed, enforced and interpreted in accordance with the laws of the State of California.

9. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

10. No Recording of Agreement or Memorandum of Agreement. In no event shall this Agreement or any memorandum hereof be recorded in the Official Records of Los Angeles County, California, and any such recordation or attempted recordation shall constitute a breach of this Agreement by the party responsible for such recordation or attempted recordation.

IN WITNESS WHEREOF, Grantor and Grantee have caused this Agreement to be executed and sealed, all the day and year first written above.

GRANTEE:

WEISS INDUSTRIAL HOLDINGS, LLC,
a California limited liability company

By: _____

Print Name: Matthew Sawyer

Title: _____

By: _____

Name: _____

Title: _____

Address for notices: 10616 Rush Street
South El Monte, California 91733-3432

(Signatures continued)

GRANTOR:

SUCCESSOR AGENCY TO THE
INDUSTRY URBAN-DEVELOPMENT AGENCY

By: _____
Name: _____
Title: _____

Address for notices: Successor Agency to the
Industry Urban-Development Agency
15625 East Stafford Street, Suite 100
City of Industry, California 91744
Attention: Kevin Radecki
Telephone: (626) 333-1480
Facsimile: (626) 336-4273

With a copy to: Richards, Watson & Gershon
355 South Grand Avenue, 40th Floor
Los Angeles, California 90071
Attn.: Jim G. Grayson, Esq.
Telephone: (213) 626-8484
Facsimile: (213) 626-0078

Exhibit A
LEGAL DESCRIPTION
(Attached.)

LEGAL DESCRIPTION
15130 Nelson Avenue

CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

(APN 8208-011-903)

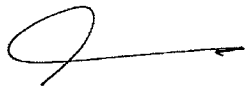
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BEGINNING AT A POINT IN THE SOUTHEASTERLY LINE OF LOT 445, DISTANT THEREON NORTH 41°29'50" EAST, 443.21 FEET FROM THE MOST SOUTHERLY CORNER OF SAID LOT; THENCE PARALLEL WITH THE NORTHEASTERLY LINE OF SAID LOT, NORTH 48°28'45" WEST, 418.66 FEET; THENCE PARALLEL WITH SAID SOUTHEASTERLY LINE, NORTH 41°29'50" EAST, 445.15 FEET TO SAID NORTHEASTERLY LINE; THENCE ALONG SAID NORTHEASTERLY LINE, SOUTH 48°28'45" EAST, 418.66 FEET TO THE MOST EASTERLY CORNER OF SAID LOT; THENCE ALONG SAID SOUTHEASTERLY LINE SOUTH 41°29'50" WEST 445.14 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THE "PRECIOUS METALS AND ORES THEREOF" AS EXCEPTED FROM THE PARTITION BETWEEN JOHN ROWLAND, SR. AND WILLIAM WORKMAN, IN THE PARTITION DEED RECORDED IN BOOK 10, PAGE 39 OF DEED.

THE ABOVE DESCRIBED PARCEL CONTAINING 2.04 ACRES (88910.00 SQUARE FEET) OF LAND, MORE OR LESS.

AND AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART OF HEREOF.




CLEMENT N. CALVILLO, RCE 27743
CNC Engineering
Job No. MP 12-03 #3 Legal No.1013R
Checked by:  February 18, 2015



EXHIBIT "E"

IMPROVEMENTS

A complete remodel of the existing building including a new roof covering, structural roof repairs, extensive interior redesign, landscaping, paving and related improvements.

EXHIBIT "F"

FORM OF CERTIFICATE OF COMPLETION

RECORDING REQUESTED BY:

First American Title Insurance Company

AND WHEN RECORDED RETURN TO:

Successor Agency to the
Industry Urban-Development Agency
15625 East Stafford Street, Suite 100
City of Industry, California 91744
Attention: Diane Schlichting

[The undersigned declares that this Certificate of Completion is exempt from Recording Fees pursuant to California Government Code Section 27383]

CERTIFICATE OF COMPLETION

This Certificate of Completion is given this ____ day of _____, 20__, with reference to the following matters:

A. The **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**, a public body corporate and politic (the "**Agency**") and **WEISS INDUSTRIAL HOLDINGS, LLC**, a California limited liability company (the "**Developer**") entered into a certain Purchase Agreement [15130 Nelson Avenue] dated as of _____, 2015 (the "**Agreement**"), which Agreement provides, in Section 3.7 thereof, that the Agency shall furnish the Developer with a Certificate of Completion upon satisfactory completion of the Improvements (as described in the Agreement) on the real property described therein as the Property (the "**Site**"), which certificate shall be in such form as to permit it to be recorded in the Recorder's Office of Los Angeles County; and

B. The Certificate of Completion shall be conclusive determination of satisfactory completion of the construction of Improvements required with respect to the Site; and

C. The Agency has determined that the construction of the Improvements has been satisfactorily performed; and

NOW, THEREFORE, the parties to this instrument hereby provide as follows:

1. As provided in the Agreement, the Agency does hereby certify that the construction of the Improvements on the Site has been satisfactorily performed and completed.

2. This Certificate shall not constitute evidence of compliance with or satisfaction of any obligation of the Developer to any holder of a mortgage, or deed of trust or any insurer of a mortgage, or deed of trust securing money loaned to finance the improvements or any part

thereof, nor does it constitute evidence of payment of any promissory note or performance of any deed of trust provided by the Developer to the Agency under the Agreement or otherwise.

IN WITNESS WHEREOF, the Agency has executed this Certificate of Completion as of the day and year first above written.

SUCCESSOR AGENCY TO THE
INDUSTRY URBAN-DEVELOPMENT AGENCY

By: _____
Name: _____
Title: _____

ATTEST:

Assistant Secretary

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 Los Angeles)

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

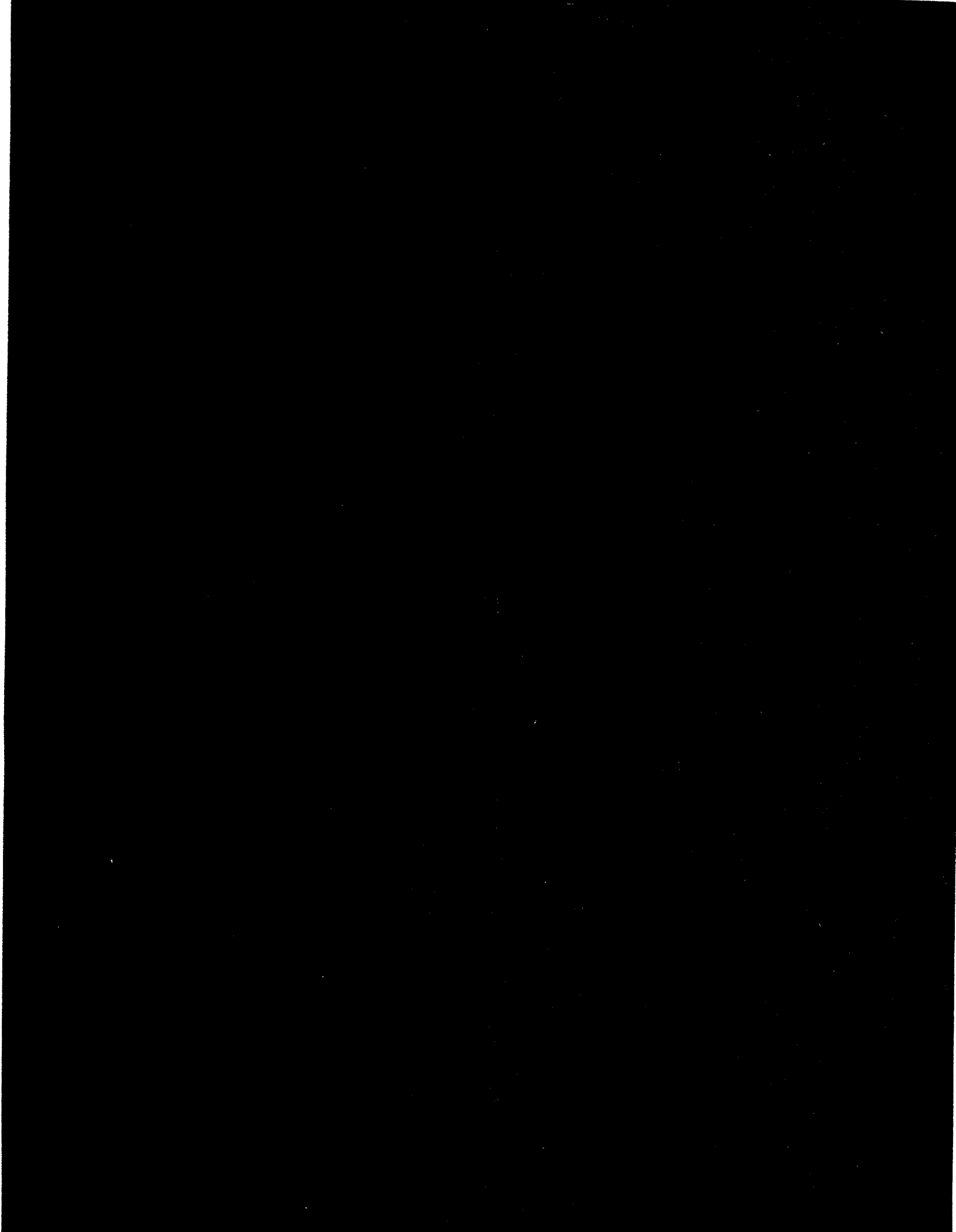
Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their 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)



PURCHASE AND SALE AGREEMENT
[17201 AND 17301 GALE AVENUE]

SUCCESSOR AGENCY TO THE
INDUSTRY URBAN-DEVELOPMENT AGENCY,
“Agency”

R.Y. PROPERTIES, INC.,
a California corporation
“Purchaser”

_____, 2015

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**PURCHASE AND SALE AGREEMENT
[17201 AND 17301 GALE AVENUE]**

THIS PURCHASE AND SALE AGREEMENT [17201 AND 17301 GALE AVENUE] (this “**Agreement**”), dated as of _____, 2015 (the “**Effective Date**”) is entered into by and between the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY** (the “**Agency**”), and **R.Y. PROPERTIES, INC.**, a California corporation (the “**Purchaser**”). The Agency and the Purchaser are hereinafter sometimes individually referred to as a “**party**” and collectively referred to as the “**parties**”.

RECITALS

This Agreement is entered into with reference to the following facts:

The Agency owns the fee interest in that certain real property (the “**Real Property**”) located in the City of Industry, County of Los Angeles, State of California, as more particularly described in Exhibit “A” attached hereto and incorporated herein by this reference (such real property together with all improvements located thereon and the Appurtenances, as defined in Section 1.1.3, is referred to herein as the “**Property**”). The Purchaser wishes to acquire fee title to the Property from the Agency.

NOW, THEREFORE, in reliance upon the foregoing Recitals, in consideration of the mutual covenants in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**ARTICLE 1
DEFINITIONS**

1.1 Definitions. The following terms as used in this Agreement shall have the meanings given unless expressly provided to the contrary:

1.1.1 Agency means the Successor Agency to the Industry Urban-Development Agency. The principal office of the Agency is located at 15625 East Stafford Street, Suite 100, City of Industry, California 91744.

1.1.2 Agreement means this Purchase and Sale Agreement.

1.1.3 Appurtenances means all of the Agency’s right, title and interest, if any, in and to the following but only to the extent assignable by law and without the prior consent of a third party and pertaining solely to the Real Property (and not any other property owned by the Agency): (a) all improvements on the Real Property as of the Close of Escrow; (b) all rights, privileges, appurtenances, hereditaments, easements, reversions, and remainders, including, without limitation, all (i) development rights and credits, air rights, water rights, and water stock, (ii) strips and gores, streets, alleys, easements, rights-of-way, public ways, and (iii) mineral, oil, gas, and other subsurface rights; (c) all plats, maps, improvement plans, engineering plans, reports and data, surveys, third party reports and studies, designs, drawings and specifications; (d) all documents pertaining to the Real Property provided to Purchaser by or on behalf of the Agency prior to the Close of Escrow; (e) all architectural, site, landscaping or other permits,

applications, approvals, authorizations, and other entitlements; (f) deposits, credits, fee credits (including without limitation water meter credits), pre-paid fees, refunds of impact or permit fees, reimbursements, rights to reimbursements and benefits of any cost sharing agreements, and school fee mitigation agreements, community facilities district and other assessment district rights, proceeds, deposits, advances, reimbursements, formation documents and benefits, and construction and design defect claim; and (g) guarantees, warranties, and utility contracts.

1.1.4 City means the City of Industry, a municipal corporation, exercising governmental functions and powers, and organized and existing under the laws of the State of California. The principal office of the City is located at 15625 East Stafford Street, City of Industry, California 91744.

1.1.5 Close of Escrow and Closing are defined in Section 2.3.2.

1.1.6 Deemed Disapproved Exceptions is defined in Section 2.5.2.

1.1.7 Default is defined in Section 3.2.

1.1.8 Deposit is defined in Section 2.2.1.

1.1.9 Disapproved Exceptions is defined in Section 2.5.2.

1.1.10 Disapproval Notice is defined in Section 2.5.2.

1.1.11 Due Diligence Period is defined in Section 2.7.

1.1.12 Escrow is defined in Section 2.3.1.

1.1.13 Escrow Holder means First American Title Insurance Company. The principal office of the Escrow Holder for purposes of this Agreement is 18500 Von Karman Avenue, Suite 600, Irvine, California 92612, Attention: Patty Beverly, Escrow Officer, Telephone: (949) 885-2465, Fax: (877) 372-0260, Email: pbeverly@firstam.com.

1.1.14 General Assignment means the General Assignment attached hereto as Exhibit "D".

1.1.15 Grant Deed is defined in Section 2.5.3.

1.1.16 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 Property, 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. The term “**Hazardous Materials**” shall also include any of the following: any and all toxic or hazardous substances, materials or wastes listed in the United States Department of Transportation Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and in any and all amendments thereto in effect as of the date of the close of any 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. § 2012, 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 biphenyl’s; radon gas; or any other chemical, material or substance (i) which poses a hazard to the Property, to adjacent properties, or to persons on or about the Property, (ii) which causes the Property to be in violation of any of the aforementioned laws or regulations, or (iii) the presence of which on or in the Property requires investigation, reporting or remediation under any such laws or regulations.

1.1.17 Outside Date is defined in Section 2.3.2.

1.1.18 Property is defined in the first Recital.

1.1.19 Purchase Price is defined in Section 2.1.

1.1.20 Purchaser means R.Y. Properties, Inc., a California Corporation. The principal office of the Purchaser for purposes of this Agreement is 212 South Palm Avenue, Suite 200, Alhambra, California 91801.

1.1.21 Released Parties is defined in Section 2.8.

1.1.22 Review Period is defined in Section 2.5.2.

1.1.23 Right of Entry Agreement is defined in Section 2.7.

1.1.24 Survey is defined in Section 2.5.1.

1.1.25 Title Company is defined in Section 2.5.4.

1.1.26 Title Policy is defined in Section 2.5.4.

1.1.27 Title Report is defined in Section 2.5.1.

1.1.28 Transaction Costs means all costs incurred by either party in entering into this transaction and closing Escrow, including but not limited to escrow fees and costs, attorney’s fees, staff time, appraisal costs, and costs of financial advisors and other consultants.

ARTICLE 2
PURCHASE AND SALE OF THE PROPERTY

2.1 Purchase and Sale. The Agency agrees to sell the Property to the Purchaser, and the Purchaser agrees to purchase the Property from the Agency, for the sum of Sixteen Million Dollars (\$16,000,000.00) (the “**Purchase Price**”). In addition, Purchaser shall reimburse the Agency a total amount not to exceed Fifteen Thousand Dollars (\$15,000.00) for the Agency’s costs of obtaining an appraisal of the Property and the Agency’s legal costs in connection with this Agreement and the disposition of the Property under this Agreement (the “**Disposition Costs**”) and will be paid by Purchaser to Agency at the Closing through the Escrow (as hereinafter defined).

2.2 Payment of Purchase Price. The Purchase Price shall be payable by Purchaser as follows:

2.2.1 Deposit. Within five (5) business days following the opening of Escrow, Purchaser shall deposit with Escrow Holder the sum of One Hundred Sixty Thousand Dollars (\$160,000.00), and unless Purchaser terminates this Agreement during the Due Diligence Period under Section 2.7 below, Purchaser shall deposit with Escrow Holder an additional Six Hundred Forty Thousand Dollars (\$640,000.00) within five (5) business days following the Due Diligence Period, all in the form of certified or bank cashier’s checks made payable to Escrow Holder or by confirmed wire transfers of funds (collectively, the “**Deposit**”). The Deposit shall be invested by Escrow Holder in an interest bearing account acceptable to Purchaser and Agency with all interest accruing thereon to be credited to the Purchase Price upon the Close of Escrow. Except as otherwise provided herein, the Deposit shall be applicable in full towards the Purchase Price upon Closing.

2.2.2 Closing Funds. Prior to the Close of Escrow, Purchaser shall deposit or cause to be deposited with Escrow Holder, by a certified or bank cashier’s check made payable to Escrow Holder or by a confirmed federal wire transfer of funds, the balance of the Purchase Price, plus the Disposition Costs, plus an amount equal to all other costs, expense and prorations payable by Purchaser hereunder.

2.3 Escrow.

2.3.1 Opening of Escrow. Within five (5) business days after the parties’ full execution of this Agreement, the Purchaser and the Agency shall open an escrow (the “**Escrow**”) with the Escrow Holder for the transfer of the Property to the Purchaser. The parties shall deposit with the Escrow Holder a fully executed duplicate original of this Agreement, which shall serve as the escrow instructions (which may be supplemented in writing by mutual agreement of the parties) for the Escrow. The Escrow Holder is authorized to act under this Agreement, and to carry out its duties as the Escrow Holder hereunder.

2.3.2 Close of Escrow. “**Close of Escrow**” or “**Closing**” means the date Escrow Holder causes the Grant Deed (as hereinafter defined) to be recorded in the Official Records of the County of Los Angeles and delivers the Purchase Price and Disposition Costs (less any costs, expenses and prorations payable by the Agency) to the Agency. Possession of the Property shall

be delivered to the Purchaser on the Close of Escrow. Notwithstanding anything to the contrary contained herein, the Close of Escrow shall occur within the earlier to occur of (i) thirty (30) days following the satisfaction or waiver of all of the conditions to the close of Escrow set forth in Section 2.4, or (ii) twelve (12) months following the expiration of the Due Diligence Period (the “**Outside Date**”) or this Agreement shall automatically terminate; provided, however, the Outside Date may be extended upon written consent of the Purchaser and the Executive Director of the Agency, which consent may be given or withheld in the exercise of their sole discretion. If the Closing does not occur on or before the Outside Date due to a default by either party, then the defaulting party shall pay all Escrow cancellation fees (and if the defaulting party is the Purchaser, then the Agency shall be entitled to the Deposit under Section 3.3.1). If the Closing does not occur due to a termination by Purchaser under Section 2.5.2, then the Deposit shall be returned to Purchaser, and Purchaser shall pay all Escrow cancellation fees (which may be deducted from the Deposit). If the Closing does not occur for any other reason, then this Agreement shall automatically terminate, the Deposit shall be promptly returned to the Purchaser, and each party shall pay one half (1/2) of any Escrow cancellation charges.

2.3.3 Delivery of Closing Documents.

(a) The Agency and Purchaser agree to deliver to Escrow Holder, at least two (2) days prior to the Close of Escrow, the following instruments and documents, the delivery of each of which shall be a condition precedent to the Close of Escrow:

(i) The Grant Deed, duly executed and acknowledged by the Agency, conveying a fee simple interest in the Property to Purchaser, subject only to such exceptions to title as Purchaser may have approved or have been deemed to approve pursuant to Section 2.5.2;

(ii) Two (2) duly executed original counterparts of the General Assignment;

(iii) The Agency’s affidavit as contemplated by California Revenue and Taxation Code Section 18662;

(iv) A Certification of Non-Foreign Status signed by Agency in accordance with Internal Revenue Code Section 1445; and

(v) Such proof of the Agency’s and Purchaser’s authority and authorization to enter into this transaction as the Title Company may reasonably require in order to issue the Title Policy.

The Agency and the Purchaser further agree to execute such reasonable and customary additional documents, and such additional escrow instructions, as may be reasonably required to close the transaction which is the subject of this Agreement pursuant to the terms hereof.

2.4 Conditions to Close of Escrow. The obligations of the Agency and Purchaser to close the transaction which is the subject of this Agreement shall be subject to the satisfaction, or waiver in writing by the party benefited thereby, of each of the following conditions:

2.4.1 For the benefit of the Agency, the Purchaser shall have deposited the balance of the Purchase Price, together with such funds as are necessary to pay for costs, expenses and prorations payable by Purchaser hereunder (including the Agency's appraisal costs).

2.4.2 For the benefit of the Agency, all actions and deliveries to be undertaken or made by Purchaser on or prior to the Close of Escrow as set forth herein shall have occurred, as reasonably determined by the Agency.

2.4.3 For the benefit of the Purchaser, all actions and deliveries to be undertaken or made by the Agency on or prior to the Close of Escrow shall have occurred, as reasonably determined by the Purchaser.

2.4.4 For the benefit of the Agency, all Agency approvals as required herein to be obtained prior to the Close of Escrow shall have been so obtained.

2.4.5 For the benefit of the Agency, the Purchaser shall have executed and delivered to Escrow Holder all documents and funds required to be delivered to Escrow Holder under the terms of this Agreement and the Purchaser shall otherwise have satisfactorily complied with its obligations hereunder.

2.4.6 For the benefit of the Purchaser, the Agency shall have executed and delivered to Escrow Holder all documents and funds required to be delivered to Escrow Holder under the terms of this Agreement and the Agency shall otherwise have satisfactorily complied with its obligations hereunder.

2.4.7 For the benefit of the Agency, the representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects as of the Close of Escrow.

2.4.8 For the benefit of the Purchaser, the representations and warranties of the Agency contained in this Agreement shall be true and correct in all material respects as of the Close of Escrow.

2.4.9 For the benefit of the Purchaser, Title Company shall be irrevocably committed to issuing in favor of the Purchaser the Title Policy, in form and substance, and with endorsements reasonably acceptable to the Purchaser, as provided in Section 2.5.2.

2.4.10 For the sole benefit of the Purchaser, (i) an environmental impact report, or other appropriate environmental review, pertaining to the improvements proposed to be constructed on the Property by the Purchaser, and as required by the California Environmental Quality Act, shall have been approved and certified by the City or Agency, as appropriate, and (ii) the City and all other governmental or quasi-governmental entities having jurisdiction thereover shall have approved the plan for development of the Property as proposed by the Purchaser. The Purchaser shall be responsible for the preparation of all documentation with respect to environmental review under the California Environmental Quality Act and all costs associated therewith (whether or not initially incurred by the City or the Agency).

If all the foregoing conditions have not been met to the benefitted party's sole satisfaction or expressly waived in writing by the benefitted party on or before the respective dates set forth therein, or if no date is set forth therein on the Outside Date, then this Agreement shall become null and void, in which event, except as expressly set forth in this Agreement, neither party shall have any further rights, duties or obligations hereunder, and Purchaser shall be entitled to the immediate refund of the Deposit.

2.5 Condition of Title; Survey; Title Insurance.

2.5.1 Within ten (10) days after the Effective Date, the Agency shall deliver to the Purchaser for the Purchaser's review and approval, (i) a current preliminary title report covering the Property (the "**Title Report**") and legible copies of any instruments noted as exceptions thereon, and (ii) any survey of the Property in the Agency's possession. The Purchaser at its sole expense may obtain a current or updated ALTA survey of the Property in connection with the issuance of the Title Policy and the Agency shall cooperate with the same. Any survey provided by the Agency or obtained by the Purchaser are each a "**Survey**" hereunder.

2.5.2 The Purchaser shall have until the expiration of the Due Diligence Period (the "**Review Period**") to disapprove any exceptions to title shown on the Title Report or reflected on the Survey (collectively, "**Disapproved Exceptions**") and to provide Agency with notice thereof describing the defect with reasonable particularity (the "**Disapproval Notice**"). Any exceptions to title not disapproved within the Review Period shall be deemed approved. Within five (5) days after the Agency's receipt of the Disapproval Notice, the Agency shall notify the Purchaser whether or not the Agency intends to remove the Disapproved Exceptions. The Agency shall be under no obligation to remove any Disapproved Exception, but the Agency agrees to cooperate in good faith with the Purchaser in the Purchaser's efforts to eliminate any Disapproved Exception, provided the Agency is not obligated to pay any sum or assume any liability in connection with the elimination of any such Disapproved Exception. If the Agency notifies the Purchaser that the Agency intends to eliminate any Disapproved Exception, the Agency shall do so concurrently with or prior to the Close of Escrow. If the Agency notifies the Purchaser that the Agency does not intend to eliminate any Disapproved Exception(s), the Purchaser, by notifying the Agency within five (5) days after its receipt of such notice, may elect to terminate this Agreement and receive a refund of the Deposit or take the Property subject to the Disapproved Exception(s). If Purchaser desires to terminate this Agreement, it shall be a condition of such termination that Purchaser deliver to Agency copies of all non-privileged third party due diligence reports and studies. Notwithstanding the foregoing, the Agency covenants to pay in full all loans secured by deeds of trust, any mechanics' and materialmen's liens, and any other monetary liens (other than liens for charges, assessments, taxes, and impositions subject to proration as provided in Section 2.6.2) (collectively, the "**Deemed Disapproved Exceptions**") prior to, or concurrently with, the Close of Escrow, and Escrow Holder is hereby directed to cause the same to be paid from the Purchase Price. The Title Policy shall include such endorsements as the Purchaser shall reasonably request. Any endorsements to the Title Policy are to be paid for by the Purchaser. Notwithstanding the foregoing, the Purchaser may notify the Agency of its disapproval of an exception to title (including exceptions reflected on the Survey) first raised by Title Company or the surveyor after the Review Period, or otherwise first disclosed to the Purchaser after the Review Period (collectively, the "**Additional Exceptions**")

within ten (10) days after the same was first raised or disclosed to the Purchaser in writing. With respect to Additional Exceptions disapproved by the Purchaser in such notice (which shall also be deemed Disapproved Exceptions), the Agency shall have the same option to eliminate such exceptions that applies to Disapproved Exceptions, and the Purchaser shall have the same option to accept title subject to such Additional Exceptions or to terminate this Agreement and receive a refund of the Deposit.

2.5.3 At the Close of Escrow, the Purchaser shall receive title to the Property by grant deed substantially in the form attached hereto as Exhibit "B" and incorporated herein by this reference (the "**Grant Deed**").

2.5.4 At Closing, the Purchaser shall receive a CLTA Owner's Coverage Policy of Title Insurance (the "**Title Policy**"), together with all endorsements requested by the Purchaser, issued by First American Title Insurance Company ("**Title Company**") in the amount of the Purchase Price, insuring that title to the Property is free and clear of all Disapproved Exceptions, all Deemed Disapproved Exceptions and all liens, easements, covenants, conditions, restrictions, and other encumbrances of record except (a) current taxes and assessments of record, but not any overdue or delinquent taxes or assessments, (b) the matters set forth or referenced in the Grant Deed, and (c) such other encumbrances as the Purchaser approves in writing including those reflected in the Title Report for the Property approved by Purchaser, or as are deemed approved by Purchaser as provided in Section 2.5.2. The Purchaser may obtain an extended coverage policy of title insurance at its own cost.

2.6 Escrow and Title Charges; Prorations.

2.6.1 The Agency shall pay all documentary transfer taxes and the coverage premiums on the standard CLTA Title Policy. Purchaser shall pay the costs of (i) any Survey obtained by the Purchaser, (ii) any endorsements to the Title Policy and (iii) any title insurance premiums for any coverage over and above the standard policy coverage on the CLTA Title Policy to be paid by the Agency. In addition, the Purchaser and the Agency shall each pay one-half of any and all other usual and customary costs, expense and charges relating to the escrow and conveyance of title to the Property, including without limitation, recording fees, document preparation charges and escrow fees. Each party shall be responsible for its own Transaction Costs.

2.6.2 All non-delinquent and current installments of real estate and personal property taxes and any other governmental charges, regular assessments, or impositions against the Property on the basis of the current fiscal year or calendar year shall be pro-rated as of the Close of Escrow based on the actual current tax bill. If the Close of Escrow shall occur before the tax rate is fixed, the apportionment of taxes on the Close of Escrow shall be based on the tax rate for the next preceding year applied to the latest assessed valuation after the tax rate is fixed, which assessed valuation shall be based on the Property's assessed value prior to the Close of Escrow and the Agency and Purchaser shall, when the tax rate is fixed, make any necessary adjustment. All prorations shall be determined on the basis of a 365 day year. The provisions of this Section 2.6.2 shall survive the Close of Escrow and the recordation of the Grant Deed and shall not be deemed merged into the Grant Deed upon its recordation.

2.6.3 Any Escrow cancellation charges shall be allocated and paid as described in Section 2.3.2 above.

2.7 Due Diligence Period; Access. During the period (the “**Due Diligence Period**”) commencing on the Effective Date and ending at 5:00 p.m. on the date which is ninety (90) days after the Effective Date, the Purchaser may inspect the Property as necessary to (i) approve all zoning and land use matters relating to the Property, (ii) approve the physical condition of the Property, and (iii) satisfy any due diligence requirements of the Purchaser’s lender, if any. Subject to the terms of the Right of Entry and Access Agreement in the form of which is attached hereto as Exhibit “C” (the “**Right of Entry Agreement**”), the Purchaser and its agents shall have the right to enter upon the Property during the Due Diligence Period to make inspections and other examinations of the Property and the improvements thereon, including without limitation, the right to perform surveys, soil and geological tests of the Property and the right to perform environmental site assessments and studies of the Property. Prior to the Purchaser’s entry upon the Property, the parties shall execute the Right of Entry Agreement. The Agency shall reasonably cooperate with the Purchaser in its conduct of the due diligence review during the Due Diligence Period. In the event the Purchaser does not approve of the condition of the Property by written notice to the Agency prior to the expiration of the Due Diligence Period, this Agreement shall terminate, the Deposit shall be returned to Purchaser (including any interest earned thereon) and, except as otherwise expressly stated in this Agreement, neither party shall have any further rights or obligations to the other party.

2.8 Condition of the Property. The Property shall be conveyed from the Agency to the Purchaser on an “AS IS” condition and basis with all faults and the Purchaser agrees that the Agency has no obligation to make modifications, replacements or improvements thereto. Except as expressly and specifically provided in this Agreement, the Purchaser and anyone claiming by, through or under the Purchaser hereby waives its right to recover from and fully and irrevocably releases the Agency, the City and the Agency’s Oversight Board, and their respective officers, directors, employees, representatives, agents, advisors, servants, attorneys, successors and assigns, and all persons, firms, corporations and organizations acting on the Agency’s, City’s or Oversight Board’s behalf (collectively, the “**Released Parties**”) from any and all claims, responsibility and/or liability that the Purchaser may now have or hereafter acquire against any of the Released Parties for any costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to the matters pertaining to the Property described in this Section 2.8. This release includes claims of which the Purchaser is presently unaware or which the Purchaser does not presently suspect to exist which, if known by the Purchaser, would materially affect the Purchaser’s release of the Released Parties. If the Property is not in a condition suitable for the intended use or uses, then it is the sole responsibility and obligation of the Purchaser to take such action as may be necessary to place the Property in a condition suitable for Purchaser’s intended use or uses. Except as otherwise expressly and specifically provided in this Agreement and without limiting the generality of the foregoing, THE AGENCY MAKES NO REPRESENTATION OR WARRANTY AS TO (i) THE VALUE OF THE PROPERTY; (ii) THE INCOME TO BE DERIVED FROM THE PROPERTY; (iii) THE HABITABILITY, MARKETABILITY, PROFITABILITY, MERCHANTABILITY OR FITNESS FOR PARTICULAR USE OF THE PROPERTY; (iv) THE MANNER, QUALITY, STATE OF REPAIR OR CONDITION OF THE PROPERTY; (v) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR

REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY; (vi) COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION OR POLLUTION LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS; (vii) THE PRESENCE OR ABSENCE OF HAZARDOUS MATERIALS AT, ON, UNDER OR ADJACENT TO THE PROPERTY; (viii) THE FACT THAT ALL OR A PORTION OF THE PROPERTY MAY BE LOCATED ON OR NEAR AN EARTHQUAKE FAULT LINE; AND (ix) WITH RESPECT TO ANY OTHER MATTER, THE PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY AND REVIEW INFORMATION AND DOCUMENTATION AFFECTING THE PROPERTY, THE PURCHASER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND REVIEW OF SUCH INFORMATION AND DOCUMENTATION AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY THE AGENCY.

THE PURCHASER HEREBY ACKNOWLEDGES THAT IT HAS READ AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542, WHICH IS SET FORTH BELOW:

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

BY INITIALING BELOW, PURCHASER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES.

Purchaser's Initials



The waivers and releases by the Purchaser herein contained shall survive the Close of Escrow and the recordation of the Grant Deed and shall not be deemed merged into the Grant Deed upon its recordation.

Notwithstanding the foregoing, the waivers and releases contained in this Section 2.8 shall not apply to, nor shall the Released Parties be released from, any actual misrepresentation or act of fraud on their part.

2.9 Escrow Holder.

2.9.1 Escrow Holder is authorized and instructed to:

(a) Pay and charge the Purchaser for any fees, charges and costs payable by the Purchaser under this Article. Before such payments are made, the Escrow Holder shall notify the Agency and the Purchaser of the fees, charges, and costs necessary to close the Escrow;

(b) Pay and charge the Agency for any fees, charges and costs payable by the Agency under this Article. Before such payments are made, the Escrow Holder shall notify the Agency and the Purchaser of the fees, charges, and costs necessary to close the Escrow;

(c) Disburse funds and deliver the Grant Deed and other documents to the parties entitled thereto when the conditions of the Escrow and this Agreement have been fulfilled by the Agency and the Purchaser; and

(d) Record the Grant Deed and any other instruments delivered through the Escrow, if necessary or proper, to vest title in the Purchaser in accordance with the terms and provisions of this Agreement.

2.9.2 Any amendment of these escrow instructions shall be in writing and signed by both the Agency and the Purchaser.

2.9.3 All communications from the Escrow Holder to the Agency or the Purchaser shall be directed to the addresses and in the manner established in Section 4.1 of this Agreement for notices, demands and communications between the Agency and the Purchaser.

2.9.4 The responsibility of the Escrow Holder under this Agreement is limited to performance of the obligations imposed upon it under this Article, any amendments hereto, and any supplemental escrow instructions delivered to the Escrow Holder that do not materially amend or modify the express provisions of these escrow instructions.

ARTICLE 3 EVENTS OF DEFAULT, REMEDIES AND TERMINATION

3.1 Purchaser Events of Defaults. Occurrence of any or all of the following, prior to the Close of Escrow, if uncured after the expiration of any applicable cure period, shall constitute a default (“**Purchaser Event of Default**”) under this Agreement:

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

3.1.2 The Purchaser’s failure to perform any requirement or obligation of Purchaser set forth herein, on or prior to the date for such performance set forth herein, and, so long as such failure is not caused by any wrongful act of the Agency or the City, the Purchaser’s failure to cure such breach within thirty (30) days after receipt of written notice from the Agency of the Purchaser’s breach; or

3.1.3 The Purchaser’s failure to deposit with Escrow Holder the Deposit or the balance of the Purchase Price as required by Section 2.2.

3.2 Agency Events of Default. Occurrence of any or all of the following, prior to the Close of Escrow, if uncured after the expiration of the applicable cure period, shall constitute a default (“**Agency Event of Default**”, and together with the Purchaser Event of Default, a “**Default**”) under this Agreement:

3.2.1 The Agency, in violation of the applicable provision of this Agreement, fails to convey the Property to Purchaser at the Close of Escrow; or

3.2.2 The Agency breaches any other material provision of this Agreement.

Upon the occurrence of any of the above-described events, the Purchaser shall first notify the Agency in writing of its purported breach or failure, giving the Agency thirty (30) days from receipt of such notice to cure such breach or failure (other than a failure by the Agency to convey the Property at the Close of Escrow, for which there shall be no cure period) or if a cure is not possible within the thirty (30) day period, to begin such cure and diligently prosecute the same to completion, which shall, in any event, not exceed one hundred eighty (180) days from the date of receipt of the notice to cure.


3.3 Remedies in the Event of Default.

3.3.1 Remedies General. In the event of a breach or a default under this Agreement by either Purchaser or Agency, the non-defaulting party shall have the right to terminate this Agreement by providing ten (10) days written notice thereof to the defaulting party or, if Purchaser is the non-defaulting party, Purchaser as permitted by law may specifically enforce the provisions of this Agreement. If such breach or default is not cured within such ten (10) day period (other than a failure by the Agency to convey the Property at the Close of Escrow, for which there shall be no cure period), this Agreement and the Escrow for the purchase and sale of the Property shall terminate, and if Purchaser is the non-defaulting party, Purchaser shall thereupon promptly receive a refund of the Deposit and all interest accrued thereon. Except as herein otherwise expressly provided, such termination of the Escrow by a non-defaulting party shall be without prejudice to the non-defaulting party’s rights and remedies against the defaulting party at law or equity.

IF THE PURCHASER FAILS TO COMPLETE THE ACQUISITION OF THE PROPERTY AS HEREIN PROVIDED BY REASON OF ANY DEFAULT OF THE PURCHASER, IT IS AGREED THAT THE DEPOSIT SHALL BE NON-REFUNDABLE AND THE AGENCY SHALL BE ENTITLED TO SUCH DEPOSIT, WHICH AMOUNT SHALL BE ACCEPTED BY THE AGENCY AS LIQUIDATED DAMAGES AND NOT AS A PENALTY AND AS THE AGENCY'S SOLE AND EXCLUSIVE REMEDY. IT IS AGREED THAT SAID AMOUNT CONSTITUTES A REASONABLE ESTIMATE OF THE DAMAGES TO THE AGENCY PURSUANT TO CALIFORNIA CIVIL CODE SECTION 1671 ET SEQ. THE AGENCY AND PURCHASER AGREE THAT IT WOULD BE IMPRACTICAL OR IMPOSSIBLE TO PRESENTLY PREDICT WHAT MONETARY DAMAGES THE AGENCY WOULD SUFFER UPON THE PURCHASER'S FAILURE TO COMPLETE ITS ACQUISITION OF THE PROPERTY. THE PURCHASER DESIRES TO LIMIT THE MONETARY DAMAGES FOR WHICH IT MIGHT BE LIABLE HEREUNDER AND THE PURCHASER AND AGENCY DESIRE TO AVOID THE COSTS AND DELAYS THEY

WOULD INCUR IF A LAWSUIT WERE COMMENCED TO RECOVER DAMAGES OR OTHERWISE ENFORCE THE AGENCY'S RIGHTS. IF FURTHER INSTRUCTIONS ARE REQUIRED BY ESCROW HOLDER TO EFFECTUATE THE TERMS OF THIS PARAGRAPH, THE PURCHASER AND AGENCY AGREE TO EXECUTE THE SAME. THE PARTIES ACKNOWLEDGE THIS PROVISION BY PLACING THEIR INITIALS BELOW:

Agency


Purchaser

3.4 No Personal Liability. Except as specifically provided herein to the contrary, no representative, employee, attorney, agent or consultant of the Agency, City or Oversight Board shall personally be liable to the Purchaser, or any successor in interest of the Purchaser, in the event of any Default or breach by the Agency, or for any amount which may become due to the Purchaser, or any successor in interest, on any obligation under the terms of this Agreement. No representative, employee, attorney, agent or consultant of the Purchaser shall personally be liable to the Agency, City or Oversight Board, or any successor in interest of the Agency, City or Oversight Board, in the event of any Default or breach by the Purchaser, or for any amount which may become due to the Agency, City or Oversight Board, or any successor in interest, on any obligation under the terms of this Agreement.

3.5 Legal Actions.

3.5.1 Institution of Legal Actions. Any legal actions brought pursuant to this Agreement must be instituted in either the Superior Court of the County of Los Angeles, State of California, or in an appropriate municipal court in that County.

3.5.2 Applicable Law. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

3.5.3 Acceptance of Service of Process. If any legal action is commenced by the Purchaser against the Agency, service of process on the Agency shall be made by personal service upon the Executive Director or Secretary of the Agency, or in such other manner as may be provided by law. If any legal action is commenced by the Agency against the Purchaser, service of process on the Purchaser shall be made by personal service upon the Purchaser, or in such other manner as may be provided by law, whether made within or without the State of California.

3.6 Rights and Remedies are Cumulative. Except as otherwise expressly stated in this Agreement, 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 other party.

3.7 Inaction Not a Waiver of Default. Except as expressly provided in this Agreement to the contrary, any failure or delay 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.

ARTICLE 4 GENERAL PROVISIONS

4.1 Notices. All notices and demands shall be given in writing by certified mail, postage prepaid, and return receipt requested, by nationally recognized overnight courier or by personal delivery, or by facsimile or email sent between 8:00 a.m. (Pacific time) and 5:00 p.m. (Pacific time) on a business day accompanied or preceded by a telephone call with the recipient alerting the recipient of the facsimile or email. Notices shall be considered given upon the earlier of (a) personal delivery, (b) three (3) business days following deposit in the United States mail, postage prepaid, certified or registered, return receipt requested, (c) the next business day after deposit with a nationally reorganized overnight courier, or (d) on the day of facsimile or email transmission, in each instance addressed to the recipient as set forth below. 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:

Agency: Successor Agency to the
Industry Urban-Development Agency
15625 East Stafford Street, Suite 100
City of Industry, California 91744
Attention: Kevin Radecki
Telephone: (626) 333-2211
Facsimile: (626) 961-6795
Email: kradecki@cityofindustry.org

with a copy to: Richards, Watson & Gershon
355 South Grand Avenue, 40th Floor
Los Angeles, California 90071
Attention: Jim G. Grayson
Telephone: (213) 626-8484
Facsimile: (213) 626-0078
Email: jgrayson@rwglaw.com

Purchaser: R.Y. Properties, Inc.
212 South Palm Avenue
Suite 200
Alhambra, California 91801
Attention: Kimberly Yu
Robert Yu
Telephone: (626) 282-3100
Facsimile: (626) 282-6588
Email: Kimberlyyu@earthlink.net
Robertyu212@earthlink.net

with a copy to: Thomas F. Zimmerman
Attorney at Law
1000 Dove Street
Suite 300
Newport Beach, California 92679
Telephone: (949) 340-0644
Facsimile (877) 828-0383
Email: tfz@cox.net

4.2 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.

4.3 Purchaser's Warranties. The Purchaser warrants and represents to the City and the Agency as follows:

4.3.1 The Purchaser has full power and authority to execute and enter into this Agreement and to consummate the transaction contemplated hereunder. This Agreement constitutes the valid and binding agreement of the Purchaser, enforceable in accordance with its terms subject to bankruptcy, insolvency of other creditors' rights laws of general application. Neither the execution nor delivery of this Agreement, nor the consummation of the transactions covered hereby, nor compliance with the terms and provisions hereof, shall conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default under, any agreement or instrument to which the Purchaser is a party.

4.3.2 As of the Close of Escrow, the Purchaser will have inspected the Property and will be familiar with all aspects of the Property and its condition, and will accept such condition.

4.3.3 The Purchaser 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.

4.4 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.

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

4.6 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 Agency, or the Purchaser, without fault, is made a party to any litigation instituted by or against the other party, such other party shall defend it against and save it harmless from all costs and expenses including reasonable attorney's fees incurred in connection with such litigation.

4.7 Approvals by the Agency and the Purchaser. Unless otherwise specifically provided herein, wherever this Agreement requires the Agency or the Purchaser to approve any contract, document, plan, proposal, specification, drawing or other matter, such approval shall not unreasonably be withheld, conditioned or delayed.

4.8 Entire Agreement, Waivers and Amendments. This Agreement is executed in duplicate originals, each of which is deemed to be an original. This Agreement, together with all attachments and exhibits 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 Purchaser and the Agency acknowledge that no person has made, any representation, warranty, guaranty or promise except as 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 Purchaser or the Agency.

4.9 Counterparts. This Agreement may be executed simultaneously 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.

4.10 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.

4.11 Survival. The provisions hereof shall not terminate but rather shall survive any conveyance hereunder and the delivery of all consideration.

4.12 Representations of Agency. The Agency warrants and represents to the Purchaser as follows:

(a) The Agency has full power and authority to execute and enter into this Agreement and to consummate the transactions contemplated hereunder. This Agreement constitutes the valid and binding agreement of the Agency, enforceable in accordance with its terms subject to bankruptcy, insolvency and other creditors' rights laws of general application. Neither the execution nor delivery of this Agreement, nor the consummation of the transactions covered hereby, nor compliance with the terms and provisions hereof, shall conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default under, any agreement or instrument to which the Agency is a party.

(b) As of the Effective Date and the Close of Escrow, the Property is not presently the subject of any condemnation or similar proceeding, and to the Agency's knowledge, no such condemnation or similar proceeding is currently threatened or pending.

(c) As of the Close of Escrow, there are no management, service, supply or maintenance contracts affecting the Property which shall affect the Property on or following the Close of Escrow.

(d) The Agency has not authorized any broker or finder to act on its behalf in connection with the sale and purchase hereunder and the Agency has not dealt with any broker or finder purporting to act on behalf of the Agency or otherwise.

(e) As of the Close of Escrow, there are no leases or other occupancy agreements affecting the Property which shall affect the Property on or following the Close of Escrow.

(f) As of the Close of Escrow and to the actual knowledge of the Agency, the Agency has not received any written notice from any governmental entity, which it has not provided to the Purchaser, regarding (i) the violation of any law or governmental regulation, including, without limitation, any environmental law, with respect to the Property, or (ii) any investigation by any governmental entity with respect to whether the condition of the Property violates any environmental law.

As used in this Section 4.12, the phrase "to the actual knowledge of the Agency" shall mean the actual and current knowledge of Kevin Radecki. Kevin Radecki is primarily responsible for the management of the Property on behalf of the Agency. Kevin Radecki shall have no personal responsibility or liability with respect to the representation contained in Section 4.12(f) above.

4.13 Purchaser's Broker(s). Purchaser shall pay all commissions and fees that may be payable to any broker, finder or salesperson engaged by Purchaser, and shall defend, indemnify and hold Agency and City harmless from and against any and all claims, liabilities, losses, damages, costs and expenses relating thereto.

4.14 No Third Party Beneficiaries other than City and Agency's Oversight Board. City and the Agency's Oversight Board are third party beneficiaries of this Agreement, with the right to enforce the provisions hereof. This Agreement is made and entered into for the sole protection and benefit of the parties, City and the Agency's Oversight Board and their successors and assigns. Except as expressly provided in this Agreement, to the extent any rights or obligations under this Agreement remain in effect, this Agreement shall be binding upon and enforceable against, and shall inure to the benefit of and be enforceable by, the parties hereto and their respective heirs, legal representatives, successors and permitted assigns. No other person shall have any right of action based upon any provision of this Agreement.

4.15 Independent Consideration. Contemporaneously with the execution and delivery of this Agreement, Purchaser has delivered to Agency, and Agency hereby acknowledges the receipt of, a check in the amount of One Hundred Dollars (\$100.00) ("**Independent Consideration**"), which amount the parties bargained for and agreed to as consideration for

Developer's right to inspect and purchase the Property pursuant to this Agreement and for Agency's execution, delivery, and performance of this Agreement. The Independent Consideration is in addition to and independent of any other consideration or payment provided in this Agreement, is non-refundable, is fully earned, and shall be retained by Agency notwithstanding any other provision of this Agreement.

4.16 Assignment of Agreement. The Purchaser may assign its rights and obligations in whole, but not in part, under this Agreement upon giving at least ten (10) business days prior written notice to the Agency, and delivering to the Agency with such notice an executed assignment and assumption agreement under which the assignee accepts the assignment of this Agreement and agrees to be bound by all of the provisions hereof. Such assignment and assumption agreement shall also specify the address of the assignee to which notices shall be directed pursuant to Section 4.1. Agency hereby agrees to provide written acknowledgement of such executed assignment and assumption agreement within five (5) business days of Agency's receipt of such notice.

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

PURCHASER

R.Y. PROPERTIES, INC.,
a California corporation

By: 
Name: Robert Yu
Title: President

AGENCY

SUCCESSOR AGENCY TO THE INDUSTRY
URBAN-DEVELOPMENT AGENCY

By: _____
Name: _____
Title: _____

ATTEST:

Secretary

APPROVED AS TO FORM:

Richards, Watson & Gershon,
a professional corporation

By: _____
Agency Attorney

LIST OF EXHIBITS

- Exhibit "A" Legal Description of the Property
- Exhibit "B" Form of Grant Deed
- Exhibit "C" Form of Right of Entry Agreement
- Exhibit "D" Form of General Assignment

EXHIBIT "A"
LEGAL DESCRIPTION OF THE PROPERTY
(Attached.)

LEGAL DESCRIPTION
17301 Gale Avenue

CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

PARCEL A (APN: 8564-001-943 & 944)

A PORTION OF LOTS 1-35 INCLUSIVE OF BLOCK "A", PORTION OF LOTS 1-17, INCLUSIVE OF BLOCK "B", A PORTION OF BLOCK "C", BLOCK "G", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID LOS ANGELES COUNTY, ALONG WITH A PORTION OF FIRST STREET (60.00 FEET) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND VACATED BY THE ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, RECORDED MAY 15, 1957 IN BOOK 54512, PAGE 52 OF OFFICIAL RECORDS, A PORTION OF OLIVE STREET (60.00 FEET WIDE) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND VACATED BY RESOLUTION NO. 47 OF SAID CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957, IN BOOK 56151, PAGE 24, OFFICIAL RECORDS AND ALONG WITH A PORTION OF DEPOT STREET (60.00 FEET WIDE) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND, VACATED BY THE ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, RECORDED DECEMBER 31, 1980 AS INSTRUMENT NO. 80-1316607, ALL OF OFFICIAL RECORDS DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND, SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK D-1523 PAGE 453 OF OFFICIAL RECORDS; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF BLOCK "G", BLOCK "B", AND THE NORTHWESTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) NORTH 64° 06' 14" WEST, 805.15 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 270.00 FEET; THENCE LEAVING THE SOUTHWESTERLY LINE OF BLOCK

"B" AND CONTINUING NORTHWESTERLY ALONG SAID CURVE AND THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) 231.10 FEET THROUGH A CENTRAL ANGLE OF 49° 02' 24" TO THE BEGINNING OF A REVERSE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT OF REVERSE CURVE BEARS SOUTH 74° 56' 10" WEST; THENCE NORTHWESTERLY AND WESTERLY 284.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 20' 04" TO A POINT ON THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 33 OF BLOCK "A" OF SAID TOWN OF ROWLAND. A RADIAL LINE THROUGH SAID POINT BEARS NORTH 25° 36' 06" EAST; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION AND THE NORTHWESTERLY LINE OF SAID LOT 33, NORTH 25° 53' 46" EAST 110.94 FEET TO A POINT ON THE EASTERLY LINE OF SUPERIOR COURT CASE NO. 926888, RECORDED IN BOOK M-2785, PAGE 564 OF OFFICIAL RECORDS. SAID POINT ALSO BEING A NON-TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 130.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 89° 26' 31" EAST; THENCE NORTHERLY 22.23 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 47' 47"; THENCE NORTH 10° 21' 16" WEST 21.05 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL DESIGNATED AS PARCEL 6 PER INSTRUMENT NO. 2500, RECORDED JANUARY 17, 1975 IN BOOK D-6532 PAGE 478 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHEASTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, NORTH 25° 53' 46" EAST 98.44 FEET; THENCE NORTH 64° 06' 14" WEST 72.18 FEET TO A POINT ON THE EASTERLY LINE OF THE HEREINABOVE MENTIONED SUPERIOR COURT CASE NO. 926888; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 10° 21' 16" EAST 2.48 FEET; THENCE ALONG A LINE THAT IS PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK "A" NORTH 64° 06' 14" WEST 62.76 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND DISTANT 60.00 FEET EASTERLY FROM THE WESTERLY LINE OF LOT 1 OF SAID BLOCK "A"; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1 NORTH 05° 32' 45" EAST 223.98 FEET TO A POINT ON THE NORTHEASTERLY LINE OF DEPOT STREET (VACATED, 60.00 FEET WIDE); THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF DEPOT STREET (VACATED, 60.00 FEET WIDE) SOUTH 64° 06' 14" EAST 1,495.32 FEET A POINT ON THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF BLOCK "C" OF SAID TOWN OF ROWLAND; THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY PROLONGATION OF SAID BLOCK "C", SOUTH 25° 53' 46" WEST 60.00 FEET TO THE MOST EASTERLY CORNER OF SAID BLOCK "C"; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF BLOCK "C", SOUTH 25° 53' 46" WEST 60.00 FEET TO THE MOST EASTERLY CORNER OF SAID BLOCK "C"; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF BLOCK "C" AND THE SOUTHEASTERLY LINE OF BLOCK "G", SOUTH 25° 53' 46" WEST 600.00 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM A PORTION OF BLOCK "C", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH A PORTION OF DEPOT STREET, 60.00 FEET WIDE, AS DEDICATED IN THE MAP OF TOWN OF ROWLAND AND VACATED BY ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES RECORDED DECEMBER 31, 1980, AS INSTRUMENT NO. 80-13166077, OF OFFICIAL RECORDS AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND; THENCE ALONG THE SOUTHEASTERLY LINES OF BLOCK "G" AND BLOCK "C" AND THEIR PROLONGATION THROUGH OLIVE STREET, 60.00 FEET WIDE, VACATED PER RESOLUTION NO. 47 OF THE CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957, IN BOOK 56561, PAGE 24 OF OFFICIAL RECORDS OF SAID COUNTY, NORTH 25° 53' 46" EAST, 530 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG THE SOUTHEASTERLY LINE OF SAID BLOCK "C" AND ITS NORTHEASTERLY PROLONGATION, NORTH 25° 53' 46" EAST, 100.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 30.00 FEET NORTHEASTERLY AS MEASURED AT RIGHT ANGLES FROM THE NORTHEASTERLY LINE OF SAID BLOCK "C"; THENCE ALONG SAID PARALLEL LINE, NORTH 64° 06' 14" WEST, 200.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 200.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 200.00 FEET NORTHWESTERLY AS MEASURED AT RIGHT ANGLES FROM THE SOUTHEASTERLY LINE OF BLOCK "C" OF TOWN OF ROWLAND; THENCE ALONG SAID PARALLEL LINE, SOUTH 25° 53' 46" WEST, 100.00 FEET; THENCE SOUTH 64° 06' 14" EAST, 200.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL B (APN: 8264-001-928)

THOSE PORTIONS OF LOTS 1, 2, 3, 34 AND 35 OF BLOCK "A", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH A PORTION OF OLIVE STREET (60.00 FEET WIDE) AS DEDICATED ON SAID MAP OF TOWN OF ROWLAND AND VACATED BY RESOLUTION No.47 OF SAID CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957 IN BOOK 56151, PAGE 24, OFFICIAL RECORDS OF SAID COUNTY, ALL TOGETHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST SOUTHERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND, SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF GALE

AVENUE (60.00 FEET WIDE) AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK D-1523 PAGE 453 OF OFFICIAL RECORDS; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF BLOCK "G", BLOCK "B", AND THE NORTHWESTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) NORTH 64° 06' 14" WEST, 805.15 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 270.00 FEET; THENCE LEAVING THE SOUTHWESTERLY LINE OF BLOCK "B" AND CONTINUING NORTHWESTERLY ALONG SAID CURVE AND THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) 231.10 FEET THROUGH A CENTRAL ANGLE OF 49° 02' 24" TO THE BEGINNING OF A REVERSE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT OF REVERSE CURVE BEARS SOUTH 74° 56' 10" WEST; THENCE NORTHWESTERLY AND WESTERLY 284.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 20' 04" TO A POINT ON THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 33 OF BLOCK "A" OF SAID TOWN OF ROWLAND. A RADIAL LINE THROUGH SAID POINT BEARS NORTH 25° 36' 06" EAST, SAID SOUTHWESTERLY PROLONGATION ALSO BEING THE POINT OF BEGINNING; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION AND THE NORTHWESTERLY LINE OF SAID LOT 33, NORTH 25° 53' 46" EAST 110.94 FEET TO A POINT ON THE EASTERLY LINE OF SUPERIOR COURT CASE NO. 926888, RECORDED IN BOOK M-2785, PAGE 564 OF OFFICIAL RECORDS. SAID POINT ALSO BEING A NON-TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 130.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 89° 26' 31" EAST; THENCE NORTHERLY 22.23 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 47' 47"; THENCE NORTH 10° 21' 16" WEST 21.05 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL DESIGNATED AS PARCEL 6 PER INSTRUMENT NO. 2500, RECORDED JANUARY 17, 1975 IN BOOK D-6532 PAGE 478 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHEASTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, NORTH 25° 53' 46" EAST 98.44 FEET; THENCE NORTH 64° 06' 14" WEST 72.18 FEET TO A POINT ON THE EASTERLY LINE OF THE HEREINABOVE MENTIONED SUPERIOR COURT CASE NO. 926888; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 10° 21' 16" EAST 2.48 FEET; THENCE ALONG A LINE THAT IS PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK "A" NORTH 64° 06' 14" WEST 62.76 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND DISTANT 60.00 FEET EASTERLY FROM THE WESTERLY LINE OF LOT 1 OF SAID BLOCK "A"; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1 SOUTH 05° 32' 45" WEST 266.71 FEET TO A POINT ON THE NORTHEASTERLY LINE OF GALE AVENUE (VARIED WIDTH), SAID POINT BEING ON A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 14°17'07" EAST; THENCE NORTHEASTERLY ALONG LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 11°18'59", A DISTANCE OF 65.18 FEET TO THE POINT OF BEGINNING

PARCEL C

A NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY FOR ROAD PURPOSES OVER THAT PORTION OF DEPOT STREET, WHICH IS DESCRIBED AS FOLLOWS:

THAT PORTION OF DEPOT STREET, 60 FEET WIDE, AS SHOWN ON THE MAP OF TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHEASTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF BLOCK "D" OF SAID TOWN OF ROWLAND AND THE NORTHEASTERLY PROLONGATION OF LINE PARALLEL WITH AND DISTANT SOUTHEASTERLY 396.11 FEET MEASURED AT RIGHT ANGLES FROM THE SAID NORTHWESTERLY LINE OF SAID BLOCK "D" OF SAID TOWN OF ROWLAND.

PARCEL D

A NON-EXCLUSIVE EASEMENT AND RIGHT-OF-WAY FOR ROAD PURPOSES OVER THAT PORTION OF DEPOT STREET, WHICH IS DESCRIBED AS FOLLOWS:

THAT PORTION OF DEPOT STREET, 60 FEET WIDE, AS SHOWN ON THE MAP OF TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF BLOCK "F" OF SAID TOWN OF ROWLAND, AND THE NORTHEASTERLY PROLONGATION OF LINE PARALLEL WITH AND DISTANT SOUTHEASTERLY 396.11 FEET, MEASURED AT RIGHT ANGLES FROM THE SAID NORTHWESTERLY LINE OF SAID BLOCK "D" OF SAID TOWN OF ROWLAND.

THE ABOVE DESCRIBED PARCELS CONTAINING 19.08 ACRE (831,310.35 SQUARE FEET) OF LAND, MORE OR LESS.

Page 5 of 6

AND AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART OF HEREOF.

CLEMENT N. CALVILLO, RCE 27743
CNC Engineering
Job No. MP 12-03 #3 Legal No.1012
Checked by: ___ February 19, 2015

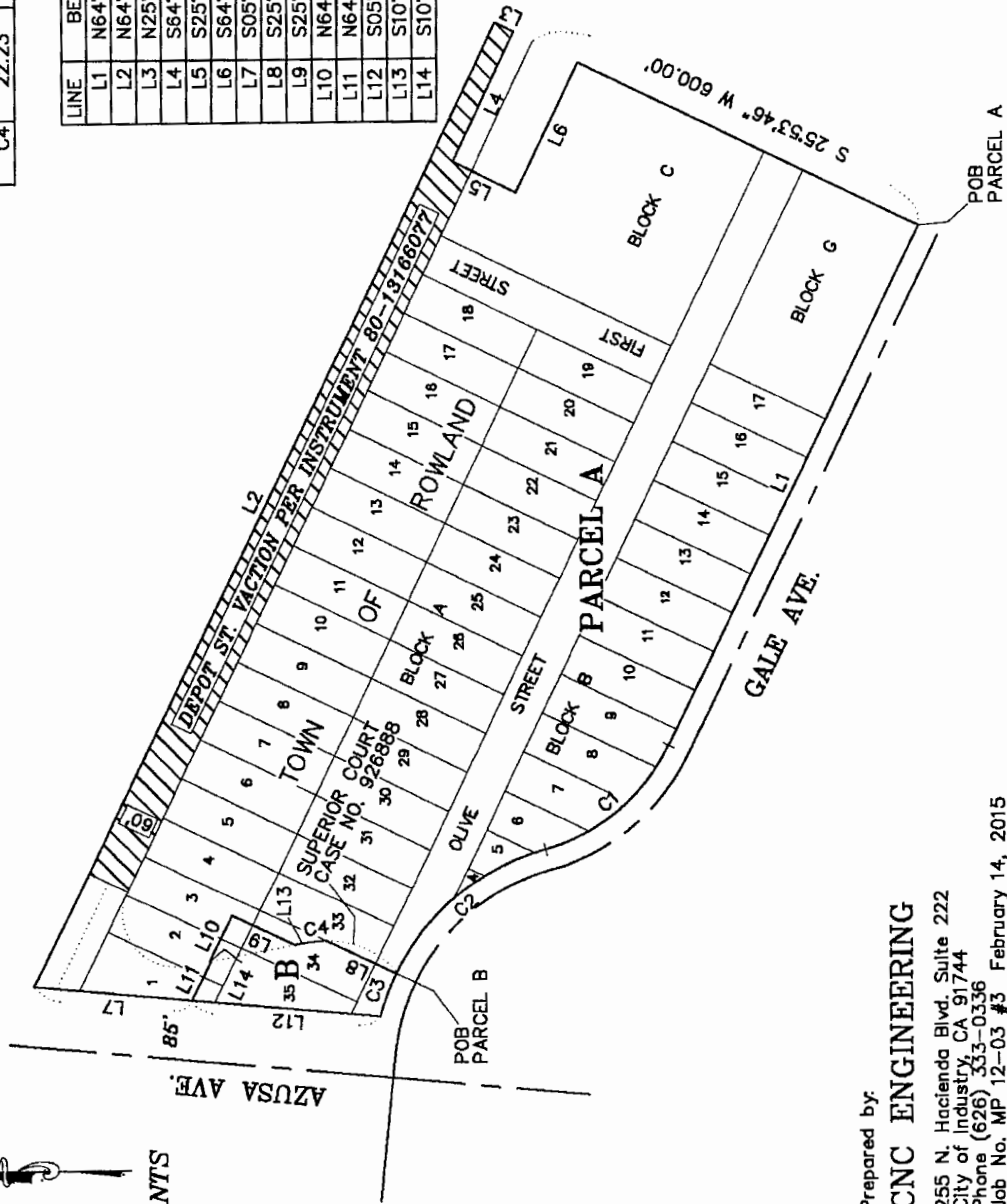
Page 6 of 6

A-7

EXHIBIT B

LINE	ARC	RADIUS	DELTA
C1	231.10'	270.00'	49°02'24"
C2	284.15'	330.00'	49°20'04"
C3	65.18'	330.00'	11°18'59"
C4	22.23'	130.00'	9°47'47"

LINE	BEARING	DISTANCE
L1	N64°06'14"W	805.15'
L2	N64°06'14"W	1495.32'
L3	N25°53'46"E	30.00'
L4	S64°06'14"E	200.00'
L5	S25°53'46"W	100.00'
L6	S64°06'14"E	200.00'
L7	S05°32'45"W	223.98'
L8	S25°53'46"W	110.94'
L9	S25°53'46"W	98.44'
L10	N64°06'14"W	72.18'
L11	N64°06'14"W	62.76'
L12	S05°32'45"W	266.71'
L13	S10°21'16"E	21.05'
L14	S10°21'16"E	2.48'



Legal No. 1012
SHEET 1 OF 1

Prepared by:
CNC ENGINEERING
255 N. Hacienda Blvd, Suite 222
City of Industry, CA 91744
Phone (626) 333-0336
Job No. MP 12-03 #3 February 14, 2015

EXHIBIT "B"

FORM OF GRANT DEED

RECORDING REQUESTED BY:

FIRST AMERICAN TITLE INSURANCE COMPANY

AND WHEN RECORDED RETURN TO:

Successor Agency to the
Industry Urban-Development Agency
15625 East Stafford Street, Suite 100
City of Industry, California 91744
Attention: Diane Schlichting

APN:

[The undersigned declares that this Grant Deed is exempt from Recording Fees pursuant to California Government Code Section 27383]

GRANT DEED

Documentary Transfer Tax: \$ _____

THE UNDERSIGNED GRANTOR DECLARES:

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY** (the "**Grantor**"), hereby grants to **R.Y. PROPERTIES, INC.**, a California corporation (the "**Grantee**"), that certain real property described in Exhibit A attached hereto (the "**Site**") and incorporated herein by this reference, together with all improvements located thereon and all of Grantor's right title and interest in and to all easements, privileges and rights appurtenant to the Site.

This Grant Deed of the Site is subject to the provisions of a Purchase and Sale Agreement [17201 and 17301 Gale Avenue] (the "**Agreement**") entered into by and between the Grantor and Grantee dated as of _____, 2015, the terms of which are incorporated herein by reference. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Agreement. A copy of the Agreement is available for public inspection at the offices of the Grantor located at 15625 East Stafford Street, Suite 100, City of Industry, California 91744. The Site is conveyed further subject to all easements, rights of way, covenants, conditions, restrictions, reservations and all other matters of record, and the following conditions, covenants and agreements.

1. The Grantee 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 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 premises herein conveyed, nor shall the Grantee himself or herself, 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.

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. All deeds, leases or contracts entered into with respect to the Property shall contain or be subject to substantially the following nondiscrimination/nonsegregation 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 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 premises herein conveyed, nor shall the Grantee himself or herself, 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, 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.”

(b) In leases: “The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of 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 occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the premises 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.”

(c) In contracts: “The contracting party or parties hereby covenant by and for himself or herself and their respective successors and assigns, 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, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the contracting party or parties, any subcontracting party or parties, or their respective assigns or transferees, establish or permit any such practice or practices of discrimination or segregation.

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. All covenants and agreements 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 as provided in the Agreement, without regard to whether the Grantor is or remains an owner of any land or interest therein to which such covenants relate. The Grantor, in the event of any breach of any such covenants, shall have the right to exercise all of the rights and remedies provided herein or otherwise available, and to maintain any actions at law or suits in equity or other property proceedings to enforce the curing of such breach. 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 covenants contained in Paragraphs 1 and 2 of this Grant Deed shall remain in effect in perpetuity except as otherwise expressly set forth therein.

5. This Grant Deed may be executed simultaneously 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, Grantor and Grantee have caused this Grant Deed to be executed and notarized as of this ____ day of _____, 20__.

GRANTOR:

SUCCESSOR AGENCY TO THE INDUSTRY
URBAN-DEVELOPMENT AGENCY

By: _____

Name: _____

Title: _____

ATTEST:

Secretary

GRANTEE:

R.Y. PROPERTIES, INC.,
a California corporation

By: _____

Name: Robert Yu

Title: President

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 Los Angeles)

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 Los Angeles)

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
(Attached.)

LEGAL DESCRIPTION
17301 Gale Avenue

CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

PARCEL A (APN: 8564-001-943 & 944)

A PORTION OF LOTS 1-35 INCLUSIVE OF BLOCK "A", PORTION OF LOTS 1-17, INCLUSIVE OF BLOCK "B", A PORTION OF BLOCK "C", BLOCK "G", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID LOS ANGELES COUNTY, ALONG WITH A PORTION OF FIRST STREET (60.00 FEET) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND VACATED BY THE ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, RECORDED MAY 15, 1957 IN BOOK 54512, PAGE 52 OF OFFICIAL RECORDS, A PORTION OF OLIVE STREET (60.00 FEET WIDE) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND VACATED BY RESOLUTION NO. 47 OF SAID CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957, IN BOOK 56151, PAGE 24, OFFICIAL RECORDS AND ALONG WITH A PORTION OF DEPOT STREET (60.00 FEET WIDE) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND, VACATED BY THE ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, RECORDED DECEMBER 31, 1980 AS INSTRUMENT NO. 80-1316607, ALL OF OFFICIAL RECORDS DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND, SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK D-1523 PAGE 453 OF OFFICIAL RECORDS; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF BLOCK "G", BLOCK "B", AND THE NORTHWESTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) NORTH 64° 06' 14" WEST, 805.15 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 270.00 FEET; THENCE LEAVING THE SOUTHWESTERLY LINE OF BLOCK

"B" AND CONTINUING NORTHWESTERLY ALONG SAID CURVE AND THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) 231.10 FEET THROUGH A CENTRAL ANGLE OF 49° 02' 24" TO THE BEGINNING OF A REVERSE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT OF REVERSE CURVE BEARS SOUTH 74° 56' 10" WEST; THENCE NORTHWESTERLY AND WESTERLY 284.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 20' 04" TO A POINT ON THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 33 OF BLOCK "A" OF SAID TOWN OF ROWLAND. A RADIAL LINE THROUGH SAID POINT BEARS NORTH 25° 36' 06" EAST; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION AND THE NORTHWESTERLY LINE OF SAID LOT 33, NORTH 25° 53' 46" EAST 110.94 FEET TO A POINT ON THE EASTERLY LINE OF SUPERIOR COURT CASE NO. 926888, RECORDED IN BOOK M-2785, PAGE 564 OF OFFICIAL RECORDS. SAID POINT ALSO BEING A NON-TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 130.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 89° 26' 31" EAST; THENCE NORTHERLY 22.23 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 47' 47"; THENCE NORTH 10° 21' 16" WEST 21.05 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL DESIGNATED AS PARCEL 6 PER INSTRUMENT NO. 2500, RECORDED JANUARY 17, 1975 IN BOOK D-6532 PAGE 478 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHEASTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, NORTH 25° 53' 46" EAST 98.44 FEET; THENCE NORTH 64° 06' 14" WEST 72.18 FEET TO A POINT ON THE EASTERLY LINE OF THE HEREINABOVE MENTIONED SUPERIOR COURT CASE NO. 926888; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 10° 21' 16" EAST 2.48 FEET; THENCE ALONG A LINE THAT IS PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK "A" NORTH 64° 06' 14" WEST 62.76 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND DISTANT 60.00 FEET EASTERLY FROM THE WESTERLY LINE OF LOT 1 OF SAID BLOCK "A"; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1 NORTH 05° 32' 45" EAST 223.98 FEET TO A POINT ON THE NORTHEASTERLY LINE OF DEPOT STREET (VACATED, 60.00 FEET WIDE); THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF DEPOT STREET (VACATED, 60.00 FEET WIDE) SOUTH 64° 06' 14" EAST 1,495.32 FEET A POINT ON THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF BLOCK "C" OF SAID TOWN OF ROWLAND; THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY PROLONGATION OF SAID BLOCK "C", SOUTH 25° 53' 46" WEST 60.00 FEET TO THE MOST EASTERLY CORNER OF SAID BLOCK "C"; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF BLOCK "C", SOUTH 25° 53' 46" WEST 60.00 FEET TO THE MOST EASTERLY CORNER OF SAID BLOCK "C"; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF BLOCK "C" AND THE SOUTHEASTERLY LINE OF BLOCK "G", SOUTH 25° 53' 46" WEST 600.00 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM A PORTION OF BLOCK "C", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH A PORTION OF DEPOT STREET, 60.00 FEET WIDE, AS DEDICATED IN THE MAP OF TOWN OF ROWLAND AND VACATED BY ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES RECORDED DECEMBER 31, 1980, AS INSTRUMENT NO. 80-13166077, OF OFFICIAL RECORDS AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND; THENCE ALONG THE SOUTHEASTERLY LINES OF BLOCK "G" AND BLOCK "C" AND THEIR PROLONGATION THROUGH OLIVE STREET, 60.00 FEET WIDE, VACATED PER RESOLUTION NO. 47 OF THE CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957, IN BOOK 56561, PAGE 24 OF OFFICIAL RECORDS OF SAID COUNTY, NORTH 25° 53' 46" EAST, 530 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG THE SOUTHEASTERLY LINE OF SAID BLOCK "C" AND ITS NORTHEASTERLY PROLONGATION, NORTH 25° 53' 46" EAST, 100.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 30.00 FEET NORTHEASTERLY AS MEASURED AT RIGHT ANGLES FROM THE NORTHEASTERLY LINE OF SAID BLOCK "C"; THENCE ALONG SAID PARALLEL LINE, NORTH 64° 06' 14" WEST, 200.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 200.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 200.00 FEET NORTHWESTERLY AS MEASURED AT RIGHT ANGLES FROM THE SOUTHEASTERLY LINE OF BLOCK "C" OF TOWN OF ROWLAND; THENCE ALONG SAID PARALLEL LINE, SOUTH 25° 53' 46" WEST, 100.00 FEET; THENCE SOUTH 64° 06' 14" EAST, 200.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL B (APN: 8264-001-928)

THOSE PORTIONS OF LOTS 1, 2, 3, 34 AND 35 OF BLOCK "A", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH A PORTION OF OLIVE STREET (60.00 FEET WIDE) AS DEDICATED ON SAID MAP OF TOWN OF ROWLAND AND VACATED BY RESOLUTION No.47 OF SAID CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957 IN BOOK 56151, PAGE 24, OFFICIAL RECORDS OF SAID COUNTY, ALL TOGETHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST SOUTHERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND, SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF GALE

AVENUE (60.00 FEET WIDE) AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK D-1523 PAGE 453 OF OFFICIAL RECORDS; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF BLOCK "G", BLOCK "B", AND THE NORTHWESTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) NORTH 64° 06' 14" WEST, 805.15 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 270.00 FEET; THENCE LEAVING THE SOUTHWESTERLY LINE OF BLOCK "B" AND CONTINUING NORTHWESTERLY ALONG SAID CURVE AND THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) 231.10 FEET THROUGH A CENTRAL ANGLE OF 49° 02' 24" TO THE BEGINNING OF A REVERSE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT OF REVERSE CURVE BEARS SOUTH 74° 56' 10" WEST; THENCE NORTHWESTERLY AND WESTERLY 284.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 20' 04" TO A POINT ON THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 33 OF BLOCK "A" OF SAID TOWN OF ROWLAND. A RADIAL LINE THROUGH SAID POINT BEARS NORTH 25° 36' 06" EAST, SAID SOUTHWESTERLY PROLONGATION ALSO BEING THE POINT OF BEGINNING; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION AND THE NORTHWESTERLY LINE OF SAID LOT 33, NORTH 25° 53' 46" EAST 110.94 FEET TO A POINT ON THE EASTERLY LINE OF SUPERIOR COURT CASE NO. 926888, RECORDED IN BOOK M-2785, PAGE 564 OF OFFICIAL RECORDS. SAID POINT ALSO BEING A NON-TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 130.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 89° 26' 31" EAST; THENCE NORTHERLY 22.23 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 47' 47"; THENCE NORTH 10° 21' 16" WEST 21.05 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL DESIGNATED AS PARCEL 6 PER INSTRUMENT NO. 2500, RECORDED JANUARY 17, 1975 IN BOOK D-6532 PAGE 478 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHEASTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, NORTH 25° 53' 46" EAST 98.44 FEET; THENCE NORTH 64° 06' 14" WEST 72.18 FEET TO A POINT ON THE EASTERLY LINE OF THE HEREINABOVE MENTIONED SUPERIOR COURT CASE NO. 926888; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 10° 21' 16" EAST 2.48 FEET; THENCE ALONG A LINE THAT IS PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK "A" NORTH 64° 06' 14" WEST 62.76 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND DISTANT 60.00 FEET EASTERLY FROM THE WESTERLY LINE OF LOT 1 OF SAID BLOCK "A"; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1 SOUTH 05° 32' 45" WEST 266.71 FEET TO A POINT ON THE NORTHEASTERLY LINE OF GALE AVENUE (VARIED WIDTH), SAID POINT BEING ON A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 14°17'07" EAST; THENCE NORTHEASTERLY ALONG LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 11°18'59", A DISTANCE OF 65.18 FEET TO THE POINT OF BEGINNING

PARCEL C

A NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY FOR ROAD PURPOSES OVER THAT PORTION OF DEPOT STREET, WHICH IS DESCRIBED AS FOLLOWS:

THAT PORTION OF DEPOT STREET, 60 FEET WIDE, AS SHOWN ON THE MAP OF TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHEASTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF BLOCK "D" OF SAID TOWN OF ROWLAND AND THE NORTHEASTERLY PROLONGATION OF LINE PARALLEL WITH AND DISTANT SOUTHEASTERLY 396.11 FEET MEASURED AT RIGHT ANGLES FROM THE SAID NORTHWESTERLY LINE OF SAID BLOCK "D" OF SAID TOWN OF ROWLAND.

PARCEL D

A NON-EXCLUSIVE EASEMENT AND RIGHT-OF-WAY FOR ROAD PURPOSES OVER THAT PORTION OF DEPOT STREET, WHICH IS DESCRIBED AS FOLLOWS:

THAT PORTION OF DEPOT STREET, 60 FEET WIDE, AS SHOWN ON THE MAP OF TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF BLOCK "F" OF SAID TOWN OF ROWLAND, AND THE NORTHEASTERLY PROLONGATION OF LINE PARALLEL WITH AND DISTANT SOUTHEASTERLY 396.11 FEET, MEASURED AT RIGHT ANGLES FROM THE SAID NORTHWESTERLY LINE OF SAID BLOCK "D" OF SAID TOWN OF ROWLAND.

THE ABOVE DESCRIBED PARCELS CONTAINING 19.08 ACRE (831,310.35 SQUARE FEET) OF LAND, MORE OR LESS.

Page 5 of 6

AND AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART OF HEREOF.

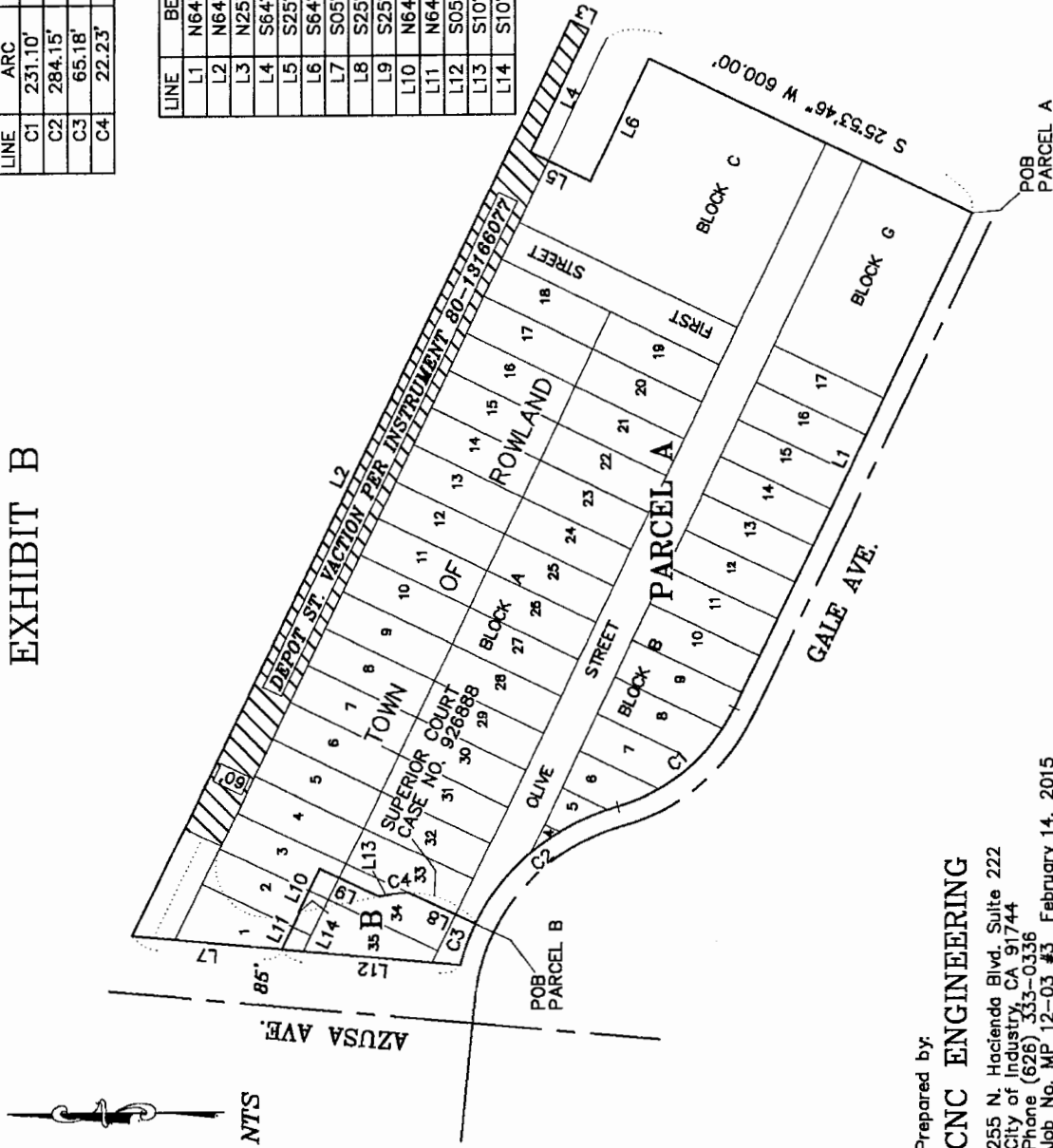
CLEMENT N. CALVILLO, RCE 27743
CNC Engineering
Job No. MP 12-03 #3 Legal No.1012
Checked by: ____ February 19, 2015

Page 6 of 6

EXHIBIT B

LINE	ARC	RADIUS	DELTA
C1	231.10'	270.00'	49°02'24"
C2	284.15'	330.00'	49°20'04"
C3	65.18'	330.00'	11°18'59"
C4	22.23'	130.00'	9°47'47"

LINE	BEARING	DISTANCE
L1	N64°06'14"W	805.15'
L2	N64°06'14"W	1495.32'
L3	N25°53'46"E	30.00'
L4	S64°06'14"E	200.00'
L5	S25°53'46"W	100.00'
L6	S64°06'14"E	200.00'
L7	S05°32'45"W	223.98'
L8	S25°53'46"W	110.94'
L9	S25°53'46"W	98.44'
L10	N64°06'14"W	72.18'
L11	N64°06'14"W	62.76'
L12	S05°32'45"W	266.71'
L13	S10°21'16"E	21.05'
L14	S10°21'16"E	2.48'



Legcl. No. 1012
SHEET 1 OF 1

Prepared by:
CNC ENGINEERING
255 N. Hacienda Blvd. Suite 222
City of Industry, CA 91744
Phone (626) 333-0336
Job No. MP 12-03 #3 February 14, 2015

EXHIBIT "C"

RIGHT OF ENTRY AND ACCESS AGREEMENT

THIS RIGHT OF ENTRY AND ACCESS AGREEMENT (herein called this "**Agreement**") is made and entered into as of _____, 2015, by the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**, a public body, corporate and politic (herein called "**Grantor**"), and **R.Y. PROPERTIES, INC.**, a California corporation (herein called "**Grantee**").

WITNESSETH:

WHEREAS, Grantor is the owner of the real property more particularly described on Exhibit A, which exhibit is attached hereto and incorporated herein by reference (herein called the "**Property**");

WHEREAS, concurrently with the execution of this Agreement, Grantor and Grantee contemplate entering into a Purchase and Sale Agreement related to the Property (the "**Purchase Agreement**");

WHEREAS, Grantee has requested the right of entry upon and access to the Property for the purpose of undertaking tests, inspections and other due diligence activities (herein called the "**Due Diligence Activities**") in connection with the proposed acquisition by Grantee of the Property;

WHEREAS, Grantor has agreed to grant to Grantee, and Grantee has agreed to accept from Grantor, a non-exclusive, revocable license to enter upon the Property to perform the Due Diligence Activities in accordance with the terms and provisions of this Agreement;

WHEREAS, Grantor and Grantee desire to execute and enter into this Agreement for the purpose of setting forth their agreement with respect to the Due Diligence Activities and Grantee's entry upon the Property.

NOW, THEREFORE, for and in consideration of the foregoing premises, the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee do hereby covenant and agree as follows:

1. Access by Grantee.

(a) Subject to Grantee's compliance with the terms and provisions of this Agreement, until the earlier to occur of (i) the expiration of the Due Diligence Period (as defined in the Purchase Agreement); or (ii) the earlier termination of this Agreement, Grantee and Grantee's agents, employees, contractors, representatives and other designees (herein collectively called "**Grantee's Designees**") shall have the right to enter upon the Property for the purpose of conducting the Due Diligence Activities.

(b) Grantee expressly agrees as follows: (i) any activities by or on behalf of Grantee, including, without limitation, the entry by Grantee or Grantee's Designees onto the Property in connection with the Due Diligence Activities shall not materially damage the Property in any manner whatsoever or disturb or interfere with the rights or possession of any tenant on the Property, (ii) in the event the Property is materially altered or disturbed in any manner in connection with the Due Diligence Activities, Grantee shall immediately return the Property to substantially the same condition existing prior to the Due Diligence Activities, and (iii) Grantee, to the extent allowed by law, shall indemnify, defend and hold Grantor harmless from and against any and all claims, liabilities, damages, losses, costs and expenses of any kind or nature whatsoever (including, without limitation, reasonable attorneys' fees and expenses and court costs) suffered, incurred or sustained by Grantor as a result of, by reason of, or in connection with the Due Diligence Activities or the entry by Grantee or Grantee's Designees onto the Property; provided, however, that in no event shall Grantee be liable for any liabilities, damages, losses, costs or expenses of any kind or nature that relate, directly or indirectly, to (y) consequential or punitive damages; or (z) matters that are merely discovered, but not exacerbated, by Grantee. Notwithstanding any provision of this Agreement to the contrary, Grantee shall not have the right to undertake any invasive activities or tests upon the Property, or any environmental testing on the Property beyond the scope of a standard "Phase I" investigation, without the prior written consent of Grantor of a workplan for such "Phase II" or invasive testing. If Grantor does not respond or reject any workplan within ten (10) days of Grantee's delivery of the written workplan proposal to Grantor pursuant to the notice provisions of this Agreement, then Grantor shall be deemed to have approved the submitted workplan and Grantee may proceed with such testing. If Grantor rejects such proposed workplan in whole or in part, then this Agreement shall become null and void at the sole option of Grantee, which option must be exercised by Grantee's giving Grantor written notice on or before the expiration of the Due Diligence Period, as defined in the Purchase Agreement.

2. Lien Waivers. Upon receipt of a written request from Grantor, Grantee will provide Grantor with lien waivers following completion of the Due Diligence Activities from each and every contractor, materialman, engineer, architect and surveyor who might have lien rights, in form and substance reasonably satisfactory to Grantor and its counsel. Grantee hereby indemnifies Grantor from and against any claims or demands for payment, or any liens or lien claims made against Grantor or the Property as a result of the Due Diligence Activities.

3. Insurance. Grantee shall, and shall cause all of Grantee's Designees performing the Due Diligence Activities to, procure or maintain a policy of commercial general liability insurance issued by an insurer reasonably satisfactory to Grantor covering each of the Due Diligence Activities with a single limit of liability (per occurrence and aggregate) of not less than One Million Dollars (\$1,000,000.00), and to deliver to Grantor a certificate of insurance evidencing that such insurance is in force and effect, and evidencing that Grantor has been named as an additional insured thereunder with respect to the Due Diligence Activities. Such insurance shall be maintained in force throughout the term of this Agreement.

4. Successors. To the extent any rights or obligations under this Agreement remain in effect, this Agreement shall be binding upon and enforceable against, and shall inure to the benefit of, the parties hereto and their respective heirs, legal representatives, successors and permitted assigns.

5. Limitations. Grantor does not hereby convey to Grantee any right, title or interest in or to the Property, but merely grants the specific rights and privileges hereinabove set forth.

6. Notices. Whenever any notice, demand, or request is required or permitted under this Agreement, such notice, demand, or request shall be in writing and shall be delivered by hand, be sent by registered or certified mail, postage prepaid, return receipt requested, or shall be sent by nationally recognized commercial courier for next business day delivery, to the addresses set forth below the respective executions of the parties hereof, or to such other addresses as are specified by written notice given in accordance herewith, or shall be transmitted by facsimile to the number for each party set forth below their respective executions hereof, or to such other numbers as are specified by written notice given in accordance herewith. All notices, demands, or requests delivered by hand shall be deemed given upon the date so delivered; those given by mailing as hereinabove provided shall be deemed given on the date of deposit in the United States Mail; those given by commercial courier as hereinabove provided shall be deemed given on the date of deposit with the commercial courier; and those given by facsimile shall be deemed given on the date of facsimile transmittal. Nonetheless, the time period, if any, in which a response to any notice, demand, or request must be given shall commence to run from the date of receipt of the notice, demand, or request by the addressee thereof. Any notice, demand, or request not received because of changed address or facsimile number of which no notice was given as hereinabove provided or because of refusal to accept delivery shall be deemed received by the party to whom addressed on the date of hand delivery, on the date of facsimile transmittal, on the first calendar day after deposit with commercial courier, or on the third calendar day following deposit in the United States Mail, as the case may be.

7. Assignment. This Agreement may be assigned by Grantee, in whole or in part.

8. Governing Law. This Agreement shall be construed, enforced and interpreted in accordance with the laws of the State of California.

9. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

10. No Recording of Agreement or Memorandum of Agreement. In no event shall this Agreement or any memorandum hereof be recorded in the Official Records of Los Angeles County, California, and any such recordation or attempted recordation shall constitute a breach of this Agreement by the party responsible for such recordation or attempted recordation.

IN WITNESS WHEREOF, Grantor and Grantee have caused this Agreement to be executed and sealed, all the day and year first written above.

GRANTEE:

R.Y. PROPERTIES, INC.,
a California corporation

By: _____

Name: Robert Yu

Title: President

Address for notices: R.Y. Properties, Inc.
212 South Palm Avenue
Suite 200
Alhambra, California 91801
Attention: Kimberly Yu
Robert Yu
Telephone: (626) 282-3100
Facsimile: (626) 282-6588
Email: Kimberlyyu@earthlink.net
Robertyu212@earthlink.net

with a copy to: Thomas F. Zimmerman
Attorney at Law
1000 Dove Street
Suite 300
Newport Beach, California 92679
Telephone: (949) 340-0644
Facsimile (877) 828-0383
Email: tfz@cox.net

(Signatures continued)

GRANTOR:

SUCCESSOR AGENCY TO THE
INDUSTRY URBAN-DEVELOPMENT AGENCY

By: _____
Name: _____
Title: _____

Address for notices: Successor Agency to the
Industry Urban-Development Agency
15625 East Stafford Street, Suite 100
City of Industry, California 91744
Attention: Kevin Radecki
Telephone: (626) 333-1480
Facsimile: (626) 336-4273

With a copy to: Richards, Watson & Gershon
355 South Grand Avenue, 40th Floor
Los Angeles, California 90071
Attn.: Jim G. Grayson, Esq.
Telephone: (213) 626-8484
Facsimile: (213) 626-0078

Exhibit A
LEGAL DESCRIPTION
(Attached.)

LEGAL DESCRIPTION
17301 Gale Avenue

CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

PARCEL A (APN: 8564-001-943 & 944)

A PORTION OF LOTS 1-35 INCLUSIVE OF BLOCK "A", PORTION OF LOTS 1-17, INCLUSIVE OF BLOCK "B", A PORTION OF BLOCK "C", BLOCK "G", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID LOS ANGELES COUNTY, ALONG WITH A PORTION OF FIRST STREET (60.00 FEET) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND VACATED BY THE ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, RECORDED MAY 15, 1957 IN BOOK 54512, PAGE 52 OF OFFICIAL RECORDS, A PORTION OF OLIVE STREET (60.00 FEET WIDE) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND VACATED BY RESOLUTION NO. 47 OF SAID CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957, IN BOOK 56151, PAGE 24, OFFICIAL RECORDS AND ALONG WITH A PORTION OF DEPOT STREET (60.00 FEET WIDE) AS DEDICATED ON THE MAP OF THE TOWN OF ROWLAND, VACATED BY THE ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, RECORDED DECEMBER 31, 1980 AS INSTRUMENT NO. 80-1316607, ALL OF OFFICIAL RECORDS DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND, SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK D-1523 PAGE 453 OF OFFICIAL RECORDS; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF BLOCK "G", BLOCK "B", AND THE NORTHWESTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) NORTH 64° 06' 14" WEST, 805.15 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 270.00 FEET; THENCE LEAVING THE SOUTHWESTERLY LINE OF BLOCK

"B" AND CONTINUING NORTHWESTERLY ALONG SAID CURVE AND THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) 231.10 FEET THROUGH A CENTRAL ANGLE OF 49° 02' 24" TO THE BEGINNING OF A REVERSE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT OF REVERSE CURVE BEARS SOUTH 74° 56' 10" WEST; THENCE NORTHWESTERLY AND WESTERLY 284.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 20' 04" TO A POINT ON THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 33 OF BLOCK "A" OF SAID TOWN OF ROWLAND. A RADIAL LINE THROUGH SAID POINT BEARS NORTH 25° 36' 06" EAST; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION AND THE NORTHWESTERLY LINE OF SAID LOT 33, NORTH 25° 53' 46" EAST 110.94 FEET TO A POINT ON THE EASTERLY LINE OF SUPERIOR COURT CASE NO. 926888, RECORDED IN BOOK M-2785, PAGE 564 OF OFFICIAL RECORDS. SAID POINT ALSO BEING A NON-TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 130.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 89° 26' 31" EAST; THENCE NORTHERLY 22.23 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 47' 47"; THENCE NORTH 10° 21' 16" WEST 21.05 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL DESIGNATED AS PARCEL 6 PER INSTRUMENT NO. 2500, RECORDED JANUARY 17, 1975 IN BOOK D-6532 PAGE 478 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHEASTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, NORTH 25° 53' 46" EAST 98.44 FEET; THENCE NORTH 64° 06' 14" WEST 72.18 FEET TO A POINT ON THE EASTERLY LINE OF THE HEREINABOVE MENTIONED SUPERIOR COURT CASE NO. 926888; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 10° 21' 16" EAST 2.48 FEET; THENCE ALONG A LINE THAT IS PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK "A" NORTH 64° 06' 14" WEST 62.76 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND DISTANT 60.00 FEET EASTERLY FROM THE WESTERLY LINE OF LOT 1 OF SAID BLOCK "A"; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1 NORTH 05° 32' 45" EAST 223.98 FEET TO A POINT ON THE NORTHEASTERLY LINE OF DEPOT STREET (VACATED, 60.00 FEET WIDE); THENCE SOUTHEASTERLY ALONG THE NORTHEASTERLY LINE OF DEPOT STREET (VACATED, 60.00 FEET WIDE) SOUTH 64° 06' 14" EAST 1,495.32 FEET A POINT ON THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF BLOCK "C" OF SAID TOWN OF ROWLAND; THENCE SOUTHWESTERLY ALONG SAID SOUTHEASTERLY PROLONGATION OF SAID BLOCK "C", SOUTH 25° 53' 46" WEST 60.00 FEET TO THE MOST EASTERLY CORNER OF SAID BLOCK "C"; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF BLOCK "C", SOUTH 25° 53' 46" WEST 60.00 FEET TO THE MOST EASTERLY CORNER OF SAID BLOCK "C"; THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF BLOCK "C" AND THE SOUTHEASTERLY LINE OF BLOCK "G", SOUTH 25° 53' 46" WEST 600.00 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM A PORTION OF BLOCK "C", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH A PORTION OF DEPOT STREET, 60.00 FEET WIDE, AS DEDICATED IN THE MAP OF TOWN OF ROWLAND AND VACATED BY ORDER OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES RECORDED DECEMBER 31, 1980, AS INSTRUMENT NO. 80-13166077, OF OFFICIAL RECORDS AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND; THENCE ALONG THE SOUTHEASTERLY LINES OF BLOCK "G" AND BLOCK "C" AND THEIR PROLONGATION THROUGH OLIVE STREET, 60.00 FEET WIDE, VACATED PER RESOLUTION NO. 47 OF THE CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957, IN BOOK 56561, PAGE 24 OF OFFICIAL RECORDS OF SAID COUNTY, NORTH 25° 53' 46" EAST, 530 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG THE SOUTHEASTERLY LINE OF SAID BLOCK "C" AND ITS NORTHEASTERLY PROLONGATION, NORTH 25° 53' 46" EAST, 100.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 30.00 FEET NORTHEASTERLY AS MEASURED AT RIGHT ANGLES FROM THE NORTHEASTERLY LINE OF SAID BLOCK "C"; THENCE ALONG SAID PARALLEL LINE, NORTH 64° 06' 14" WEST, 200.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 200.00 FEET TO ITS INTERSECTION WITH A LINE PARALLEL WITH AND DISTANT 200.00 FEET NORTHWESTERLY AS MEASURED AT RIGHT ANGLES FROM THE SOUTHEASTERLY LINE OF BLOCK "C" OF TOWN OF ROWLAND; THENCE ALONG SAID PARALLEL LINE, SOUTH 25° 53' 46" WEST, 100.00 FEET; THENCE SOUTH 64° 06' 14" EAST, 200.00 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL B (APN: 8264-001-928)

THOSE PORTIONS OF LOTS 1, 2, 3, 34 AND 35 OF BLOCK "A", TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH A PORTION OF OLIVE STREET (60.00 FEET WIDE) AS DEDICATED ON SAID MAP OF TOWN OF ROWLAND AND VACATED BY RESOLUTION No.47 OF SAID CITY OF INDUSTRY AND RECORDED NOVEMBER 27, 1957 IN BOOK 56151, PAGE 24, OFFICIAL RECORDS OF SAID COUNTY, ALL TOGETHER DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST SOUTHERLY CORNER OF BLOCK "G" OF THE TOWN OF ROWLAND, SAID POINT ALSO BEING ON THE NORTHEASTERLY LINE OF GALE

AVENUE (60.00 FEET WIDE) AS DESCRIBED IN A DOCUMENT RECORDED IN BOOK D-1523 PAGE 453 OF OFFICIAL RECORDS; THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLY LINE OF BLOCK "G", BLOCK "B", AND THE NORTHWESTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) NORTH 64° 06' 14" WEST, 805.15 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 270.00 FEET; THENCE LEAVING THE SOUTHWESTERLY LINE OF BLOCK "B" AND CONTINUING NORTHWESTERLY ALONG SAID CURVE AND THE NORTHEASTERLY LINE OF GALE AVENUE (60.00 FEET WIDE) 231.10 FEET THROUGH A CENTRAL ANGLE OF 49° 02' 24" TO THE BEGINNING OF A REVERSE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT OF REVERSE CURVE BEARS SOUTH 74° 56' 10" WEST; THENCE NORTHWESTERLY AND WESTERLY 284.15 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 49° 20' 04" TO A POINT ON THE SOUTHWESTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF LOT 33 OF BLOCK "A" OF SAID TOWN OF ROWLAND. A RADIAL LINE THROUGH SAID POINT BEARS NORTH 25° 36' 06" EAST, SAID SOUTHWESTERLY PROLONGATION ALSO BEING THE POINT OF BEGINNING; THENCE NORTHEASTERLY ALONG THE SOUTHWESTERLY PROLONGATION AND THE NORTHWESTERLY LINE OF SAID LOT 33, NORTH 25° 53' 46" EAST 110.94 FEET TO A POINT ON THE EASTERLY LINE OF SUPERIOR COURT CASE NO. 926888, RECORDED IN BOOK M-2785, PAGE 564 OF OFFICIAL RECORDS. SAID POINT ALSO BEING A NON-TANGENT CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 130.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 89° 26' 31" EAST; THENCE NORTHERLY 22.23 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 09° 47' 47"; THENCE NORTH 10° 21' 16" WEST 21.05 FEET TO THE MOST SOUTHERLY CORNER OF THAT CERTAIN PARCEL DESIGNATED AS PARCEL 6 PER INSTRUMENT NO. 2500, RECORDED JANUARY 17, 1975 IN BOOK D-6532 PAGE 478 OF OFFICIAL RECORDS; THENCE ALONG THE SOUTHEASTERLY AND NORTHEASTERLY LINE OF SAID PARCEL, NORTH 25° 53' 46" EAST 98.44 FEET; THENCE NORTH 64° 06' 14" WEST 72.18 FEET TO A POINT ON THE EASTERLY LINE OF THE HEREINABOVE MENTIONED SUPERIOR COURT CASE NO. 926888; THENCE SOUTHERLY ALONG SAID EASTERLY LINE SOUTH 10° 21' 16" EAST 2.48 FEET; THENCE ALONG A LINE THAT IS PARALLEL WITH THE NORTHEASTERLY LINE OF SAID BLOCK "A" NORTH 64° 06' 14" WEST 62.76 FEET TO A POINT ON A LINE THAT IS PARALLEL WITH AND DISTANT 60.00 FEET EASTERLY FROM THE WESTERLY LINE OF LOT 1 OF SAID BLOCK "A"; THENCE PARALLEL WITH THE WESTERLY LINE OF SAID LOT 1 SOUTH 05° 32' 45" WEST 266.71 FEET TO A POINT ON THE NORTHEASTERLY LINE OF GALE AVENUE (VARIED WIDTH), SAID POINT BEING ON A CURVE CONCAVE TO THE SOUTHWEST HAVING A RADIUS OF 330.00 FEET; A RADIAL LINE THROUGH SAID POINT BEARS NORTH 14°17'07" EAST; THENCE NORTHEASTERLY ALONG LAST MENTIONED CURVE THROUGH A CENTRAL ANGLE OF 11°18'59", A DISTANCE OF 65.18 FEET TO THE POINT OF BEGINNING

PARCEL C

A NON-EXCLUSIVE EASEMENT AND RIGHT OF WAY FOR ROAD PURPOSES OVER THAT PORTION OF DEPOT STREET, WHICH IS DESCRIBED AS FOLLOWS:

THAT PORTION OF DEPOT STREET, 60 FEET WIDE, AS SHOWN ON THE MAP OF TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHEASTERLY PROLONGATION OF THE NORTHWESTERLY LINE OF BLOCK "D" OF SAID TOWN OF ROWLAND AND THE NORTHEASTERLY PROLONGATION OF LINE PARALLEL WITH AND DISTANT SOUTHEASTERLY 396.11 FEET MEASURED AT RIGHT ANGLES FROM THE SAID NORTHWESTERLY LINE OF SAID BLOCK "D" OF SAID TOWN OF ROWLAND.

PARCEL D

A NON-EXCLUSIVE EASEMENT AND RIGHT-OF-WAY FOR ROAD PURPOSES OVER THAT PORTION OF DEPOT STREET, WHICH IS DESCRIBED AS FOLLOWS:

THAT PORTION OF DEPOT STREET, 60 FEET WIDE, AS SHOWN ON THE MAP OF TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 4, PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE NORTHEASTERLY PROLONGATION OF THE SOUTHEASTERLY LINE OF BLOCK "F" OF SAID TOWN OF ROWLAND, AND THE NORTHEASTERLY PROLONGATION OF LINE PARALLEL WITH AND DISTANT SOUTHEASTERLY 396.11 FEET, MEASURED AT RIGHT ANGLES FROM THE SAID NORTHWESTERLY LINE OF SAID BLOCK "D" OF SAID TOWN OF ROWLAND.

THE ABOVE DESCRIBED PARCELS CONTAINING 19.08 ACRE (831,310.35 SQUARE FEET) OF LAND, MORE OR LESS.

Page 5 of 6

AND AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART OF HEREOF.

CLEMENT N. CALVILLO, RCE 27743
CNC Engineering
Job No. MP 12-03 #3 Legal No.1012
Checked by: ____ February 19, 2015

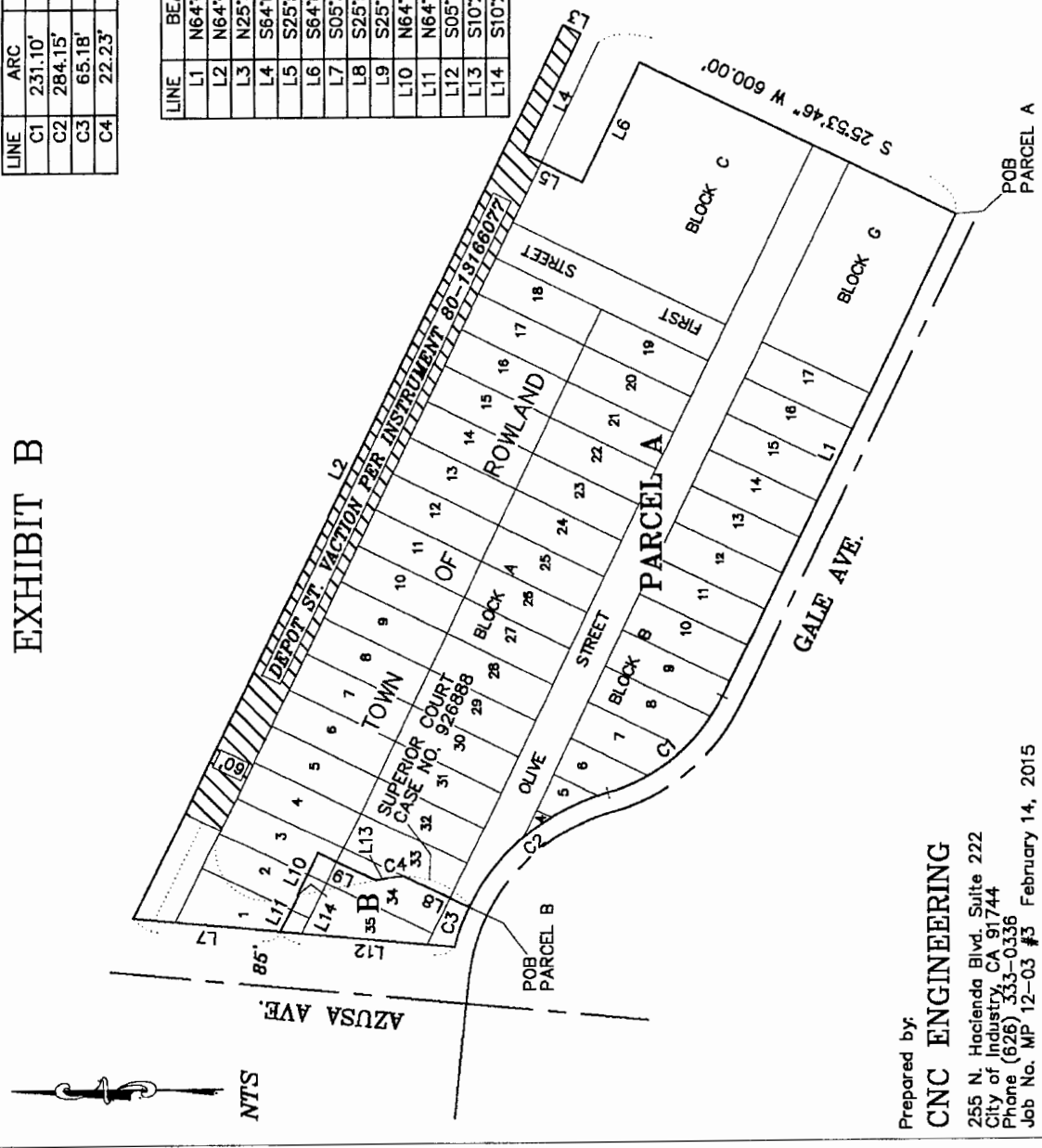
Page 6 of 6

C-12

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EXHIBIT B



Legal No. 1012
SHEET 1 OF 1

Prepared by:
CNC ENGINEERING
255 N. Hacienda Blvd, Suite 222
City of Industry, CA 91744
Phone (626) 333-0336
Job No. MP 12-03 #3 February 14, 2015

EXHIBIT "D"

FORM OF GENERAL ASSIGNMENT

This GENERAL ASSIGNMENT ("**Assignment**") is made as of _____, 2015, between **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY** ("**Assignor**"), and **R.Y. PROPERTIES, INC.**, a California corporation ("**Assignee**").

RECITALS

A. Assignor and Assignee are parties to that certain Purchase and Sale Agreement dated as of _____, 2015 (the "**Purchase Agreement**"), pursuant to which Assignee has agreed to purchase from Assignor, among other things, all of Assignor's right, title and interest in and to certain Real Property more particularly described therein, and to the extent assignable to Assignee, all of Assignor's right, title and interest in and to the Appurtenances (as hereinafter defined). Unless otherwise expressly provided herein, capitalized terms used in this Assignment shall have the meaning ascribed to such terms in the Purchase Agreement. For purposes hereof, "**Appurtenances**" means all of the Assignor's right, title and interest, if any, in and to the following but only to the extent assignable by law and without the prior consent of a third party and pertaining solely to the Real Property (and not any other property owned by the Assignor): (a) all improvements on the Real Property as of the Close of Escrow; (b) all rights, privileges, appurtenances, hereditaments, easements, reversions, and remainders, including, without limitation, all (i) development rights and credits, air rights, water rights, and water stock, (ii) strips and gores, streets, alleys, easements, rights-of-way, public ways, and (iii) mineral, oil, gas, and other subsurface rights; (c) all plats, maps, improvement plans, engineering plans, reports and data, surveys, third party reports and studies, designs, drawings and specifications; (d) all documents pertaining to the Real Property provided to Assignee by or on behalf of the Assignor prior to the Close of Escrow; (e) all architectural, site, landscaping or other permits, applications, approvals, authorizations, and other entitlements; (f) deposits, credits, fee credits (including without limitation water meter credits), pre-paid fees, refunds of impact or permit fees, reimbursements, rights to reimbursements and benefits of any cost sharing agreements, and school fee mitigation agreements, community facilities district and other assessment district rights, proceeds, deposits, advances, reimbursements, formation documents and benefits, and construction and design defect claim; and (g) guarantees, warranties, and utility contracts.

B. This Assignment is made pursuant to, and is therefore subject to the terms of, the Purchase Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. Assignment of Appurtenances. Assignor hereby assigns, transfers, sets over and delivers to Assignee, to the extent assignable to Assignee, all of Assignor's right, title and interest, if any, in and to the Appurtenances. Assignor makes no representation or warranty of any kind to Assignee with respect to the Appurtenances other than as may expressly be set forth in the Purchase Agreement.

2. Assumption of Obligations. By execution of this Assignment, Assignee hereby accepts the assignment made by Assignor under Section 1 hereof and hereby assumes and agrees to perform and to be bound by all of the terms, covenants, conditions and obligations imposed upon the holder of Assignor's position under and in the Appurtenances arising on or after the date hereof.

3. Governing Law. This Assignment shall be governed by the laws of the State of California.

4. Binding Effect. This Assignment and the provisions contained herein shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

5. Attorneys' Fees. In the event of any legal action (including, but not limited to, appellate and bankruptcy proceedings) between or with respect to Assignor and/or Assignee arising out of or in connection with this Assignment, the prevailing party shall be entitled to recover from the other party reasonable attorneys' fees and costs of suit.

6. Counterparts. This Assignment may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together constitute one and the same instrument.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the date first above written.

ASSIGNOR:

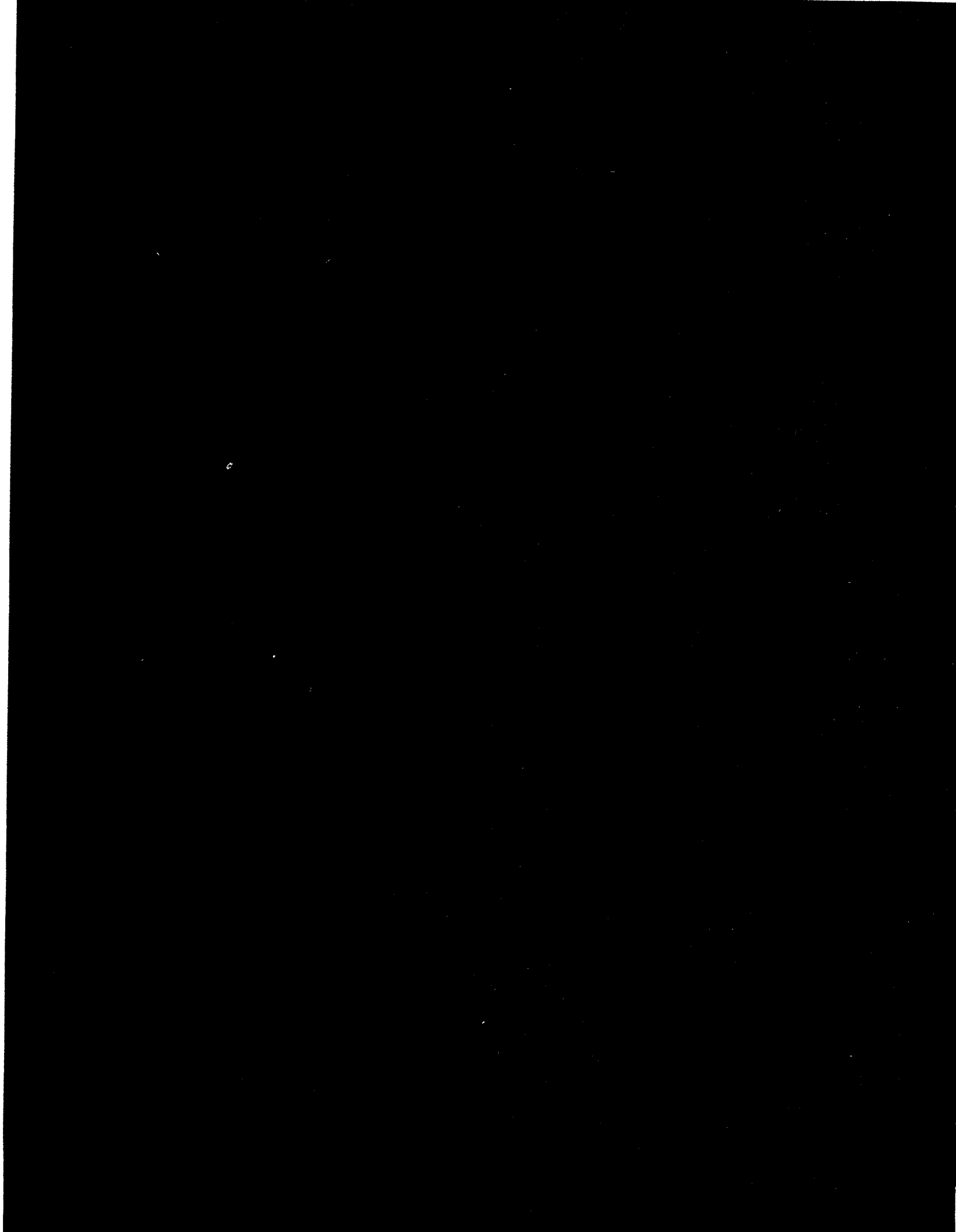
SUCCESSOR AGENCY TO THE
INDUSTRY URBAN-DEVELOPMENT
AGENCY

ASSIGNEE:

R.Y. PROPERTIES, INC.,
a California corporation

By: _____
Name: _____
Title: _____

By: _____
Name: Robert Yu
Title: President



PURCHASE AND SALE AGREEMENT
[17475 GALE AVENUE]

SUCCESSOR AGENCY TO THE
INDUSTRY URBAN-DEVELOPMENT AGENCY,
“Agency”

R.Y. PROPERTIES, INC.,
a California corporation
“Purchaser”

_____, 2015

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**PURCHASE AND SALE AGREEMENT
[17475 GALE AVENUE]**

THIS PURCHASE AND SALE AGREEMENT [17475 GALE AVENUE] (this “**Agreement**”), dated as of _____, 2015 (the “**Effective Date**”) is entered into by and between the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY** (the “**Agency**”), and **R.Y. PROPERTIES, INC.**, a California corporation (the “**Purchaser**”). The Agency and the Purchaser are hereinafter sometimes individually referred to as a “**party**” and collectively referred to as the “**parties**”.

RECITALS

This Agreement is entered into with reference to the following facts:

The Agency owns the fee interest in that certain real property (the “**Real Property**”) located in the City of Industry, County of Los Angeles, State of California, as more particularly described in Exhibit “A” attached hereto and incorporated herein by this reference (such real property together with all improvements located thereon and the Appurtenances, as defined in Section 1.1.3, is referred to herein as the “**Property**”). The Purchaser wishes to acquire fee title to the Property from the Agency.

NOW, THEREFORE, in reliance upon the foregoing Recitals, in consideration of the mutual covenants in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**ARTICLE 1
DEFINITIONS**

1.1 Definitions. The following terms as used in this Agreement shall have the meanings given unless expressly provided to the contrary:

1.1.1 Agency means the Successor Agency to the Industry Urban-Development Agency. The principal office of the Agency is located at 15625 East Stafford Street, Suite 100, City of Industry, California 91744.

1.1.2 Agreement means this Purchase and Sale Agreement.

1.1.3 Appurtenances means all of the Agency’s right, title and interest, if any, in and to the following but only to the extent assignable by law and without the prior consent of a third party and pertaining solely to the Real Property (and not any other property owned by the Agency): (a) all improvements on the Real Property as of the Close of Escrow; (b) all rights, privileges, appurtenances, hereditaments, easements, reversions, and remainders, including, without limitation, all (i) development rights and credits, air rights, water rights, and water stock, (ii) strips and gores, streets, alleys, easements, rights-of-way, public ways, and (iii) mineral, oil, gas, and other subsurface rights; (c) all plats, maps, improvement plans, engineering plans, reports and data, surveys, third party reports and studies, designs, drawings and specifications; (d) all documents pertaining to the Real Property provided to Purchaser by or on behalf of the Agency prior to the Close of Escrow; (e) all architectural, site, landscaping or other permits,

applications, approvals, authorizations, and other entitlements; (f) deposits, credits, fee credits (including without limitation water meter credits), pre-paid fees, refunds of impact or permit fees, reimbursements, rights to reimbursements and benefits of any cost sharing agreements, and school fee mitigation agreements, community facilities district and other assessment district rights, proceeds, deposits, advances, reimbursements, formation documents and benefits, and construction and design defect claim; and (g) guarantees, warranties, and utility contracts.

1.1.4 City means the City of Industry, a municipal corporation, exercising governmental functions and powers, and organized and existing under the laws of the State of California. The principal office of the City is located at 15625 East Stafford Street, City of Industry, California 91744.

1.1.5 Close of Escrow and Closing are defined in Section 2.3.2.

1.1.6 Deemed Disapproved Exceptions is defined in Section 2.5.2.

1.1.7 Default is defined in Section 3.2.

1.1.8 Deposit is defined in Section 2.2.1.

1.1.9 Disapproved Exceptions is defined in Section 2.5.2.

1.1.10 Disapproval Notice is defined in Section 2.5.2.

1.1.11 Due Diligence Period is defined in Section 2.7.

1.1.12 Escrow is defined in Section 2.3.1.

1.1.13 Escrow Holder means First American Title Insurance Company. The principal office of the Escrow Holder for purposes of this Agreement is 18500 Von Karman Avenue, Suite 600, Irvine, California 92612, Attention: Patty Beverly, Escrow Officer, Telephone: (949) 885-2465, Fax: (877) 372-0260, Email: pbeverly@firstam.com.

1.1.14 General Assignment means the General Assignment attached hereto as Exhibit "D".

1.1.15 Grant Deed is defined in Section 2.5.3.

1.1.16 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 Property, 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. The term “**Hazardous Materials**” shall also include any of the following: any and all toxic or hazardous substances, materials or wastes listed in the United States Department of Transportation Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and in any and all amendments thereto in effect as of the date of the close of any 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. § 2012, 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 biphenyl’s; radon gas; or any other chemical, material or substance (i) which poses a hazard to the Property, to adjacent properties, or to persons on or about the Property, (ii) which causes the Property to be in violation of any of the aforementioned laws or regulations, or (iii) the presence of which on or in the Property requires investigation, reporting or remediation under any such laws or regulations.

1.1.17 Outside Date is defined in Section 2.3.2.

1.1.18 Property is defined in the first Recital.

1.1.19 Purchase Price is defined in Section 2.1.

1.1.20 Purchaser means R.Y. Properties, Inc., a California Corporation. The principal office of the Purchaser for purposes of this Agreement is 212 South Palm Avenue, Suite 200, Alhambra, California 91801.

1.1.21 Released Parties is defined in Section 2.8.

1.1.22 Review Period is defined in Section 2.5.2.

1.1.23 Right of Entry Agreement is defined in Section 2.7.

1.1.24 Survey is defined in Section 2.5.1.

1.1.25 Title Company is defined in Section 2.5.4.

1.1.26 Title Policy is defined in Section 2.5.4.

1.1.27 Title Report is defined in Section 2.5.1.

1.1.28 Transaction Costs means all costs incurred by either party in entering into this transaction and closing Escrow, including but not limited to escrow fees and costs, attorney’s fees, staff time, appraisal costs, and costs of financial advisors and other consultants.

ARTICLE 2
PURCHASE AND SALE OF THE PROPERTY

2.1 Purchase and Sale. The Agency agrees to sell the Property to the Purchaser, and the Purchaser agrees to purchase the Property from the Agency, for the sum of Five Million Five Hundred Thousand Dollars (\$5,500,000.00) (the “**Purchase Price**”). In addition, Purchaser shall reimburse the Agency a total amount not to exceed Fifteen Thousand Dollars (\$15,000.00) for the Agency’s costs of obtaining an appraisal of the Property and the Agency’s legal costs in connection with this Agreement and the disposition of the Property under this Agreement (the “**Disposition Costs**”) and will be paid by Purchaser to Agency at the Closing through the Escrow (as hereinafter defined).

2.2 Payment of Purchase Price. The Purchase Price shall be payable by Purchaser as follows:

2.2.1 Deposit. Within five (5) business days following the opening of Escrow, Purchaser shall deposit with Escrow Holder the sum of Fifty-Five Thousand Dollars (\$55,000.00), and unless Purchaser terminates this Agreement during the Due Diligence Period under Section 2.7 below, Purchaser shall deposit with Escrow Holder an additional Two Hundred Twenty Thousand Dollars (\$220,000.00) within five (5) business days following the Due Diligence Period, all in the form of certified or bank cashier’s checks made payable to Escrow Holder or by confirmed wire transfers of funds (collectively, the “**Deposit**”). The Deposit shall be invested by Escrow Holder in an interest bearing account acceptable to Purchaser and Agency with all interest accruing thereon to be credited to the Purchase Price upon the Close of Escrow. Except as otherwise provided herein, the Deposit shall be applicable in full towards the Purchase Price upon Closing.

2.2.2 Closing Funds. Prior to the Close of Escrow, Purchaser shall deposit or cause to be deposited with Escrow Holder, by a certified or bank cashier’s check made payable to Escrow Holder or by a confirmed federal wire transfer of funds, the balance of the Purchase Price, plus the Disposition Costs, plus an amount equal to all other costs, expense and prorations payable by Purchaser hereunder.

2.3 Escrow.

2.3.1 Opening of Escrow. Within five (5) business days after the parties’ full execution of this Agreement, the Purchaser and the Agency shall open an escrow (the “**Escrow**”) with the Escrow Holder for the transfer of the Property to the Purchaser. The parties shall deposit with the Escrow Holder a fully executed duplicate original of this Agreement, which shall serve as the escrow instructions (which may be supplemented in writing by mutual agreement of the parties) for the Escrow. The Escrow Holder is authorized to act under this Agreement, and to carry out its duties as the Escrow Holder hereunder.

2.3.2 Close of Escrow. “**Close of Escrow**” or “**Closing**” means the date Escrow Holder causes the Grant Deed (as hereinafter defined) to be recorded in the Official Records of the County of Los Angeles and delivers the Purchase Price and Disposition Costs (less any costs, expenses and prorations payable by the Agency) to the Agency. Possession of the Property shall

be delivered to the Purchaser on the Close of Escrow. Notwithstanding anything to the contrary contained herein, the Close of Escrow shall occur within the earlier to occur of (i) thirty (30) days following the satisfaction or waiver of all of the conditions to the close of Escrow set forth in Section 2.4, or (ii) twelve (12) months following the expiration of the Due Diligence Period (the “**Outside Date**”) or this Agreement shall automatically terminate; provided, however, the Outside Date may be extended upon written consent of the Purchaser and the Executive Director of the Agency, which consent may be given or withheld in the exercise of their sole discretion. If the Closing does not occur on or before the Outside Date due to a default by either party, then the defaulting party shall pay all Escrow cancellation fees (and if the defaulting party is the Purchaser, then the Agency shall be entitled to the Deposit under Section 3.3.1). If the Closing does not occur due to a termination by Purchaser under Section 2.5.2, then the Deposit shall be returned to Purchaser, and Purchaser shall pay all Escrow cancellation fees (which may be deducted from the Deposit). If the Closing does not occur for any other reason, then this Agreement shall automatically terminate, the Deposit shall be promptly returned to the Purchaser, and each party shall pay one half (1/2) of any Escrow cancellation charges.

2.3.3 Delivery of Closing Documents.

(a) The Agency and Purchaser agree to deliver to Escrow Holder, at least two (2) days prior to the Close of Escrow, the following instruments and documents, the delivery of each of which shall be a condition precedent to the Close of Escrow:

(i) The Grant Deed, duly executed and acknowledged by the Agency, conveying a fee simple interest in the Property to Purchaser, subject only to such exceptions to title as Purchaser may have approved or have been deemed to approve pursuant to Section 2.5.2;

(ii) Two (2) duly executed original counterparts of the General Assignment;

(iii) The Agency’s affidavit as contemplated by California Revenue and Taxation Code Section 18662;

(iv) A Certification of Non-Foreign Status signed by Agency in accordance with Internal Revenue Code Section 1445; and

(v) Such proof of the Agency’s and Purchaser’s authority and authorization to enter into this transaction as the Title Company may reasonably require in order to issue the Title Policy.

The Agency and the Purchaser further agree to execute such reasonable and customary additional documents, and such additional escrow instructions, as may be reasonably required to close the transaction which is the subject of this Agreement pursuant to the terms hereof.

2.4 Conditions to Close of Escrow. The obligations of the Agency and Purchaser to close the transaction which is the subject of this Agreement shall be subject to the satisfaction, or waiver in writing by the party benefited thereby, of each of the following conditions:

2.4.1 For the benefit of the Agency, the Purchaser shall have deposited the balance of the Purchase Price, together with such funds as are necessary to pay for costs, expenses and prorations payable by Purchaser hereunder (including the Agency's appraisal costs).

2.4.2 For the benefit of the Agency, all actions and deliveries to be undertaken or made by Purchaser on or prior to the Close of Escrow as set forth herein shall have occurred, as reasonably determined by the Agency.

2.4.3 For the benefit of the Purchaser, all actions and deliveries to be undertaken or made by the Agency on or prior to the Close of Escrow shall have occurred, as reasonably determined by the Purchaser.

2.4.4 For the benefit of the Agency, all Agency approvals as required herein to be obtained prior to the Close of Escrow shall have been so obtained.

2.4.5 For the benefit of the Agency, the Purchaser shall have executed and delivered to Escrow Holder all documents and funds required to be delivered to Escrow Holder under the terms of this Agreement and the Purchaser shall otherwise have satisfactorily complied with its obligations hereunder.

2.4.6 For the benefit of the Purchaser, the Agency shall have executed and delivered to Escrow Holder all documents and funds required to be delivered to Escrow Holder under the terms of this Agreement and the Agency shall otherwise have satisfactorily complied with its obligations hereunder.

2.4.7 For the benefit of the Agency, the representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects as of the Close of Escrow.

2.4.8 For the benefit of the Purchaser, the representations and warranties of the Agency contained in this Agreement shall be true and correct in all material respects as of the Close of Escrow.

2.4.9 For the benefit of the Purchaser, Title Company shall be irrevocably committed to issuing in favor of the Purchaser the Title Policy, in form and substance, and with endorsements reasonably acceptable to the Purchaser, as provided in Section 2.5.2.

2.4.10 For the sole benefit of the Purchaser, (i) an environmental impact report, or other appropriate environmental review, pertaining to the improvements proposed to be constructed on the Property by the Purchaser, and as required by the California Environmental Quality Act, shall have been approved and certified by the City or Agency, as appropriate, and (ii) the City and all other governmental or quasi-governmental entities having jurisdiction thereover shall have approved the plan for development of the Property as proposed by the Purchaser. The Purchaser shall be responsible for the preparation of all documentation with respect to environmental review under the California Environmental Quality Act and all costs associated therewith (whether or not initially incurred by the City or the Agency).

If all the foregoing conditions have not been met to the benefitted party's sole satisfaction or expressly waived in writing by the benefitted party on or before the respective dates set forth therein, or if no date is set forth therein on the Outside Date, then this Agreement shall become null and void, in which event, except as expressly set forth in this Agreement, neither party shall have any further rights, duties or obligations hereunder, and Purchaser shall be entitled to the immediate refund of the Deposit.

2.5 Condition of Title; Survey; Title Insurance.

2.5.1 Within ten (10) days after the Effective Date, the Agency shall deliver to the Purchaser for the Purchaser's review and approval, (i) a current preliminary title report covering the Property (the "**Title Report**") and legible copies of any instruments noted as exceptions thereon, and (ii) any survey of the Property in the Agency's possession. The Purchaser at its sole expense may obtain a current or updated ALTA survey of the Property in connection with the issuance of the Title Policy and the Agency shall cooperate with the same. Any survey provided by the Agency or obtained by the Purchaser are each a "**Survey**" hereunder.

2.5.2 The Purchaser shall have until the expiration of the Due Diligence Period (the "**Review Period**") to disapprove any exceptions to title shown on the Title Report or reflected on the Survey (collectively, "**Disapproved Exceptions**") and to provide Agency with notice thereof describing the defect with reasonable particularity (the "**Disapproval Notice**"). Any exceptions to title not disapproved within the Review Period shall be deemed approved. Within five (5) days after the Agency's receipt of the Disapproval Notice, the Agency shall notify the Purchaser whether or not the Agency intends to remove the Disapproved Exceptions. The Agency shall be under no obligation to remove any Disapproved Exception, but the Agency agrees to cooperate in good faith with the Purchaser in the Purchaser's efforts to eliminate any Disapproved Exception, provided the Agency is not obligated to pay any sum or assume any liability in connection with the elimination of any such Disapproved Exception. If the Agency notifies the Purchaser that the Agency intends to eliminate any Disapproved Exception, the Agency shall do so concurrently with or prior to the Close of Escrow. If the Agency notifies the Purchaser that the Agency does not intend to eliminate any Disapproved Exception(s), the Purchaser, by notifying the Agency within five (5) days after its receipt of such notice, may elect to terminate this Agreement and receive a refund of the Deposit or take the Property subject to the Disapproved Exception(s). If Purchaser desires to terminate this Agreement, it shall be a condition of such termination that Purchaser deliver to Agency copies of all non-privileged third party due diligence reports and studies. Notwithstanding the foregoing, the Agency covenants to pay in full all loans secured by deeds of trust, any mechanics' and materialmen's liens, and any other monetary liens (other than liens for charges, assessments, taxes, and impositions subject to proration as provided in Section 2.6.2) (collectively, the "**Deemed Disapproved Exceptions**") prior to, or concurrently with, the Close of Escrow, and Escrow Holder is hereby directed to cause the same to be paid from the Purchase Price. The Title Policy shall include such endorsements as the Purchaser shall reasonably request. Any endorsements to the Title Policy are to be paid for by the Purchaser. Notwithstanding the foregoing, the Purchaser may notify the Agency of its disapproval of an exception to title (including exceptions reflected on the Survey) first raised by Title Company or the surveyor after the Review Period, or otherwise first disclosed to the Purchaser after the Review Period (collectively, the "**Additional Exceptions**")

within ten (10) days after the same was first raised or disclosed to the Purchaser in writing. With respect to Additional Exceptions disapproved by the Purchaser in such notice (which shall also be deemed Disapproved Exceptions), the Agency shall have the same option to eliminate such exceptions that applies to Disapproved Exceptions, and the Purchaser shall have the same option to accept title subject to such Additional Exceptions or to terminate this Agreement and receive a refund of the Deposit.

2.5.3 At the Close of Escrow, the Purchaser shall receive title to the Property by grant deed substantially in the form attached hereto as Exhibit "B" and incorporated herein by this reference (the "**Grant Deed**").

2.5.4 At Closing, the Purchaser shall receive a CLTA Owner's Coverage Policy of Title Insurance (the "**Title Policy**"), together with all endorsements requested by the Purchaser, issued by First American Title Insurance Company ("**Title Company**") in the amount of the Purchase Price, insuring that title to the Property is free and clear of all Disapproved Exceptions, all Deemed Disapproved Exceptions and all liens, easements, covenants, conditions, restrictions, and other encumbrances of record except (a) current taxes and assessments of record, but not any overdue or delinquent taxes or assessments, (b) the matters set forth or referenced in the Grant Deed, and (c) such other encumbrances as the Purchaser approves in writing including those reflected in the Title Report for the Property approved by Purchaser, or as are deemed approved by Purchaser as provided in Section 2.5.2. The Purchaser may obtain an extended coverage policy of title insurance at its own cost.

2.6 Escrow and Title Charges; Prorations.

2.6.1 The Agency shall pay all documentary transfer taxes and the coverage premiums on the standard CLTA Title Policy. Purchaser shall pay the costs of (i) any Survey obtained by the Purchaser, (ii) any endorsements to the Title Policy and (iii) any title insurance premiums for any coverage over and above the standard policy coverage on the CLTA Title Policy to be paid by the Agency. In addition, the Purchaser and the Agency shall each pay one-half of any and all other usual and customary costs, expense and charges relating to the escrow and conveyance of title to the Property, including without limitation, recording fees, document preparation charges and escrow fees. Each party shall be responsible for its own Transaction Costs.

2.6.2 All non-delinquent and current installments of real estate and personal property taxes and any other governmental charges, regular assessments, or impositions against the Property on the basis of the current fiscal year or calendar year shall be pro-rated as of the Close of Escrow based on the actual current tax bill. If the Close of Escrow shall occur before the tax rate is fixed, the apportionment of taxes on the Close of Escrow shall be based on the tax rate for the next preceding year applied to the latest assessed valuation after the tax rate is fixed, which assessed valuation shall be based on the Property's assessed value prior to the Close of Escrow and the Agency and Purchaser shall, when the tax rate is fixed, make any necessary adjustment. All prorations shall be determined on the basis of a 365 day year. The provisions of this Section 2.6.2 shall survive the Close of Escrow and the recordation of the Grant Deed and shall not be deemed merged into the Grant Deed upon its recordation.

2.6.3 Any Escrow cancellation charges shall be allocated and paid as described in Section 2.3.2 above.

2.7 Due Diligence Period; Access. During the period (the “**Due Diligence Period**”) commencing on the Effective Date and ending at 5:00 p.m. on the date which is ninety (90) days after the Effective Date, the Purchaser may inspect the Property as necessary to (i) approve all zoning and land use matters relating to the Property, (ii) approve the physical condition of the Property, and (iii) satisfy any due diligence requirements of the Purchaser’s lender, if any. Subject to the terms of the Right of Entry and Access Agreement in the form of which is attached hereto as Exhibit “C” (the “**Right of Entry Agreement**”), the Purchaser and its agents shall have the right to enter upon the Property during the Due Diligence Period to make inspections and other examinations of the Property and the improvements thereon, including without limitation, the right to perform surveys, soil and geological tests of the Property and the right to perform environmental site assessments and studies of the Property. Prior to the Purchaser’s entry upon the Property, the parties shall execute the Right of Entry Agreement. The Agency shall reasonably cooperate with the Purchaser in its conduct of the due diligence review during the Due Diligence Period. In the event the Purchaser does not approve of the condition of the Property by written notice to the Agency prior to the expiration of the Due Diligence Period, this Agreement shall terminate, the Deposit shall be returned to Purchaser (including any interest earned thereon) and, except as otherwise expressly stated in this Agreement, neither party shall have any further rights or obligations to the other party.

2.8 Condition of the Property. The Property shall be conveyed from the Agency to the Purchaser on an “AS IS” condition and basis with all faults and the Purchaser agrees that the Agency has no obligation to make modifications, replacements or improvements thereto. Except as expressly and specifically provided in this Agreement, the Purchaser and anyone claiming by, through or under the Purchaser hereby waives its right to recover from and fully and irrevocably releases the Agency, the City and the Agency’s Oversight Board, and their respective officers, directors, employees, representatives, agents, advisors, servants, attorneys, successors and assigns, and all persons, firms, corporations and organizations acting on the Agency’s, City’s or Oversight Board’s behalf (collectively, the “**Released Parties**”) from any and all claims, responsibility and/or liability that the Purchaser may now have or hereafter acquire against any of the Released Parties for any costs, loss, liability, damage, expenses, demand, action or cause of action arising from or related to the matters pertaining to the Property described in this Section 2.8. This release includes claims of which the Purchaser is presently unaware or which the Purchaser does not presently suspect to exist which, if known by the Purchaser, would materially affect the Purchaser’s release of the Released Parties. If the Property is not in a condition suitable for the intended use or uses, then it is the sole responsibility and obligation of the Purchaser to take such action as may be necessary to place the Property in a condition suitable for Purchaser’s intended use or uses. Except as otherwise expressly and specifically provided in this Agreement and without limiting the generality of the foregoing, THE AGENCY MAKES NO REPRESENTATION OR WARRANTY AS TO (i) THE VALUE OF THE PROPERTY; (ii) THE INCOME TO BE DERIVED FROM THE PROPERTY; (iii) THE HABITABILITY, MARKETABILITY, PROFITABILITY, MERCHANTABILITY OR FITNESS FOR PARTICULAR USE OF THE PROPERTY; (iv) THE MANNER, QUALITY, STATE OF REPAIR OR CONDITION OF THE PROPERTY; (v) THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR

REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY; (vi) COMPLIANCE WITH ANY ENVIRONMENTAL PROTECTION OR POLLUTION LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS; (vii) THE PRESENCE OR ABSENCE OF HAZARDOUS MATERIALS AT, ON, UNDER OR ADJACENT TO THE PROPERTY; (viii) THE FACT THAT ALL OR A PORTION OF THE PROPERTY MAY BE LOCATED ON OR NEAR AN EARTHQUAKE FAULT LINE; AND (ix) WITH RESPECT TO ANY OTHER MATTER, THE PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY AND REVIEW INFORMATION AND DOCUMENTATION AFFECTING THE PROPERTY, THE PURCHASER IS RELYING SOLELY ON ITS OWN INVESTIGATION OF THE PROPERTY AND REVIEW OF SUCH INFORMATION AND DOCUMENTATION AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY THE AGENCY.

THE PURCHASER HEREBY ACKNOWLEDGES THAT IT HAS READ AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542, WHICH IS SET FORTH BELOW:

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

BY INITIALING BELOW, PURCHASER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES.

Purchaser's Initials



The waivers and releases by the Purchaser herein contained shall survive the Close of Escrow and the recordation of the Grant Deed and shall not be deemed merged into the Grant Deed upon its recordation.

Notwithstanding the foregoing, the waivers and releases contained in this Section 2.8 shall not apply to, nor shall the Released Parties be released from, any actual misrepresentation or act of fraud on their part.

2.9 Escrow Holder.

2.9.1 Escrow Holder is authorized and instructed to:

(a) Pay and charge the Purchaser for any fees, charges and costs payable by the Purchaser under this Article. Before such payments are made, the Escrow Holder shall notify the Agency and the Purchaser of the fees, charges, and costs necessary to close the Escrow;

(b) Pay and charge the Agency for any fees, charges and costs payable by the Agency under this Article. Before such payments are made, the Escrow Holder shall notify the Agency and the Purchaser of the fees, charges, and costs necessary to close the Escrow;

(c) Disburse funds and deliver the Grant Deed and other documents to the parties entitled thereto when the conditions of the Escrow and this Agreement have been fulfilled by the Agency and the Purchaser; and

(d) Record the Grant Deed and any other instruments delivered through the Escrow, if necessary or proper, to vest title in the Purchaser in accordance with the terms and provisions of this Agreement.

2.9.2 Any amendment of these escrow instructions shall be in writing and signed by both the Agency and the Purchaser.

2.9.3 All communications from the Escrow Holder to the Agency or the Purchaser shall be directed to the addresses and in the manner established in Section 4.1 of this Agreement for notices, demands and communications between the Agency and the Purchaser.

2.9.4 The responsibility of the Escrow Holder under this Agreement is limited to performance of the obligations imposed upon it under this Article, any amendments hereto, and any supplemental escrow instructions delivered to the Escrow Holder that do not materially amend or modify the express provisions of these escrow instructions.

ARTICLE 3 EVENTS OF DEFAULT, REMEDIES AND TERMINATION

3.1 Purchaser Events of Defaults. Occurrence of any or all of the following, prior to the Close of Escrow, if uncured after the expiration of any applicable cure period, shall constitute a default ("**Purchaser Event of Default**") under this Agreement:

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

3.1.2 The Purchaser's failure to perform any requirement or obligation of Purchaser set forth herein, on or prior to the date for such performance set forth herein, and, so long as such failure is not caused by any wrongful act of the Agency or the City, the Purchaser's failure to cure such breach within thirty (30) days after receipt of written notice from the Agency of the Purchaser's breach; or

3.1.3 The Purchaser's failure to deposit with Escrow Holder the Deposit or the balance of the Purchase Price as required by Section 2.2.

3.2 Agency Events of Default. Occurrence of any or all of the following, prior to the Close of Escrow, if uncured after the expiration of the applicable cure period, shall constitute a default (“**Agency Event of Default**”, and together with the Purchaser Event of Default, a “**Default**”) under this Agreement:

3.2.1 The Agency, in violation of the applicable provision of this Agreement, fails to convey the Property to Purchaser at the Close of Escrow; or

3.2.2 The Agency breaches any other material provision of this Agreement.

Upon the occurrence of any of the above-described events, the Purchaser shall first notify the Agency in writing of its purported breach or failure, giving the Agency thirty (30) days from receipt of such notice to cure such breach or failure (other than a failure by the Agency to convey the Property at the Close of Escrow, for which there shall be no cure period) or if a cure is not possible within the thirty (30) day period, to begin such cure and diligently prosecute the same to completion, which shall, in any event, not exceed one hundred eighty (180) days from the date of receipt of the notice to cure.

3.3 Remedies in the Event of Default.

3.3.1 Remedies General. In the event of a breach or a default under this Agreement by either Purchaser or Agency, the non-defaulting party shall have the right to terminate this Agreement by providing ten (10) days written notice thereof to the defaulting party or, if Purchaser is the non-defaulting party, Purchaser as permitted by law may specifically enforce the provisions of this Agreement. If such breach or default is not cured within such ten (10) day period (other than a failure by the Agency to convey the Property at the Close of Escrow, for which there shall be no cure period), this Agreement and the Escrow for the purchase and sale of the Property shall terminate, and if Purchaser is the non-defaulting party, Purchaser shall thereupon promptly receive a refund of the Deposit and all interest accrued thereon. Except as herein otherwise expressly provided, such termination of the Escrow by a non-defaulting party shall be without prejudice to the non-defaulting party’s rights and remedies against the defaulting party at law or equity.

IF THE PURCHASER FAILS TO COMPLETE THE ACQUISITION OF THE PROPERTY AS HEREIN PROVIDED BY REASON OF ANY DEFAULT OF THE PURCHASER, IT IS AGREED THAT THE DEPOSIT SHALL BE NON-REFUNDABLE AND THE AGENCY SHALL BE ENTITLED TO SUCH DEPOSIT, WHICH AMOUNT SHALL BE ACCEPTED BY THE AGENCY AS LIQUIDATED DAMAGES AND NOT AS A PENALTY AND AS THE AGENCY'S SOLE AND EXCLUSIVE REMEDY. IT IS AGREED THAT SAID AMOUNT CONSTITUTES A REASONABLE ESTIMATE OF THE DAMAGES TO THE AGENCY PURSUANT TO CALIFORNIA CIVIL CODE SECTION 1671 ET SEQ. THE AGENCY AND PURCHASER AGREE THAT IT WOULD BE IMPRACTICAL OR IMPOSSIBLE TO PRESENTLY PREDICT WHAT MONETARY DAMAGES THE AGENCY WOULD SUFFER UPON THE PURCHASER'S FAILURE TO COMPLETE ITS ACQUISITION OF THE PROPERTY. THE PURCHASER DESIRES TO LIMIT THE MONETARY DAMAGES FOR WHICH IT MIGHT BE LIABLE HEREUNDER AND THE PURCHASER AND AGENCY DESIRE TO AVOID THE COSTS AND DELAYS THEY

WOULD INCUR IF A LAWSUIT WERE COMMENCED TO RECOVER DAMAGES OR OTHERWISE ENFORCE THE AGENCY'S RIGHTS. IF FURTHER INSTRUCTIONS ARE REQUIRED BY ESCROW HOLDER TO EFFECTUATE THE TERMS OF THIS PARAGRAPH, THE PURCHASER AND AGENCY AGREE TO EXECUTE THE SAME. THE PARTIES ACKNOWLEDGE THIS PROVISION BY PLACING THEIR INITIALS BELOW:

Agency



Purchaser

3.4 No Personal Liability. Except as specifically provided herein to the contrary, no representative, employee, attorney, agent or consultant of the Agency, City or Oversight Board shall personally be liable to the Purchaser, or any successor in interest of the Purchaser, in the event of any Default or breach by the Agency, or for any amount which may become due to the Purchaser, or any successor in interest, on any obligation under the terms of this Agreement. No representative, employee, attorney, agent or consultant of the Purchaser shall personally be liable to the Agency, City or Oversight Board, or any successor in interest of the Agency, City or Oversight Board, in the event of any Default or breach by the Purchaser, or for any amount which may become due to the Agency, City or Oversight Board, or any successor in interest, on any obligation under the terms of this Agreement.

3.5 Legal Actions.

3.5.1 Institution of Legal Actions. Any legal actions brought pursuant to this Agreement must be instituted in either the Superior Court of the County of Los Angeles, State of California, or in an appropriate municipal court in that County.

3.5.2 Applicable Law. The laws of the State of California shall govern the interpretation and enforcement of this Agreement.

3.5.3 Acceptance of Service of Process. If any legal action is commenced by the Purchaser against the Agency, service of process on the Agency shall be made by personal service upon the Executive Director or Secretary of the Agency, or in such other manner as may be provided by law. If any legal action is commenced by the Agency against the Purchaser, service of process on the Purchaser shall be made by personal service upon the Purchaser, or in such other manner as may be provided by law, whether made within or without the State of California.

3.6 Rights and Remedies are Cumulative. Except as otherwise expressly stated in this Agreement, 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 other party.

3.7 Inaction Not a Waiver of Default. Except as expressly provided in this Agreement to the contrary, any failure or delay 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.

ARTICLE 4 GENERAL PROVISIONS

4.1 Notices. All notices and demands shall be given in writing by certified mail, postage prepaid, and return receipt requested, by nationally recognized overnight courier or by personal delivery, or by facsimile or email sent between 8:00 a.m. (Pacific time) and 5:00 p.m. (Pacific time) on a business day accompanied or preceded by a telephone call with the recipient alerting the recipient of the facsimile or email. Notices shall be considered given upon the earlier of (a) personal delivery, (b) three (3) business days following deposit in the United States mail, postage prepaid, certified or registered, return receipt requested, (c) the next business day after deposit with a nationally reorganized overnight courier, or (d) on the day of facsimile or email transmission, in each instance addressed to the recipient as set forth below. 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:

Agency: Successor Agency to the
Industry Urban-Development Agency
15625 East Stafford Street, Suite 100
City of Industry, California 91744
Attention: Kevin Radecki
Telephone: (626) 333-2211
Facsimile: (626) 961-6795
Email: kradecki@cityofindustry.org

with a copy to: Richards, Watson & Gershon
355 South Grand Avenue, 40th Floor
Los Angeles, California 90071
Attention: Jim G. Grayson
Telephone: (213) 626-8484
Facsimile: (213) 626-0078
Email: jgrayson@rwglaw.com

Purchaser: R.Y. Properties, Inc.
212 South Palm Avenue
Suite 200
Alhambra, California 91801
Attention: Kimberly Yu
Robert Yu
Telephone: (626) 282-3100
Facsimile: (626) 282-6588
Email: Kimberlyyu@earthlink.net
Robertyu212@earthlink.net

with a copy to: Thomas F. Zimmerman
Attorney at Law
1000 Dove Street
Suite 300
Newport Beach, California 92679
Telephone: (949) 340-0644
Facsimile (877) 828-0383
Email: tfz@cox.net

4.2 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.

4.3 Purchaser's Warranties. The Purchaser warrants and represents to the City and the Agency as follows:

4.3.1 The Purchaser has full power and authority to execute and enter into this Agreement and to consummate the transaction contemplated hereunder. This Agreement constitutes the valid and binding agreement of the Purchaser, enforceable in accordance with its terms subject to bankruptcy, insolvency of other creditors' rights laws of general application. Neither the execution nor delivery of this Agreement, nor the consummation of the transactions covered hereby, nor compliance with the terms and provisions hereof, shall conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default under, any agreement or instrument to which the Purchaser is a party.

4.3.2 As of the Close of Escrow, the Purchaser will have inspected the Property and will be familiar with all aspects of the Property and its condition, and will accept such condition.

4.3.3 The Purchaser 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.

4.4 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.

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

4.6 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 Agency, or the Purchaser, without fault, is made a party to any litigation instituted by or against the other party, such other party shall defend it against and save it harmless from all costs and expenses including reasonable attorney's fees incurred in connection with such litigation.

4.7 Approvals by the Agency and the Purchaser. Unless otherwise specifically provided herein, wherever this Agreement requires the Agency or the Purchaser to approve any contract, document, plan, proposal, specification, drawing or other matter, such approval shall not unreasonably be withheld, conditioned or delayed.

4.8 Entire Agreement, Waivers and Amendments. This Agreement is executed in duplicate originals, each of which is deemed to be an original. This Agreement, together with all attachments and exhibits 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 Purchaser and the Agency acknowledge that no person has made, any representation, warranty, guaranty or promise except as 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 Purchaser or the Agency.

4.9 Counterparts. This Agreement may be executed simultaneously 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.

4.10 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.

4.11 Survival. The provisions hereof shall not terminate but rather shall survive any conveyance hereunder and the delivery of all consideration.

4.12 Representations of Agency. The Agency warrants and represents to the Purchaser as follows:

(a) The Agency has full power and authority to execute and enter into this Agreement and to consummate the transactions contemplated hereunder. This Agreement constitutes the valid and binding agreement of the Agency, enforceable in accordance with its terms subject to bankruptcy, insolvency and other creditors' rights laws of general application. Neither the execution nor delivery of this Agreement, nor the consummation of the transactions covered hereby, nor compliance with the terms and provisions hereof, shall conflict with, or result in a breach of, the terms, conditions or provisions of, or constitute a default under, any agreement or instrument to which the Agency is a party.

(b) As of the Effective Date and the Close of Escrow, the Property is not presently the subject of any condemnation or similar proceeding, and to the Agency's knowledge, no such condemnation or similar proceeding is currently threatened or pending.

(c) As of the Close of Escrow, there are no management, service, supply or maintenance contracts affecting the Property which shall affect the Property on or following the Close of Escrow.

(d) The Agency has not authorized any broker or finder to act on its behalf in connection with the sale and purchase hereunder and the Agency has not dealt with any broker or finder purporting to act on behalf of the Agency or otherwise.

(e) As of the Close of Escrow, there are no leases or other occupancy agreements affecting the Property which shall affect the Property on or following the Close of Escrow.

(f) As of the Close of Escrow and to the actual knowledge of the Agency, the Agency has not received any written notice from any governmental entity, which it has not provided to the Purchaser, regarding (i) the violation of any law or governmental regulation, including, without limitation, any environmental law, with respect to the Property, or (ii) any investigation by any governmental entity with respect to whether the condition of the Property violates any environmental law.

As used in this Section 4.12, the phrase "to the actual knowledge of the Agency" shall mean the actual and current knowledge of Kevin Radecki. Kevin Radecki is primarily responsible for the management of the Property on behalf of the Agency. Kevin Radecki shall have no personal responsibility or liability with respect to the representation contained in Section 4.12(f) above.

4.13 Purchaser's Broker(s). Purchaser shall pay all commissions and fees that may be payable to any broker, finder or salesperson engaged by Purchaser, and shall defend, indemnify and hold Agency and City harmless from and against any and all claims, liabilities, losses, damages, costs and expenses relating thereto.

4.14 No Third Party Beneficiaries other than City and Agency's Oversight Board. City and the Agency's Oversight Board are third party beneficiaries of this Agreement, with the right to enforce the provisions hereof. This Agreement is made and entered into for the sole protection and benefit of the parties, City and the Agency's Oversight Board and their successors and assigns. Except as expressly provided in this Agreement, to the extent any rights or obligations under this Agreement remain in effect, this Agreement shall be binding upon and enforceable against, and shall inure to the benefit of and be enforceable by, the parties hereto and their respective heirs, legal representatives, successors and permitted assigns. No other person shall have any right of action based upon any provision of this Agreement.

4.15 Independent Consideration. Contemporaneously with the execution and delivery of this Agreement, Purchaser has delivered to Agency, and Agency hereby acknowledges the receipt of, a check in the amount of One Hundred Dollars (\$100.00) ("**Independent Consideration**"), which amount the parties bargained for and agreed to as consideration for

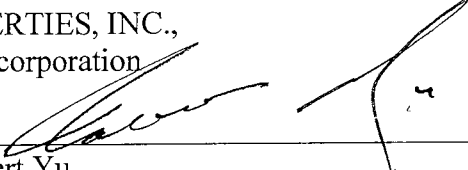
Developer's right to inspect and purchase the Property pursuant to this Agreement and for Agency's execution, delivery, and performance of this Agreement. The Independent Consideration is in addition to and independent of any other consideration or payment provided in this Agreement, is non-refundable, is fully earned, and shall be retained by Agency notwithstanding any other provision of this Agreement.

4.16 Assignment of Agreement. The Purchaser may assign its rights and obligations in whole, but not in part, under this Agreement upon giving at least ten (10) business days prior written notice to the Agency, and delivering to the Agency with such notice an executed assignment and assumption agreement under which the assignee accepts the assignment of this Agreement and agrees to be bound by all of the provisions hereof. Such assignment and assumption agreement shall also specify the address of the assignee to which notices shall be directed pursuant to Section 4.1. Agency hereby agrees to provide written acknowledgement of such executed assignment and assumption agreement within five (5) business days of Agency's receipt of such notice.

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

PURCHASER

R.Y. PROPERTIES, INC.,
a California corporation

By:  _____
Name: Robert Yu
Title: President

AGENCY

SUCCESSOR AGENCY TO THE INDUSTRY
URBAN-DEVELOPMENT AGENCY

By: _____
Name: _____
Title: _____

ATTEST:

Secretary

APPROVED AS TO FORM:

Richards, Watson & Gershon,
a professional corporation

By: _____
Agency Attorney

LIST OF EXHIBITS

- Exhibit "A" Legal Description of the Property
- Exhibit "B" Form of Grant Deed
- Exhibit "C" Form of Right of Entry Agreement
- Exhibit "D" Form of General Assignment

EXHIBIT "A"
LEGAL DESCRIPTION OF THE PROPERTY
(Attached.)

LEGAL DESCRIPTION

(APN 8264-001-941 & 942)
17475 Gale Avenue

CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

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


PARCEL 1 OF PARCEL MAP NO. 105, IN THE CITY OF INDUSTRY, COUNTY OF LOS
ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 81,
PAGE 28 OF PARCEL MAPS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY,

TOGETHER WITH THAT PORTION OF DEPOT STREET (60.00 FEET WIDE) AS SHOWN
ON THE MAP OF THE TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY
OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 4,
PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY,
AND TOGETHER WITH THE WESTERLY 25.00 FEET OF WALNUT STREET (50.00 FEET
WIDE, FORMERLY KNOWN AS HATCHER AVENUE NOW KNOWN AS AUTO MALL
WEST) AS SHOWN ON SAID MAP OF THE TOWN OF ROWLAND, AS VACATED BY
THE CITY OF INDUSTRY RESOLUTION NO. 1050, A CERTIFIED COPY OF WHICH
WAS RECORDED DECEMBER 31, 1980 AS DOCUMENT NO. 80-1316607 OF SAID
COUNTY, THAT WOULD PASS WITH A LEGAL CONVEYANCE OF SAID PARCEL 1 OF
MAP NO. 105.

ALSO TOGETHER WITH THAT PORTION OF AUTO MALL WEST, VACATED BY THE
CITY OF INDUSTRY RESOLUTION NO. 2123, RECORDED JANUARY 19, 2006, AS
INSTRUMENT NO. 06-0133067 OF OFFICIAL RECORDS OF SAID COUNTY.

AND AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART OF HEREOF.



CLEMENT N. CALVILLO, RCE 27743
CNC Engineering
Job No. MP 12-03 #3 Legal No.1011R
Checked by:  February 18, 2015

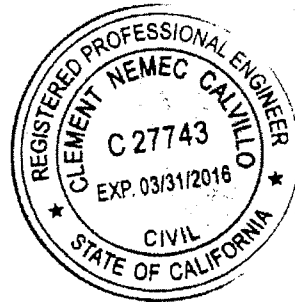




EXHIBIT B

UNION PACIFIC RAILROAD
S 64°06'14" E 289.43' 100'
DEPOT ST. 50'

VACATION RESOLUTION 1050
INSTRUMENT #80-1316607
S 04°31'20" E 269.52'
D=42°34'16"
R=50.00'
L=37.14'
D=53°50'40"
R=30.00'
L=55.72'

N 25°53'46" E 600.00'

PM 105 BK81, PG28
PARCEL 2

PARCEL 1

D=16°24'56"
R=94.00'
L=26.93'

AUTO MALL WEST S 11°53'36" W
489.64'
402.49'
30' 30'
(FORMERLY HATCHER AVE AND FORMERLY WALNUT STREET)

N 64°06'14" W
149.74' 30'

D=46°35'09"
R=170.00'
L=198.22'

N 51°35'14" W
164.55' 45'

D=12°30'00"
R=330.00'
L=71.99'

BOUNDARY OF PARCEL 1
PM 105, BK81, PG28

VACATION RESOLUTION 2123
INSTRUMENT #06-0133067
D=111°17'48"
R=39.00'
L=79.30'

EASEMENT
PER 91-1714795

Prepared by:
CNC ENGINEERING
255 N. Hacienda Blvd, Suite 222
City of Industry, CA 91744
Phone (626) 333-0336
Job No. MP 12-03 #3 February 18, 2015

Legal No. 1011R
SHEET 1 OF 1

EXHIBIT "B"

FORM OF GRANT DEED

RECORDING REQUESTED BY:

FIRST AMERICAN TITLE INSURANCE COMPANY

AND WHEN RECORDED RETURN TO:

Successor Agency to the
Industry Urban-Development Agency
15625 East Stafford Street, Suite 100
City of Industry, California 91744
Attention: Diane Schlichting

APN:

[The undersigned declares that this Grant Deed is exempt from Recording Fees pursuant to California Government Code Section 27383]

GRANT DEED

Documentary Transfer Tax: \$ _____

THE UNDERSIGNED GRANTOR DECLARES:

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY** (the "**Grantor**"), hereby grants to **R.Y. PROPERTIES, INC.**, a California corporation (the "**Grantee**"), that certain real property described in Exhibit A attached hereto (the "**Site**") and incorporated herein by this reference, together with all improvements located thereon and all of Grantor's right title and interest in and to all easements, privileges and rights appurtenant to the Site.

This Grant Deed of the Site is subject to the provisions of a Purchase and Sale Agreement [17475 Gale Avenue] (the "**Agreement**") entered into by and between the Grantor and Grantee dated as of _____, 2015, the terms of which are incorporated herein by reference. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Agreement. A copy of the Agreement is available for public inspection at the offices of the Grantor located at 15625 East Stafford Street, Suite 100, City of Industry, California 91744. The Site is conveyed further subject to all easements, rights of way, covenants, conditions, restrictions, reservations and all other matters of record, and the following conditions, covenants and agreements.

1. The Grantee 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 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 premises herein conveyed, nor shall the Grantee himself or herself, 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.

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. All deeds, leases or contracts entered into with respect to the Property shall contain or be subject to substantially the following nondiscrimination/nonsegregation 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 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 premises herein conveyed, nor shall the Grantee himself or herself, 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, 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.”

(b) In leases: “The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons, on account of 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 occupancy, tenure or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the premises 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.”

(c) In contracts: “The contracting party or parties hereby covenant by and for himself or herself and their respective successors and assigns, 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, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the contracting party or parties, any subcontracting party or parties, or their respective assigns or transferees, establish or permit any such practice or practices of discrimination or segregation.

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. All covenants and agreements 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 as provided in the Agreement, without regard to whether the Grantor is or remains an owner of any land or interest therein to which such covenants relate. The Grantor, in the event of any breach of any such covenants, shall have the right to exercise all of the rights and remedies provided herein or otherwise available, and to maintain any actions at law or suits in equity or other property proceedings to enforce the curing of such breach. 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 covenants contained in Paragraphs 1 and 2 of this Grant Deed shall remain in effect in perpetuity except as otherwise expressly set forth therein.

5. This Grant Deed may be executed simultaneously 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, Grantor and Grantee have caused this Grant Deed to be executed and notarized as of this ____ day of _____, 20__.

GRANTOR: SUCCESSOR AGENCY TO THE INDUSTRY
URBAN-DEVELOPMENT AGENCY

By: _____

Name: _____

Title: _____

ATTEST:

Assistant Secretary

GRANTEE: **R.Y. PROPERTIES, INC.,**
a California corporation

By: _____

Name: Robert Yu

Title: President

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 Los Angeles)

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 Los Angeles)

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
(Attached.)

LEGAL DESCRIPTION

(APN 8264-001-941 & 942)
17475 Gale Avenue

CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

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


PARCEL 1 OF PARCEL MAP NO. 105, IN THE CITY OF INDUSTRY, COUNTY OF LOS
ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 81,
PAGE 28 OF PARCEL MAPS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY,

TOGETHER WITH THAT PORTION OF DEPOT STREET (60.00 FEET WIDE) AS SHOWN
ON THE MAP OF THE TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY
OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 4,
PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY,
AND TOGETHER WITH THE WESTERLY 25.00 FEET OF WALNUT STREET (50.00 FEET
WIDE, FORMERLY KNOWN AS HATCHER AVENUE NOW KNOWN AS AUTO MALL
WEST) AS SHOWN ON SAID MAP OF THE TOWN OF ROWLAND, AS VACATED BY
THE CITY OF INDUSTRY RESOLUTION NO. 1050, A CERTIFIED COPY OF WHICH
WAS RECORDED DECEMBER 31, 1980 AS DOCUMENT NO. 80-1316607 OF SAID
COUNTY, THAT WOULD PASS WITH A LEGAL CONVEYANCE OF SAID PARCEL 1 OF
MAP NO. 105.

ALSO TOGETHER WITH THAT PORTION OF AUTO MALL WEST, VACATED BY THE
CITY OF INDUSTRY RESOLUTION NO. 2123, RECORDED JANUARY 19, 2006, AS
INSTRUMENT NO. 06-0133067 OF OFFICIAL RECORDS OF SAID COUNTY.

AND AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART OF HEREOF.



CLEMENT N. CALVILLO, RCE 27743
CNC Engineering
Job No. MP 12-03 #3 Legal No.1011R
Checked by:  February 18, 2015

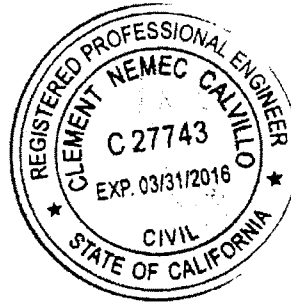
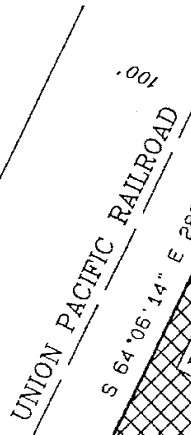
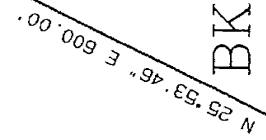
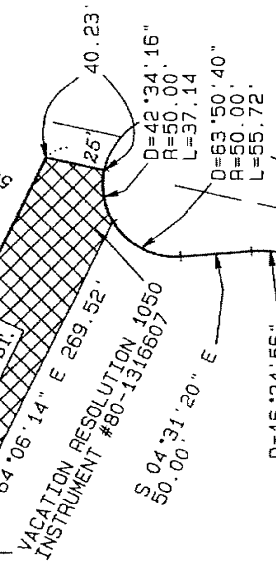


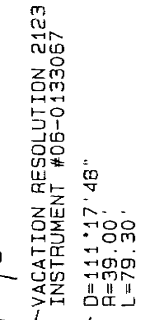
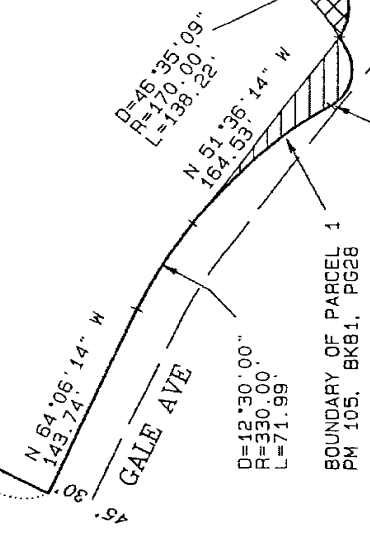
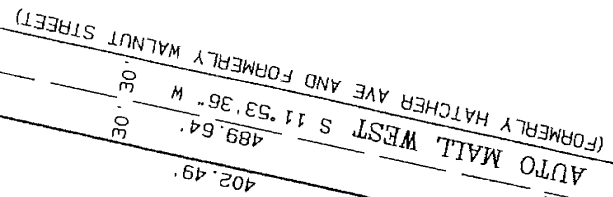
EXHIBIT B



NTS



PM 105 BK81, PG28
 PARCEL 2
 PARCEL 1



EASEMENT
 PER 91-1714785

Prepared by:
CNC ENGINEERING
 255 N. Hacienda Blvd., Suite 222
 City of Industry, CA 91744
 Phone (626) 333-0336
 Job No. MP 12-03 #3 February 18, 2015

Legal No. 1011R
 SHEET 1 OF 1

EXHIBIT "C"

RIGHT OF ENTRY AND ACCESS AGREEMENT

THIS RIGHT OF ENTRY AND ACCESS AGREEMENT (herein called this "**Agreement**") is made and entered into as of _____, 2015, by the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**, a public body, corporate and politic (herein called "**Grantor**"), and **R.Y. PROPERTIES, INC.**, a California corporation (herein called "**Grantee**").

WITNESSETH:

WHEREAS, Grantor is the owner of the real property more particularly described on Exhibit A, which exhibit is attached hereto and incorporated herein by reference (herein called the "**Property**");

WHEREAS, concurrently with the execution of this Agreement, Grantor and Grantee contemplate entering into a Purchase and Sale Agreement related to the Property (the "**Purchase Agreement**");

WHEREAS, Grantee has requested the right of entry upon and access to the Property for the purpose of undertaking tests, inspections and other due diligence activities (herein called the "**Due Diligence Activities**") in connection with the proposed acquisition by Grantee of the Property;

WHEREAS, Grantor has agreed to grant to Grantee, and Grantee has agreed to accept from Grantor, a non-exclusive, revocable license to enter upon the Property to perform the Due Diligence Activities in accordance with the terms and provisions of this Agreement;

WHEREAS, Grantor and Grantee desire to execute and enter into this Agreement for the purpose of setting forth their agreement with respect to the Due Diligence Activities and Grantee's entry upon the Property.

NOW, THEREFORE, for and in consideration of the foregoing premises, the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee do hereby covenant and agree as follows:

1. Access by Grantee.

(a) Subject to Grantee's compliance with the terms and provisions of this Agreement, until the earlier to occur of (i) the expiration of the Due Diligence Period (as defined in the Purchase Agreement); or (ii) the earlier termination of this Agreement, Grantee and Grantee's agents, employees, contractors, representatives and other designees (herein collectively called "**Grantee's Designees**") shall have the right to enter upon the Property for the purpose of conducting the Due Diligence Activities.

(b) Grantee expressly agrees as follows: (i) any activities by or on behalf of Grantee, including, without limitation, the entry by Grantee or Grantee's Designees onto the Property in connection with the Due Diligence Activities shall not materially damage the Property in any manner whatsoever or disturb or interfere with the rights or possession of any tenant on the Property, (ii) in the event the Property is materially altered or disturbed in any manner in connection with the Due Diligence Activities, Grantee shall immediately return the Property to substantially the same condition existing prior to the Due Diligence Activities, and (iii) Grantee, to the extent allowed by law, shall indemnify, defend and hold Grantor harmless from and against any and all claims, liabilities, damages, losses, costs and expenses of any kind or nature whatsoever (including, without limitation, reasonable attorneys' fees and expenses and court costs) suffered, incurred or sustained by Grantor as a result of, by reason of, or in connection with the Due Diligence Activities or the entry by Grantee or Grantee's Designees onto the Property; provided, however, that in no event shall Grantee be liable for any liabilities, damages, losses, costs or expenses of any kind or nature that relate, directly or indirectly, to (y) consequential or punitive damages; or (z) matters that are merely discovered, but not exacerbated, by Grantee. Notwithstanding any provision of this Agreement to the contrary, Grantee shall not have the right to undertake any invasive activities or tests upon the Property, or any environmental testing on the Property beyond the scope of a standard "Phase I" investigation, without the prior written consent of Grantor of a workplan for such "Phase II" or invasive testing. If Grantor does not respond or reject any workplan within ten (10) days of Grantee's delivery of the written workplan proposal to Grantor pursuant to the notice provisions of this Agreement, then Grantor shall be deemed to have approved the submitted workplan and Grantee may proceed with such testing. If Grantor rejects such proposed workplan in whole or in part, then this Agreement shall become null and void at the sole option of Grantee, which option must be exercised by Grantee's giving Grantor written notice on or before the expiration of the Due Diligence Period, as defined in the Purchase Agreement.

2. Lien Waivers. Upon receipt of a written request from Grantor, Grantee will provide Grantor with lien waivers following completion of the Due Diligence Activities from each and every contractor, materialman, engineer, architect and surveyor who might have lien rights, in form and substance reasonably satisfactory to Grantor and its counsel. Grantee hereby indemnifies Grantor from and against any claims or demands for payment, or any liens or lien claims made against Grantor or the Property as a result of the Due Diligence Activities.

3. Insurance. Grantee shall, and shall cause all of Grantee's Designees performing the Due Diligence Activities to, procure or maintain a policy of commercial general liability insurance issued by an insurer reasonably satisfactory to Grantor covering each of the Due Diligence Activities with a single limit of liability (per occurrence and aggregate) of not less than One Million Dollars (\$1,000,000.00), and to deliver to Grantor a certificate of insurance evidencing that such insurance is in force and effect, and evidencing that Grantor has been named as an additional insured thereunder with respect to the Due Diligence Activities. Such insurance shall be maintained in force throughout the term of this Agreement.

4. Successors. To the extent any rights or obligations under this Agreement remain in effect, this Agreement shall be binding upon and enforceable against, and shall inure to the benefit of, the parties hereto and their respective heirs, legal representatives, successors and permitted assigns.

5. Limitations. Grantor does not hereby convey to Grantee any right, title or interest in or to the Property, but merely grants the specific rights and privileges hereinabove set forth.

6. Notices. Whenever any notice, demand, or request is required or permitted under this Agreement, such notice, demand, or request shall be in writing and shall be delivered by hand, be sent by registered or certified mail, postage prepaid, return receipt requested, or shall be sent by nationally recognized commercial courier for next business day delivery, to the addresses set forth below the respective executions of the parties hereof, or to such other addresses as are specified by written notice given in accordance herewith, or shall be transmitted by facsimile to the number for each party set forth below their respective executions hereof, or to such other numbers as are specified by written notice given in accordance herewith. All notices, demands, or requests delivered by hand shall be deemed given upon the date so delivered; those given by mailing as hereinabove provided shall be deemed given on the date of deposit in the United States Mail; those given by commercial courier as hereinabove provided shall be deemed given on the date of deposit with the commercial courier; and those given by facsimile shall be deemed given on the date of facsimile transmittal. Nonetheless, the time period, if any, in which a response to any notice, demand, or request must be given shall commence to run from the date of receipt of the notice, demand, or request by the addressee thereof. Any notice, demand, or request not received because of changed address or facsimile number of which no notice was given as hereinabove provided or because of refusal to accept delivery shall be deemed received by the party to whom addressed on the date of hand delivery, on the date of facsimile transmittal, on the first calendar day after deposit with commercial courier, or on the third calendar day following deposit in the United States Mail, as the case may be.

7. Assignment. This Agreement may be assigned by Grantee, in whole or in part.

8. Governing Law. This Agreement shall be construed, enforced and interpreted in accordance with the laws of the State of California.

9. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

10. No Recording of Agreement or Memorandum of Agreement. In no event shall this Agreement or any memorandum hereof be recorded in the Official Records of Los Angeles County, California, and any such recordation or attempted recordation shall constitute a breach of this Agreement by the party responsible for such recordation or attempted recordation.

IN WITNESS WHEREOF, Grantor and Grantee have caused this Agreement to be executed and sealed, all the day and year first written above.

GRANTEE:

R. Y. PROPERTIES, INC.,
a California corporation

By: _____

Name: Robert Yu

Title: President

Address for notices: R. Y. Properties, Inc.
212 South Palm Avenue
Suite 200
Alhambra, California 91801
Attention: Kimberly Yu
Robert Yu
Telephone: (626) 282-3100
Facsimile: (626) 282-6588
Email: Kimberlyyu@earthlink.net
Robertyu212@earthlink.net

with a copy to: Thomas F. Zimmerman
Attorney at Law
1000 Dove Street
Suite 300
Newport Beach, California 92679
Telephone: (949) 340-0644
Facsimile (877) 828-0383
Email: tfz@cox.net

(Signatures continued)

GRANTOR:

SUCCESSOR AGENCY TO THE
INDUSTRY URBAN-DEVELOPMENT AGENCY

By: _____

Name: _____

Title: _____

Address for notices: Successor Agency to the
Industry Urban-Development Agency
15625 East Stafford Street, Suite 100
City of Industry, California 91744
Attention: Kevin Radecki
Telephone: (626) 333-1480
Facsimile: (626) 336-4273

With a copy to: Richards, Watson & Gershon
355 South Grand Avenue, 40th Floor
Los Angeles, California 90071
Attn.: Jim G. Grayson, Esq.
Telephone: (213) 626-8484
Facsimile: (213) 626-0078

Exhibit A
LEGAL DESCRIPTION
(Attached.)

LEGAL DESCRIPTION

(APN 8264-001-941 & 942)
17475 Gale Avenue

CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

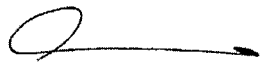
THE LAND REFERRED TO HEREIN IS SITUATED IN THE STATE OF CALIFORNIA,
COUNTY OF LOS ANGELES, DESCRIBED AS FOLLOWS:


PARCEL 1 OF PARCEL MAP NO. 105, IN THE CITY OF INDUSTRY, COUNTY OF LOS
ANGELES, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 81,
PAGE 28 OF PARCEL MAPS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY,

TOGETHER WITH THAT PORTION OF DEPOT STREET (60.00 FEET WIDE) AS SHOWN
ON THE MAP OF THE TOWN OF ROWLAND, IN THE CITY OF INDUSTRY, COUNTY
OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 4,
PAGE 10 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY,
AND TOGETHER WITH THE WESTERLY 25.00 FEET OF WALNUT STREET (50.00 FEET
WIDE, FORMERLY KNOWN AS HATCHER AVENUE NOW KNOWN AS AUTO MALL
WEST) AS SHOWN ON SAID MAP OF THE TOWN OF ROWLAND, AS VACATED BY
THE CITY OF INDUSTRY RESOLUTION NO. 1050, A CERTIFIED COPY OF WHICH
WAS RECORDED DECEMBER 31, 1980 AS DOCUMENT NO. 80-1316607 OF SAID
COUNTY, THAT WOULD PASS WITH A LEGAL CONVEYANCE OF SAID PARCEL 1 OF
MAP NO. 105.

ALSO TOGETHER WITH THAT PORTION OF AUTO MALL WEST, VACATED BY THE
CITY OF INDUSTRY RESOLUTION NO. 2123, RECORDED JANUARY 19, 2006, AS
INSTRUMENT NO. 06-0133067 OF OFFICIAL RECORDS OF SAID COUNTY.

AND AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART OF HEREOF.



CLEMENT N. CALVILLO, RCE 27743
CNC Engineering
Job No. MP 12-03 #3 Legal No.1011R
Checked by:  February 18, 2015

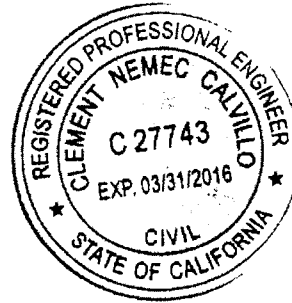
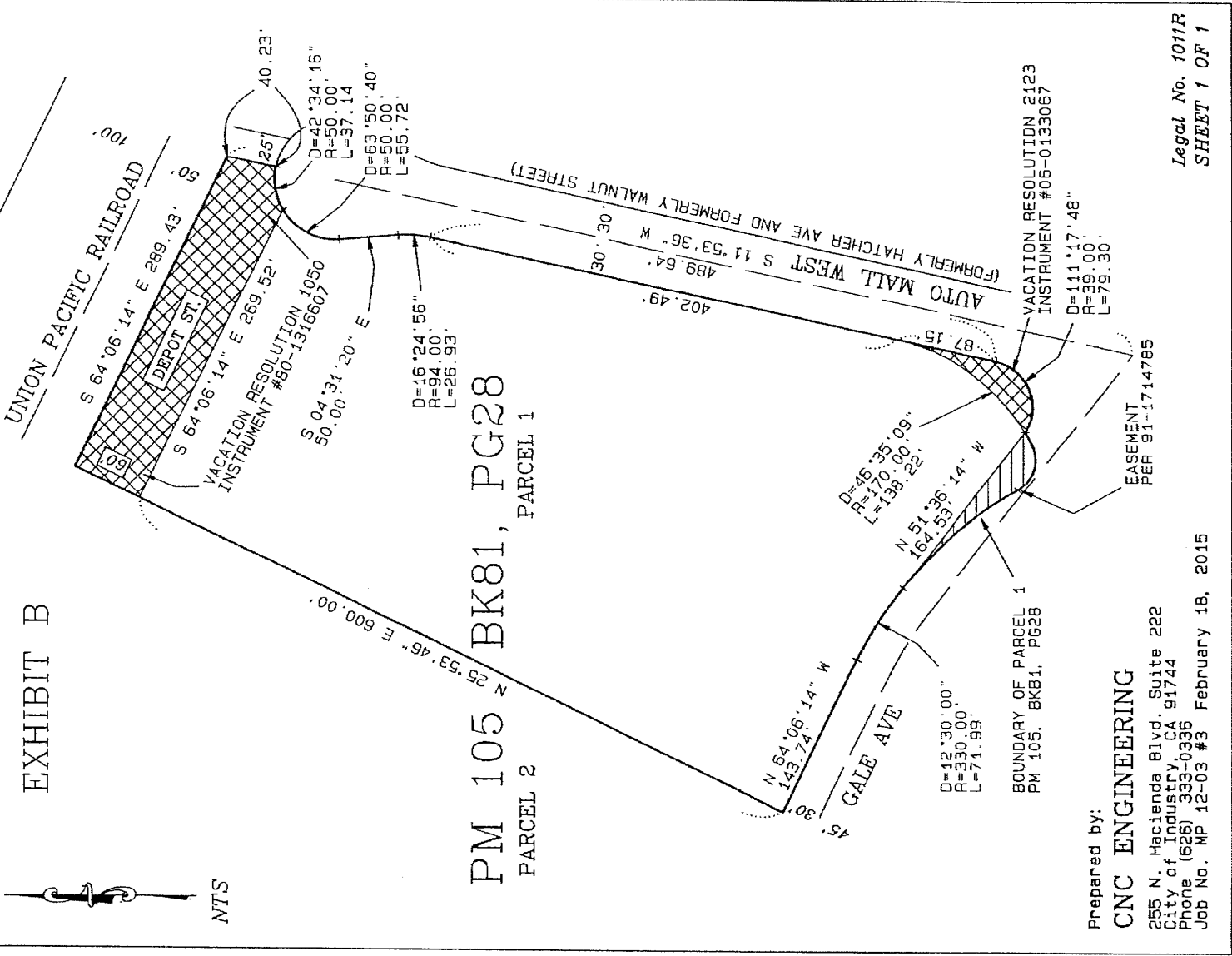


EXHIBIT B



NTS



PM 105 BK81, PG28
PARCEL 2
PARCEL 1

Prepared by:
CNC ENGINEERING
 255 N. Hacienda Blvd. Suite 222
 City of Industry, CA 91744
 Phone (626) 333-0336
 Job No. MP 12-03 #3 February 18, 2015

Legal No. 1011R
 SHEET 1 OF 1

EXHIBIT "D"

FORM OF GENERAL ASSIGNMENT

This GENERAL ASSIGNMENT ("Assignment") is made as of _____, 2015, between SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY ("Assignor"), and R.Y. PROPERTIES, INC., a California corporation ("Assignee").

RECITALS

A. Assignor and Assignee are parties to that certain Purchase and Sale Agreement dated as of _____, 2015 (the "**Purchase Agreement**"), pursuant to which Assignee has agreed to purchase from Assignor, among other things, all of Assignor's right, title and interest in and to certain Real Property more particularly described therein, and to the extent assignable to Assignee, all of Assignor's right, title and interest in and to the Appurtenances (as hereinafter defined). Unless otherwise expressly provided herein, capitalized terms used in this Assignment shall have the meaning ascribed to such terms in the Purchase Agreement. For purposes hereof, "**Appurtenances**" means all of the Assignor's right, title and interest, if any, in and to the following but only to the extent assignable by law and without the prior consent of a third party and pertaining solely to the Real Property (and not any other property owned by the Assignor): (a) all improvements on the Real Property as of the Close of Escrow; (b) all rights, privileges, appurtenances, hereditaments, easements, reversions, and remainders, including, without limitation, all (i) development rights and credits, air rights, water rights, and water stock, (ii) strips and gores, streets, alleys, easements, rights-of-way, public ways, and (iii) mineral, oil, gas, and other subsurface rights; (c) all plats, maps, improvement plans, engineering plans, reports and data, surveys, third party reports and studies, designs, drawings and specifications; (d) all documents pertaining to the Real Property provided to Assignee by or on behalf of the Assignor prior to the Close of Escrow; (e) all architectural, site, landscaping or other permits, applications, approvals, authorizations, and other entitlements; (f) deposits, credits, fee credits (including without limitation water meter credits), pre-paid fees, refunds of impact or permit fees, reimbursements, rights to reimbursements and benefits of any cost sharing agreements, and school fee mitigation agreements, community facilities district and other assessment district rights, proceeds, deposits, advances, reimbursements, formation documents and benefits, and construction and design defect claim; and (g) guarantees, warranties, and utility contracts.

B. This Assignment is made pursuant to, and is therefore subject to the terms of, the Purchase Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. Assignment of Appurtenances. Assignor hereby assigns, transfers, sets over and delivers to Assignee, to the extent assignable to Assignee, all of Assignor's right, title and interest, if any, in and to the Appurtenances. Assignor makes no representation or warranty of any kind to Assignee with respect to the Appurtenances other than as may expressly be set forth in the Purchase Agreement.

2. Assumption of Obligations. By execution of this Assignment, Assignee hereby accepts the assignment made by Assignor under Section 1 hereof and hereby assumes and agrees to perform and to be bound by all of the terms, covenants, conditions and obligations imposed upon the holder of Assignor's position under and in the Appurtenances arising on or after the date hereof.

3. Governing Law. This Assignment shall be governed by the laws of the State of California.

4. Binding Effect. This Assignment and the provisions contained herein shall be binding upon and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

5. Attorneys' Fees. In the event of any legal action (including, but not limited to, appellate and bankruptcy proceedings) between or with respect to Assignor and/or Assignee arising out of or in connection with this Assignment, the prevailing party shall be entitled to recover from the other party reasonable attorneys' fees and costs of suit.

6. Counterparts. This Assignment may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together constitute one and the same instrument.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the date first above written.

ASSIGNOR:

SUCCESSOR AGENCY TO THE
INDUSTRY URBAN-DEVELOPMENT
AGENCY

ASSIGNEE:

R. Y. PROPERTIES, INC.,
a California corporation

By: _____
Name: _____
Title: _____

By: _____
Name: Robert Yu
Title: President

*OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
INDUSTRY URBAN-DEVELOPMENT AGENCY*

ITEM NO. 5.11

RESOLUTION NO. OB 2015-05

A RESOLUTION OF THE OVERSIGHT BOARD OF SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF INDUSTRY, APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND THE SUCCESSOR AGENCY ADMINISTRATIVE BUDGET FOR THE PERIOD OF JULY 1, 2015 THROUGH DECEMBER 31, 2015

WHEREAS, the successor agency to the Industry Urban-Development Agency was formed in accordance with California Health and Safety Code Section 34173 (“Successor Agency”); and

WHEREAS, the Oversight Board (“Oversight Board”) of the Successor Agency was established pursuant to California Health and Safety Code Section 34179; and

WHEREAS, the Successor Agency must prepare and obtain approval from the Oversight Board of a Recognized Obligation Payment Schedule (“ROPS”) for the period of July 1, 2015 through December 31, 2015, pursuant to California Health and Safety Code Section 34177(l)(1); and

WHEREAS, the Successor Agency must prepare and obtain approval from the Oversight Board for an administrative budget of the Successor Agency (“Administrative Budget”) for the period of July 1, 2015 through December 31, 2015, pursuant to California Health and Safety Code Section 34177(j); and

WHEREAS, the Successor Agency prepared a ROPS and Administrative Budget for the period of July 1, 2015 through December 31, 2015, in the forms attached hereto as Exhibit A and Exhibit B, respectively; and

WHEREAS, the Oversight Board has determined that the ROPS for the period of January 1, 2015, through June 30, 2015 and the Administrative Budget for the period of January 1, 2015, through June 30, 2015, are consistent with the requirements of the Successor Agency to wind down the affairs of the former redevelopment agency in accordance with California Health and Safety Code Sections 34177(h), 34177(j) and 34177(l); and

WHEREAS, California Health and Safety Code Section 34179(e) requires the Oversight Board to adopt resolutions for any action taken by the Oversight Board.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board as follows:

Section 1. Approval of ROPS. The Oversight Board hereby approves the ROPS attached hereto as Exhibit A, for the period of July 1, 2015 through December 31, 2015.

Section 2. Approval of Administrative Budget. The Oversight Board hereby approves the Administrative Budget for the Successor Agency attached hereto as Exhibit B, for the period of July 1, 2015 through December 31, 2015.

Section 3. Authorization of Successor Agency. Upon approval of this resolution (“Resolution”) by the California Department of Finance, the Oversight Board authorizes and directs

the Executive Director of the Successor Agency to execute, deliver and/or acknowledge the authority granted by this Resolution, and further directs the staff of the Successor Agency to submit a copy of the approved ROPS to the Los Angeles County Auditor-Controller and the California State Controller's office and post the approved ROPS on the Successor Agency's website.

Section 4. **Delivery to the California Department of Finance.** The Oversight Board hereby authorizes and directs the Secretary of the Oversight Board to electronically deliver a copy of this Resolution to the California Department of Finance promptly in accordance with California Health and Safety Code Section 34179(h).

Section 5. **Other Actions.** The Oversight Board hereby authorizes and directs the Chairman, Vice-Chairman and/or Secretary of the Oversight Board, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to effectuate the purposes of this Resolution, and such actions previously taken by such officers are hereby ratified and confirmed.

Section 6. **Effect.** This Resolution shall take effect in accordance with California Health and Safety Code Section 34179(h).

PASSED, APPROVED AND ADOPTED by the Oversight Board at a duly noticed meeting of the Oversight Board held on February 24, 2015, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

By: _____
Santos H. Kreimann, Chairman
Oversight Board of the Successor Agency
to the Industry Urban-Development Agency

ATTEST:

Diane M. Schlichting, Secretary
Oversight Board of the Successor Agency
to the Industry Urban-Development Agency

RESOLUTION NO. OB 2015-05

EXHIBIT A

RECOGNIZED OBLIGATION PAYMENT SCHEDULE

JULY 1, 2015 THROUGH DECEMBER 31, 2015

SUCCESSOR AGENCY

ITEM NO. 5.4

Hitchcock Commercial Properties, Inc.

Post Office Box 8610
City of Industry, CA 91748-0610

January 12, 2015

Successor Agency to the Industry
Urban-Development Agency
15625 E. Stafford Street
City of Industry CA 91744
Attn: Kevin Radecki, Executive Director

RE: Letter of Intent to Purchase 17647 Gale Avenue, city of Industry (the "Property")

Ladies and Gentlemen:

Hitchcock Commercial Properties, a California limited partnership ("Buyer") hereby submits six (6) copies of this executed, non-binding Letter of Intent to purchase the above-referenced Property from the Successor Agency to the Industry-Urban Development Agency ("Seller").

- Purchase Price:** Five Million Three Hundred Fifty Five thousand Dollars (\$5,355,000); however, Buyer acknowledges that the Purchase Price shall not be less than the fair market value of the Property as determined by an appraisal prepared by a duly licensed MAI appraiser to be selected by Seller, which appraisal has not yet obtained (the "Purchase Price")
- Appraisal Costs:** Buyer shall reimburse Seller for Seller's appraisal costs through the escrow at the closing.
- Deposits:** Within five (5) business days after escrow is opened, Buyer shall deposit one percent (1%) of the Purchase Price into escrow (the "Initial Deposit") which shall be refundable (less an escrow cancellation fee) if Buyer terminates the Purchase Agreement (described below) before the end of the Due Diligence Period (defined below). If Buyer does not so terminate, Buyer shall make another deposit (the "Additional Deposit") in an amount equal to four percent (4%) of the Purchase Price. The Initial Deposit and Additional Deposit shall constitute liquidated damages payable to Seller in the event of a Buyer default and shall otherwise be applied to the Purchase Price at closing.
- Due Diligence:** Buyer shall have sixty (60) calendar days after the date of the Purchase Agreement (the "Due Diligence Period") to examine documents relating to the Property on the Seller's website under the link "Properties for Sale-Information and Documents Available", perform inspections and a survey and approve or disapprove the title exceptions in a title report, all at Buyer's sole cost and expense. If Buyer terminates the Purchase Agreement, Buyer shall provide copies of all due diligence reports, surveys, studies, etc. Prepared by or at the direction of Buyer, to Seller within five (5) business days after the termination.

Project; Completion Deadline: Buyer shall covenant to build the following project (the "Project") on the Property on or before 12/31/2016 (subject to force majeure Delays):
Completion of a new vehicle automobile dealership and facility
(discussion with various manufacturers underway)

Documents Delivered by Buyer: Enclosed are all of the following (i) copies of the organizational documents of Buyer; (ii) a statement as to whether Buyer intends to form a new legal entity to take title to the Property and to take an assignment of the Purchase Agreement (and if so, a description of its type, structure and state of organization (iii) reasonable evidence (such as financial statements, bank account statements, and loan letters of intent) describing the equity capital and loan(s) that Buyer will obtain in order to finance the purchase and/or construction of the Project, as well as a preliminary Project budget; (iv) an estimate of the jobs anticipated to be created by the Project after completion; (v) a detailed narrative description of the Project, with a site plan stating the approximate square footage of each building; (vi) an estimate of assessed value upon completion, with a brief explanation as to how it was calculated; and (vii) an estimate of projected annual sales tax revenue with a brief explanation as to how it was calculated.

Closing: The closing shall occur within thirty (30) days after the Due Diligence Period.

AS-IS Purchase: The Property is being sold on an "AS IS" basis, without representation or warranty, express or implied.

**Escrow Company/
Title Company:** First American Title Insurance Company.

Title & Escrow Fees: Seller will pay the premium for a CLTA title insurance policy and transfer taxes. Escrow fees shall be split 50/50. Buyer shall have the right to require an ALTA Extended Coverage Policy, but in that case Buyer shall obtain the necessary survey and pay the additional cost of the extended coverage. Buyer shall pay for all title insurance endorsements.

Brokers: Buyer must pay any commissions payable to Buyer's broker, if any. Seller has not engaged a broker.

Non-Binding Letter of Intent: This Letter of Intent shall serve only as an expression of the Buyer's interest in exploring the possibility of purchasing the Property; it shall not constitute a legally binding agreement and shall not create any rights, duties or obligations on the part, or in favor, of the Buyer or Seller. Buyer and Seller shall be legally bound with respect to the sale of the Property if, and only if, they approve, execute and deliver the Purchase Agreement.


Which is subject to the approval of the Oversight Board to the Seller and the California Department of Finance.

Purchase Agreement: Buyer agrees that the Purchase Agreement shall be in the form attached hereto as Exhibit "A".

Right of Entry Agreement: FOR IMPROVED PROPERTIES ONLY: Prior to execution of the Purchase Agreement upon Seller's selection of Buyer's proposal to acquire the Property, Seller and Buyer shall enter into a right of entry agreement in the form attached hereto as Exhibit "B" to permit preliminary inspection by Buyer of the Improvements on the Property.

PROSPECTIVE BUYER:

Hitchcock Commercial Properties a
California limited partnership
By: Hitchcock Commercial Properties Inc.
A California corporation, the general partner

By: 
Printed Name: Frederick E. Hitchcock Jr.
Title: President

SUCCESSOR AGENCY

ITEM NO. 5.5

RESOLUTION NO. SA 2015-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO INDUSTRY URBAN-DEVELOPMENT AGENCY APPROVING A PROPOSED ADMINISTRATIVE BUDGET FOR THE SIX MONTH PERIOD COMMENCING JULY 1, 2015, PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j) AND TAKING CERTAIN RELATED ACTIONS

WHEREAS, pursuant to Health and Safety Code Section 34177(j), the Successor Agency is required to prepare a proposed administrative budget for each six month fiscal period and submit each proposed administrative budget to the Oversight Board for approval; and

WHEREAS, each proposed administrative budget shall include all of the following: (1) estimated amounts for the Successor Agency's administrative costs for the applicable six-month fiscal period; (2) proposed sources of payment for the costs indentified in (1); and (3) proposals for arrangements for administrative and operations services provided by the City or another entity; and

WHEREAS, pursuant to Health and Safety Code Section 34177(k), the Successor Agency is required to provide administrative cost estimates, from its approved administrative budget that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, to the County Auditor-Controller for each applicable six-month fiscal period; and

WHEREAS, there has been presented to the Board for approval a proposed administrative budget for the Successor Agency for the period from July 1, 2015 through December 31, 2015 ("Administrative Budget 15-16A");

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

SECTION 1. The above recitals are true and correct.

SECTION 2. This Resolution is adopted pursuant to the provisions of Health and Safety Code Section 34177(j).

SECTION 3. The Board hereby approves the proposed Administrative Budget 15-16A in the form attached hereto as Exhibit A. The Executive Director of the Successor Agency may modify Administrative Budget 15-16A as the Executive Director or the Successor Agency's legal counsel deems necessary or advisable

SECTION 4. Staff is hereby further authorized and directed to submit the proposed Administrative Budget 15-16A to the Oversight Board for approval.

SECTION 5. The officers and staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution and any such actions previously taken by such officers and staff are hereby ratified and confirmed.

PASSED, APPROVED AND ADOPTED on this 24th day of February, 2015.

Tim Spohn, Chairman

ATTEST:

Diane M. Schlichting, Assistant Secretary

EXHIBIT A

**SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY
PROPOSED ADMINISTRATIVE BUDGET
(July 1, 2015 through December 31, 2015)**

**Successor Agency to the Industry Urban-Development Agency
 Administrative Budget July 1, 2015 through December 31, 2015**

	January 1, 2015 to June 30, 2015		
	Budget	Actual	Remaining
Salaries, Payroll Taxes, Group Medical Insurance, Cafeteria Benefits, Workers Compensation Insurance, Life Insurance, Disability Insurance and Retirement Benefits	\$ 314,000.00		\$ 314,000.00
Office/ Delivery/Phone and Overhead	60,000.00		60,000.00
Professional Fees	57,000.00		57,000.00
Annual Trustee Fees	8,000.00		8,000.00
Legal and Litigation Services	497,000.00		497,000.00
Accounting and Consulting Fees	151,000.00		151,000.00
Auditing and Consulting Fees	153,000.00		153,000.00
General Insurance and Bonding	119,000.00		119,000.00
Totals	\$ 1,359,000.00	\$ -	\$ 1,359,000.00

SUCCESSOR AGENCY

ITEM NO. 5.6

RESOLUTION NO. SA 2015-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 FOR THE SIX-MONTH FISCAL PERIOD COMMENCING JULY 1, 2015, AND TAKING CERTAIN RELATED ACTIONS

WHEREAS, Health and Safety Code Section 34177 provides that before each six-month fiscal period, each successor agency to a former redevelopment agency, including the Successor Agency to the Industry Urban-Development Agency (the “Successor Agency”), must prepare a Recognized Obligation Payment Schedule (“ROPS”) for payments to be made during each six-month fiscal period (commencing each January 1 and July 1) in accordance with the requirements of Section 34177; and

WHEREAS, pursuant to Section 34177(1)(2), the Successor Agency must submit each ROPS to the Oversight Board for approval; and

WHEREAS, at the same time that the Successor Agency submits a ROPS to the Oversight Board, the Successor Agency is required to submit a copy of such ROPS to the State Department of Finance (the “DOF”), the County administrative officer and the County Auditor-Controller; and

WHEREAS, Health and Safety Code Sections 34177(1)(2)(C) and 34177(m) require the Successor Agency to: (1) submit the ROPS for the period from July 1, 2015 through December 31, 2015 (“ROPS 15-16A”), after approval by the Oversight Board, to the DOF, the Office of the State Controller and the County Auditor-Controller, which is no later than March 3, 2015, which is 90 days before the next scheduled Redevelopment Property Tax Trust Fund disbursement date of June 1, 2015; and (2) post a copy of such Oversight Board-approved ROPS 15-16A on the Successor Agency’s website;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

SECTION 1. The above recitals are true and correct.

SECTION 2. This Resolution is adopted pursuant to Health and Safety Code Section 34177.

SECTION 3. The Board hereby approves the Successor Agency’s ROPS 15-16A, substantially in the form attached hereto as Exhibit A and incorporated herein by reference. The Executive Director of the Successor Agency, in consultation with the Successor Agency’s legal

counsel, may modify ROPS 15-16A as the Executive Director or the Successor Agency's legal counsel deems necessary or advisable.

SECTION 4. Staff is hereby further authorized and directed to submit a copy of ROPS 15-16A to the Oversight Board for approval and, at the same time, transmit a copy of ROPS 15-16A to the DOF, the County Auditor-Controller and the county administrative officer as designated the County.

SECTION 5. Staff is hereby further authorized and directed to submit a copy of ROPS 15-16A to the DOF, the Office of the State Controller and the County Auditor-Controller upon the Oversight Board's review and approval. In addition, if Staff learns that the Oversight Board is unable to meet or otherwise will not approve ROPS 15-16A by March 3, 2015, Staff shall, by no later than March 3, 2015, re-transmit a copy of ROPS 15-16A as approved hereby (with modifications made by the Executive Director, if any, pursuant to the authorization under Section 3 of this Resolution), to the DOF, the Office of the State Controller and the County Auditor-Controller, with a written notification regarding the status of the Oversight Board's review.

SECTION 6. Staff is hereby authorized and directed to post a copy of ROPS 15-16A, after approval by the Oversight Board, on the Successor Agency's Internet website (being a page on the Internet website of the City of Industry).

SECTION 7. The officers and the staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution and any such actions previously taken by such officers and staff are hereby ratified and confirmed.

PASSED, APPROVED AND ADOPTED on this 24th day of February, 2015.

Tim Spohn, Chairman

ATTEST:

Diane M. Schlichting, Assistant Secretary

EXHIBIT A

**SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY
RECOGNIZED OBLIGATION PAYMENT SCHEDULE
(July 1, 2015 through December 31, 2015)**

Recognized Obligation Payment Schedule (ROPS 15-16A) - Summary

Filed for the July 1, 2015 through December 31, 2015 Period

Name of Successor Agency: Industry City
Name of County: Los Angeles

<u>Current Period Requested Funding for Outstanding Debt or Obligation</u>	<u>Six-Month Total</u>
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding	
A Sources (B+C+D):	\$ 21,082,100
B Bond Proceeds Funding (ROPS Detail)	7,477,000
C Reserve Balance Funding (ROPS Detail)	-
D Other Funding (ROPS Detail)	13,605,100
E Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 45,314,840
F Non-Administrative Costs (ROPS Detail)	45,314,840
G Administrative Costs (ROPS Detail)	-
H Current Period Enforceable Obligations (A+E):	\$ 66,396,940
 Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
I Enforceable Obligations funded with RPTTF (E):	45,314,840
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	-
K Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 45,314,840
 County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
L Enforceable Obligations funded with RPTTF (E):	45,314,840
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N Adjusted Current Period RPTTF Requested Funding (L-M)	45,314,840

Certification of Oversight Board Chairman:
Pursuant to Section 34177 (m) of the Health and Safety code, I
hereby certify that the above is a true and accurate Recognized
Obligation Payment Schedule for the above named agency.

_____	_____
Name	Title
/s/ _____	
Signature	Date

Recognized Obligation Payment Schedule (ROPS 15-16A) - ROPS Detail
July 1, 2015 through December 31, 2015
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K					P	
										Funding Source						
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF			
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin		Six-Month Total
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired							
								\$ 1,025,189,088			\$ 7,477,000	\$ -	\$ 13,605,100	\$ 45,314,840	\$ -	\$ 66,396,940
1	2002 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	4/16/2002	5/1/2021	Trustee/Bond Holder	Bond issue to fund public	Project 1	95,282,154	N					2,127,575		\$ 2,127,575
2	2003 Tax Allocation Bonds "A"	Bonds Issued On or Before 12/31/10	12/29/2003	5/1/2021	Trustee/Bond Holder	Bond issue to fund public improvements	Project 1	42,370,200	N					1,041,750		\$ 1,041,750
3	2003 Tax Allocation Bonds "B"	Bonds Issued On or Before 12/31/10	11/1/2009	5/1/2021	Trustee/Bond Holder	Bond issue to fund public improvements	Project 1	19,147,802	N					374,744		\$ 374,744
4	2003 Sub Tax Allocation Bond	Bonds Issued On or Before 12/31/10	5/1/2004	6/1/2021	Trustee/Bond Holder	Bond issue to fund public improvements	Project 1	60,580,500	N					8,196,500		\$ 8,196,500
5	2007 Sub Tax Allocation Bond	Bonds Issued On or Before 12/31/10	6/1/2007	12/1/2021	Trustee/Bond Holder	Bond issue to fund public improvements	Project 1	15,523,200	N					1,811,000		\$ 1,811,000
6	2008 Sub Tax Allocation Bond	Bonds Issued On or Before 12/31/10	4/8/2008	12/1/2023	Trustee/Bond Holder	Bond issue to fund public improvements	Project 1	34,976,183	N					2,978,989		\$ 2,978,989
7	2005 Sub Tax Allocation Bond	Bonds Issued On or Before 12/31/10	4/20/2005	12/1/2025	Trustee/Bond Holder	Bond issue to fund public improvements	Project 1	67,697,697	N					4,706,221		\$ 4,706,221
8	2009 Sub lien Tax Alloc Note	City/County Loans On or Before 6/27/11	6/1/2009	6/1/2021	Trustee/Bond Holder	Note issue to fund public improvements	Project 1		N							\$ -
9	2008 Sub lien Tax Alloc Note	City/County Loans On or Before 6/27/11	12/1/2008	6/1/2021	Trustee/Bond Holder	Note issue to fund public improvements	Project 1		N							\$ -
10	2002 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	8/13/2002	5/1/2024	Trustee/Bond Holder	Bond issue to fund public improvements	Project 2	11,219,378	N					208,365		\$ 208,365
11	2003 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	12/30/2003	5/1/2024	Trustee/Bond Holder	Bond issue to fund public improvements	Project 2	29,856,448	N					675,973		\$ 675,973
12	2003 Sub Tax Allocation Bond	Bonds Issued On or Before 12/31/10	12/30/2003	12/1/2023	Trustee/Bond Holder	Bond issue to fund public improvements	Project 2	300,374,955	N					15,155,575		\$ 15,155,575
13	2005 Sub Tax Allocation Bond	Bonds Issued On or Before 12/31/10	4/20/2005	12/1/2025	Trustee/Bond Holder	Bond issue to fund public improvements	Project 2	16,760,551	N					1,165,218		\$ 1,165,218
14	2008 Sub Tax Allocation Bond	Bonds Issued On or Before 12/31/10	4/8/2008	12/1/2026	Trustee/Bond Holder	Bond issue to fund public improvements	Project 2	39,993,803	N					1,622,513		\$ 1,622,513
15	2010 Sub Tax Allocation Bond	Bonds Issued On or Before 12/31/10	12/1/2010	12/1/2026	Trustee/Bond Holder	Bond issue to SERAF payment	Project 2	55,322,038	N					3,200,860		\$ 3,200,860
16	2002 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	8/13/2002	5/1/2024	Trustee/Bond Holder	Bond issue to fund public improvements	Project 3	11,363,324	N					213,037		\$ 213,037
17	2003 Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	12/30/2003	5/1/2024	Trustee/Bond Holder	Bond issue to fund public improvements	Project 3	33,491,426	N					758,270		\$ 758,270
18	2003 Sub Tax Allocation Bond	Bonds Issued On or Before 12/31/10	5/1/2024	6/1/2019	Trustee/Bond Holder	Bond issue to fund public improvements	Project 3	4,926,250	N					1,078,250		\$ 1,078,250
19	2008 Sub Tax Allocation Bond	Bonds Issued On or Before 12/31/10	12/1/2008	12/1/2026	Trustee/Bond Holder	Bond issue to fund public improvements	Project 3	25,495,000	N							\$ -
20	2009 Sub lien Tax Alloc Note	City/County Loans On or Before 6/27/11	6/1/2009	6/1/2024	Trustee/Bond Holder	Note issue to fund public improvements	Project 3		N							\$ -
21	Fiscal Agent Fees	Fees	7/1/2015	12/31/2015	US Bank	Administrative Fees	Project 1	-	N							\$ -
22	Arbitrage Fees	Fees	7/1/2015	12/31/2015	Bank of NY	Professional Services	All Projects	-	N							\$ -
23	Fiscal Agent Fees	Fees	7/1/2015	12/31/2015	US Bank	Administrative Fees	Project 2	4,000	N				4,000			\$ 4,000
24	Fiscal Agent Fees	Fees	7/1/2015	12/31/2015	Bank of NY	Administrative Fees	Project 3	-	N							\$ -
25	Fiscal Agent Fees	Fees	7/1/2015	12/31/2015	US Bank	Administrative Fees	Project 3	4,000	N				4,000			\$ 4,000
26	20 % Hacola - All Project Areas FY 2011-12	OPA/DDA/Construction	12/28/1992	6/30/2012	LA County	20 % Hacola - set aside	All Projects		N							\$ -
27	20 % Hacola - All Project Areas FY 2012-13	OPA/DDA/Construction	12/28/1992	6/30/2013	LA County	20 % Hacola - set aside	All Projects		N							\$ -
99	Landscaping Baker Slopes (MP 91-31 #61)	Professional Services	6/22/2011	12/31/2015	CNC Engineering	Engineering Consulting	Project 2	60,000	N				20,000			\$ 20,000
100	Landscaping Baker Slopes (MP 91-31 #61)	Professional Services	6/12/2006	12/31/2015	Environs Landscape Arch	Landscape Architect	Project 2	30,000	N				10,000			\$ 10,000
102	Landscaping Baker Slopes (MP 91-31 #61)	Improvement/Infrastructure	9/25/2013	12/31/2015	Kasa Construction, Inc.	Contractor	Project 2	-	Y							\$ -
116	Lemon Ave Int 60 (MP 03-10)	Professional Services	6/22/2011	12/31/2015	CNC Engineering	Engineering Consulting	Project 2	90,000	N		15,000					\$ 15,000
117	Lemon Ave Int 60 (MP 03-10)	Professional Services	8/10/2005	12/31/2015	Jacobs Civil	Engineering Consulting	Project 2	300,000	N		95,000					\$ 95,000

Recognized Obligation Payment Schedule (ROPS 15-16A) - ROPS Detail
July 1, 2015 through December 31, 2015
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K				O	P
										Funding Source					
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)		RPTTF			
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	Six-Month Total
118	Lemon Ave Int 60 (MP 03-10)	Professional Services	7/26/2005	9/26/2016	Avant-Garde	(Program Funds)	Project 2	150,000	N	42,000					\$ 42,000
120	Lemon Ave Int 60 (MP 03-10)	Improvement/Infrastructure	7/1/2015	12/31/2015	Contractor - by public bidding	Construction	Project 2	3,543,160	N	1,300,000					\$ 1,300,000
121	Lemon Ave Int 60 (MP 03-10)	Project Management Costs	7/1/2015	12/31/2015	Caltrans	Construction administration	Project 2	3,650,000	N	1,300,000					\$ 1,300,000
122	Lemon Ave Int 60 (MP 03-10)	Fees	7/1/2015	12/31/2015	County Dept Public Works	Plan check inspection	Project 2	1,000	N	500					\$ 500
123	Route 57/60 Confluence (MP99-31 #22)	Professional Services	6/22/2011	12/31/2015	CNC Engineering	Engineering Consulting	Project 2	170,000	N	40,000					\$ 40,000
124	Route 57/60 Confluence (MP99-31 #22)	Professional Services	11/7/2007	12/31/2015	WKE, Inc	Engineering Consulting- environmental phase	Project 2	-	Y						\$ -
126	Route 57/60 Confluence (MP99-31 #22)	Professional Services	1/13/2010	12/31/2015	Casey O'Callaghan Golf Design	Golf course architect	Project 2	40,000	N	5,000					\$ 5,000
127	Route 57/60 Confluence (MP99-31 #22)	Project Management Costs	7/1/2015	12/31/2015	Caltrans	Right of way	Project 2	4,400,000	N	300,000					\$ 300,000
128	Route 57/60 Confluence (MP99-31 #22)	Improvement/Infrastructure	7/1/2015	12/31/2015	Contractor - by public bidding	Contractor	Project 2	5,872,434	N	-					\$ -
130	Route 57/60 Confluence (MP99-31 #22)	Professional Services	7/27/2006	12/31/2020	Avant- Garde	Project Funding	Project 2	90,000	N	35,000					\$ 35,000
131	Route 57/60 Confluence (MP99-31 #22)	Miscellaneous	7/1/2015	12/31/2015	ARC Imaging Resources	Blueprints	Project 2	-	Y						\$ -
132	Route 57/60 Confluence (MP99-31 #22)	Miscellaneous	7/1/2015	12/31/2015	MX Graphics	Blueprints	Project 2	9,600	N	1,500					\$ 1,500
133	Route 57/60 Confluence (MP99-31 #22)	Professional Services	11/7/2007	12/31/2015	WKE, Inc	Engineering Consulting	Project 2	4,958,000	N	1,200,000					\$ 1,200,000
134	Route 57/60 Confluence (MP99-31 #22)	Professional Services	7/23/2008	12/31/2015	Prince Global	Federal Grant	Project 2	450,000	N	90,000					\$ 90,000
148	Diamond Bar Creek (MP 99-31 #26)	Professional Services	6/22/2011	12/31/2015	CNC Engineering	Engineering Consulting	Project 2	125,000	N			35,000			\$ 35,000
149	Diamond Bar Creek (MP 99-31 #26)	Professional Services	4/24/2013	4/24/2017	Thomsen Engineering	Engineering Consulting geotechnical	Project 2	184,000	N			25,000			\$ 25,000
150	Diamond Bar Creek (MP 99-31 #26)	Professional Services	4/24/2013	4/24/2017	Leighton Consulting	Engineering Consulting geotechnical	Project 2	80,000	N			15,000			\$ 15,000
151	Diamond Bar Creek (MP 99-31 #26)	Fees	6/29/2011	12/31/2015	Regional Wtr Quality Control	Permit	Project 2	20,000	N			5,000			\$ 5,000
152	Diamond Bar Creek (MP 99-31 #26)	Fees	4/5/2007	12/31/2015	Army Corps Engineers	Permit	Project 2	1,000	N			500			\$ 500
153	Diamond Bar Creek (MP 99-31 #26)	Fees	1/19/2010	12/31/2015	CA Dept Fish & Game	Permit	Project 2	10,000	N			-			\$ -
154	Diamond Bar Creek (MP 99-31 #26)	Fees	1/1/2015	12/31/2015	St Wtr Resources Cont Board	Permit - Storm water Drains	Project 2	12,000	N			5,000			\$ 5,000
155	Diamond Bar Creek (MP 99-31 #26)	Miscellaneous	1/1/2015	12/31/2015	MX Graphics	Blueprints	Project 2	6,500	N			200			\$ 200
156	Diamond Bar Creek (MP 99-31 #26)	Fees	10/13/2011	12/31/2015	Brown & Brown Ins	Bonding Insurance	Project 2	25,000	N			-			\$ -
158	Diamond Bar Creek (MP 99-31 #26)	Miscellaneous	7/1/2015	12/31/2015	San Gabriel Valley Newspaper	Advertisement for bids	Project 2	1,800	N			1,000			\$ 1,000
159	Diamond Bar Creek (MP 99-31 #26)	Fees	7/1/2015	12/31/2015	LA County Health Department	Permit for use of reclaimed water	Project 2	3,500	N			1,500			\$ 1,500
160	Diamond Bar Creek (MP 99-31 #26)	Improvement/Infrastructure	7/1/2015	12/31/2015	So Calif Edison	Modifications of facilities	Project 2	50,000	N			50,000			\$ 50,000
161	Diamond Bar Creek (MP 99-31 #26)	Improvement/Infrastructure	7/1/2015	12/31/2015	Walnut Valley Water District	Extension of water mains and new meters	Project 2	30,000	N			5,000			\$ 5,000
162	Diamond Bar Creek (MP 99-31 #26)	Fees	7/1/2015	12/31/2015	LA City Sewer Maint District	New sewer annexation fees	Project 2	20,000	N			20,000			\$ 20,000
164	Diamond Bar Creek (MP 99-31 #26)	Improvement/Infrastructure	3/24/2011	12/31/2015	Native Grow Nursery	Materials Supplier	Project 2	75,000	N			75,000			\$ 75,000
165	Diamond Bar Creek (MP 99-31 #26)	Improvement/Infrastructure	1/1/2015	12/31/2015	Contractor - by public bidding	Contractor	Project 2	1,085,921	N			300,000			\$ 300,000
166	Diamond Bar Creek (MP 99-31 #26)	Professional Services	4/24/2013	4/24/2017	Sage Environmental	Consultant for environmental clearance	Project 2	50,000	N			20,000			\$ 20,000
167	Diamond Bar Creek (MP 99-31 #26)	Professional Services	4/24/2013	4/24/2017	WKE, Inc	Engineering Consulting (Permit coordination Cal-Trans)	Project 2	56,000	N			-			\$ -

Recognized Obligation Payment Schedule (ROPS 15-16A) - ROPS Detail
July 1, 2015 through December 31, 2015
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K					P	
										M						Six-Month Total
										Funding Source						
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF			
Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin												
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired							
192	Industry Business Center (MP 99-31 #16)	Professional Services	7/18/2013	12/31/2020	The Planning Center	Consulting for EIR review and mitigation monitoring	Project 2	30,000	N			10,000		\$ 10,000		
193	Industry Business Center (MP 99-31 #16)	Professional Services	7/18/2013	12/31/2020	PBLA Engineering	Consulting for Storm drain design and SWPP preparation	Project 2	380,000	N			200,000		\$ 200,000		
194	Industry Business Center (MP 99-31 #16)	Professional Services	7/18/2013	12/31/2020	Leighton Consulting	Consulting for geotechnical svcs for improvements	Project 2	1,800,000	N			800,000		\$ 800,000		
195	Industry Business Center (MP 99-31 #16)	Professional Services	1/1/2015	12/31/2015	Leighton Consulting	Consulting for geotechnical svcs for improvements	Project 2	315,504	N					\$ -		
196	Industry Business Center (MP 99-31 #16)	Professional Services	6/22/2011	12/31/2015	CNC Engineering	Engineering consulting for on-site improvements	Project 2	2,000,000	N			1,200,000		\$ 1,200,000		
197	Industry Business Center (MP 99-31 #16)	Professional Services	6/22/2011	12/31/2015	CNC Engineering	Engineering consulting for traffic mitigation	Project 2	1,262,016	N			50,000		\$ 50,000		
198	Industry Business Center (MP 99-31 #16)	Professional Services	7/18/2013	12/31/2020	Thomsen Engineering	Engineering consulting	Project 2	45,000	N			20,000		\$ 20,000		
199	Industry Business Center (MP 99-31 #16)	Professional Services	7/18/2013	12/31/2020	Sage Environmental	Consulting for environmental clearance	Project 2	120,000	N			40,000		\$ 40,000		
200	Industry Business Center (MP 99-31 #16)	Miscellaneous	7/1/2015	12/31/2015	MX Graphics	Blueprints	Project 2	60,000	N			20,000		\$ 20,000		
201	Industry Business Center (MP 99-31 #16)	Improvement/Infrastructure	12/13/2011	12/31/2015	So Cal Sandbags	Replace damaged BMPS	Project 2	40,000	N			30,000		\$ 30,000		
202	Industry Business Center (MP 99-31 #16)	Improvement/Infrastructure	7/1/2015	12/31/2015	So Calif Edison	Relocation of existing transmissions & distribution facilities	Project 2	3,600,000	N			3,600,000		\$ 3,600,000		
203	Industry Business Center (MP 99-31 #16)	Improvement/Infrastructure	7/1/2015	12/31/2015	Verizon	Relocation of existing & installation of new utilities	Project 2	694,080	N			10,000		\$ 10,000		
204	Industry Business Center (MP 99-31 #16)	Improvement/Infrastructure	7/1/2015	12/31/2015	So Calif Gas Co	Relocation of existing & installation of new utilities	Project 2	1,041,420	N			50,000		\$ 50,000		
205	Industry Business Center (MP 99-31 #16)	Improvement/Infrastructure	7/1/2015	12/31/2015	Walnut Valley Water District	Relocation of existing & installation of new utilities	Project 2	16,228,200	N			100,000		\$ 100,000		
206	Industry Business Center (MP 99-31 #16)	Improvement/Infrastructure	7/1/2015	12/31/2015	Ind Public Utilities	Installation of new utility system	Project 2	11,829,600	N			100,000		\$ 100,000		
207	Industry Business Center (MP 99-31 #15)	Improvement/Infrastructure	7/1/2015	12/31/2015	Time Warner Cable	Relocation of existing facilities	Project 2		Y					\$ -		
208	Industry Business Center (MP 99-31 #16)	Miscellaneous	7/1/2015	12/31/2015	San Gabriel Valley Newspaper	Advertisement for bids	Project 2	6,000	N			1,000		\$ 1,000		
209	Industry Business Center (MP 99-31 #16)	Professional Services	7/1/2015	12/31/2015	First American Title Co	Title reports & subdivision guarantees	Project 2	14,000	N			5,000		\$ 5,000		
210	Industry Business Center (MP 99-31 #16)	Fees	7/1/2015	12/31/2015	St Wtr Resources Cont Board	Storm water permit	Project 2	6,000	N			1,000		\$ 1,000		
211	Industry Business Center (MP 99-31 #16)	Fees	7/1/2015	12/31/2015	LA County Health Department	Permits for use of reclaimed water	Project 2	4,000	N			1,500		\$ 1,500		
212	Industry Business Center (MP 99-31 #16)	Fees	7/1/2015	12/31/2015	LA County Dept Public Works	Plan checks, permits, inspections of signals /markings	Project 2	85,000	N			20,000		\$ 20,000		
213	Industry Business Center (MP 99-31 #16)	Fees	7/1/2015	12/31/2015	LA City Sewer Maint District	New sewer annexation fees	Project 2	240,000	N					\$ -		
214	Industry Business Center (MP 99-31 #16)	Improvement/Infrastructure	7/1/2015	12/31/2015	International Line Builders	Electrical contractor	Project 2	30,000	N			15,000		\$ 15,000		
215	Industry Business Center (MP 99-31 #16)	Improvement/Infrastructure	7/1/2015	12/31/2015	Mc Cain	Traffic signal poles & mast arms	Project 2	120,000	N			40,000		\$ 40,000		
216	Industry Business Center (MP 99-31 #16)	Professional Services	7/18/2013	12/31/2020	Environs Landscape Arch	Consulting for landscaping design	Project 2	1,515,000	N			100,000		\$ 100,000		
217	Industry Business Center (MP 99-31 #16)	Improvement/Infrastructure	7/1/2015	12/31/2015	Contractor - by public bidding	Mass grading, infrastructure and landscaping	Project 2	58,675,995	N					\$ -		
218	Industry Business Center (MP 99-31 #16)	Improvement/Infrastructure	7/1/2015	12/31/2015	Contractor - by public bidding	Construction of intersections 1-55, 58, 59, 61-69	Project 2	10,516,800	N					\$ -		
219	Industry Business Center (MP 99-31 #16)	Professional Services	7/1/2015	12/31/2015	Kimley Horn & Assoc	Traffic signal design for improvements	Project 2	175,000	N			100,000		\$ 100,000		
220	Industry Business Center (MP 99-31 #16)	Professional Services	7/1/2015	12/31/2015	Kimley Horn & Assoc	Traffic signal design for traffic mitigation	Project 2	1,000,000	N			100,000		\$ 100,000		

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 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K				L	M	N	O	P
										Funding Source								
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF					
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin					
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired									
221	Industry Business Center (MP 99-31 #16)	Professional Services	12/19/2013	12/31/2020	SCS Engineers	Landfill consultant	Project 2	275,000	N			150,000					\$ 150,000	
222	Industry Business Center (MP 99-31 #16)	Professional Services	7/1/2015	12/31/2015	WKE, Inc	Structural engineer	Project 2	80,000	N			20,000					\$ 20,000	
223	Industry Business Center (MP 99-31 #16)	Professional Services	7/18/2013	12/31/2015	Butsko Engineering	Electrical engineer	Project 2	1,300,000	N			500,000					\$ 500,000	
224	W Bd Slip On Ramp 57/60 (MP 99-31 22a)	Professional Services	11/12/2008	12/31/2015	WKE, Inc	Engineering consulting	Project 2	50,000	N	10,000							\$ 10,000	
225	W Bd Slip On Ramp 57/60 (MP 99-31 22a)	Professional Services	6/22/2011	12/31/2015	CNC Engineering	Engineering consulting	Project 2	10,000	N	2,000							\$ 2,000	
226	W Bd Slip On Ramp 57/60 (MP 99-31 22a)	Project Management Costs	6/9/2009	3/15/2016	Caltrans	Right of way acquisition, construction, administration	Project 2	7,750,000	N	3,000,000							\$ 3,000,000	
227	W Bd Slip On Ramp 57/60 (MP 99-31 22a)	Professional Services	7/27/2006	12/31/2020	Avant-Garde	Project Funding	Project 2	100,000	N	40,000							\$ 40,000	
229	W Bd Slip On Ramp 57/60 (MP 99-31 22a)	Miscellaneous	7/1/2015	12/31/2015	MX Graphics	Blueprints	Project 2	2,200	N	1,000							\$ 1,000	
230	W Bd Slip On Ramp 57/60 (MP 99-31 22a)	Miscellaneous	7/1/2015	12/31/2015	ARC Imaging Resources	Blueprints	Project 2	-	Y								\$ -	
251	Industry East Traffic Mitigation Improvements	Professional Services	6/22/2011	12/31/2015	CNC Engineering	Engineering Consultant intersection 7-9,11-9, 21,22,24	Project 2	525,000	N			200,000					\$ 200,000	
252	Industry East Traffic Mitigation Improvements	Professional Services	7/1/2015	12/31/2015	Geotechnical Consultant	Engineering Consultant intersection 7-9,11-9, 21,22,24	Project 2	174,888	N			50,000					\$ 50,000	
253	Industry East Traffic Mitigation Improvements	Professional Services	7/1/2015	12/31/2015	RKA Engineering	Engineering Consultant intersection 7-9,11-9, 21,22,24	Project 2	1,500,000	N			500,000					\$ 500,000	
254	Industry East Traffic Mitigation Improvements	Improvement/Infrastructure	7/1/2015	12/31/2015	Contractor - by public bidding	Engineering Consultant intersection 7-9,11-9, 21,22,24	Project 2	4,199,160	N								\$ -	
255	SA Employer Costs	Admin Costs	7/1/2015	12/31/2015	Reimburse City of Industry	Employee Costs, salaries, taxes, insurance, retirement	All Projects	314,000	N			314,000					\$ 314,000	
256	Office/Delivery/ phone and overhead	Admin Costs	7/1/2015	12/31/2015	Various Vendor	Overhead and administrative Costs	All Projects	60,000	N			60,000					\$ 60,000	
257	Property Management	Admin Costs	7/1/2015	12/31/2015	Various Vendor	Manager to oversee SA owned properties	All Projects	57,000	N			57,000					\$ 57,000	
258	Legal Services	Legal	7/1/2015	12/31/2015	Various Vendor	Legal services attributable for the SA	All Projects	497,000	N			497,000					\$ 497,000	
259	Accounting and consulting fees	Admin Costs	7/1/2015	12/31/2015	Various Vendor	Accounting and consulting fees for the SA	All Projects	151,000	N			151,000					\$ 151,000	
260	Auditing and review services	Dissolution Audits	7/1/2015	12/31/2015	Various Vendor	Required audit and review of the SA by the State	All Projects	153,000	N			153,000					\$ 153,000	
262	Property Tax	Admin Costs	7/1/2015	12/31/2015	Reimburse City of Industry	Property Tax	All Projects		N								\$ -	
263	General Insurance and Bonding	Miscellaneous	7/1/2015	12/31/2015	Brown & Brown Ins	General Insurance	All Projects	119,000	N			119,000					\$ 119,000	
269	City/Agency Reimbursement Agreement for Property Maintenance and other costs	Property Maintenance	7/1/2015	12/31/2015	City of Industry	Obligation created pursuant to HSC Sections 34171(b) and 34171(d)(1)(F)	All Projects	736,000	N			736,000					\$ 736,000	
270	Industry Business Center (MP 99-31 #16)	Improvement/Infrastructure	2/26/2014	12/31/2015	C. A. Rasmussen Inc.	Escrow deposit for IBC-0379 - Far west grading a portion of line 217		950,000	N			950,000					\$ 950,000	
271	Industry Business Center (MP 99-31 #16)	Improvement/Infrastructure	2/26/2014	4/30/2016	Sukut Construction, LLC	Escrow deposit for IBC-0380 East Side Mass Grading a portion of line 217		500,000	N			500,000					\$ 500,000	
275	Industry East Traffic Mitigation Improvements	Improvement/Infrastructure	7/1/2015	12/31/2015	City of Diamond Bar	Traffic improvements per Industry East EIR for intersection 9		713,400	N			713,400					\$ 713,400	
276	Landscaping Baker Slopes (MP 91-31 #61)	Property Maintenance	7/1/2015	12/31/2015	Marina Land Landscape, INC.	Maintenance of the asset created in ROPS line items 99-110		400,000	N			125,000					\$ 125,000	
277	City/Agency Reimbursement Agreement	Improvement/Infrastructure	8/27/2014	12/31/2015	City of Industry	Obligation created pursuant to HSC Sections 34178(a) and 34180(h) - Advance & reimbursement of costs for construction contracts		-	N								\$ -	
281	Industry Business Center (MP 99-31 #16)	Improvement/Infrastructure	6/24/2015	12/31/2016	Contractor - by public bidding	Conduit work associated with line 202	Project 2	2,700,000	N			600,000					\$ 600,000	
282									N								\$ -	
283									N								\$ -	

Recognized Obligation Payment Schedule (ROPS 15-16A) - ROPS Detail
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A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Funding Source					Six-Month Total
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
284									N						\$ -
285									N						\$ -
286									N						\$ -
287									N						\$ -
288									N						\$ -
289									N						\$ -
290									N						\$ -
291									N						\$ -
292									N						\$ -
293									N						\$ -
294									N						\$ -

Recognized Obligation Payment Schedule (ROPS 15-16A) - Report of Cash Balances
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see https://rad.dof.ca.gov/rad-sa/pdf/Cash_Balance_Agency_Tips_Sheet.pdf.

A	B	C	D	E	F	G	H	I	
		Fund Sources							
		Bond Proceeds		Reserve Balance		Other	RPTTF		
	Cash Balance Information by ROPS Period	Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, Grants, Interest, Etc.	Non-Admin and Admin	Comments	
ROPS 14-15A Actuals (07/01/14 - 12/31/14)									
1	Beginning Available Cash Balance (Actual 07/01/14)	81,940,718				16,672,906	386,194	In ROPS 14-15B we inadvertently included \$211,088 of funds held by the bond trustee in column C which should have been reported in column F. The original amount reported in column F was \$175,106 plus \$211,088 equals the \$386,194 which was used to pay for the bond payments in November and December 2014.	
2	Revenue/Income (Actual 12/31/14) RPTTF amounts should tie to the ROPS 14-15A distribution from the County Auditor-Controller during June 2014	34,025			64,300	41,890,319	28,919,181	The \$41,890,319 represents- \$5,835,000 Lease Income, \$1,154,000 Note Receivable Principal and Interest, \$724,000 Other Misc. Income, \$34,139,500 is a loan from the City of Industry, and \$37,600 Investment Interest. The \$64,300 represents funds held by the bond trustee to fund future bond payments.	
3	Expenditures for ROPS 14-15A Enforceable Obligations (Actual 12/31/14) RPTTF amounts, H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q	1,909,526				12,303,434	46,241,275		
4	Retention of Available Cash Balance (Actual 12/31/14) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	49,963,058			64,300	42,441,709		The \$49,963,058 represent monies held by US Bank as bond trustee. All monies held by the trustee will be used to pay bond payments and satisfy debt service requirements. The \$42,441,709 is cash at 12/31/2014 held in escrow accounts to pay for line item #'s 270 and 271 which were approved in ROPS 14-15A	
5	ROPS 14-15A RPTTF Prior Period Adjustment RPTTF amount should tie to the self-reported ROPS 14-15A PPA in the Report of PPA, Column S	No entry required							
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	\$ 30,102,159	\$ -	\$ -	\$ -	\$ 3,818,082	\$ (16,935,900)	The \$16,935,900 debt service shortfall was paid by the City of Industry per Resolution SA 2013-10 and CC 2013-25.	
ROPS 14-15B Estimate (01/01/15 - 06/30/15)									
7	Beginning Available Cash Balance (Actual 01/01/15) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	\$ 80,065,217	\$ -	\$ -	\$ 64,300	\$ 46,259,791		There is \$42,441,709 of cash held in escrow accounts to pay for line items #'s 270 and 271 approved in ROPS 14-15A	
8	Revenue/Income (Estimate 06/30/15) RPTTF amounts should tie to the ROPS 14-15B distribution from the County Auditor-Controller during January 2015					61,319,440	24,421,357	The \$61,319,440 represents \$3,430,400 in lease income, \$1,154,040 Notes Receivable Principal and Interest, \$135,000 investment interest and estimated proceed of \$56,600,000 from property sales.	
9	Expenditures for ROPS 14-15B Enforceable Obligations (Estimate 06/30/15)	4,660,335				41,679,100	37,953,771		
10	Retention of Available Cash Balance (Estimate 06/30/15) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)	49,963,058			64,300			The \$49,963,058 represent monies held by US Bank as bond trustee. All monies held by the trustee will be used to pay bond payments and satisfy debt service requirements.	
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	\$ 25,441,824	\$ -	\$ -	\$ -	\$ 65,900,131	\$ (13,532,414)		

Recognized Obligation Payment Schedule (ROPS 15-16A) - Report of Prior Period Adjustments
 Reported for the ROPS 14-15A (July 1, 2014 through December 31, 2014) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)
 (Report Amounts in Whole Dollars)

ROPS 14-15A Successor Agency (SA) Self-reported Prior Period Adjustments (PPA): Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS 14-15A (July through December 2014) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 15-16A (July through December 2015) period will be offset by the SA's self-reported ROPS 14-15A prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures						RPTTF Expenditures											Net SA Non-Admin and Admin PPA (Amount Used to Offset ROPS 15-16A Requested RPTTF)	SA Comments
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin					Admin							
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 14-15A distributed + all other available as of 07/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 14-15A distributed + all other available as of 07/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)		
		\$ 4,987,835	\$ 1,909,526	\$ -	\$ -	\$ 52,103,244	\$ 12,303,434	\$ 46,241,275	\$ 29,305,424	\$ 29,305,424	\$ 46,241,275	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1	2002 Tax Allocation	-	-	-	-	-	-	2,437,225	2,437,225	\$ 2,437,225	2,437,225	\$ -						\$ -		
2	2003 Tax Allocation	-	-	-	-	-	-	1,166,963	1,166,963	\$ 1,166,963	1,166,963	\$ -						\$ -		
3	2003 Tax Allocation Bonds "B"	-	-	-	-	-	-	415,625	415,625	\$ 415,625	415,625	\$ -						\$ -		
4	2003 Sub Tax Allocation Bond	-	-	-	-	-	-	7,925,250	7,925,250	\$ 7,925,250	7,925,250	\$ -						\$ -		
5	2007 Sub Tax Allocation Bond	-	-	-	-	-	-	1,760,400	1,760,400	\$ 1,760,400	1,760,400	\$ -						\$ -		
6	2008 Sub Tax Allocation Bond	-	-	-	-	-	-	2,904,651	2,904,651	\$ 2,904,651	2,904,651	\$ -						\$ -		
7	2005 Sub Tax Allocation Bond	-	-	-	-	-	-	4,609,661	4,609,661	\$ 4,609,661	4,609,661	\$ -						\$ -		
8	2009 Sub lien Tax Alloc Note	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -		
9	2008 Sub lien Tax Alloc Note	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -		
10	2002 Tax Allocation Bonds	-	-	-	-	-	-	225,259	225,259	\$ 225,259	225,259	\$ -						\$ -		
11	2003 Tax Allocation Bonds	-	-	-	-	-	-	727,260	727,260	\$ 727,260	727,260	\$ -						\$ -		
12	2003 Sub Tax Allocation Bond	-	-	-	-	-	-	16,115,758	5,043,992	\$ 5,043,992	16,115,758	\$ -						\$ -	Debt service shortfall was paid by the City of Industry per Resolution SA 2013-10 and CC 2013-25.	
13	2005 Sub Tax Allocation Bond	-	-	-	-	-	-	1,138,258	-	\$ -	1,138,258	\$ -						\$ -	Debt service shortfall was paid by the City of Industry per Resolution SA 2013-10 and CC 2013-25.	
14	2008 Sub Tax Allocation Bond	-	-	-	-	-	-	1,600,656	-	\$ -	1,600,656	\$ -						\$ -	Debt service shortfall was paid by the City of Industry per Resolution SA 2013-10 and CC 2013-25.	
15	2010 Sub Tax Allocation Bond	-	-	-	-	-	-	3,125,171	-	\$ -	3,125,171	\$ -						\$ -	Debt service shortfall was paid by the City of Industry per Resolution SA 2013-10 and CC 2013-25.	
16	2002 Tax Allocation Bonds	-	-	-	-	-	-	230,143	230,143	\$ 230,143	230,143	\$ -						\$ -		
17	2003 Tax Allocation Bonds	-	-	-	-	-	-	815,745	815,745	\$ 815,745	815,745	\$ -						\$ -		
18	2003 Sub Tax Allocation Bond	-	-	-	-	-	-	1,043,250	1,043,250	\$ 1,043,250	1,043,250	\$ -						\$ -		
19	2008 Sub Tax Allocation Bond	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -		
20	2009 Sub lien Tax Alloc Note	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -		
21	Fiscal Agent Fees	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -		
22	Arbitrage Fees	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -		
23	Fiscal Agent Fees	-	-	-	-	4,000	3,630	-	-	\$ -	-	\$ -						\$ -		
24	Fiscal Agent Fees	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -		
25	Fiscal Agent Fees	-	-	-	-	4,000	3,630	-	-	\$ -	-	\$ -						\$ -		
26	20 % Hacola - All Project Areas FY 2011-12	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -		
27	20 % Hacola - All Project Areas FY 2012-13	-	-	-	-	-	-	-	-	\$ -	-	\$ -						\$ -		

Recognized Obligation Payment Schedule (ROPS 15-16A) - Report of Prior Period Adjustments
 Reported for the ROPS 14-15A (July 1, 2014 through December 31, 2014) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)
 (Report Amounts in Whole Dollars)

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A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures						RPTTF Expenditures											Net SA Non-Admin and Admin PPA (Amount Used to Offset ROPS 15-16A Requested RPTTF)	SA Comments
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin					Admin							
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 14-15A distributed + all other available as of 07/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 14-15A distributed + all other available as of 07/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)		
		\$ 4,987,835	\$ 1,909,526	\$ -	\$ -	\$ 52,103,244	\$ 12,303,434	\$ 46,241,275	\$ 29,305,424	\$ 29,305,424	\$ 46,241,275	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
99	Landscaping Baker Slopes (MP 91-31 #61)	-	-	-	-	20,000	74,102	-	-	-	-	-	-	-	-	-	-	-	-	This amount Includes \$3,129 is paid in January and February 2015.
100	Landscaping Baker Slopes (MP 91-31 #61)	-	-	-	-	15,000	14,927	-	-	-	-	-	-	-	-	-	-	-	-	This amount Includes \$3,000 is paid in January and February 2015.
101	Landscaping Baker Slopes (MP 91-31 #61)	-	-	-	-	8,000	-	-	-	-	-	-	-	-	-	-	-	-	-	
102	Landscaping Baker Slopes (MP 91-31 #61)	-	-	-	-	400,000	887,670	-	-	-	-	-	-	-	-	-	-	-	-	This amount Includes \$555,051 paid in July 2014 which was approved in previous ROPS
107	Landscaping Baker Slopes (MP 91-31 #61)	-	-	-	-	500	999	-	-	-	-	-	-	-	-	-	-	-	-	
109	Landscaping Baker Slopes (MP 91-31 #61)	-	-	-	-	1,000	-	-	-	-	-	-	-	-	-	-	-	-	-	
110	Landscaping Baker Slopes (MP 91-31 #61)	-	-	-	-	10,000	-	-	-	-	-	-	-	-	-	-	-	-	-	
111	Landscaping Baker Slopes (MP 91-31 #61)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
112	Landscaping Baker Slopes (MP 91-31 #61)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
116	Lemon Ave Int 60 (MP 03-10)	20,000	4,201	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	This amount Includes \$78 is paid in January and February 2015.
117	Lemon Ave Int 60 (MP 03-10)	40,000	344,425	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	This amount Includes \$203,823 is paid in January and February 2015.
118	Lemon Ave Int 60 (MP 03-10)	35,000	45,852	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	This amount Includes \$10,750 is paid in January and February 2015.
120	Lemon Ave Int 60 (MP 03-10)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
121	Lemon Ave Int 60 (MP 03-10)	300,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
122	Lemon Ave Int 60 (MP 03-10)	1,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
123	Route 57/60 Confluence (MP99-31 #22)	30,000	29,663	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	This amount Includes \$1,139 is paid in January and February 2015.
124	Route 57/60 Confluence (MP99-31 #22)	40,000	59,375	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	This amount Includes \$23,631 is paid in January and February 2015.
125	Route 57/60 Confluence (MP99-31 #22)	100,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
126	Route 57/60 Confluence (MP99-31 #22)	40,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Recognized Obligation Payment Schedule (ROPS 15-16A) - Report of Prior Period Adjustments
 Reported for the ROPS 14-15A (July 1, 2014 through December 31, 2014) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)
 (Report Amounts in Whole Dollars)

ROPS 14-15A Successor Agency (SA) Self-reported Prior Period Adjustments (PPA): Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS 14-15A (July through December 2014) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 15-16A (July through December 2015) period will be offset by the SA's self-reported ROPS 14-15A prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures						RPTTF Expenditures											Net SA Non-Admin and Admin PPA (Amount Used to Offset ROPS 15-16A Requested RPTTF)	SA Comments
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin					Admin							
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 14-15A distributed + all other available as of 07/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 14-15A distributed + all other available as of 07/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)		
		\$ 4,987,835	\$ 1,909,526	\$ -	\$ -	\$ 52,103,244	\$ 12,303,434	\$ 46,241,275	\$ 29,305,424	\$ 29,305,424	\$ 46,241,275	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
127	Route 57/60 Confluence (MP99-31 #22)	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
128	Route 57/60 Confluence (MP99-31 #22)	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
129	Route 57/60 Confluence (MP99-31 #22)	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
130	Route 57/60 Confluence (MP99-31 #22)	20,000	14,175	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
131	Route 57/60 Confluence (MP99-31 #22)	110	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
132	Route 57/60 Confluence (MP99-31 #22)	600	139	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
133	Route 57/60 Confluence (MP99-31 #22)	1,550,000	1,071,387	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	This amount Includes \$313,776 is paid in January and February 2015.
134	Route 57/60 Confluence (MP99-31 #22)	110,000	92,369	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
148	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	40,000	18,990	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
149	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	20,000	718	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
150	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	20,000	42,200	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
151	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	5,000	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
152	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	500	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	This amount Includes \$2,227 is paid in January and February 2015.
153	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	5,000	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
154	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	1,000	82	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
155	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	1,500	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
156	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
158	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
159	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	1,500	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
160	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	50,000	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
161	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	5,000	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
162	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	20,000	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	

Recognized Obligation Payment Schedule (ROPS 15-16A) - Report of Prior Period Adjustments
 Reported for the ROPS 14-15A (July 1, 2014 through December 31, 2014) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)
 (Report Amounts in Whole Dollars)

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A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures						RPTTF Expenditures											Net SA Non-Admin and Admin PPA (Amount Used to Offset ROPS 15-16A Requested RPTTF)	SA Comments
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin					Admin							
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 14-15A distributed + all other available as of 07/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 14-15A distributed + all other available as of 07/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)		
		\$ 4,987,835	\$ 1,909,526	\$ -	\$ -	\$ 52,103,244	\$ 12,303,434	\$ 46,241,275	\$ 29,305,424	\$ 29,305,424	\$ 46,241,275	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
163	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
164	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	75,000	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
165	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
166	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	20,000	29,872	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
167	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	10,000	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
192	Industry Business Center (MP 99-31 #16)	-	-	-	-	40,000	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
193	Industry Business Center (MP 99-31 #16)	-	-	-	-	400,000	357,917	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	This amount Includes \$131,025 is paid in January and February 2015.
194	Industry Business Center (MP 99-31 #16)	-	-	-	-	600,000	284,936	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	This amount Includes \$7,449 is paid in January and February 2015.
195	Industry Business Center (MP 99-31 #16)	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
196	Industry Business Center (MP 99-31 #16)	-	-	-	-	1,000,000	785,962	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	This amount Includes \$84,634 is paid in January and February 2015.
197	Industry Business Center (MP 99-31 #16)	-	-	-	-	40,000	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
198	Industry Business Center (MP 99-31 #16)	-	-	-	-	20,000	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
199	Industry Business Center (MP 99-31 #16)	-	-	-	-	50,000	54,966	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	This amount Includes \$16,606 is paid in January and February 2015.
200	Industry Business Center (MP 99-31 #16)	-	-	-	-	6,000	7,899	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	This amount Includes \$39 is paid in January and February 2015.
201	Industry Business Center (MP 99-31 #16)	-	-	-	-	30,000	29,894	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
202	Industry Business Center (MP 99-31 #16)	-	-	-	-	1,200,000	1,200,000	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
203	Industry Business Center (MP 99-31 #16)	-	-	-	-	500,000	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
204	Industry Business Center (MP 99-31 #16)	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
205	Industry Business Center (MP 99-31 #16)	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	

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Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures						RPTTF Expenditures											Net SA Non-Admin and Admin PPA (Amount Used to Offset ROPS 15-16A Requested RPTTF)	SA Comments
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		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 14-15A distributed + all other available as of 07/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 14-15A distributed + all other available as of 07/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)		
		\$ 4,987,835	\$ 1,909,526	\$ -	\$ -	\$ 52,103,244	\$ 12,303,434	\$ 46,241,275	\$ 29,305,424	\$ 29,305,424	\$ 46,241,275	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
206	Industry Business Center (MP 99-31 #16)	-	-	-	-	200,000	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
207	Industry Business Center (MP 99-31 #16)	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
208	Industry Business Center (MP 99-31 #16)	-	-	-	-	2,000	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
209	Industry Business Center (MP 99-31 #16)	-	-	-	-	5,000	1,000	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
210	Industry Business Center (MP 99-31 #16)	-	-	-	-	1,000	11,232	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
211	Industry Business Center (MP 99-31 #16)	-	-	-	-	1,500	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
212	Industry Business Center (MP 99-31 #16)	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
213	Industry Business Center (MP 99-31 #16)	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
214	Industry Business Center (MP 99-31 #16)	-	-	-	-	15,000	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
215	Industry Business Center (MP 99-31 #16)	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
216	Industry Business Center (MP 99-31 #16)	-	-	-	-	300,000	15,468	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	This amount Includes \$5,520 is paid in January and February 2015.
217	Industry Business Center (MP 99-31 #16)	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
218	Industry Business Center (MP 99-31 #16)	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
219	Industry Business Center (MP 99-31 #16)	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
220	Industry Business Center (MP 99-31 #16)	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	
221	Industry Business Center (MP 99-31 #16)	-	-	-	-	100,000	65,274	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	This amount Includes \$13,810 is paid in January and February 2015.
222	Industry Business Center (MP 99-31 #16)	-	-	-	-	20,000	-	-	-	\$ -	-	\$ -	-	-	-	-	-	-	\$ -	

Recognized Obligation Payment Schedule (ROPS 15-16A) - Report of Prior Period Adjustments
 Reported for the ROPS 14-15A (July 1, 2014 through December 31, 2014) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)
 (Report Amounts in Whole Dollars)

ROPS 14-15A Successor Agency (SA) Self-reported Prior Period Adjustments (PPA): Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS 14-15A (July through December 2014) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 15-16A (July through December 2015) period will be offset by the SA's self-reported ROPS 14-15A prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures						RPTTF Expenditures											Net SA Non-Admin and Admin PPA (Amount Used to Offset ROPS 15-16A Requested RPTTF)	SA Comments
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin					Admin							
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 14-15A distributed + all other available as of 07/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 14-15A distributed + all other available as of 07/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)		
		\$ 4,987,835	\$ 1,909,526	\$ -	\$ -	\$ 52,103,244	\$ 12,303,434	\$ 46,241,275	\$ 29,305,424	\$ 29,305,424	\$ 46,241,275	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
223	Industry Business Center (MP 99-31 #16)					500,000	302,254													This amount Includes \$144,363 is paid in January and February 2015.
224	W Bd Slip On Ramp 57/60 (MP 99-31 22a)	160,000	184,989																	This amount Includes \$67,013 is paid in January and February 2015.
225	W Bd Slip On Ramp 57/60 (MP 99-31 22a)	5,000	9,509																	This amount Includes \$796 is paid in January and February 2015.
226	W Bd Slip On Ramp 57/60 (MP 99-31 22a)	2,500,000																		
227	W Bd Slip On Ramp 57/60 (MP 99-31 22a)	35,000	53,442																	This amount Includes \$12,650 is paid in January and February 2015.
229	W Bd Slip On Ramp 57/60 (MP 99-31 22a)	1,000																		
230	W Bd Slip On Ramp 57/60 (MP 99-31 22a)	125																		
251	Industry East Traffic Mitigation Improvements					250,000	19,445													This amount Includes \$78 is paid in January and February 2015.
252	Industry East Traffic Mitigation Improvements					50,000														
253	Industry East Traffic Mitigation Improvements																			
254	Industry East Traffic Mitigation Improvements																			
255	SA Employer Costs					384,000	313,298													This amount was paid in January and February 2015
256	Office/Delivery/ phone and overhead					11,000	29,451													This amount Includes \$968 is paid in January and February 2015.
257	Property Management					52,000	56,794													This amount Includes \$2,423 is paid in January and February 2015.
258	Legal Services					514,000	496,021													This amount Includes \$108,411 is paid in January and February 2015.
259	Accounting and consulting fees					172,000	150,455													This amount Includes \$21,985 is paid in January and February 2015.
260	Auditing and review services					246,000	153,000													This amount Includes \$29,210 is paid in January and February 2015.
262	Property Tax																			
263	General Insurance and Bonding					110,000	118,748													

Recognized Obligation Payment Schedule (ROPS 15-16A) - Report of Prior Period Adjustments
 Reported for the ROPS 14-15A (July 1, 2014 through December 31, 2014) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)
 (Report Amounts in Whole Dollars)

ROPS 14-15A Successor Agency (SA) Self-reported Prior Period Adjustments (PPA): Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS 14-15A (July through December 2014) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 15-16A (July through December 2015) period will be offset by the SA's self-reported ROPS 14-15A prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures						RPTTF Expenditures											Net SA Non-Admin and Admin PPA (Amount Used to Offset ROPS 15-16A Requested RPTTF)	SA Comments
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin					Admin							
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 14-15A distributed + all other available as of 07/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 14-15A distributed + all other available as of 07/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)		
		\$ 4,987,835	\$ 1,909,526	\$ -	\$ -	\$ 52,103,244	\$ 12,303,434	\$ 46,241,275	\$ 29,305,424	\$ 29,305,424	\$ 46,241,275	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
264	Industry East Industrial Park pursuant to Lease Agreement and DDA for development of 400 Acre Agency owned land	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	\$ -	-	
265	Industry Business Center pursuant to Lease Agreement for 600 Acre Agency owned land	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	\$ -	-	
266	Diamond Bar Creek (MP 99-31 #26)	-	-	-	-	-	698,240	-	-	\$ -	-	\$ -	-	-	-	-	-	\$ -	-	This amount is paid in July 2014 which was approved in a previous ROPS period
267	Industry Business Center (MP 99-31 #16)	-	-	-	-	500,000	2,308,463	-	-	\$ -	-	\$ -	-	-	-	-	-	\$ -	-	This amount includes \$1,871,730 paid in July 2014 which was approved in a previous ROPS period
268	City/Agency Reimbursement Agreement for Property Maintenance and other costs	-	-	-	-	-	-	-	-	\$ -	-	\$ -	-	-	-	-	-	\$ -	-	
269	City/Agency Reimbursement Agreement for Property Maintenance and other costs	-	-	-	-	736,000	632,245	-	-	\$ -	-	\$ -	-	-	-	-	-	\$ -	-	This amount includes \$170,697 is paid in January and February 2015.
270	Industry Business Center (MP 99-31 #16)	-	-	-	-	20,329,607	1,933,910	-	-	\$ -	-	\$ -	-	-	-	-	-	\$ -	-	This amount includes \$997,750 is paid in January and February 2015.
271	Industry Business Center (MP 99-31 #16)	-	-	-	-	22,693,112	1,130,754	-	-	\$ -	-	\$ -	-	-	-	-	-	\$ -	-	This amount includes \$369,154 is paid in January and February 2015.
274	Escheated Payment	-	-	-	-	74,625	65,250	-	-	\$ -	-	\$ -	-	-	-	-	-	\$ -	-	
275	Industry East Traffic Mitigation Improvements	-	-	-	-	213,400	-	-	-	\$ -	-	\$ -	-	-	-	-	-	\$ -	-	
							3,738			\$ -	-	\$ -	-	-	-	-	-	\$ -	-	Paid to Regional Water Quality for the application fees for waste discharge
										\$ -	-	\$ -	-	-	-	-	-	\$ -	-	
										\$ -	-	\$ -	-	-	-	-	-	\$ -	-	
										\$ -	-	\$ -	-	-	-	-	-	\$ -	-	
										\$ -	-	\$ -	-	-	-	-	-	\$ -	-	
										\$ -	-	\$ -	-	-	-	-	-	\$ -	-	
										\$ -	-	\$ -	-	-	-	-	-	\$ -	-	
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										\$ -	-	\$ -	-	-	-	-	-	\$ -	-	
										\$ -	-	\$ -	-	-	-	-	-	\$ -	-	

SUCCESSOR AGENCY

ITEM NO. 5.7



SUCCESSOR AGENCY TO THE
INDUSTRY URBAN - DEVELOPMENT AGENCY

MEMORANDUM

TO: Successor Agency Board Members
FROM: John Ballas, Agency Engineer *job*
DATE: February 10, 2015
SUBJECT: Budget Increase for SCS Engineers

SCS Engineers has been retained to provide landfill engineering services for the Industry Business Center Development as Consultant Contract No. 14-SCS 13-01 MP 99-31#16. SCS prepared the Closure, End Use and Post-Closure Maintenance Plan for the abandoned East Valley Land Development Landfill located easterly of Grand Avenue. This plan was approved by both CalRecycle and the State Water Resources Control Board for construction, and is presently a part of the East Side Mass Grading Contract underway by Sukut Construction.

An initial budget of \$243,018.00 was approved by the Successor Agency Board on December 19, 2013. Industry Business Center is now in the construction phase and will require a budget increase to complete the work in the amount of \$305,830.00 This budget increase will cover all of SCS' services through the full closure of the landfill.

This is listed on line item No. 221 on the Recognized Obligation Payment Schedule.

It is recommended that the Successor Agency Board approve and execute the budget increase in the amount of \$305,830.00.

SCS ENGINEERS

January 13, 2015
File No. 01213392.00

Mr. Kevin Radecki, Executive Director
Successor Agency to the Industry-Urban Development Agency (Agency)
15625 East Stafford Street #100
City of Industry, California 91744

**Subject: Proposal for Continued Landfill Engineering Services
Industry Business Center East Development (IBC East)
State Route 60/57 Freeway at Grand Avenue
City of Industry, California
(Agreement for Consulting Services dated December 19, 2013)**

Dear Mr. Radecki:

This letter provides a proposed scope of work and requested budget supplement for SCS Engineers (SCS) to provide continued landfill engineering services during the mass grading construction phase of the Agency's Industry Business Center East (IBC East) development.

Per the terms of the above-referenced Agreement, SCS has provided as-requested engineering, permitting and environmental monitoring services specifically addressing the presence of the closed Valley Land Development Landfill (Landfill) as it affects IBC-East development plans. This work has included: preparation of a Closure, End Use and Post-Closure Maintenance Plan; preparation of preliminary plans and specifications (bid documents) for landfill remediation; regulatory agency liaison and reporting; landfill gas (LFG) and groundwater monitoring; and technical support to your development design team. SCS is currently preparing final construction plans for landfill remediation to reflect current grading plans by your design team (IBC-East Plan Revision #5).

A construction contractor has been engaged by the Agency and mass grading work is now underway. SCS proposes to provide continued assistance with issues related to the presence of the Landfill during the mass grading construction phase. We understand that the Landfill remediation work during mass grading is scheduled to take place over the period January 2015 through January 2016, based on the schedule provided by your construction contractor.

SCOPE OF SERVICES

Work to be performed by SCS will be at the direction of the Agency and its consultants, and will include but not be limited to the following:

- Prepare additional plan revisions to construction drawings as requested by the Agency.



- Review construction contractor Landfill mitigation plan submittals – health and safety plan; landfill excavation plan; odor management plan; dust management plan; groundwater and LFG monitoring well decommissioning plan.
- Review and approve contractor technical and material submittals for Landfill remediation systems – leachate and LFG control systems (piping, rock, control valves, liquids traps); condensate/leachate tanks; blower/carbon unit and foundation systems.
- Provide as-needed engineering support to issues that arise in the field as requested by the Agency.
- Perform confirmation testing during Landfill excavation/waste relocation to confirm that all waste and affected underlying soils have been removed per the mitigation plans. This would include field observation, soil sample collection and analytical testing for specified Landfill contaminants, and preparation of a report with our observations and test results. We understand that per the construction schedule, waste excavation will take place 30-day period, and that collection and analysis of up to 12 soil samples will be needed.
- Perform quarterly Landfill inspections and prepare semi-annual self-monitoring reports as required by the Waste Discharge Requirements (WDRs) issued by the Los Angeles Regional Water Quality Control Board (RWQCB). We envision 4 site visits during calendar year 2015, and preparation of two reports for submittal to the RWQCB. The reports are due on April 30 and October 30, 2015.
- Prepare application for an Authority to Construct (ATC, air quality permit) for the LFG control system, for submittal to the South Coast Air Quality Management District.
- Perform construction quality assurance (CQA) observations and inspections to confirm that Landfill mitigation activities are undertaken in accordance with the Agency-issued construction documents. This would include observations of: LFG and groundwater well decommissioning; canyon subdrain installation at the Landfill; Landfill re-grading, structural earthfill (cover) placement at the Landfill; and LFG and leachate control system installation. We have budgeted for full- or part-time observations as needed over the scheduled 156-day work period (including 8 Saturdays).

COMPENSATION

A budget set aside of \$243,018 was provided in the December 13, 2013 Agreement for Consulting Services for engineering design, permitting and as-requested technical services. Through December 31, 2014, our billings total \$201,848. Thus a balance of \$41,170 remained as of December 31, 2014.

Our budgetary estimate for engineering support during construction, as outlined above, is \$347,000. After deducting the estimated \$41,170 balance remaining as of December 31, 2014, we thus suggest a budget supplement in the amount of **\$305,830** for our ongoing support services during Calendar year 2015 and early 2016.

Mr. Kevin Radecki
January 13, 2015
Page 3

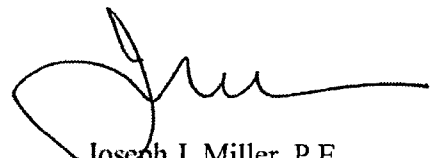
SCS will continue to bill against the established budget amount on a time-and-materials basis, in accordance with the terms and conditions in the December 13, 2013 Agreement for Consulting Services. We will provide a budgetary estimate for each task in advance of the work as requested by the Agency.

CLOSING

SCS looks forward to working with you on the mass grading phase of the IBC-East project. If you have any questions regarding this submittal or desire any additional information, please contact the undersigned.

Sincerely,


for Dan Vidal
Project Director
SCS ENGINEERS


Joseph J. Miller, P.E.
Project Director / Vice President
SCS ENGINEERS

cc: Joshua Nelson, CNC Engineering

Approved by:

Tim Spohn, Chairman

SUCCESSOR AGENCY

ITEM NO. 5.8

February 17, 2015

Kevin Radecki
Executive Director
Successor Agency to the Industry Urban-Development Agency
15625 East Stafford St, Suite 200
City of Industry, CA 91744

RE: SR-60 Interchange/ Lemon Ave Budget Increase No.16 (Revision)
Consultant Contract No. 5-JACOBS 10-01 MP 03-10

Dear Mr. Radecki:

A budget increase request for the following items is attached for your review and signature.

1. Additional budget to cover cost to update Acquisition and Resolution of Necessity (RON) exhibits
2. Additional budget for environmental permitting and completion of Revalidation Document
3. Additional budget for PS&E revisions per Updated 2010 Standards
4. Additional budget for the signal interconnect, and update the PS&E to 2010 Standards
5. Additional budget for the revision of the Geotechnical Design Report (GDR)
6. Additional budget for engineering support from October 2014 to June 2017
7. Extend Term of Agreement.

The requested increase in budget for all of the items above is \$544,638.76. A breakdown of additional costs included in this request is provided below.

1. Additional budget to cover cost to update Acquisition and Resolution of Necessity (RON) exhibits. (AE)	\$40,563.76
2. Additional budget for additional coordination with environmental permitting. (LSA)	\$8,606.00
3. Additional Budget for PS&E Revisions per Updated 2010 Standards. (DEA)	\$18,150.00
4. Additional budget for signal interconnect (KOA)	\$50,360.00
5. Additional budget for the revision of GDR (Leighton Consulting)	\$7,320.00
6. Additional budget for engineering support beyond October 2014 (Jacobs)	\$419,639.00
Additional budget for Budget Increase No.16	\$544,638.76

An explanation of each item is provided in the following sections.

1. UPDATE ACQUISITION AND RESOLUTION OF NECESSITY (RON) EXHIBITS

Additional budget is requested for updating Resolution of Necessity (RON) legal descriptions and exhibits for nine residential parcels in anticipation of condemnation proceedings. The RONs requested by Caltrans for the residential properties have since been completed; however Caltrans has indicated that some of the RONs need to be revised due to the project schedule delay and TCE. Additional budget is requested for conducting additional potholing due to the new utility information issued by Southern California Edison (SCE). The Caltrans High/Low Utility Policy requires positive identifications for the new information. The additional budget request is \$40,563.76 and a cost breakdown is provided in Attachment A.

2. ADDITIONAL COORDINATION FOR ENVIRONMENTAL PERMITTING

Environmental permits listed below have been obtained during the PS&E phase and will expire. Since the construction dates changed due to ROW delays, the permits obtained during PS&E have changed during AAA and renewal is required. Additional effort to update project construction dates is beyond our current scope of work therefore the team is requesting a budget increase. The following permit changes have been updated:

- 401 Certification from the Regional Water Quality Control Board – Obtain
- 404 Permit from the U.S. Army Corps of Engineers – Modify permit to remain valid through March 18, 2017.
- 1602 Permits from the California Department of Fish & Game- Modifying permit construction dates from begin construction year 2014 to end construction year 2015. Coordinate with CDFG staff to change dates in system and allow OpLaw Letter to remain effective through 2020.
- Supplemental HPSR and APE Map
- Completion of Environmental Revalidation Document

The additional budget request is \$8,606.00 and cost breakdown of additional services is provided in Attachment B.

3. LANDSCAPE PS&E REVISIONS PER UPDATED 2010 STANDARDS

In July and November 2013 Caltrans Design Oversight staff notified us that Caltrans has made major changes to landscape sections of the 2010 Construction Contract Standards. Updates released on July 19, 2013 and November includes Revised Standard Plans, Standard Special Provisions (SSPs) and updates the Bid Item list. Caltrans is requiring these updates be incorporated for all projects including projects that have reached the Ready to List (RTL) milestone. The additional budget request is \$18,150.00 and cost breakdown of additional services is provided in Attachment C.

4. ADDITIONAL BUDGET FOR SIGNAL INTERCONNECT (KOA)

As part of the PS&E review comments, both cities and Caltrans has asked for consultant to add signal interconnect to the signal plans. Since then, KOA has requested as-builts from City of Diamond Bar however; no as-builts have been located for the mentioned interconnect system.

City of Diamond Bar has informed KOA about existing interconnect conduit along the center raised median island on Lemon Avenue connecting the existing traffic signal on Gold Springs Drive to the south and the existing traffic signal on Lycoming Street to the north that is affected by the Project. Specifically, the Project is proposing modifications to the center medians that could potentially affect traffic signal interconnect pull boxes and a new traffic signal at the SR-60 EB ramps that needs to be connected to the interconnect system. Furthermore, the City informed KOA of two future projects, 1) to install a new traffic signal at Walnut Drive, and 2) to upgrade their interconnect wiring from 12-pair copper wiring to fiber optic cable. The City would like any modification to the interconnect system to be considerate of these future improvements.

Since the City does not have As-built drawings, consultant would need to conduct a field check of traffic signal interconnect pull boxes on Lemon Avenue from Gold Springs Drive to Lycoming Street to specify the needed modifications to the existing interconnect system. The field review will consist of a two-person field crew conducting an inventory of the contents of the inside of the existing traffic signal interconnect pull boxes along Lemon Avenue between Golden Springs Drive and Lycoming Street. The additional cost to complete this task is \$34,560.00. Cost breakdown is provided in Attachment D.

5. ADDITIONAL BUDGET FOR THIRD RESPONSE TO CALTRANS COMMENTS ON GEOTECHNICAL DESIGN REPORT (GDR)

The GDR was reviewed by Caltrans in the beginning of the PS&E phase twice. However, additional comments were made by Caltrans HQs Material Section after the 100% PS&E submittal. Therefore, additional budget is requested to revise the GDR to satisfy Caltrans' comments. The additional cost to complete the task is \$7,320. Cost breakdown is provided in Attachment E.

6. ADDITIONAL BUDGET FOR ENGINEERING SUPPORT BEYOND OCTOBER 2014

In August 2013, Caltrans indicated that due to the schedule delay experienced by the project, the R/W Certification date has been changed to mid-December 2014. Change order #15 submitted September 2013 forecasts the level of effort required thru June 2014. The cost to provide an additional 6 months of engineering support thru December 2014 was not accounted for in this previous request however we anticipate using remaining budget originally requested for Construction Phase Support to cover cost thru September 2014. We are currently requesting additional budget to cover the engineering support from October 2014 to June 2017 when the construction is scheduled to be completed. The budget increase also includes additional items that are not originally scoped:

- Rework the drainage system numbering based on the Caltrans new PPM directive.
- Additional electrical, utilities and Right of Way coordinations.
- Supplemental Work Justification Memo
- Funding Request Documentation
- CADD Submittal
- Traffic Management Plan (TMP) Certification
- Risk Register Certification

The additional budget request is \$419,639.00 and a cost breakdown is provided in Attachment F.

7. EXTEND TERM OF AGREEMENT

The Term of Agreement as amended by Budget Increase No. 15 approved on October 4, 2013 (Consultant Contract No. 5-JACOBS-05-01N MP 03-10) will expire on December 31, 2015. The attached Contract Changer Order Request No. 16 requests to extend the Term of Agreement for an additional two years, until December 31, 2017.

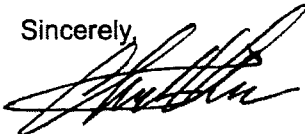
8. BUDGET SUMMARY

Contract Change Order#16 is requested to cover project charges thru June 2017. The current authorized budget is \$3,726,681.33 and the table below shows the budget impact of this request.

Original Contract Amount	\$1,752,341.00
Current Contract Amount (includes CCO No. 1 thru15)	\$3,726,681.33
Additional Budget for Budget Increase No.16	\$544,638.76
Revised Contract Amount	\$4,271,320.09

Please respond in writing to document approval of the items outlined in this request. Please call me at (951) 313-5585 if you have any questions regarding this request.

Sincerely,



Chao Chen
Project Manager

Attachments

- Change Order Request Form No.16
- Attachment A: Cost Breakdown for Associated Engineers
- Attachment B: Cost Breakdown for LSA
- Attachment C: Cost Breakdown and for DEA
- Attachment D: Cost Breakdown for KOA
- Attachment E: Cost Breakdown for Leighton
- Attachment F: Engineering Support from Oct 2014 to June 2017

CHANGE ORDER REQUEST

 CLIENT: Successor Agency to the Industry Urban-Development Agency
 PHASE: Phase II (PS&E)

 PROJECT NUMBER: W9X95000
 PROJECT NAME: Lemon Ave./SR-60 Interchange

DESCRIPTION: 1) Additional budget to cover cost to update Resolution of Necessity (RON) & Acquisition exhibits updates.
 2) Additional budget for additional coordination with environmental permitting
 3) Additional budget for PS&E revisions to reflect Caltrans Landscape & Irrigation updates to 2010 standards
 4) Additional budget for signal interconnect.
 5) Additional budget for engineering support beyond October 2014.

JUSTIFICATION: 1) Consultant team prepared additional Resolution of Necessity (RON) package for Parcel 79944.
 Consultant team will respond to requests for information during Caltrans R/W and utility coordination efforts
 2) Consultant team provided additional coordination with USACE, RWQCB, and City of Industry.
 3) Caltrans requires 2010 Standard updates be incorporated for all projects with RTL date after 7/19/2013.
 4) Consultant team will provide additional efforts to design the signal interconnect system to be compatible with the new Caltrans signals
 5) Consultant will continue to provide engineering support beyond October 2014.

 ORIGINATOR: JACOBS

 REQUESTED BY: JACOBS

Item	Description	Hours	Rate	Expense	TOTAL
1	Additional Cost for RON and Acquisition Exhibit Updates (AE)				\$40,563.76
	Project Principal	2	285.18	\$570.36	
	Chief Mapper	28	\$222.52	\$6,230.56	
	Land Surveyor	120	\$154.56	\$18,547.20	
	Two man field crew	8	\$269.62	\$2,156.96	
	Admin	17	\$193.47	\$3,288.99	
	Admin Assistant	4	\$67.49	\$269.96	
	ODC	-	\$9,499.73	\$9,499.73	
2	Additional Cost for Coordinating Environmental Permitting (LSA)				\$8,606.00
	Principal Planner	14	\$186	\$2,604.00	
	Planner	30	\$96	\$2,880.00	
	Biologist	10	\$89	\$890.00	
	Culture Res Specialist	16	\$79	\$1,264.00	
	Graphics/GIS	4	\$96	\$384.00	
	Editing/WP	4	\$96	\$384.00	
	ODC	-	\$200	\$200.00	
3	PS&E Revisions per Updated 2010 Standards (DEA)				\$18,150.00
	Landscape Architect	78	\$135	\$10,530.00	
	Senior Landscape Architect	39.5	\$160	\$6,320.00	
	Irrigation Designer	10	\$130	\$1,300.00	
4	Additional Budget for Signal Interconnect (KOA)				\$50,360.00
	Senior Engineer	121	\$195	\$23,595.00	
	Associate Engineer	17	\$125	\$2,125.00	
	Assistant Engineer	246	\$100	\$24,600.00	
	ODC	-	\$40	\$40.00	
5	Additional Budget for Revision of GDR (Leighton Consulting)				\$7,320.00
	Project Principal	4	\$207	\$828.00	
	Project Engineer	28	\$191	\$5,348.00	
	CADD Operator	10	\$101	\$1,010.00	
	Clerical	1	\$73	\$73.00	
	ODC	-	\$61	\$61.00	
6	Additional Budget for Engineering Support (Jacobs)				\$419,639.00
	Project Manager	233	\$250	\$58,250.00	
	Sr. Civil Engineer	116	\$176	\$20,416.00	
	Project Engineer	1274	\$150	\$191,025.00	
	Junior Engineer	1142	\$97	\$110,774.00	
	Civil Engineer	158	\$132	\$20,856.00	
	Project Controls	82	\$139	\$11,398.00	
	Project Admin	20	\$96	\$1,920.00	
	ODC	-	-	\$5,000.00	
TOTAL					\$544,638.76

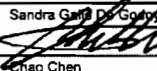
 ENGINEERING SCHEDULE IMPACT: _____ DAYS
 CONSTRUCTION SCHEDULE IMPACT: n/a DAYS

REMARKS:

COST ENGINEER:

DATE:

JACOBS PROJECT MANAGER:

Sandra Garcia De Gortun

 Chao Chen

 DATE: 2-17-15

CLIENT REPRESENTATIVE:

Kevin Radecki, Executive Director

DATE:

ATTACHMENT A
Associated Engineers Cost Breakdown

**SR-60 / Lemon Ave Interchange Improvements
Additional requests, Right-of-Way Engineering - COST PROPOSAL**

WBS	TASKS	JJI	JLE	LG		staff	staff	TS	staff	TOTAL HOURS	ODC Costs	TOTAL COST	
		Project Principal	Chief Mapper	Chief of Surveys/PLS	Survey Technician	CADD Technician	2 Man Field Crew	Chief of Surveys	Admin				Admin Assistant
	Current Approved Rates *:	\$285.18	\$222.52	\$154.56			\$269.62	\$158.36	\$193.47	\$67.49			
	Right of Way Engineering												
	Rev Landnet Map, RW Maps and deeds										0	\$0.00	
	Revise centerline of Lemon Ave										0	\$0.00	
	Revise TCE expiration dates										0	\$0.00	
	ROWE Processing										0	\$0.00	
	Respond to Caltrans review comments										0	\$0.00	
	Revisions to R/W Requirements										0	\$0.00	
	RON and Acquisition Exhibit updates	1	20	88					6	4	119	\$232.36	\$20,000.00
											0	\$0.00	
											0	\$0.00	
											0	\$0.00	
	Total Hours	1	20	88	0	0	0	0	6	4	119		
	Total Costs	\$285.18	\$4,450.40	\$13,601.28	\$0.00	\$0.00	\$0.00	\$0.00	\$1,160.82	\$269.96		\$232.36	\$20,000.00

* Prevailing Wage rates paid to field personnel

ODC Sidebar:

Reprographics				\$92.36
Deliveries	4	@ \$35/ea		\$140.00
Mileage	0	@ \$0.560/ea		\$0.00

Total Other Direct Costs: \$232.36

Scope:

Right of Way Engineering revisions needed for requested changes:
 - revise TCE expiration dates (affects deeds, RONs and RWAMs)
 - prepare additional RON packages as requested

SR-60 / Lemon Ave Interchange Improvements
Right-of-Way Engineering - COST PROPOSAL

WBS	TASKS	JJ Project Principal	J.E Chief Mapper	staff Land Surveyor	J.H Survey Technician	AP CADD Technician	staff 2-Man Field Crew	MANV Chief of Surveys	TM Admin *	Admin Assistant	TOTAL HOURS	ODC Costs	TOTAL COST
	Rates *	\$285.18	\$222.52	\$154.56			\$269.62	\$156.36	\$193.47	\$67.46			
	Right of Way Engineering										0		\$0.00
	Rev Landnet Map, RW Maps and deeds										0		\$0.00
	Revise centerline of Lemon Ave										0		\$0.00
	Revise TCE expiration dates										0		\$0.00
	ROWE Processing										0		\$0.00
	Respond to Calltrans review comments										0		\$0.00
	Revisions to RW Requirements										0		\$0.00
	RON and Acquisition Exhibit updates		4	20					5		29	\$51.37	\$5,000.00
	Total Hours	0	4	20	0	0	0	0	5	0	29		\$0.00
	Total Costs	\$0.00	\$690.08	\$3,091.20	\$0.00	\$0.00	\$0.00	\$0.00	\$967.35	\$0.00		\$51.37	\$5,000.00

* Overhead = 157.40%; Fee = 10%

ODC Sidebar:

Reprographics				\$16.37
Deliveries	1	@ \$35/ea		\$35.00
Mileage	0	@ \$0.560/ea		\$0.00

Total Other Direct Costs:

\$51.37

Scope:
Right of Way Engineering revisions needed for requested changes:
- revise TCE expiration dates (affects deeds, RONs and RWAMs)
- prepare additional RON packages as requested

**SR-60 / Lemon Ave Interchange Improvements
Additional requests, Right-of-Way Engineering - COST PROPOSAL**

WBS	TASKS	JJI	JLE	LG		staff	staff	TS	staff	TOTAL HOURS	ODC Costs	TOTAL COST
		Project Principal	Chief Mapper	Chief of Surveys/PLS	Survey Technician	CADD Technician	2 Man Field Crew	Chief of Surveys	Admin			
	Current Approved Rates *:	\$285.18	\$222.52	\$154.56			\$269.62	\$158.36	\$193.47	\$67.49		
	Right of Way Engineering											
	Rev Landnet Map, RW Maps and deeds									0		\$0.00
	Revise centerline of Lemon Ave									0		\$0.00
	Revise TCE expiration dates									0		\$0.00
	ROWE Processing									0		\$0.00
	Respond to Caltrans review comments									0		\$0.00
	Revisions to R/W Requirements									0		\$0.00
	RON and Acquisition Exhibit updates									0		\$0.00
	Utility Potholes									0		\$0.00
	Coordination, Surveys and Mapping	1	4	12			8		6	31	\$9,216.00	\$15,563.76
										0		\$0.00
	Total Hours	1	4	12	0	0	8	0	6	31		
	Total Costs	\$285.18	\$890.08	\$1,854.72	\$0.00	\$0.00	\$2,156.96	\$0.00	\$1,160.82	\$0.00	\$9,216.00	\$15,563.76

* Prevailing Wage rates paid to field personnel

ODC Sidebar:

Reprographics				\$20.00
Deliveries	0	@ \$35/ea		\$0.00
Mileage	100	@ \$0.560/ea		\$56.00
Pothole Digging (Sub)				\$9,140.00
Total Other Direct Costs:				\$9,216.00

Scope:

- Pothole SCE line at 7 locations
- Obtain Caltrans Encroachment Permit
 - Obtain City permits, including traffic control
 - Seek Right of Entry for Par 79952 (Golden Springs Property)
 - Perform pothole digging, backfill & patching
 - Perform pothole location survey
 - Perform computations/mapping and prepare Pothole Report

ATTACHMENT B
LSA Cost Breakdown

Table A

**SR-60/Lemon Avenue Interchange - Technical Memorandums
LSA Staffing Allocations for Additional Environmental Services**

Task	LSA Labor Classifications							Total Hours		Total Costs	
	Principal	Planner	Cultural Resources Specialist	Graphics/GIS	Editing/WP	Ofc Assist	by Task	Direct Costs	by Task	Total Costs	
1 Supplemental HPSR and APE Map	2	2	16	2	2		24	\$50		\$2,262	
2 Completion of Environmental Revalidation Docume	2	20		2	2		26	\$50		\$2,726	
TOTAL HOURS	4	22	16	4	4	0	50	\$100		\$4,988	
Billing Rate by Classification	\$186	\$96	\$79	\$96	\$96	\$62					

ATTACHMENT C
DEA Cost Breakdown



DAVID EVANS
AND ASSOCIATES INC

June 5, 2014

Ms. Georgia Medina, P.E.
Jacobs Engineering
3296 E. Guasti Road, Ste. 130
Ontario, CA 91761

SUBJECT: IRRIGATION AND SPECIFICATION EDITS FOR THE LEMON AVENUE / SR-60 INTERCHANGE PROJECT

Dear Georgia,

On behalf of *David Evans and Associates, Inc. (DEA)*, we are pleased to provide you with a proposal for landscape architectural services regarding specification edits for the above noted project. It is our understanding that Caltrans is requiring that the Standard Special Provisions (SSP's) prepared in the 2010 format be updated to meet the 2013 format. We have also included time below to address irrigation crossovers and hence DEA will modify the plans per your instruction. All coordination and approvals for said edits will be addressed by Jacobs. Based upon our review of the changes required, we anticipate the following level of effort:

Landscape Architect: 32 hours at \$135/hr.	\$4,320
Senior Landscape Architect: 2 hours at \$160/hr.	\$ 320
Irrigation Designer: 3 hours at \$130/hr.	\$ 390
Total:	\$5,030

Invoices will be due and payable within 30 days and will be sent monthly based upon the percentage of work completed. Government fees, mileage, delivery costs such as Federal Express charges and plotting / reproduction services are considered reimbursable fees and shall be billed to you at cost plus 15%. Any service requested which does not fall within the scope of services listed, or any duplication of work due to changes desired by the City, Caltrans, or modified by the engineer, will be performed on an "Extra Services" basis and negotiated accordingly.

DEA would be pleased to assist Jacobs Engineering with these edits. Feel free to call if you have any questions or need further clarification on the above work effort.

Sincerely,
DAVID EVANS AND ASSOCIATES, INC.

Kim S. Rhodes, L.A. 3867
Vice President

O:\Marketing\Proposals\D\Diamond Bar\Diamond Bar - Lemon Avenue Interchange\Specification Edits 2013 and Sleeving Updates to Lemon Avenue.doc

TOTAL FEE ESTIMATE

Task / Deliverable	Landscape Architect	Senior Landscape Architect	Irrigation Designer	TOTAL HOURS	Other Direct Costs	TOTAL COST
PS&E Revisions						
· Plan Revisions	1	3.5	2	6.5		\$955
· SSP Revisions	1	2.5	1	4.5		\$665
· Cost Estimate Revisions	1	0.5	1	2.5		\$345
· Responses to Comments	1	1	1	3		\$425
SUBTOTAL	4.0	7.5	5.0	16.5		\$2,390
CADD Submittal						
· Merge Sheets	1	5	1	7		\$1,065
· Iplot iparm files	1	5	1	7		\$1,065
SUBTOTAL	2.0	10.0	2.0	14.0		\$2,130
Construction Support						
Construction Support	40.0	20.0				\$8,600
SUBTOTAL	40.0	20.0	0.0	0.0		\$8,600
SUBTOTAL	80	40	0	0		17200
TOTAL	46.0	37.5	7.0	31		\$13,120

ATTACHMENT D
KOA Cost Breakdown

**Lemon Avenue Interchange Project
FEE BREAKDOWN AND SUMMARY**

Task / Deliverable	Senior Engineer	Associate Engineer	Assistant Engineer	TOTAL HOURS	Other Direct Costs	TOTAL FEE ESTIMATE
	\$195.00	\$125.00	\$100.00			
Field Review and Base Update						
Field Review and Base Update	1	1	8	10	\$20	\$1,140
SUBTOTAL	1	1	8	10		\$1,140
Modified and Updated Design Plans						
Modified "E" plan sheets	4	4	8	16		\$2,080
New Traffic Signal Interconnect Plans	4	6	18	28		\$3,330
SUBTOTAL	8	10	26	44		\$5,410
Submittal and Coordination for Approvals						
Meetings (up to two)	8			8	\$20	\$1,580
Responding to one round of comments	4	6	8	18		\$2,330
SUBTOTAL	12	6	8	26		\$3,910
TOTAL HOURS	21	17	42	80		
TOTAL COST	\$4,095	\$2,125	\$4,200		\$20	\$10,460

Note: Other Direct Costs include mileage and parking fees.

SR-60 Lemon Avenue Interchange Project - 2014-2015 Updates/Revisions

LUMP SUM FEE BREAKDOWN AND SUMMARY

Task / Deliverable	KOA Corporation							TOTAL HOURS	Other Direct Costs	TOTAL FEE ESTIMATE (LUMP SUM)
	Principal Engineer	Senior Engineer	Associate Engineer	Assistant Engineer	Assistant Designer	Admin. Assistant				
	\$228.00	\$195.00	\$149.00	\$100.00	\$91.00	\$63.00				
PS&E Revisions										
• Plan Revisions		12		40				52		\$6,340
• SSP Revisions		8		8				16		\$2,360
• Cost Estimate Revisions		4		4				8		\$1,180
SUBTOTAL										\$9,880
PS&E Related Tasks										
• Ramp Metering Detail		4		20				24		\$2,780
• Justification for Non-standard SSPs		8						8		\$1,560
SUBTOTAL										\$4,340
Electrical Coordination										
• SCE Service Point Request		8						8		\$1,560
• LA County Street Light Coordination		8		20				28		\$3,560
SUBTOTAL										\$5,120
CADD Submittal										
• Merge Sheets		4		16				20		\$2,380
• Iplot iparm files		4		16				20		\$2,380
SUBTOTAL										\$4,760
Construction Support										
• Construction Support		40		80				120		\$15,800
SUBTOTAL										\$15,800
TOTAL HOURS		100	0	204	0	0	0	304		
TOTAL COST										\$39,900

ATTACHMENT E
Leighton Cost Breakdown

TOTAL FEE ESTIMATE

Task / Deliverable	Project Principal	Project Manager	Project Engineer	Senior Staff Engineer	Staff Engineer	CADD Operator	Clerical	TOTAL HOURS	Other Direct Costs	TOTAL COST
GDR Revisions	\$207.00 4	\$146.00	\$191.00 28	\$134.00	\$118.00	\$101.00 10	\$73.00 1	43	\$61	\$7,320
TOTAL	4	0	28	0	0	10	1	43		\$7,320

ATTACHMENT F
Jacobs Engineering Support beyond
October 2014

ATTACHMENT F
SR-60/Lemon Ave Interchange Improvement Forecast (Thru June 2017)

OCTOBER 2014 THRU DECEMBER 2015															
Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Constr Support
AAA PHASE SUPPORT															

REMAINING TASKS

JACOBS LABOR HOURS	FUNCTION	Principal	Steve Henderson
	Project Manager	Chao Chen	
	Sr. Civil Engineer	Frank Lara	
	Project Engineer	Georgia Medina	
	Junior Engineer	Christina Ruiz	
	Civil Engineer	Emerito De La Paz	
	Project Controls	Sandra Gallo De Godd	
	Project Administration	Laura Bonson	
TOTALS			

JANUARY 2015 THRU DECEMBER 2015															
Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	HOURS
18	15	14	16	16	16	16	16	16	16	8	8	8	8	8	233
4	20	4	8	8	8	8	8	8	8	40.0	40.0	40.0	40.0	40.0	116
114.0	114.0	42.5	57.0	120.0	120.0	120.0	120.0	80.0	120.0	40.0	40.0	80.0	40.0	180.0	1,274
46	217	45	2	120	120	80	120	120	40	20	20	80	20	20	1,142
4	24	24	0	0	25	25	20	20	20	4	4	4	4	4	158
4	6	6	4	4	4	4	4	4	4	4	4	4	4	4	82
70	387	137	87	288	285	205	280	240	200	72	72	172	72	72	3,025

JACOBS LABOR COST	FUNCTION	Principal	Rate
	Principal in Charge	\$243	
	Project Manager	\$250	
	Sr. Civil Engineer	\$176	
	Project Engineer	\$150	
	Junior Engineer	\$97	
	Civil Engineer	\$132	
	Project Controls	\$139	
	Project Administration	\$96	
	JACOBS SUBTOTAL		
	ODC		
	JACOBS TOTAL		

OCTOBER 2014 THRU DECEMBER 2015															
Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	COST
\$ 4,000.00	\$ 3,750.00	\$ 3,500.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 9,000.00
\$ 704.00	\$ 3,520.00	\$ 704.00	\$ 1,408.00	\$ 1,408.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,872.00
\$ -	\$ 17,100.00	\$ 6,375.00	\$ 8,550.00	\$ 18,000.00	\$ 18,000.00	\$ 12,000.00	\$ 18,000.00	\$ 12,000.00	\$ 18,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 27,000.00
\$ 4,462.00	\$ 21,049.00	\$ 4,365.00	\$ 194.00	\$ 11,640.00	\$ 11,640.00	\$ 7,760.00	\$ 11,640.00	\$ 11,640.00	\$ 3,880.00	\$ 1,940.00	\$ 1,940.00	\$ 7,760.00	\$ 1,940.00	\$ 1,940.00	\$ 6,984.00
\$ -	\$ 3,168.00	\$ 3,168.00	\$ -	\$ -	\$ 3,300.00	\$ 3,300.00	\$ 2,640.00	\$ 2,640.00	\$ 2,640.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 556.00	\$ 834.00	\$ 834.00	\$ 556.00	\$ 556.00	\$ 556.00	\$ 556.00	\$ 556.00	\$ 556.00	\$ 556.00	\$ 556.00	\$ 556.00	\$ 556.00	\$ 556.00	\$ 556.00	\$ 20,856.00
\$ -	\$ 96.00	\$ 96.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,502.00
\$ 9,722.00	\$ 49,517.00	\$ 19,042.00	\$ 14,708.00	\$ 35,604.00	\$ 37,496.00	\$ 27,616.00	\$ 36,836.00	\$ 30,836.00	\$ 29,076.00	\$ 10,496.00	\$ 10,496.00	\$ 22,316.00	\$ 10,496.00	\$ 10,496.00	\$ 414,639.00
\$ 9,722.00	\$ 49,517.00	\$ 19,042.00	\$ 14,708.00	\$ 35,604.00	\$ 37,496.00	\$ 27,616.00	\$ 36,836.00	\$ 30,836.00	\$ 29,076.00	\$ 10,496.00	\$ 10,496.00	\$ 22,316.00	\$ 10,496.00	\$ 10,496.00	\$ 419,639.00

OCTOBER 2014 THRU JUNE 2017

\$ 419,639.00														
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SUCCESSOR AGENCY

ITEM NO. 5.9

MEMORANDUM

To: John D. Ballas
City Engineer

Date: February 18, 2015

From: Gerardo Perez, Project Manager

Contract: IBC-0379

Reference: Industry Business Center Phase I Mass Grading
Far West Side

Subject: Change Order No. 1 – Various Items of Extra Work

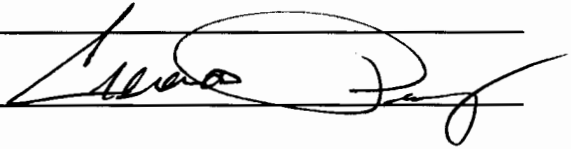
After the project was awarded, additional costs for extra work are necessary due to changes not anticipated during the bidding phase, unforeseen items and plan revisions issued to the Contractor.

The following are extra work items that were carried over from the previous remedial grading project and for items not anticipated during the bidding phase. Additional extra work and costs are as follows:

1. Under the previous remedial grading project, a surcharge stockpile was placed to stabilize an area of wet material next to the existing trapezoidal channel. This surcharge stockpile was placed to increase the settlement of the wet material. The stockpile was not part of the original bid set. Therefore, it was necessary to remove the stockpile as unclassified excavation at the unit price of \$2.45/cy. The total quantity of material moved was 56,613 cubic yards which equals \$138,701.85.
2. On Canyon 9 (see attached sketch) of the previous remedial grading project, unsuitable material was encountered and removed. However, only a portion of this material was removed because of the close proximity of the SCE 66kV towers and it did not affect the overall remedial grading. Under this contract the Contractor is to bench in to this canyon to place a 40 foot fill and Leighton has directed the Contractor to remove the unsuitable material as necessary to complete the fill. The cost to perform this work is \$157,788.80 which amounts to \$3.20 per cubic yard and 49,309 cubic yards were removed. The cost per cubic yard was derived from the original bid price of \$2.45/cubic yard for unclassified excavation plus a premium of \$0.75/cubic yard. The original contract did not require remedial grading and this cleanout requires a different operation than what was originally bid.

3. On Canyon 9.5 (see attached sketch) was also part of the previous remedial grading project, the remedial grading was not completed in its entirety. The remedial grading was not completed because it would have resulted in leaving a 40 to 50 foot vertical cut which was physically impossible to construct and was deemed to be unsafe if left in that condition. The canyon drains were not installed either. This work was performed under time and materials to avoid delays to the contractor who had already started work in this area. The total cost is \$88,182.95.
4. The Contractor was also directed to remove any interfering erosion control devices, mainly fiber rolls, on a time and material basis. These fiber rolls were installed under the previous contract to satisfy the requirements of the NPDES permit. The total cost amounts to \$15,537.47.
5. Per Leighton's recommendation additional canyon drains were installed in Canyons 9 and 9.5 after the remedial grading was completed and prior to placing fill. Leighton also requested installation of an 8-inch outlet drain. This cost amounts to \$21,787.20.
6. The original bid set did not include the final approved SCE plans but rather a schematic of the SCE conduit work for bidding purposes. After the contract was awarded the Contractor was issued a plan revision with the approved SCE plans. Based on those plans the contractor is required to increase the size of the vaults and in some areas excavate deeper to clear the proposed storm drains. The Contractor submitted a total lump sum additional cost of \$78,985.52 for these changes.

Staff has reviewed the additional work and the contractor's total cost proposal and find it reasonable and acceptable. Therefore, Staff hereby recommends approval of Change Order No. 1 in the amount of \$500,983.79.

By: _____ Gerardo Perez _____ Signature: 

GP/rg



CITY OF INDUSTRY

CHANGE ORDER

15625 E. Stafford St.
 City of Industry, CA 91744
 (818)333-2211

Change Order No. 1

Industry Business Center Phase 1
Project Mass Grading Far West Side

Contract No. IBC-0379

Date 10/25/2015

Type
Project Grading

Contractor C.A. Rasmussen, Inc.

Location City of Industry

Explanation:

Additional cost for extra work due to unforeseen items and plan revisions issued to the contractor

Extra Work by: X X _____
 Contract Items Negotiated T & M

The contractor is hereby directed to perform all labor and to provide all materials necessary to carry out the work described below:

ITEM NO.	ITEM	QUANTITY	UNIT PRICE	TOTALS (\$)	
				+	-
1	Removal of stockpile as unclassified excavation	Lump Sum		\$138,701.85	
2	Removal of unsuitable material @ Canyon 9	Lump Sum		\$157,788.80	
3	Remedial grading @ Canyon 9.5	Lump Sum		\$88,182.95	
4	Removal of interfering erosion control devices	Lump Sum		\$15,537.47	
5	Installation of an 8-inch outlet and canyon drains per Leighton	Lump Sum		\$21,787.20	
5	Cost for Plan Revisions, based on approved SCE plans	Lump Sum		\$78,985.52	
TOTAL COST				\$500,983.79	

T & M S

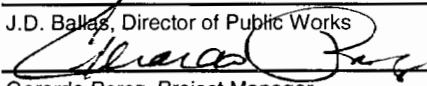
*Labor Cost	+ 20%	Total Labor
*Equipment Cost	+ 15%	Total Equipment
*Material Cost	+ 15%	Total Materials
(*Attach breakdown of labor, equipment and materials)		Sub-Total
CHANGE ORDER SUMMARY		Other Additive
Original Contract Amount	\$20,329,606.95	Total T & M
Total Previous Change Orders	0.00%	
Total Change Orders	\$ 500,983.79 2.46%	Pay This CHANGE ORDER \$ 500,983.79 2.46%

Authorized by _____

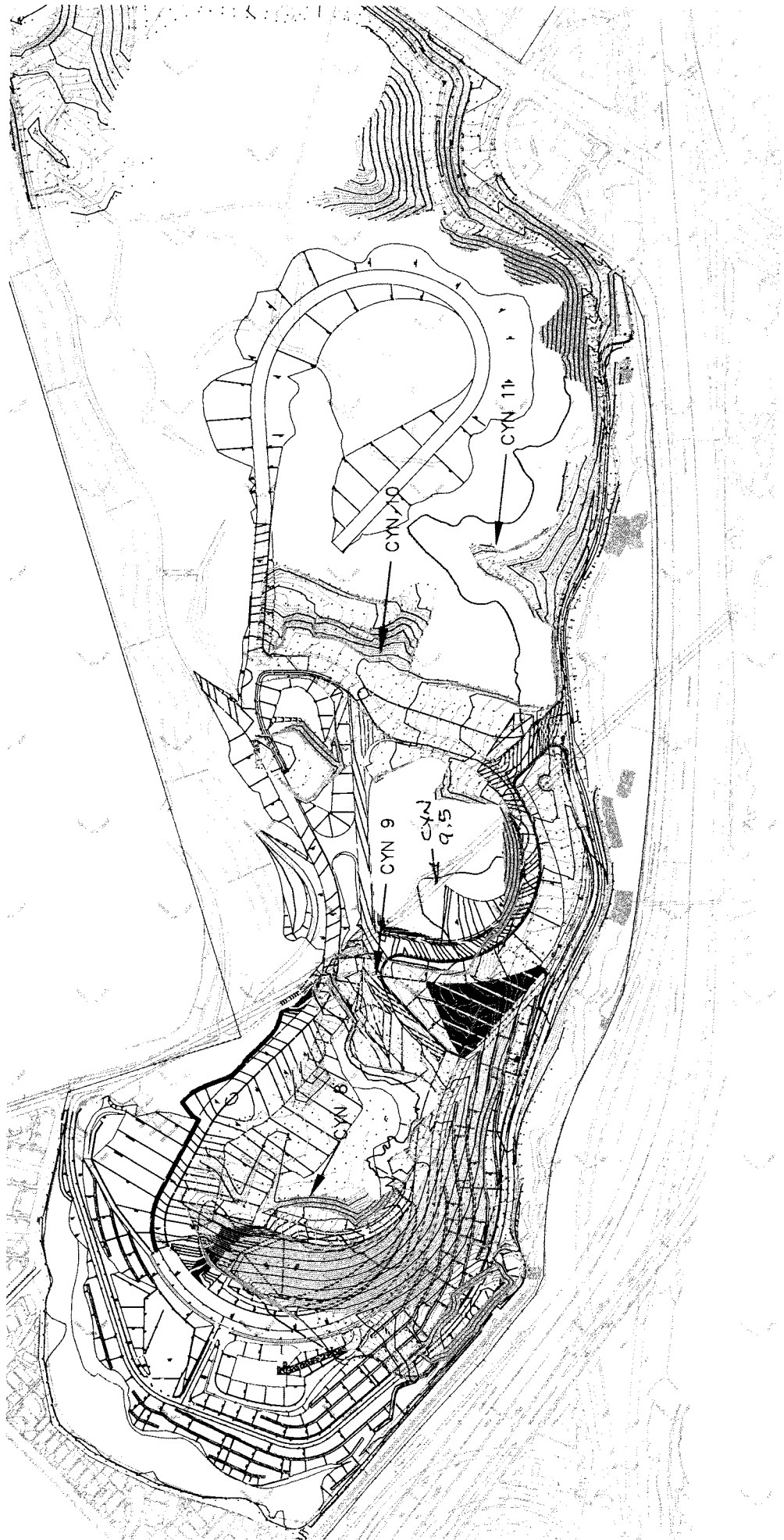
Additional Working Days 30

I hereby certify that the quantities shown and/or amounts shown for equipment, material and labor costs (if any) are correct to the best of my knowledge and the total cost shown above shall be considered final payment for the work specified by this change order. The total cost includes compensation for any delay in the preparation of this change order and the time to complete the specified work.

Contractor Representative _____ Date _____

J.D. Ballas, Director of Public Works _____ Date _____

 Gerardo Perez, Project Manager _____ Date 2-18-15

C.O. # 1





Safety • Quality • Service

C. A. RASMUSSEN, INC.

General Engineering Contractors
License No. 254681 A

Valencia Commerce Center
28548 Livingston Avenue
Valencia, CA 91355-4171
Telephone 661.367.9040
Fax 661.367.9099
www.carasmussen.com

1409.RFC001R1
Incurred Costs

January 19, 2015

CNC Engineering
255 N. Hacienda Blvd
Suite 222
City of Industry, Ca 91744

Attn: Gerry Perez

Ref: Industry Business Center Ph1 Mass Grading, Far West Side
Contract #IBC-0379

Subject: Request for Change Order – Excavation of Stockpile at Southwest Corner

C.A. Rasmussen has completed the stockpile removal and placement per Bid Item #13 "Unclassified Excavation & Placement" as directed by the geo-tech and has been surveyed for the actual quantities removed.

Bid Item	Description	Qty	U/M	Unit Price	Total
13	Unclassified Excavation and Placement	56,613.00	CY	\$ 2.45	\$ 138,701.85

Reference the attached Agtek plan and quantity report.

Please issue a change order in the amount of **\$138,701.85** C.A. Rasmussen also requests an additional 6 working days to complete this work.

Respectfully,

C.A. Rasmussen, Inc.
Steve Hoffman
Steve Hoffman
Project Manager

Attachment: Agtek plan and quantity report

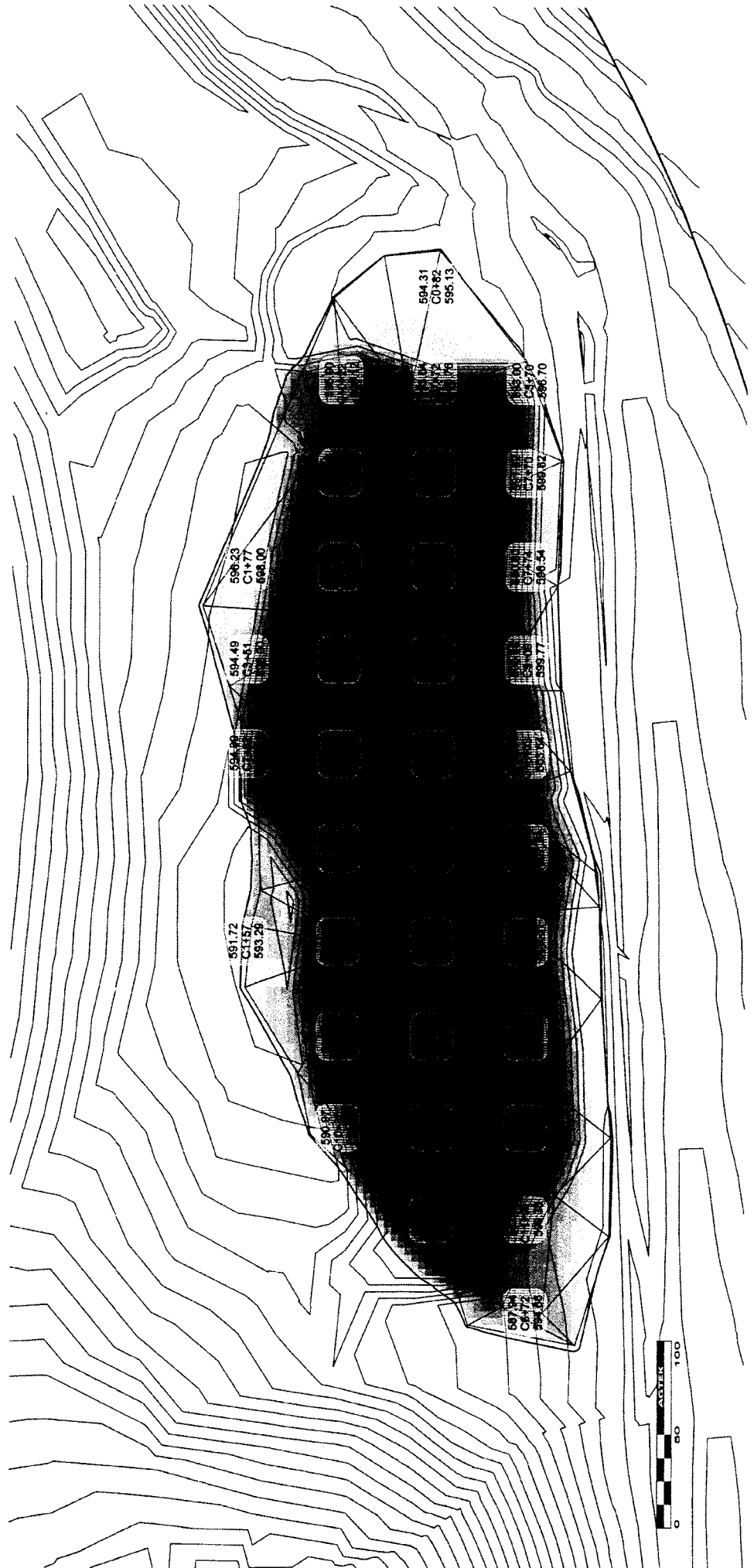
File: 1409-Corporate RFC
1409-Jobsite RFC

R

Job: Shots 12-30-14 Stockpile
 Units: Ft-CY
 Tue Jan 13, 2015 13:36:39 Page 1

Volume Report
 Design vs. Existing

Stockpile	Area		Volume		Comp/Ratio		Compact		Export Change		
	Cut	Fill	Cut	Fill	Cut	Fill	Fill	Cut	Fill	Per. 1 Ft	
Total	89,318	604	453	56,613	8	1.00	1.00	56,613	8	58,605	335





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Valencia Commerce Center
28548 Livingston Avenue
Valencia, CA 91355-4171
Telephone 661.367.9040
Fax 661.367.9099
www.carasmussen.com

1409.RFC004R1
Incurred Cost

January 19, 2015

CNC Engineering
255 N. Hacienda Blvd
Suite 222
City of Industry, Ca 91744

Attn: Gerry Perez

Ref: Industry Business Center Ph1 Mass Grading, Far West Side
Contract #IBC-0379

Subject: Request for Change Order – Over Excavation of Canyon #9

Per our verbal agreement on 11/26/14, C.A. Rasmussen has completed the over excavation of Canyon #9 as directed by the Agency.

Description	Qty	U/M	Unit Price	Total
Over Excavation & Fill Placement of Canyon #9	49,309.00	CY	\$ 3.20	\$ 157,788.80

Reference the attached Agtek plan and quantity report.

Please issue a change order in the amount of **\$157,788.80** and an additional 5 working days.

Respectfully,

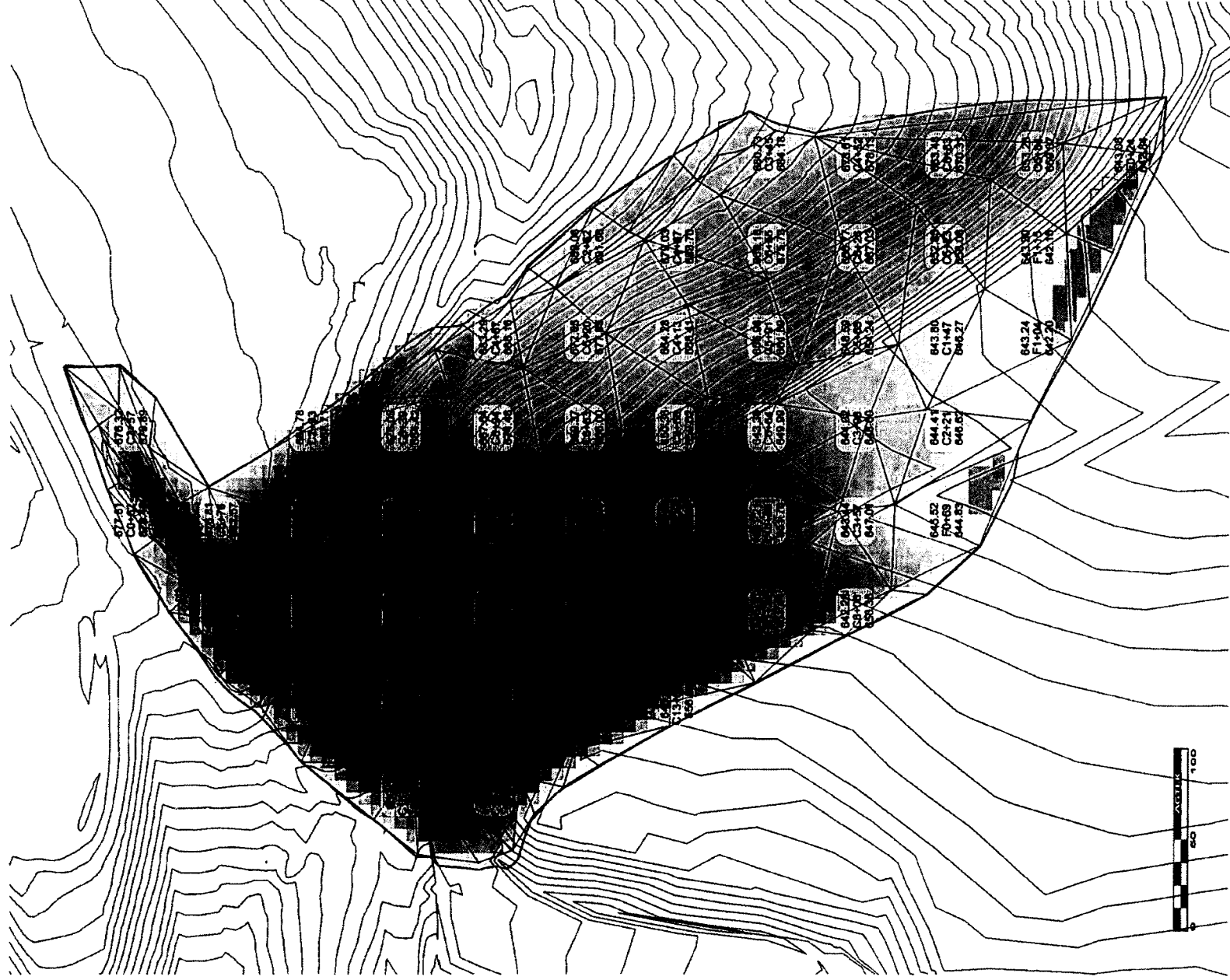
C.A. Rasmussen, Inc.
Steve Hoffman
Steve Hoffman
Project Manager

Attachment: Agtek plan and quantity report
File: 1409-Corporate RFC
1409-Jobsite RFC

Job: Owner Cyn 8.0
 Units: Ft-CY
 Thu Jan 15, 2015 08:44:08 Page 1

Volume Report
 Design vs. Existing

Cym 9.0	Total		Area		Volume		Comp/Ratio		Compact		Export Change	
	Cut	Fill	Cut	Fill	Cut	Fill	Cut	Fill	Cut	Fill	-Import	Per. 1 Ft.
	133,389	125,118	7,272	7,272	48,369	328	1.00	1.00	48,309	328	48,981	494



Project Name: Industry Business Center West	Project No.: 10291-004	Date: 02/04/2015
---	----------------------------------	----------------------------

Location: Canyon 9	Author: SGO
------------------------------	-----------------------

To:
Shaun Malganji

Subject:
Remedial Removals and Subdrain Extension at Canyon 9

Summary of Operations:

Documentation of the remedial removals completed during previous (Phase I) rough grading indicate that unsuitable materials were left in place prior to fill placement in a portion of the uppermost portions of Canyon 9 of the Industry Business Center West site. This condition existed under the assumption that removals of the unsuitable materials as well as the extension of the canyon subdrain system would occur during future grading.

Because current rough grading in this area includes additional fill placement, it was recommended by our office that the unsuitable materials should be removed as well as the Canyon 9 subdrain system should be extended before further fill placement. Remedial removals would also include the removal of any fill placed over the area of unsuitable materials from prior rough grading.

As of today, the above was completed, where the unsuitable materials and overlaying previously placed fill were excavated until bedrock was exposed, and the subdrain system from Phase I rough grading was extended to the upstream end of the excavation.

Page 1 of 1

	Leighton Consulting, Inc. <small>A LEIGHTON GROUP COMPANY</small> FIELD MEMORANDUM	Received By:
		Print:
		Date:



Safety • Quality • Service

C. A. RASMUSSEN, INC.

General Engineering Contractors
License No. 254681 A

Valencia Commerce Center
28548 Livingston Avenue
Valencia, CA 91355-4171
Telephone 661.367.9040
Fax 661.367.9099
www.carasmussen.com

1409.RFC003R1
Incurred Cost

January 26, 2015

CNC Engineering
255 N. Hacienda Blvd
Suite 222
City of Industry, Ca 91744

Attn: Gerry Perez

Ref: Industry Business Center Ph1 Mass Grading, Far West Side
Contract #IBC-0379

Subject: Request for Change Order – Over Excavation of Canyon #9.5

Per our agreement on 11/14/14, C.A. Rasmussen has completed the over excavation of Canyon #9.5 as directed by the Agency.

DATE	TICKET#	DESCRIPTION	AMOUNT
11/20/2014	57730	O/X @ Canyon #9.5	\$ 3,837.55
11/24/2014	57732	O/X @ Canyon #9.5	\$25,822.02
11/25/2014	57733	O/X @ Canyon #9.5	\$38,660.81
11/26/2014	57739	O/X @ Canyon #9.5	\$16,017.22
12/8/2014	57744	Clean Out Mud @ Canyon 9.5	\$ 3,845.35
			\$88,182.95

Reference the attached extra work tags & Agtek plan/ quantity report.

Please issue a change order in the amount of **\$88,182.95** and an additional 5 working days.

Respectfully,

C.A. Rasmussen, Inc.
Steve Hoffman
Steve Hoffman
Project Manager

Attachment: Agtek plan and quantity report

File: 1409-Corporate RFC
1409-Jobsite RFC

DAILY EXTRA WORK REPORT

City Of Industry

Contractor Job: 1409 - Industry; Mass Grading

Work Performed By: C. A. Rasmussen, Inc.

Description of Work: Pioneer Removal To Find Subdrain

 Contract **IBC-0379**

 Cost Code **902010**

 Ticket No **57730**

Change Order

900

Billing Number

6.0

Signed Report Date

12/17/2014

Perform Date

11/20/2014

Labor Charges

Craft ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended	RT Labor	OT Labor	Subtotal Labor
L01 OE 415	JE Hoover	1.50	1.50		65.920	86.950		229.31	SC 12.00%		457.86
L02 OE 413	D GUNS		1.50			86.770		130.16			54.93
L03 OE 409	MS Mayfield	1.50	1.50		67.800	89.770		236.36	SC 12.00%		726.39
L04 TEAM WTRTR	M Voisey	1.50	1.50		52.860	67.000		179.78			87.17
L05 TEAM WTRTR	B Johnson	1.50	1.50		52.860	67.000		179.78			1,326.35
L06 OE 413	R Kuntz Jr	1.50	1.50		65.800	86.770		228.86			0.00

Equipment Charges

Equipment ID	Class	Make	Model	A1	A2	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended	Labor Total
E01 CA040	TRACC CAT		D8T			1.50	1.50	236.730	208.320		667.58	1,591.62
E02 C90	TRACC CAT		5225			1.50	1.50	339.870	299.090		958.44	
E03 W4000	TRUCK T&T		60			1.50	1.50	52.110	45.860		146.96	1,919.94
E04 W4000	TRUCK T&T		60			1.50	1.50	52.110	45.860		146.96	287.99

Labor Charges		
RT Labor		457.86
OT Labor		726.39
Subtotal Labor		1,326.35
Subsistence		0.00
Other Expenses		0.00
MU 20.00%		265.27
Labor Total		1,591.62
Equipment Charges		
Subtotal		1,919.94
MU 15.00%		287.99
Equipment Total		2,207.93

Material Charges
Subcontract Charges

 Activity Total **3,799.55**
Bill Surcharge

 Bonding 1.00% **38.00**
For Owner/Resident Engineer's Use Only

New Bill	Approved for Payment	Date of Action
Resubmittal	Returned for Correction	Date Received

Accepted

Customer
Contractor
Extr:
Date:

 Bill Total + **3,837.55**

 Page 1

C. A. RASMUSSEN, INC.

GENERAL ENGINEERING CONTRACTORS
 LICENSE #254681
 2360 SHASTA WAY, UNIT A, SIMI VALLEY, CA 93065-1800
 TELEPHONE: (805) 527-9330 FAX: (805) 527-2110

JOB TICKET 57730

C.A.F. CUSTOMER NO.

BILL TO:

DATE

11-20-14

ADDRESS:

CUSTOMER ORDER NO.

JOB NAME AND LOCATION

City of Industry - Grand Ave

FOREMAN OR OPERATOR

Mark #44

JOB NO. / ACTION CODE

92-1409- = 902010

HOURLY CONTRACT EXTRA

DESCRIPTION OR WORK

Pioneer Removal to find Sub-drain

EQUIP. #	DESCRIPTION	QTY. / HOURS		RATE		AMOUNT
		REG.	O.T.	REG.	O.T.	
C4040	D-8T Dozer w/oper (Self Hoover)	1 1/2	1 1/2			
1037	D-10R Dozer w/oper (Bob Kuntz)	1 1/2	1 1/2			
	2 - 4,000 Gal H2O Trucks (Mike Veisby, Brian Johnson)	1 1/2	1 1/2			
	Grade checker (David Gurs)		1 1/2			
	Foreman (Mark Mayfield)	1 1/2	1 1/2			

I hereby acknowledge the satisfactory completion of the above described work.

[Signature]

SIGNATURE

[Signature]

11/24/14

TOTAL

DAILY EXTRA WORK REPORT

City Of Industry

Contractor Job 1409 - Industry;Mass Grading

Work Performed By: C. A. Rasmussen, Inc.

Description of Work: Remove Soil From Canyon 9A To Find Sub-Drain

 Contract: **IBC-0379**

 Cost Code: **902010**

 Ticket No: **57732**

 Change Order **900**

 Billing Number **20.0**

Signed Report Date 1/12/2015

Perform Date 11/24/2014

Labor Charges

Craft ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended	RT Labor	Labor Charges	
L01	OE 409 MS Mayfield	5.00			67.800			339.00	SC 12.00%		4,908.98
L02	OE 415 JE Hoover	5.00			65.920			329.60	OT Labor		589.09
L03	TEAM WTRTR B Johnson	8.00			52.860			422.88			0.00
L04	TEAM WTRTR M Voisey	5.00			52.860			264.30	Subtotal Labor		5,498.07
L05	OE 413 L Rash	5.00			65.800			329.00	Subsistence		0.00
L05	OE 413 J WRIGHT	5.00			65.800			329.00	Other Expenses		0.00
L07	OE 413 J ROJAS	5.00			65.800			329.00	MU 20.00%		1,099.65
L08	OE 413 R ACUNA	5.00			65.800			329.00	Labor Total		6,597.72
L09	OE 413 J AVILA	5.00			65.800			329.00			
L10	OE 413 J LLAMAS	5.00			65.800			329.00	Equipment Charges		
L11	OE 410 BC Madesh	5.00			65.800			329.00	Subtotal		16,494.47
L12	OE 413 M SUAREZ	6.00			65.800			394.80	MU 15.00%		2,474.17
L13	OE 413 D FIERRO	5.00			65.800			329.00	Equipment Total		18,968.64
L14	OE 413 R Kuntz Jr	8.00			65.800			526.40	Material Charges		

Equipment Charges

Equipment ID	Class	Make	Model	A1	A2	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended	Subcontract Charges
E01	C90	TRACC	CAT 5225			8.00		339.870			2,718.96	
E02	12006	TRUCK	T&T 00-06			5.00		21.780			108.90	
E03	CA040	TRACC	CAT D8T			5.00		236.730			1,183.65	
E04	RA032	TRACH	CAT 2010			5.00		354.850			1,774.25	
E05	CA033	TRACC	CAT 5165			5.00		276.290			1,381.45	
E06	SA063	SCRSP	CAT 2970			5.00		305.390			1,526.95	
E07	SA062	SCRSP	CAT 2970			5.00		305.390			1,526.95	
E08	SA068	SCRSP	CAT 2970			5.00		305.390			1,526.95	Activity Total 25,566.36
E09	RA031	TRACH	CAT 1730			5.00		235.800			1,179.00	Bill Surcharge
E10	SA065	SCRSP	CAT 2970			5.00		305.390			1,526.95	Bonding 1.00% 255.66
E11	W4000	TRUCK	T&T 60			8.00		52.110			416.88	
E12	W4000	TRUCK	T&T 60			8.00		52.110			416.88	
E13	WATERPULL	WATNKCAT	631D-10			5.00		240.700			1,203.50	
E14	N19	TANKM	WATR 12000GA			1.00		1.600			1.60	
E15	N22	TANKM	WATR 12000GA			1.00		1.600			1.60	

For Owner/Resident Engineer's Use Only

Accepted:

 Bill Total + **25,822.02**

New Bill Approved for Payment Date of Action

Customer:

Date

Resubmittal Returned for Correction Date Received

Contractor

Date

 Page 1

C. A. RASMUSSEN, INC.

GENERAL ENGINEERING CONTRACTORS
LICENSE #254681

2360 SHASTA WAY, UNIT A, SIMI VALLEY, CA 93065-1800
TELEPHONE: (805) 527-9330 FAX: (805) 527-2110

JOB TICKET 57732

C.A.R. CUSTOMER NO.

BILL TO:

Successor - Industry U.D.A.

DATE

11-24-14

ADDRESS:

CUSTOMER ORDER NO.

JOB NAME AND LOCATION

City of Industry - Grand Ave

FOREMAN OR OPERATOR

Mark #44

JOB NO. / ACTION CODE

1409 - 902-010

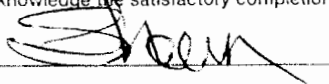
HOURLY CONTRACT EXTRA

DESCRIPTION OR WORK

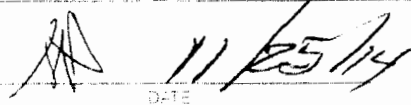
Remove Soil from Canyon 9-A to find Sub-drain

EQUIP. #	DESCRIPTION	QTY. / HOURS		RATE		AMOUNT
		REG.	O.T.	REG.	O.T.	
CA040 #102 CA040	10R w/ G.P.S Equip. & oper. (Bob Kuntz)	8				
12006	Foreman - (Mark Mayfield)	5				
CA040	D-8T Dozer w/ oper. (Jeff Hoover)	5				
CA040 #3	4,000 Gal H2O Truck (Brian Johnson)	8				
CA040 #6	" " " " - (Mike Voisey)	5				
CA040 #688	Water Pull w/driver - (Harry Rash)	5				
RA032	834 Compactor w/oper (Joe Wright)	5				
CA043	D-9L Pushcat w/oper (Ritchie Fiero)	5				
SA065	651 Scraper w/oper (Jeremy Rojas)	5				
SA063	" " " " (Ronnie Acuna)	5				
SA062	" " " " (Jose Avila)	5				
SA068	" " " " (Jim Llamas)	5				
RA030	824 Compactor w/oper (Brent Madesh)	5				
	Grade checker - (Mike Suarez)	6				
N22	12,000 Gal Water Tower					
N19	" " " " "					

I hereby acknowledge the satisfactory completion of the above described work.



SIGNATURE

 11/25/14

DATE

TOTAL

DAILY EXTRA WORK REPORT

City Of Industry

Contractor Job: 1409 - Industry; Mass Grading
 Work Performed By: C. A. Rasmussen, Inc.
 Description of Work: Haul Soil From Canyon 9A To Find Sub-Drain

Contract: **IBC-0379**
 Cost Code: **902010**
 Ticket No. **57733**

Change Order **900**
 Billing Number **19.0**
 Signed Report Date **1/12/2015**
 Perform Date **11/25/2014**

Labor Charges

Craft ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended	Labor Charges	
L01 OE 409	MS Mayfield	8.00			67.800			542.40	RT Labor	7,179.52
L02 TEAM WTRTR	B Johnson	8.00			52.860			422.88	SC 12.00%	861.57
L03 TEAM WTRTR	M Voisey	8.00			52.860			422.88	OT Labor	0.00
L04 OE 413	L Rash	8.00			65.800			526.40	Subtotal Labor	8,041.09
L05 OE 415	JE Hoover	8.00			65.920			527.36	Subsistence	0.00
L06 OE 413	J WRIGHT	8.00			65.800			526.40	Other Expenses	0.00
L07 OE 413	J LLAMAS	8.00			65.800			526.40	MU 20.00%	1,608.19
L08 OE 413	J ROJAS	8.00			65.800			526.40	Labor Total	9,649.28
L09 OE 413	J AVILA	8.00			65.800			526.40		
L10 OE 410	BC Madesh	8.00			65.800			526.40	Equipment Charges	
L11 OE 413	M SUAREZ	8.00			65.800			526.40	Subtotal	24,894.56
L12 OE 413	R ACUNA	8.00			65.800			526.40	MU 15.00%	3,734.19
L13 OE 413	D FIERRO	8.00			65.800			526.40	Equipment Total	28,628.75
L14 OE 413	R Kuntz Jr	8.00			65.800			526.40	Material Charges	

Equipment Charges

Equipment ID	Class	Make	Model	A1	A2	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended	
E01 12006	TRUCK	T&T	00-06			8.00		21.780			174.24	
E02 C90	TRACC	CAT	5225			8.00		339.870			2,718.96	
E03 W4000	TRUCK	T&T	60			8.00		81.670			653.36	Subcontract Charges
E04 W4000	TRUCK	T&T	60			8.00		81.670			653.36	
E05 CA040	TRACC	CAT	D8T			8.00		236.730			1,893.84	
E06 CA044	TRACC	CAT	5165			8.00		276.290			2,210.32	
E07 RA032	TRACH	CAT	2010			8.00		354.850			2,838.80	
E08 SA063	SCRSP	CAT	2970			8.00		305.390			2,443.12	Activity Total
E09 SA068	SCRSP	CAT	2970			8.00		305.390			2,443.12	
E10 SA069	SCRSP	CAT	2970			8.00		305.390			2,443.12	Bill Surcharge
E11 SA051	SCRSP	CAT	2620			8.00		256.300			2,050.40	Bonding 1.00%
E12 SA065	SCRSP	CAT	2970			8.00		305.390			2,443.12	382.78
E13 N19	TANKM	WATR	12000GA			1.00		1.600			1.60	
E14 N22	TANKM	WATR	12000GA			1.00		1.600			1.60	
E15 WATERPULL	WATNK	CAT	631D-10			8.00		240.700			1,925.60	

For Owner/Resident Engineer's Use Only

New Bill Approved for Payment Date of Action
 Resubmittal Returned for Correction Date Received

Accepted:

Customer
Contractor

Date

Date

 Bill Total + **38,660.81**

 Page 1

C. A. RASMUSSEN, INC.

C.A.R. CUSTOMER NO.

GENERAL ENGINEERING CONTRACTORS
LICENSE #254681

JOB TICKET 57733

2360 SHASTA WAY, UNIT A, SIMI VALLEY, CA 93065-1800
TELEPHONE: (805) 527-9330 FAX: (805) 527-2110

BILL TO:

Successor - Industry U.D.A.

DATE

11-25-14

ADDRESS:

CUSTOMER ORDER NO.

JOB NAME AND LOCATION

City of Industry - Grand Ave

FOREMAN OR OPERATOR

Mark #44

JOB NO. / ACTION CODE

1409 - 902-010

HOURLY CONTRACT EXTRA

DESCRIPTION OR WORK

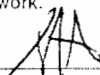
Haul Soil from Canyon 9-A to find Sub-drain

EQUIP. #	DESCRIPTION	QTY. / HOURS		RATE		AMOUNT
		REG.	O.T.	REG.	O.T.	
12006	Foreman (Mark Mayfield)	8				
1027 ⁸⁹⁰	D-10R w/ G.P.S equip. & oper. (Bob Kuntz)	8				
3	4,000 Gal H2O Truck (Brian Johnson)	8				
6	" " " " (Mike Voisey)	8				
688	Water Pull w/oper. (Harry Rash)	8				
CA040	D-8T Dozer w/oper. (Jeff Hoover)	8				
CA043	D-9L Pushcat w/oper. (Ritchie Fiero)	8				
RA032	834 Compactor w/oper. (Joe Wright)	8				
SA063	651 Scraper w/oper. (Jim Llamas)	8				
SA065	" " " (Jeremy Rojas)	8				
SA068	" " " (Ronnie Acuna)	8				
SA069	" " " (Jose Avila)	8				
SA072	J.D. 9520 Tractor w/oper. (Brent Madush)	8				
X06	Bee Gee ^{Included}	8				
	Gradechecker (Mike Suarez)	8				
N22	12,000 Gal Water Tanker	8				
N19	" " " "	8				
	100 Loads of H2O @ 4,000 gal each					

I hereby acknowledge the satisfactory completion of the above described work.

SIGNATURE

Sham



11/26/14

DATE

TOTAL

DAILY EXTRA WORK REPORT

City Of Industry

Contractor Job 1409 - Industry;Mass Grading

Work Performed By C. A Rasmussen, Inc.

Description of Work Remove Dirt From Canyon 9A To Find Sub-Drain

 Contract **IBC-0379**

 Cost Code **902010**

 Ticket No **57739**

 Change Order **900**

 Billing Number **21.0**

Signed Report Date 11/12/2015

Perform Date 11/26/2014

Labor Charges

Craft ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended	RT Labor	Labor Charges	
L01	OE 409 MS Mayfield	4.00			67.800			271.20	SC 12.00%	3,114.64	373.72
L02	OE 413 D FIERRO	4.00			65.800			263.20	OT Labor	0.00	
L03	OE 413 J WRIGHT	4.00			65.800			263.20			
L04	OE 413 J ROJAS	4.00			65.800			263.20			
L05	OE 413 R ACUNA	4.00			65.800			263.20	Subtotal Labor	3,488.36	
L06	OE 413 J AVILA	4.00			65.800			263.20	Subsistence	0.00	
L07	OE 413 J LLAMAS	4.00			65.800			263.20	Other Expenses	0.00	
L08	OE 413 L Rash	4.00			65.800			263.20	MU 20.00%	697.70	
L09	TEAM WTRTR M Voisey	4.00			52.860			211.44	Labor Total	4,186.06	
L10	OE 413 R Kuntz Jr	8.00			65.800			526.40	Equipment Charges		
L11	OE 413 R Kuntz Jr	4.00			65.800			263.20	Subtotal	10,150.08	
									MU 15.00%	1,522.49	
									Equipment Total	11,672.57	

Equipment Charges

Equipment ID	Class	Make	Model	A1	A2	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended	Equipment Total
E01	12006	TRUCK	T&TT	00	06	4.00		21.780			87.12	Material Charges
E02	C90	TRACC	CAT	5225		4.00		339.870			1,359.48	
E03	CA044	TRACC	CAT	5165		4.00		276.290			1,105.16	
E04	RA032	TRACH	CAT	2010		4.00		354.850			1,419.40	
E05	SA068	SCRSP	CAT	2970		4.00		305.390			1,221.56	Subcontract Charges
E06	SA069	SCRSP	CAT	2970		4.00		305.390			1,221.56	
E07	SA063	SCRSP	CAT	2970		4.00		305.390			1,221.56	
E08	SA065	SCRSP	CAT	2970		4.00		305.390			1,221.56	
E09	WATERPULL	WATNKCAT	631D-10			4.00		240.700			962.80	
E10	W4000	TRUCK	T&TT	60		4.00		81.670			326.68	
E11	N22	TANKM	WATR	12000GA		1.00		1.600			1.60	Activity Total
E12	N19	TANKM	WATR	12000GA		1.00		1.600			1.60	15,858.63

Bill Surcharge

Bonding 1.00% 158.59

For Owner/Resident Engineer's Use Only

Accepted

 Bill Total + **16,017.22**

New Bill Approved for Payment Date of Action

Customer Date

Resubmittal Returned for Correction Date Received

Contractor Date

Page 1

C. A. RASMUSSEN, INC.

C.A.R. CUSTOMER NO.

GENERAL ENGINEERING CONTRACTORS

JOB TICKET 57739

LICENSE #254681

2360 SHASTA WAY, UNIT A, SIMI VALLEY, CA 93065-1800

TELEPHONE: (805) 527-9330 FAX: (805) 527-2110

BILL TO:

Successor - Industry U.D.A.

DATE

11-26-14

ADDRESS

CUSTOMER ORDER NO.

JOB NAME AND LOCATION

City of Industry - Grand Ave

FOREMAN OR OPERATOR

Mark #44

JOB NO. / ACTION CODE

1409 - 902010

HOURLY CONTRACT EXTRA

DESCRIPTION OR WORK

Remove dirt from Canyon 9-A. to find Sub-drain

EQUIP. #	DESCRIPTION	QTY. / HOURS		RATE		AMOUNT
		REG.	O.T.	REG.	O.T.	
12006	Foreman (Mark Mayfield)	4 1/2				
1027	D 10R w/ G.P.S. w/oper (Bob Kuntz)	4 1/2				
CA043	D 9L Push Cat w/oper (Ritchie Fiero)	4 1/2				
RA032	834 Compactor w/oper (Joe Wright)	4 1/2				
SA065	651 Scraper w/oper (Jeremy Rojas)	4 1/2				
SA068	" " (Ronnie Acuna)	4 1/2				
3A069	" " (Jose Avila)	4 1/2				
SA063	" " (Jim Llamas)	4 1/2				
688	Water Pull w/oper (Larry Rash)	4 1/2				
6	Water Truck (Mike Voisey)	4 1/2				
N19	12,000 Gal H2O Tower	4 1/2				
N22	" " " "	4 1/2				

52 loads of H2O @ 4,000 Gals

I hereby acknowledge the satisfactory completion of the above described work.

SIGNATURE

AA

12/2/14

DATE

TOTAL

DAILY EXTRA WORK REPORT

City Of Industry

Contractor Job: 1409 - Industry; Mass Grading
 Work Performed By: C. A. Rasmussen, Inc
 Description of Work: Push Out Mud From O/X After Rain

Contract: **IBC-0379**
 Cost Code: **902010**
 Ticket No: **57744**

Change Order: **900**
 Billing Number: **14.0**
 Signed Report Date: **1/12/2015**
 Perform Date: **12/08/2014**

Labor Charges

Craft ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended	RT Labor	
L01 OE 409	MS Mayfield	4.00			67.800			271.20	SC 12.00%	111.61
L02 OE 415	JE Hoover	8.00			65.920			527.36	OT Labor	0.00
L03 OE 410	ED Eckert	2.00			65.800			131.60		

Labor Charges

Subtotal Labor: 1,041.77

Equipment Charges

Equipment ID	Class	Make	Model	A1	A2	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended	Subsistence	Other Expenses
E01 12006	TRUCK	T&T	00-06			4.00		21.780			87.12		0.00
E02 CA040	TRACC	CAT	D8T			8.00		236.730			1,893.84	MU 20.00%	208.36
E03 H58	HCECL	HIT	2806			2.00		121.320			242.64		

Subtotal Labor: 1,041.77
 Subsistence: 0.00
 Other Expenses: 0.00
 MU 20.00%: 208.36
Labor Total: 1,250.13

Equipment Charges

Subtotal: 2,223.60
 MU 15.00%: 333.55
Equipment Total: 2,557.15

Material Charges
Subcontract Charges

Activity Total: **3,807.28**

Bill Surcharge

Bonding 1.00%: 38.07

For Owner/Resident Engineer's Use Only

New Bill: Approved for Payment Date of Action
 Resubmittal: Returned for Correction Date Received

Accepted
 Customer
 Contractor

Date
 Date

Bill Total + **3,845.35**

Page 1

C. A. RASMUSSEN, INC.

GENERAL ENGINEERING CONTRACTORS

LICENSE #254681

2360 SHASTA WAY, UNIT A, SIMI VALLEY, CA 93065-1800

TELEPHONE: (805) 527-9330 FAX: (805) 527-2110

JOB TICKET 57744

C.A.R. CUSTOMER NO.

BILL TO:

Successor - Industry U.D.A.

DATE

12-8-14

ADDRESS:

CUSTOMER ORDER NO

JOB NAME AND LOCATION

City of Industry - Grand Ave

FOREMAN OR OPERATOR

Mark #44

JOB NO. / ACTION CODE

1409 902010

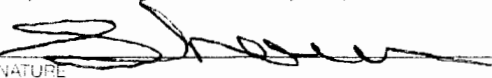
HOURLY CONTRACT EXTRA

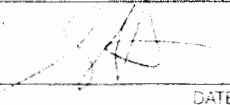
DESCRIPTION OR WORK

Push out Mud from O/X after rains

EQUIP. #	DESCRIPTION	QTY. / HOURS		RATE		AMOUNT
		REG.	O.T.	REG.	O.T.	
12006	Foreman (Mark Mayfield)	4				
CA040	D-8T Dozer w/oper. (Self Hoover)	8				
1458	240 Excavator w/oper. (Ed Eckert)	2				
(Shawn won't sign)						

I hereby acknowledge the satisfactory completion of the above described work.

SIGNATURE 

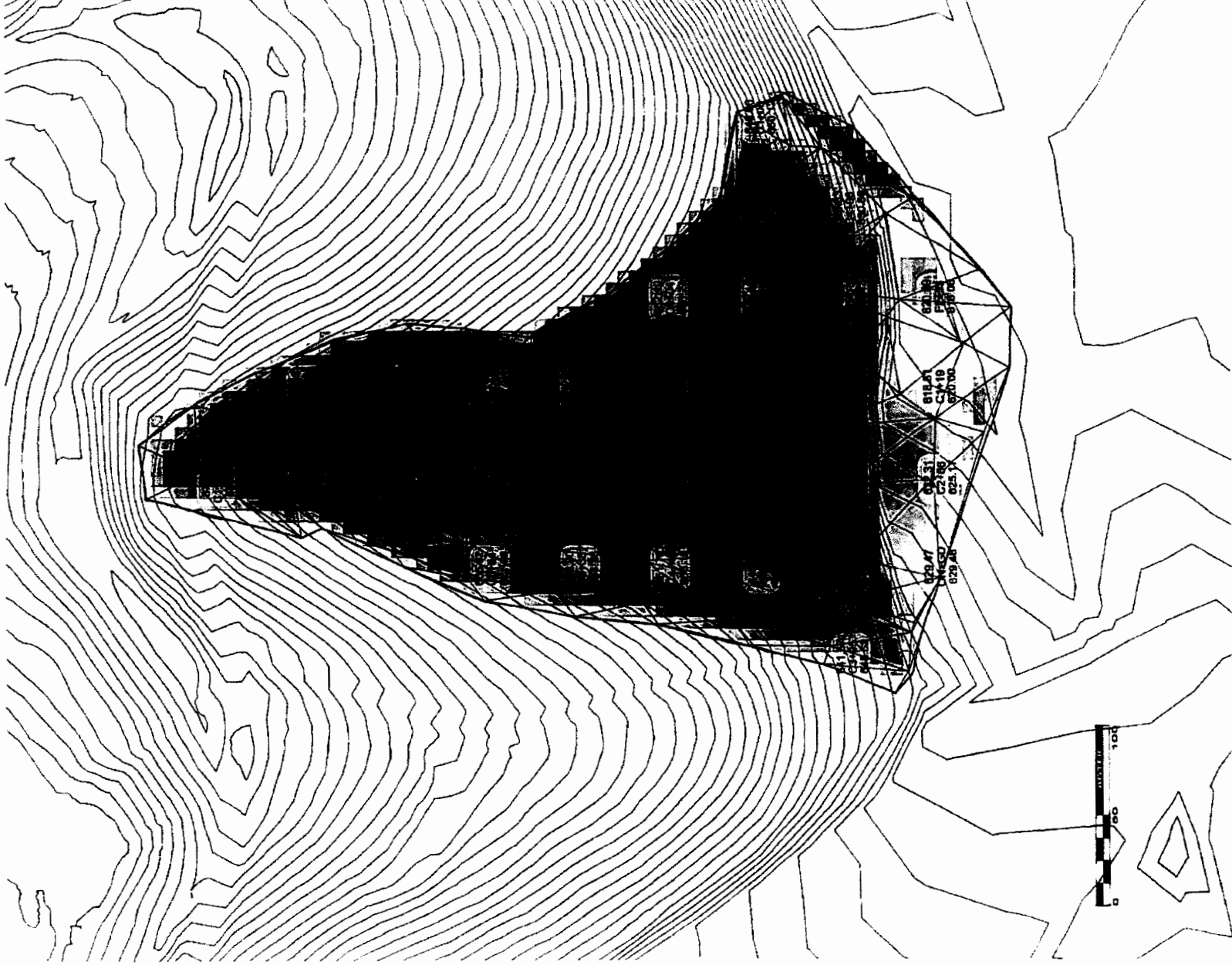
DATE 

TOTAL

Job: Owner Cyn 9.5
 Units: Ft-CY
 Thu Jan 15, 2015 08:45:35 Page 1

Volume Report
 Design vs. Existing

Cyn 9.5	Total		Area		OnGrade		Volume		CompRatio		Compact		Export Change	
	83,219	77,636	Cut	Fill	942	24,896	Cut	Fill	1.00	1.00	24,965	250	Fill	Import Per. 1 Ft.
			77,636	4,641		24,896	250		1.00	1.00	24,965	250		24,745
														308





Safety • Quality • Service

C. A. RASMUSSEN, INC.

General Engineering Contractors
License No. 254681 A

Valencia Commerce Center
28548 Livingston Avenue
Valencia, CA 91355-4171
Telephone 661.367.9040
Fax 661.367.9099
www.carasmussen.com

1409. RFC002R1
Incurred Cost

January 8, 2015

CNC Engineering
255 N. Hacienda Blvd
Suite 222
City of Industry, Ca 91744

Attn: Gerry Perez

Ref: Industry Business Center Ph1 Mass Grading, Far West Side
Contract #IBC-0379

Subject: Request for Change Order – Costs Incurred for Removal of Existing BMP's

Please find attached costs incurred for the month of November 2014 for removal of existing BMP's for the above referenced project.

TICKET			
DATE	#	DESCRIPTION	AMOUNT
11/17/2014	57734	Rem. Existing Bmp's	\$1,536.09
11/18/2014	57735	Rem. Existing Bmp's	\$2,616.79
11/19/2014	57736	Rem. Existing Bmp's	\$654.21
11/20/2014	57737	Rem. Existing Bmp's	\$206.12
11/24/2014	57731	Rem. Existing Bmp's	\$1,663.59
11/26/2014	57730	Rem. Existing Bmp's	\$1,466.34
			\$8,143.14

Please review and if acceptable issue a change order in the amount of **\$8,143.14** for completion of this added work.

Respectfully,

C.A. Rasmussen, Inc.

Steve Hoffman

Steve Hoffman
Project Manager

File: ~~1409-Corporate RFC~~
1409-Jobsite RFC

R

DAILY EXTRA WORK REPORT

City Of Industry Contractor Job: 1409 - Industry; Mass Grading Work Performed By: C. A. Rasmussen, Inc. Description of Work: Remove Straw Waddles	Contract: IBC-0379 Cost Code: 901010 Ticket No. 57734	Change Order: 900 Billing Number: 1.0 Report Date: 12/10/2014 Perform Date: 11/17/2014
---	---	---

Labor Charges									
Cralt ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended	
L01 OE 413	J WRIGHT	4.00			65.800			263.20	
L02 LBRAP 311	J GUEVARA	6.00			26.940			161.64	
L03 LBR 308	AG Carrillo	6.00			51.630			309.78	

Equipment Charges											
Equipment ID	Class	Make	Model	A1	A2	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended
E01 FM10	LDRRT	CAT	2301			4.00		115.990			463.96

Labor Charges		
RT Labor		734.62
SC	12.00%	88.15
OT Labor		0.00
Subtotal Labor		822.77
Subsistence		0.00
Other Expenses		0.00
MU	20.00%	164.56
Labor Total		987.33

Equipment Charges		
Subtotal		463.96
MU	15.00%	69.59
Equipment Total		533.55

Material Charges		

Subcontract Charges		

Activity Total 1,520.88

Bill Surcharge		
Bonding	1.00%	15.21

For Owner/Resident Engineer's Use Only <input type="checkbox"/> New Bill <input type="checkbox"/> Approved for Payment Date of Action: _____ <input type="checkbox"/> Resubmittal <input type="checkbox"/> Returned for Correction Date Received: _____	Accepted: Customer: _____ Date: _____ Contractor: _____ Date: _____	Bill Total + 1,536.09 Page <u>1</u>
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DAILY EXTRA WORK REPORT

City Of Industry Contractor Job: 1409 - Industry; Mass Grading Work Performed By: C. A. Rasmussen, Inc. Description of Work: Remove Straw Waddle						Contract: IBC-0379 Ticket No. 57735			<input checked="" type="checkbox"/> Signed		Change Order 900 Billing Number 3.0 Report Date 12/17/2014 Perform Date 11/18/2014	
Labor Charges								Labor Charges				
	Craft ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended	RT Labor	1,133.76	
L01	OE 413	J ROJAS	8.00			65.800			526.40	SC 12.00%	136.05	
L02	LBR 305	AT Fernandez	8.00			48.980			391.84	OT Labor	0.00	
L03	LBRAP 311	J GUEVARA	8.00			26.940			215.52			
Equipment Charges										Subtotal Labor		1,269.81
	Equipment ID	Class	Make	Model	A1 A2	RT Hrs	OT Hrs		RT Rate	OT Rate	Delay Factor	Extended
E01	FM10	LDRRT	CAT	2301		8.00			115.990			927.92
										Substance		0.00
										Other Expenses		0.00
										MU 20.00%		253.96
										Labor Total		1,523.77
										Equipment Charges		
										Subtotal		927.92
										MU 15.00%		139.19
										Equipment Total		1,067.11
										Material Charges		
										Subcontract Charges		
										Activity Total		2,590.88
										Bill Surcharge		
										Bonding 1.00%		25.91
										Bill Total +		2,616.79
For Owner/Resident Engineer's Use Only <input type="checkbox"/> New Bill <input type="checkbox"/> Approved for Payment Date of Action: <input type="checkbox"/> Resubmittal <input type="checkbox"/> Returned for Correction Date Received:						Accepted: _____ Customer: _____ Date: _____ Contractor: _____ Date: _____		Page <u>1</u>				

DAILY EXTRA WORK REPORT

City Of Industry Contractor Job: 1409 - Industry; Mass Grading Work Performed By: C. A. Rasmussen, Inc. Description of Work: Remove Straw Waddle		Contract: IBC-0379 Ticket No. 57736 <input checked="" type="checkbox"/> Signed	Change Order: 900 Billing Number: 4.0 Report Date: 12/17/2014 Perform Date: 11/19/2014										
Labor Charges		Labor Charges											
Craft ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended	RT Labor	283.44			
L01	OE 413	J ROJAS	2.00		65.800			131.60	SC 12.00%	34.02			
L02	LBR 305	AT Fernandez	2.00		48.980			97.96	OT Labor	0.00			
L03	LBRAP 311	J GUEVARA	2.00		26.940			53.88					
Equipment Charges		Equipment Charges											
Equipment ID	Class	Make	Model	A1	A2	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended	Subtotal Labor	317.46
E01	FM10	LDRRT	CAT			2.00		115.990			231.98	Subsistence	0.00
										Other Expenses	0.00		
										MU 20.00%	<u>63.49</u>		
										Labor Total	380.95		
										Equipment Charges			
										Subtotal	231.98		
										MU 15.00%	<u>34.80</u>		
										Equipment Total	266.78		
										Material Charges			
										Subcontract Charges			
										Activity Total	647.73		
										Bill Surcharge			
										Bonding 1.00%	6.48		
										Bill Total +	654.21		
For Owner/Resident Engineer's Use Only						Accepted:							
<input type="checkbox"/> New Bill		<input type="checkbox"/> Approved for Payment		Date of Action:		Customer:		Date:					
<input type="checkbox"/> Resubmittal		<input type="checkbox"/> Returned for Correction		Date Received:		Contractor:		Date:				Page <u>1</u>	

DAILY EXTRA WORK REPORT

City Of Industry
 Contractor Job: **1409 - Industry; Mass Grading**
 Work Performed By: **C. A. Rasmussen, Inc.**
 Description of Work: **Remove Straw Waddle**

Contract: **IBC-0379**
 Cost Code: **901010**
 Ticket No. **57737** Signed

Change Order **900**
 Billing Number **5.0**
 Report Date **12/17/2014**
 Perform Date **11/20/2014**

Labor Charges

Craft ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended
L01 LBR 305	AT Fernandez	2.00			48.980			97.96
L02 LBRAP 311	J GUEVARA	2.00			26.940			53.88

Labor Charges

RT Labor		151.84
SC	12.00%	18.23
OT Labor		0.00
Subtotal Labor		170.07
Subsistence		0.00
Other Expenses		0.00
MU	20.00%	34.01
Labor Total		204.08

Equipment Charges

Material Charges

Subcontract Charges

Activity Total **204.08**

Bill Surcharge

Bonding 1.00% **2.04**

Bill Total + **206.12**

For Owner/Resident Engineer's Use Only

New Bill Approved for Payment Date of Action: _____
 Resubmittal Returned for Correction Date Received: _____

Accepted:

Customer: _____

Date: _____

Contractor: _____

Date: _____

Page 1

DAILY EXTRA WORK REPORT

City Of Industry Contractor Job: 1409 - Industry; Mass Grading Work Performed By: C. A. Rasmussen, Inc. Description of Work: Remove Straw Waddle & Stockpile It In Our Yard				Contract: IBC-0379 Cost Code: 901010 Ticket No. 57731				<input checked="" type="checkbox"/> Signed Change Order: 900 Billing Number: 7.0 Report Date: 12/17/2014 Perform Date: 11/24/2014							
Labor Charges								Labor Charges							
Craft ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended	RT Labor	630.06					
L01 LBR 301	JJ Camarillo	6.00			53.380			320.28	SC 12.00%	75.60					
L02 LBR 308	T Camarillo	6.00			51.630			309.78	OT Labor	0.00					
Equipment Charges								Subtotal Labor		705.66					
Equipment ID	Class	Make	Model	A1	A2	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended	Subsistence	0.00		
E01 FM10	LDRRT	CAT	2301			6.00		115.990			685.94	Other Expenses	0.00		
										MU 20.00%	141.13	Labor Total	846.79		
								Equipment Charges		Subtotal		695.94	Material Charges		
										MU 15.00%	104.39	Subcontract Charges			
										Equipment Total		800.33	Activity Total		1,647.12
										Bill Surcharge		Bonding		1.00%	16.47
								Accepted:		Bill Total +		1,663.59			
For Owner/Resident Engineer's Use Only <input type="checkbox"/> New Bill <input type="checkbox"/> Approved for Payment Date of Action:				Customer: _____ Date: _____				Contractor: _____ Date: _____				Page <u>1</u>			
<input type="checkbox"/> Resubmittal <input type="checkbox"/> Returned for Correction Date Received:															

DAILY EXTRA WORK REPORT

City Of Industry Contractor Job: 1409 - Industry; Mass Grading Work Performed By: C. A. Rasmussen, Inc. Description of Work: Remove Straw Waddle & Stockpile It In Our Yard					Contract: IBC-0379 Cost Code: 901010 Ticket No. 57738			<input checked="" type="checkbox"/> Signed		Change Order: 900 Billing Number: 8.0 Report Date: 12/17/2014 Perform Date: 11/26/2014		
Labor Charges												
Craft ID		Employee Name		RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended		
L01	LBR 301	JJ Camarillo		4.00			53.380			213.52		
L02	LBR 308	T Camarillo		4.00			51.830			206.52		
L03	OE 410	ED Eckert		4.00			65.800			263.20		
Equipment Charges												
Equipment ID		Class	Make	Model	A1	A2	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended
E01	FM10	LDRRT	CAT	2301			4.00		115.990			463.96
										Labor Charges		
										RT Labor	683.24	
										SC 12.00%	81.98	
										OT Labor	0.00	
										Subtotal Labor	765.22	
										Subsistence	0.00	
										Other Expenses	0.00	
										MU 20.00%	<u>153.05</u>	
										Labor Total	918.27	
										Equipment Charges		
										Subtotal	463.96	
										MU 15.00%	<u>69.59</u>	
										Equipment Total	533.55	
										Material Charges		
										Subcontract Charges		
										Activity Total	1,451.82	
										Bill Surcharge		
										Bonding 1.00%	14.52	
										Bill Total +	1,466.34	
For Owner/Resident Engineer's Use Only <input type="checkbox"/> New Bill <input type="checkbox"/> Approved for Payment Date of Action: <input type="checkbox"/> Resubmittal <input type="checkbox"/> Returned for Correction Date Received:					Accepted: Customer: _____ Date: _____ Contractor: _____ Date: _____					Page <u>1</u>		



Safety • Quality • Service

C. A. RASMUSSEN, INC.

General Engineering Contractors
License No. 254681 A

Valencia Commerce Center
28548 Livingston Avenue
Valencia, CA 91355-4171
Telephone 661.367.9040
Fax 661.367.9099
www.carasmussen.com

1409. RFC002R2
Incurred Cost

January 26, 2015

CNC Engineering
255 N. Hacienda Blvd
Suite 222
City of Industry, Ca 91744

Attn: Gerry Perez

Ref: Industry Business Center Ph1 Mass Grading, Far West Side
Contract #IBC-0379

Subject: Request for Change Order – Costs Incurred for Removal of Existing BMP's

Please find attached costs incurred for the month of December 2014 & January 2015 for removal of existing BMP's for the above referenced project.

DATE	TICKET#	DESCRIPTION	AMOUNT
12/23/2014	57743	Rem Existing BMP's	\$ 698.48
12/31/2014	63002	Rem Existing BMP's	\$ 1,365.11
1/2/2015	63003	Rem Existing BMP's	\$ 2,261.92
1/5/2015	63005	Rem Existing BMP's	\$ 3,068.82
			\$ 7,394.33

Please review and if acceptable issue a change order in the amount of **\$7,394.33** for completion of this added work.

Respectfully,

C.A. Rasmussen, Inc.

Steve Hoffman

Steve Hoffman
Project Manager

File: 1409-Corporate RFC
1409-Jobsite RFC

DAILY EXTRA WORK REPORT

City Of Industry

Contractor Job 1409 - Industry, Mass Grading
 Work Performed By C. A. Rasmussen, Inc.
 Description of Work Remove Straw Waddle From Slopes

Contract **IBC-0379**
 Cost Code: **901010**
 Ticket No **57743**

Change Order **500**
 Billing Number **15.0**
 Signed Report Date 1/12/2015
 Perform Date 12/23/2014

Labor Charges

Craft ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended	RT Labor	OT Labor
L01 LBR 306	JJ Dickens	5.00			49.530			247.65	SC 12.00%	61.75
L02 LBR 301	RL Dickens	5.00			53.380			266.90		0.00

Labor Charges	
Subtotal Labor	514.55
Subsistence	0.00
Other Expenses	0.00
MU 20.00%	115.26
Labor Total	691.56

Equipment Charges

Material Charges

Subcontract Charges

Activity Total **691.56**

Bill Surcharge

Bonding 1.00% **6.92**

For Owner/Resident Engineer's Use Only

New Bill Approved for Payment Date of Action
 Resubmittal Returned for Correction Date Received

Accepted

Customer

Date

Contractor

Date

Bill Total + **698.48**

Page 1

DAILY EXTRA WORK REPORT

City Of Industry

Contractor Job: 1409 - Industry; Mass Grading
 Work Performed By: C. A. Rasmussen, Inc.
 Description of Work: Remove Waddles & Stockpile

Contract: **IBC-0379**
 Cost Code: **901010**
 Ticket No: **63002**

Change Order: **900**
 Billing Number: **16.0**
 Signed Report Date: **1/12/2015**
 Perform Date: **12/31/2014**

Labor Charges

Craft ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended
L01 OE 409	MS Mayfield	2.00			67.800			135.60
L02 LBR 301	RL Dickens	8.00			53.380			427.04
L03 LBR 306	JJ Dickens	8.00			49.530			396.24

Labor Charges

RT Labor	958.88
SC 12.00%	115.06
OT Labor	0.00
Subtotal Labor	1,073.94
Subsistence	0.00
Other Expenses	0.00
MU 20.00%	<u>214.79</u>
Labor Total	1,288.73

Equipment Charges

Equipment ID	Class	Make	Model	A1	A2	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended
E01 14021	TRUCK	T&T	06-12			2.00		27.330			54.66

Equipment Charges

Subtotal	54.66
MU 15.00%	<u>8.20</u>
Equipment Total	62.86

Material Charges

Subcontract Charges

Activity Total **1,351.59**

Bill Surcharge

Bonding 1.00% **13.52**

For Owner/Resident Engineer's Use Only

New Bill Approved for Payment Date of Action
 Resubmittal Returned for Correction Date Received

Accepted

Customer

Contractor

Date

Date

Bill Total + **1,365.11**

Page 1

DAILY EXTRA WORK REPORT

City Of Industry

Contractor Job 1409 - Industry; Mass Grading
 Work Performed By: C. A. Rasmussen, Inc.
 Description of Work: Remove Straw Waddles & Stockpile

Contract **IBC-0379**
 Cost Code **901010**
 Ticket No **63003**

Change Order **900**
 Billing Number **17.0**
 Signed Report Date **1/12/2015**
 Perform Date **1/02/2015**

Labor Charges

Craft ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended
L01 OE 409	MS Mayfield	2.00			67.800			135.60
L02 LBR 306	JJ Dickens	8.00			49.530			396.24
L03 LBR 301	RL Dickens	8.00			53.380			427.04
L04 OE 415	JE Hoover	4.00			65.920			263.68

Labor Charges

RT Labor		1,222.56
SC 12.00%		146.70
OT Labor		0.00
Subtotal Labor		1,369.26
Subsistence		0.00
Other Expenses		0.00
MU 20.00%		273.85
Labor Total		1,643.11

Equipment Charges

Equipment ID	Class	Make	Model	A1	A2	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended
E01 FM10	LDRRT	CAT	2301			4.00		115.990			463.96
E02 14021	TRUCK	T&TT	06-12			2.00		27.330			54.66

Equipment Charges

Subtotal		518.62
MU 15.00%		77.79
Equipment Total		596.41

Material Charges
Subcontract Charges

Activity Total **2,239.52**

Bill Surcharge

Bonding 1.00% **22.40**

For Owner/Resident Engineer's Use Only

New Bill Approved for Payment Date of Action
 Resubmittal Returned for Correction Date Received

Accepted

Customer

Contractor

Date

Date

Bill Total + **2,261.92**

Page 1

DAILY EXTRA WORK REPORT

City Of Industry

Contractor Job: 1409 - Industry; Mass Grading
 Work Performed By: C. A. Rasmussen, Inc.
 Description of Work: Remove & Stockpile Waddles

Contract **IBC-0379**
 Cost Code **901010**
 Ticket No. **63005**

Change Order **900**
 Billing Number **18.0**
 Signed Report Date 1/12/2015
 Perform Date 1/05/2015

Labor Charges

Craft ID	Employee Name	RT Hrs	OT Hrs	Subs Units	RT Rate	OT Rate	Subs Rate	Extended	RT Labor	Labor Charges	
L01 OE 409	MS Mayfield	2.00			67.800			135.60	SC 12.00%		1,420.00
L02 LBR 306	JJ Dickens	8.00			49.530			396.24	OT Labor		0.00
L03 LBR 301	RL Dickens	8.00			53.380			427.04			
L04 OEAP 405	C Martell	8.00			57.640			461.12			
									Subtotal Labor		1,590.39

Equipment Charges

Equipment ID	Class	Make	Model	A1	A2	RT Hrs	OT Hrs	RT Rate	OT Rate	Delay Factor	Extended	Other Expenses
E01 FM10	LDRRT	CAT	2301			8.00		115.990			927.92	MU 20.00%
E02 14021	TRUCK	T&TT	06-12			2.00		27.330			54.66	
											Labor Total	1,908.47

Equipment Charges
 Subtotal 982.58
 MU 15.00% 147.39
Equipment Total 1,129.97

Material Charges
Subcontract Charges

Activity Total **3,038.44**

Bill Surcharge

Bonding 1.00% 30.38

For Owner/Resident Engineer's Use Only

New Bill Approved for Payment Date of Action
 Resubmittal Returned for Correction Date Received

Accepted

Customer
Contractor
Date
Date

 Bill Total + **3,068.82**

 Page 1



Safety • Quality • Service

C. A. RASMUSSEN, INC.

General Engineering Contractors
License No. 254681 A

Valencia Commerce Center
28548 Livingston Avenue
Valencia, CA 91355-4171
Telephone 661.367.9040
Fax 661.367.9099
www.carasmussen.com

1409. RFC007
Incurred Costs

January 08, 2015

CNC Engineering
255 N. Hacienda Blvd
Suite 222
City of Industry, Ca 91744

Attn: Gerry Perez

Proj: Industry Business Center Ph1 Mass Grading, Far West Side
Contract #IBC-0379

Subject: Request for Change Order – Installation of 8" Outlet Drain

On 12/23/14 C.A. Rasmussen was directed to install an 8" outlet pipe for an existing sub-drainage system to day-light the new fill slope being constructed approximately where the old stockpile was located. No bid item exists for 8" outlet pipes, and as agreed by Gerry Perez and myself payment will be covered under bid item #15A "6" Solid Outlet Pipe".

Bid Item	DESCRIPTION OF WORK	QTY	\$/UNIT	TTL COST
15A	6" Solid Outlet Pipe	502	\$ 6.10	\$ 3,062.20

Please review and if acceptable issue a change order in the amount of **\$3,062.20** for completion of this added work.

C.A. Rasmussen, Inc.

Respectfully,

C.A. Rasmussen, Inc.

Steve Hoffman

Steve Hoffman
Project Manager

File 1409-Corporate RFC
1409-Jobsite RFC

R



Safety • Quality • Service

C. A. RASMUSSEN, INC.

General Engineering Contractors
License No. 254681 A

Valencia Commerce Center
28548 Livingston Avenue
Valencia, CA 91355-4171
Telephone 661.367.9040
Fax 661.367.9099
www.carasmussen.com

1409. RFC006
Proposal

January 08, 2015

CNC Engineering
255 N. Hacienda Blvd
Suite 222
City of Industry, Ca 91744

Attn: Gerry Perez

Proj: Industry Business Center Ph1 Mass Grading Far West Side
Contract #IBC-0379

Subject: Request for Change Order – Add'l Costs For Revised SCE Dry Utilities

Please find attached a breakdown of additional costs for the revised SCE dry utilities plan #3 vs. the original bid set per attached table.

Please issue a change order in the amount of **\$78,985.52** for completion of this added work.

Respectfully,

C.A. Rasmussen, Inc.

Steve Hoffman

Steve Hoffman
Project Manager

Attachments: As Noted
File: 1409-Corporate RFC
1409-Jobsite RFC

2

Job 1409 (IBC-0379)
 RFC006 SCE ADD'L COSTS

This change is due to revised SCE plans #3:

BID #	DESCRIPTION	QTY	\$/UNIT	COST
4A	Joint Trench	406 lf	8.00	\$3,248.00
4B	Conc Encasement	406 lf	15.00	\$6,090.00
4E	5' Conduit	3359 lf	5.50	\$18,474.50
5I	5" Sch 80 Bend	3 ea	200.00	\$600.00
BID ITEM WORK				
New	Full Encasement, Extra cost for Full encasement	1400 lf	6.00	\$8,400.00
New	Extra Depth Trench, Add'l cost	1400 lf	1.44	\$2,016.00
New	Shoring Rental, For trench over 5'	1 ls	1322.00	\$1,322.00
New	Labor for Shoring	48 hr	72.00	\$3,456.00
New	4x4x6 Sce MH, Cost diff from 3x5 Tel PB, + item 4H	3 ea	6479.90	\$19,439.70
New	6x12x7 Sce Vault, Cost diff from 5x10.5x7, plus extra	2 ea	1783.95	\$3,567.90
New	7x14x8 Sce Vault, Cost diff from 5x10.5x7, plus extra	2 ea	4755.40	\$9,510.80
NEW WORK				
MARK-UP FIRST \$5K				10%
MARK-UP FIRST >\$5K				5%
TTL				\$47,712.40
				\$500.00
				\$2,360.62
				\$78,985.52

Job 1409 (IBC-0379)
RFC006 SCE ADD'L COSTS

This change is due to revised SCE plans #3:

BID #	DESCRIPTION	QTY	\$/UNIT	COST
4A	Joint Trench	406 lf	8.00	\$3,248.00
4B	Conc Encasement	406 lf	15.00	\$6,090.00
4E	5' Conduit	3359 lf	5.50	\$18,474.50
5I	5" Sch 80 Bend	3 ea	200.00	\$600.00
	BID ITEM WORK			\$28,412.50
New	Full Encasement, Extra cost for Full encasement	1400 lf	6.00	\$8,400.00
New	Extra Depth Trench, Add'l cost	1400 lf	1.44	\$2,016.00
New	Shoring Rental, For trench over 5'	1 ls	1322.00	\$1,322.00
New	Labor for Shoring	48 hr	72.00	\$3,456.00
New	4x4x6 Sce MH, Cost diff from 3x5 Tel PB, + item 4H	3 ea	6479.90	\$19,439.70
New	6x12x7 Sce Vault, Cost diff from 5x10.5x7, plus extra	2 ea	1783.95	\$3,567.90
New	7x14x8 Sce Vault, Cost diff from 5x10.5x7, plus extra	2 ea	4755.40	\$9,510.80
	NEW WORK			\$47,712.40
	MARK-UP FIRST \$5K	10%		\$500.00
	MARK-UP FIRST >\$5K	5%		\$2,360.62
	TTL			\$78,985.52



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Valencia, CA 91355-4171
Telephone 661.367.9040
Fax 661.367.9099
www.carasmussen.com

1409. RFC005
Cost Incurred

01/05/14

CNC Engineering
255 N. Hacienda Blvd
Suite 222
City of Industry, Ca 91744

Attn: Gerry Perez

Proj: Industry Business Center Ph1 Mass Grading, Far West Side
Contract #IBC-0379

Subject: Request for Change Order – Canyon Sub-Drains

Per our verbal agreement at our weekly construction meeting on 12/18/14 the following is our unit price for installation of Canyon Sub-drains at Canyons #9 & 9.5. This work was performed from 12/08/14 through 12/10/14 for Canyon #9.5 and on 12/29/14 for Canyon #9.

DATE	LOC	QTY	UOM	\$/UOM	TTL COST
12/08/14 to 12/10/14	Canyon 9.5	400	LF	\$ 35.00	\$ 14,000.00
12/29/14	Canyon 9	135	LF	\$ 35.00	\$ 4,725.00
		535			\$ 18,725.00

Additional costs were incurred due to the following reasons:

1. Time Spent locating existing sub-drain.
2. 3X additional drain rock required.
3. 2X additional filter fabric required.
4. Excavation of trench required to install the canyon drain.
5. Small quantities to spread fixed costs over.

Please review and if acceptable issue a change order in the amount of **\$18,725.00** for completion of this added work.

Respectfully,
C.A. Rasmussen, Inc.

Steve Hoffman

Steve Hoffman
Project Manager

File: 1409-Corporate RFC
1409-Jobsite RFC

SUCCESSOR AGENCY

ITEM NO. 5.10



SUCCESSOR AGENCY TO THE
INDUSTRY URBAN - DEVELOPMENT AGENCY

MEMORANDUM

TO: Successor Agency Board Members

FROM: John Ballas, Agency Engineer *JAB*

DATE: February 18, 2015

RE: Donation of Agency Property for the Westbound On-Ramp at Grand Avenue

Attached for your consideration is a Right of Way Contract between the Successor Agency and the State of California Department of Transportation (Caltrans) for the required rights of way to construct the Westbound On-Ramp from Grand Avenue to State Route 60 Freeway. Also, attached is the related Grant Deed which conveys fee title to two parcels and an easement for ingress and egress to Caltrans. This project is an approved, enforceable obligation of the Successor Agency and is listed on the Successor Agency's Recognized Obligation Payment Schedule ("ROPS") on lines 224 through 230. The Westbound On-Ramp Project is environmentally cleared and presently in the right-of-way acquisition phase. The Successor Agency has engaged the State of California Department of Transportation ("Caltrans") to acquire all the required rights-of-way for the Westbound On-Ramp Project. In that regard, Caltrans is listed as a payee on line No. 226 of the ROPS. Cooperative Agreement No. 07-4975, between Caltrans and the Successor Agency in which Caltrans will advertise, award, and administer the construction of the Westbound Slip On-Ramp, was approved by the Successor Agency on March 26, 2014. Construction of the on-ramp is expected to begin in September, 2015.

On February 25, 2014, the Successor Agency approved the donation of property for the On-ramp to Caltrans and authorized the execution of two corresponding "Acknowledgement of Donation" forms. The Agency also approved the related first amendment to the 2005 lease agreement in which the lessee agreed to release its lease hold rights over the area of land to be donated. Later that same day, the Oversight Board ("OB") adopted resolution No. OB 2014-05 approving the donation of certain rights of way to Caltrans and approving the first amendment to the 2005 lease agreement.

Upon review of Resolution No. OB 2014-05, the Department of Finance (DOF) denied the donation of the rights of way to Caltrans in fee stating that they were inconsistent with the recently approved Long Range Property Management Plan ("LRPMP"). In addition, Finance denied the first lease amendment stating that such amendment did not constitute an enforceable obligation pursuant to Health and Safety Code Section 34163(c) and returned this action to the OB for reconsideration.

On May 22, 2014, Successor Agency staff met with Finance and determined that an amendment to the LRPMP would be an acceptable method whereby the subject parcels of land could be conveyed to Caltrans. The first amendment to the LRPMP was subsequently approved by both the Successor Agency and Oversight Board. DOF issued the attached letter dated November 12, 2014 approving the amendment No. 1 to the LRPMP. It was also determined that Finance would be agreeable to the use of a "Quit Claim" deed to formally release the lessee rights over the land to be conveyed to Caltrans in lieu of use of a lease amendment to the April 28, 2005 lease agreement between the Industry Urban-Development Agency and the Industry East Land, LLC. for the subject 600 acre property. Attached is a copy of the executed quit claim deed.

Upon adoption of Resolution No. OB 2014-21 by the Oversight Board, approving the donation of land to Caltrans and approval of the quit claim deed, DOF issued the attached letter also dated November 12, 2014 approving the subject donation.

In addition to the two parcels to be conveyed to Caltrans in fee, this Grant Deed also conveys a 16,952 square foot easement for ingress and egress purposes which is located along the north side of the proposed on-ramp which allows Caltrans to inspect, repair and maintain the proposed retaining wall. DOF has confirmed that any easements granted over property owned by the Successor Agency are not required to be reflected in the LRPMP nor subject to review and/or approval by DOF. As such, the easement was not considered in the above mentioned Oversight Board resolutions.

Staff therefore recommends the Successor Agency approve the Right of Way Contract and execute the related Grant Deed for conveyance of the rights of way required for the construction of the Westbound On-Ramp.

DISTRICT	COUNTY	ROUTE	POST	EA / PROJECT NUMBER
7	LA	60	24.1	25510 / 0700000465
DATE	ACQUISITION TYPE			
	Fee, Ingress & Egress Easement			
GRANTOR				
Successor Agency to the Industry Urban-Development Agency				
PROPERTY ADDRESS			APN	
Area near Brea Canyon Road and Grand Avenue, in the city of Industry			a portion of 8719-007-922	

This agreement is made by and between the **State of California, Department of Transportation** (the “State”), and **Successor Agency to the Industry Urban-Development Agency**, a former redevelopment agency of the City of Industry, a public body corporate and politic (the “Grantor”), collectively, the “Parties”, for the purchase of certain property interests described herein.

Document Number **80326** in the form of a **Grant Deed**, encompassing parcels **80326-1, 80326-2 and 80326-3** covering the property particularly described therein and as shown in that certain area shown outlined on the map marked **Exhibit “A”** attached hereto and made a part hereof, has been executed and delivered to **Heriberto Salazar**, Associate Right of Way Agent for the State.

Document Number **80326-A** in the form of a **Quitclaim Deed**, encompassing parcels **80326-1, 80326-2 and 80326-3** covering the property particularly described therein and as shown in that certain area shown outlined on the map marked **Exhibit “A”** attached hereto and made a part hereof, has been executed and delivered to **Heriberto Salazar**, Associate Right of Way Agent for the State.

In consideration of which, and the other considerations hereinafter set forth, it is mutually agreed as follows:

1. The Parties herein:
 - (A) Have set forth the whole of their agreement. The performance of this agreement constitutes the entire consideration for the property described above and shall relieve the State of all further obligation or claims on this account, or on account of the location, grade, or construction of the proposed public improvement.
 - (B) Recognize the State requires the property described above for State highway purposes, a public use for which State has the authority to exercise the power of eminent domain. Grantor is compelled to sell, and the State is compelled to acquire the property.
 - (C) Recognize the expense, time, effort, and risk to both Parties in determining the compensation for the property being acquired in this transaction by eminent domain litigation. The compensation set forth herein for the property being acquired in this transaction is in compromise and settlement, in lieu of such litigation.

2. The State shall:

(A) Accept delivery of property or interest conveyed by the above described documents and record same when title can be vested in the State free and clear of all liens, encumbrances, assessments, easements and leases (recorded and/or unrecorded) and taxes, except:

(1) Taxes for the tax year in which this escrow closes shall be cleared and paid in the manner required by Section 5086 of the Revenue and Taxation Code, if unpaid, at the close of escrow. Grantor shall be responsible for any amount necessary to satisfy any bond demands and delinquent taxes, if any, due in any tax year except the year in which this escrow closes, together with penalties and interest thereon, and/or delinquent and unpaid non-delinquent assessments which have become a lien at close of escrow.

(2) Unpaid principal and interest on note(s) secured by mortgage(s) or deed(s) of trust, if any, and all other amounts due and payable in accordance with the terms and conditions of said deed of trust(s) or mortgage(s), shall, upon demand(s), be made payable to the mortgagee(s) or beneficiary(ies) entitled thereunder; said mortgagee(s) or beneficiary(ies) to furnish Grantor with good and sufficient receipt showing said monies credited against the indebtedness secured by said mortgage(s) or deed(s) of trust.

(3) Covenants, conditions, restrictions, and reservations of record, or contained in the above referenced document.

(4) Easements or rights of way over said land for public or quasi-public utility or public street purposes, if any.

(B) Pay all escrow and recording fees incurred in this transaction, and if title insurance is desired by the State, the premium charged therefore.

3. **It is agreed that the property conveyed by Document Number 80326 is being donated to the State by the Grantor. Grantor, having initiated this donation, has been informed of the right of compensation for the property donated and hereby waives such right to compensation.**

4. The State's acquisition by donation of the property being acquired in this transaction reflects the fair market value of the property without the presence of contamination. If the property being acquired is found to be contaminated by the presence of hazardous waste, which requires mitigation under federal or state law, the State may elect to recover its cleanup costs from those who caused or contributed to the contamination.

5. Grantor hereby waives any claim for future inverse condemnation or damages or any other claim based on the State's plan to build the transportation project or to change the design or review the project and thereby eliminate or reduce the potential for airspace leasing.

6. Grantor hereby waives any claim for any and all claims for loss of goodwill in connection with this acquisition by donation.

RIGHT OF WAY CONTRACT – STATE HIGHWAY

7. It is agreed and confirmed by the Parties that notwithstanding other provisions in this agreement, the right of possession and use of the subject property by the State, including the right to remove and dispose of improvements, if any, shall commence on **July 1, 2015** or on the close of escrow controlling this transaction, whichever occurs first and that this acquisition by donation herein includes, but is not limited to the possession and use, including damages, if any, from said date.
8. Should the property be materially destroyed by fire, earthquake, or other calamity without the fault of either party, this agreement may be rescinded by State; in such an event, State may reappraise the property and make an offer thereon.
9. Grantor warrants that there are no oral or written leases on all or any portion of the property described above and the Grantor agrees to hold State harmless and reimburse State for any and all of its losses and expenses occasioned by reason of any oral or written leases of said property held by any tenant of Grantor.
10. Written and verbal communications with the Grantor shall be as follows:

Tim Spohn, Chairman
City of Industry
15825 East Slafford Street, Suite 100
City of Industry, CA 91744
Phone: (626) 333-2211

11. In the event Grantor's contact information changes or the property transfers title, Grantor shall notify State in writing of such occurrence as follows:

State of California
Department of Transportation, District 7
Right of Way Acquisition Branch B
100 S Main Street, MS 6
Los Angeles, CA 90012

Attention: Heriberto Salazar, Associate Right of Way Agent

12. This transaction will be handled through an escrow with Stewart Title Company, 525 North Brand Boulevard, Glendale, CA 91023. The escrow number is **01180-146225**.
13. It is agreed between the Parties that if the project does not receive funding by the California Transportation Commission, this transaction will be cancelled with written notice, and the Grant Deed will be returned to the Grantor within 10 business days of receipt of written cancellation.
14. This agreement is effective the date it is fully executed by all Parties to this agreement.

Remainder of this page intentionally left blank and signatures are contained on following page.

RIGHT OF WAY CONTRACT – STATE HIGHWAY

In **WITNESS WHEREOF**, the Parties have executed this agreement the day and year first above written.

State of California
Department of Transportation
Recommended for Approval:

Grantor:
Successor Agency to the Industry Urban-Development Agency, a former redevelopment agency of the City of Industry, a public body corporate and politic

By: _____
Heriberto Salazar, Right of Way Agent
Right of Way Acquisition Branch B

By: _____
Tim Spohn
Chairman

Attest:

By: _____
James Marsella, Senior Right of Way Agent
Right of Way Acquisition Branch B

By: _____
Diane M. Schlichting
Assistant Secretary

Approved as to form:

By: _____
Yoshiko Henslee, Office Chief
Right of Way Acquisition, Condemnation,
Railroads and Local Programs

By: _____
William L. Strausz
Agency Counsel

State of California
Department of Transportation
Approved:

By: _____
Andrew P. Nierenberg
Deputy District Director
Division of Right of Way
Department of Transportation
Caltrans – District 7

No Obligation Other Than Those Set Forth Herein Will Be Recognized

Exhibit “A”

Right of Way Map



CITY OF INDUSTRY
CITY OF DIAMOND BAR

RECORD OF SURVEY

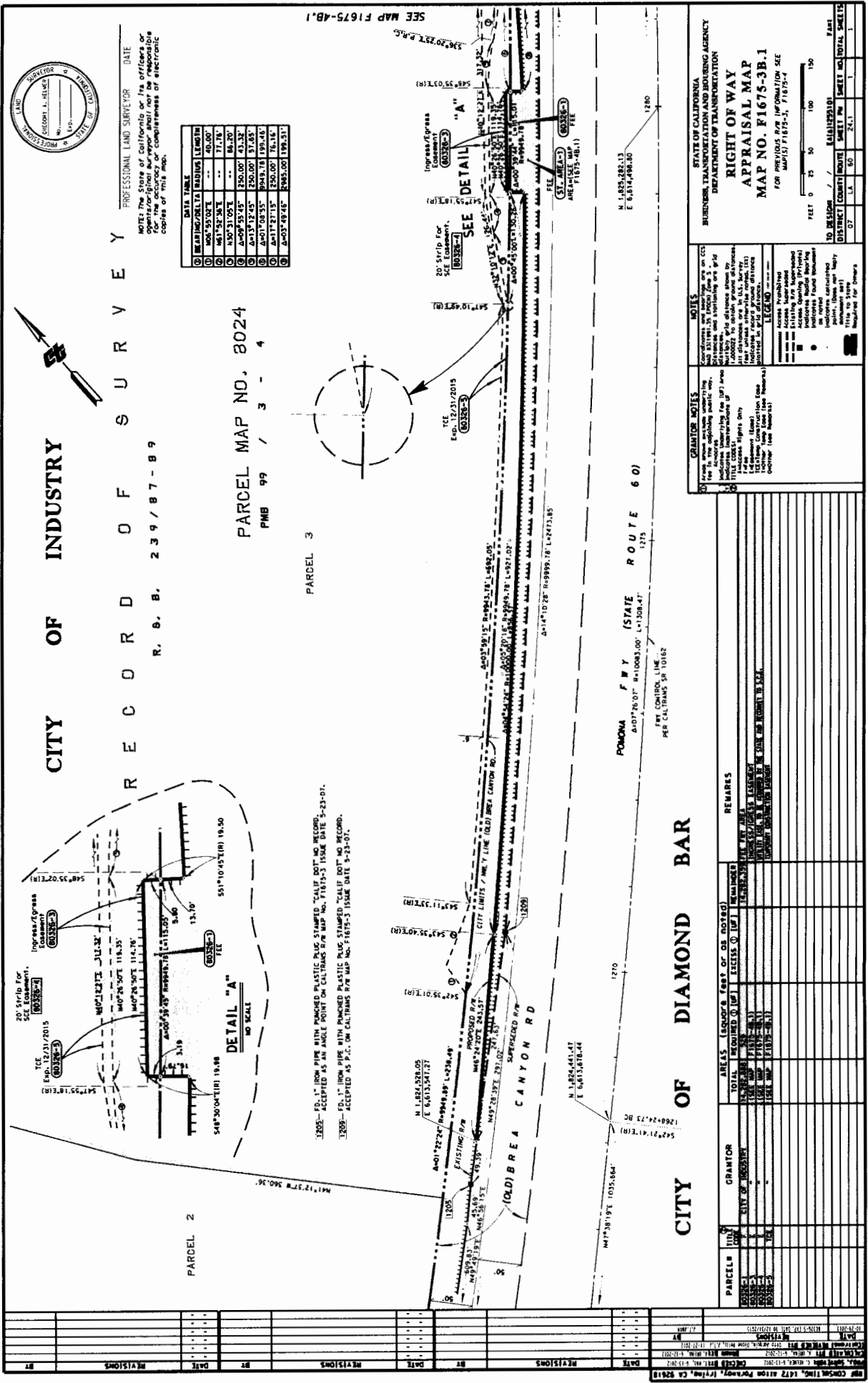
R. B. B. 239/87-89

PARCEL 3

PARCEL MAP NO. 3024
 PNB 99 / 3 - 4

PARCEL 2

SEE MAP F1675-AB.1



1200- FD. 1" IRON PIPE WITH PUNCHED PLUG STAMPED "CALIF DOT" NO RECORD.
 ACCEPTED AS AN ANGLE POINT ON CALTRANS R/W MAP NO. F1675-3 ISSUE DATE 5-25-07.
 1200- FD. 1" IRON PIPE WITH PUNCHED PLUG STAMPED "CALIF DOT" NO RECORD.
 ACCEPTED AS P.C. ON CALTRANS R/W MAP NO. F1675-3 ISSUE DATE 5-25-07.

DATE TIME

①	READING	READING	LENGTH
②	60°55'02.1"	114.39	40.00'
③	61°52'34.7"	114.39	37.50'
④	62°50'07.3"	114.39	35.00'
⑤	63°47'40.0"	114.39	32.50'
⑥	64°45'12.6"	114.39	30.00'
⑦	65°42'45.2"	114.39	27.50'
⑧	66°40'17.8"	114.39	25.00'
⑨	67°37'50.4"	114.39	22.50'
⑩	68°35'23.0"	114.39	20.00'
⑪	69°32'55.6"	114.39	17.50'
⑫	70°30'28.2"	114.39	15.00'
⑬	71°28'00.8"	114.39	12.50'
⑭	72°25'33.4"	114.39	10.00'
⑮	73°23'06.0"	114.39	7.50'
⑯	74°20'38.6"	114.39	5.00'
⑰	75°18'11.2"	114.39	2.50'
⑱	76°15'43.8"	114.39	0.00'

GRANTOR NOTES

1. Areas shown in red on this map are for the City of Industry and the City of Diamond Bar. The City of Industry and the City of Diamond Bar have agreed to share the cost of the survey and the cost of the map. The City of Industry and the City of Diamond Bar have agreed to share the cost of the survey and the cost of the map.

REVISIONS

NO.	DATE	REVISIONS
1	11/11/11	PREPARED FOR THE CITY OF DIAMOND BAR
2	11/11/11	REVISIONS
3	11/11/11	REVISIONS
4	11/11/11	REVISIONS
5	11/11/11	REVISIONS
6	11/11/11	REVISIONS
7	11/11/11	REVISIONS
8	11/11/11	REVISIONS
9	11/11/11	REVISIONS
10	11/11/11	REVISIONS
11	11/11/11	REVISIONS
12	11/11/11	REVISIONS
13	11/11/11	REVISIONS
14	11/11/11	REVISIONS
15	11/11/11	REVISIONS
16	11/11/11	REVISIONS
17	11/11/11	REVISIONS
18	11/11/11	REVISIONS
19	11/11/11	REVISIONS
20	11/11/11	REVISIONS

AREAS (SQUARED FEET OR NOTED)

PARCEL	NO.	GRANTOR	TOTAL	REQUIRED	EXCESS	DEF	REMARKS
1	1	CITY OF DIAMOND BAR	12,345.67	12,345.67	0.00	0.00	
2	2	CITY OF INDUSTRY	23,456.78	23,456.78	0.00	0.00	
3	3	CITY OF DIAMOND BAR	34,567.89	34,567.89	0.00	0.00	
4	4	CITY OF INDUSTRY	45,678.90	45,678.90	0.00	0.00	
5	5	CITY OF DIAMOND BAR	56,789.01	56,789.01	0.00	0.00	
6	6	CITY OF INDUSTRY	67,890.12	67,890.12	0.00	0.00	
7	7	CITY OF DIAMOND BAR	78,901.23	78,901.23	0.00	0.00	
8	8	CITY OF INDUSTRY	89,012.34	89,012.34	0.00	0.00	
9	9	CITY OF DIAMOND BAR	90,123.45	90,123.45	0.00	0.00	
10	10	CITY OF INDUSTRY	101,234.56	101,234.56	0.00	0.00	
11	11	CITY OF DIAMOND BAR	112,345.67	112,345.67	0.00	0.00	
12	12	CITY OF INDUSTRY	123,456.78	123,456.78	0.00	0.00	
13	13	CITY OF DIAMOND BAR	134,567.89	134,567.89	0.00	0.00	
14	14	CITY OF INDUSTRY	145,678.90	145,678.90	0.00	0.00	
15	15	CITY OF DIAMOND BAR	156,789.01	156,789.01	0.00	0.00	
16	16	CITY OF INDUSTRY	167,890.12	167,890.12	0.00	0.00	
17	17	CITY OF DIAMOND BAR	178,901.23	178,901.23	0.00	0.00	
18	18	CITY OF INDUSTRY	189,012.34	189,012.34	0.00	0.00	
19	19	CITY OF DIAMOND BAR	190,123.45	190,123.45	0.00	0.00	
20	20	CITY OF INDUSTRY	201,234.56	201,234.56	0.00	0.00	

STATE OF CALIFORNIA
 DEPARTMENT OF TRANSPORTATION
APPRAISAL MAP
 MAP NO. F1675-3B.1
 FOR PREVIOUS P/R INFORMATION SEE
 MAP F1675-3, F1675-4

SCALE: 1" = 40'

DATE: 11/11/11

BY: GREGORY L. HELZER

REVISIONS

NO.	DATE	REVISIONS
1	11/11/11	PREPARED FOR THE CITY OF DIAMOND BAR
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18	11/11/11	REVISIONS
19	11/11/11	REVISIONS
20	11/11/11	REVISIONS

Recording Requested by
DEPARTMENT OF TRANSPORTATION

When recorded, Mail to:
STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
District 7, Design Division
Office of R/W Engineering
100 South Main Street, MS 13
Los Angeles, CA 90012

Space above this line for Recorder's Use

RBF Consulting: G. Helmer Dec 03-2014
Written By: G. Helmer (Part Take)
Revised By: J. Juan MAP No. F1675-3B.1

APN 8719 007 922

EA255109

GRANT DEED
(CORPORATION)

W'yly of Grand Ave; NW'yly of RTE 60 Fwy

District	County	Route	Post	Number
07	LA	60	PM24.1	80326

Successor Agency to the Industry Urban-Development Agency, a former redevelopment agency of the City of Industry, a public body corporate and politic, a corporation organized and existing under and by virtue of the laws of the State of California, does hereby GRANT to the State OF CALIFORNIA all that real property in the CITY OF INDUSTRY, County of LOS ANGELES, State of California. Described as:

See EXHIBIT "A" attached hereto and by this reference made a part hereof.

EXHIBIT "A"
LEGAL DESCRIPTION

Number
80326

PARCEL 80326-1:

That certain parcel of land situated in the City of Industry, County of Los Angeles, State of California, being that portion of Parcel 3 of Parcel Map No. 8024 filed in Book 99, Pages 3 and 4 of Parcel Maps in the Office of the County Recorder of said County, described as follows:

COMMENCING at the northerly terminus of that certain course shown as "North 10°37'15" West 19.92 feet" on Record of Survey filed in Book 239, Pages 87 through 89 of Record of Surveys in the Office of the County Recorder of said County, said point also being an angle point in the northwesterly right-of-way line of State Route 60 as shown on said Record of Survey; thence leaving said northwesterly right-of-way line along the northerly prolongation of said course and general westerly line of Parcel "B" as shown on Certificate of Compliance, City of Diamond Bar Case No. LLA-02-002, recorded May 14, 2004 as Instrument No. 04-1235314 in the Office of the County Recorder of said County, North 10°37'15" West 32.25 feet to an angle point therein and the northerly right-of-way line of Brea Canyon Road (old) as shown on said Record of Survey; thence along said northerly right-of-way line South 40°11'53" West 550.27 feet to the beginning of a tangent curve concave northwesterly and having a radius of 9949.78 feet; thence along said curve southwesterly 211.47 feet through a central angle of 01°13'04" to the **TRUE POINT OF BEGINNING**, a radial line of said curve from said point bears South 48°35'03" East; thence continuing along said northerly right-of-way line and said curve southwesterly 115.05 feet through a central angle of 00°39'45"; thence leaving said northerly right-of-way line non-tangent from said curve North 48°30'04" West 3.19 feet; thence North 40°26'50" East 114.76 feet; thence South 51°10'45" East 5.80 feet to the **TRUE POINT OF BEGINNING**.

CONTAINING: 529 Square Feet, more or less.

PARCEL 80326-2:

That certain parcel of land situated in the City of Industry, County of Los Angeles, State of California, being that portion of Parcel 3 of Parcel Map No. 8024 filed in Book 99, Pages 3 and 4 of Parcel Maps in the Office of the County Recorder of said County, described as follows:

COMMENCING at the northerly terminus of that certain course shown as "North 10°37'15" West 19.92 feet" on Record of Survey filed in Book 239, Pages 87 through 89 of Record of Surveys in the Office of the County Recorder of said County, said point also being an angle point in the northwesterly right-of-way line of State Route 60 as shown on said Record of Survey; thence leaving said northwesterly right-of-way line along the northerly prolongation of said course and general westerly line of Parcel "B" as shown on Certificate of Compliance, City of Diamond Bar Case No. LLA-02-002, recorded May 14, 2004 as Instrument No. 04-1235314 in the Office of the County Recorder of said County, North 10°37'15" West 32.25 feet to an angle point therein and the northerly right-of-way line of Brea Canyon Road (old) as shown on said Record of Survey; thence along said northerly right-of-way line South 40°11'53" West 249.34 feet to the general easterly line of said Parcel 3, said point being the **TRUE POINT OF BEGINNING**; thence continuing along said northerly right-of-way line South 40°11'53" West 300.93 feet to the beginning of a tangent curve concave northwesterly and having a radius of 9949.78 feet; thence along said curve southwesterly 12.01 feet through a central angle of 00°04'09" to an intersection with a non-tangent curve concave northwesterly and having a radius of 2985.00 feet, a radial line of said curve from said intersection bears South 55°00'31" East;

Number
80326

thence leaving said northerly right-of-way line along said curve northeasterly 19.99 feet through a central angle of 00°23'01"; thence tangent from said curve North 34°36'28" East 190.59 feet to the beginning of a tangent curve concave southeasterly and having a radius of 4980.00 feet; thence along said curve northeasterly 234.99 feet through a central angle of 02°42'13" to the general easterly line of said Parcel 3; thence along said general easterly line non-tangent from said curve South 24°05'16" West 136.29 feet to the **TRUE POINT BEGINNING**.

CONTAINING: 6706 Square Feet, more or less.

This conveyance is made for the purposes of a freeway and the grantor hereby releases and relinquishes to the grantee any and all abutter's rights including access rights, appurtenant to grantor's remaining property, in and to said freeway.

PARCEL 80326-3:

An easement for public highway ingress and egress purposes upon, over and across that certain parcel of land situated in the City of Industry, County of Los Angeles, State of California, being that portion of Parcel 3 of Parcel Map No. 8024, filed in Book 99, Pages 3 through 4 of Parcel Maps in the Office of the County Recorder of said County, described as follows:

COMMENCING at the northerly terminus of that certain course shown as "North 10°37'15" West 19.92 feet" on Record of Survey filed in Book 239, Pages 87 through 89 of Record of Surveys in the Office of the County Recorder of said County, said point also being an angle point in the northwesterly right-of-way line of State Route 60 as shown on said Record of Survey; thence leaving said northwesterly right-of-way line along the northerly prolongation of said course and general westerly line of Parcel "B" as shown on Certificate of Compliance, City of Diamond Bar Case No. LLA-02-002, recorded May 14, 2004 as Instrument No. 04-1235314 in the Office of the County Recorder of said County, North 10°37'15" West 32.25 feet to an angle point therein and the northerly right-of-way line of Brea Canyon Road (old) as shown on said Record of Survey; thence along said northerly right-of-way line South 40°11'53" West 550.27 feet to the beginning of a tangent curve concave northwesterly and having a radius of 9949.78 feet; thence along said curve southwesterly 12.01 feet through a central angle of 00°04'09" to an intersection with a non-tangent curve concave northwesterly and having a radius of 2985.00 feet, a radial line of said curve from said intersection bears South 55°00'31" East, said point of intersection being the **TRUE POINT OF BEGINNING**; thence continuing along said northerly right-of-way line and said curve having a radius of 9949.78 feet southwesterly 199.46 feet through a central angle of 01°08'55"; thence leaving said northerly right-of-way line non-tangent from said curve North 51°10'45" West 5.80 feet; thence South 40°26'50" West 114.76 feet; thence South 48°30'04" East 3.19 feet to said northerly right-of-way line and said curve having a radius of 9949.78 feet, a radial line of said curve from said point bears South 47°55'18" East; thence along said northerly right-of-way line and said curve southwesterly 130.24 feet through a central angle of 00°45'00"; thence leaving said northerly right-of-way line non-tangent from said curve North 30°31'05" East 86.20 feet to the beginning of a tangent curve concave southeasterly and having a radius of 250.00 feet; thence along said curve northeasterly 43.32 feet through a central angle of 09°55'45"; thence tangent from said curve North 40°26'50" East 119.35 feet to the beginning of a tangent curve concave southeasterly and having a radius of 250.00 feet; thence along said curve northeasterly 57.65 feet through a central angle of 13°12'45" to a point of reverse curvature with a curve concave northwesterly and having a radius of 250.00 feet, a radial line of said curve from said point bears North 36°20'25" West; thence along said curve northeasterly 76.16 feet through a central

Number
80326

angle of 17°27'15" to a point of compound curvature with a curve concave northwesterly and having a radius of 2965.00 feet, a radial line of said curves from said point bears North 53°47'40" West; thence along said curve northeasterly 82.68 feet through a central angle of 01°35'52"; thence tangent from said curve North 34°36'28" East 190.59 feet to the beginning of a tangent curve concave southeasterly and having a radius of 5000.00 feet; thence along said curve northeasterly 265.56 feet through a central angle of 03°02'35" to the general easterly line of said Parcel 3; thence along said general easterly line non-tangent from said curve South 02°06'51" West 33.69 feet; thence South 24°05'16" West 2.16 feet to a point on a non-tangent curve concave southeasterly and having a radius of 4980.00 feet, a radial line of said curve from said point bears North 52°41'19" West; thence leaving said general easterly line of Parcel 3 along said curve southwesterly 234.99 feet through a central angle of 02°42'13"; thence tangent from said curve South 34°36'28" West 190.59 feet to the beginning of a tangent curve concave northwesterly and having a radius of 2985.00 feet; thence along said curve southwesterly 19.99 feet through a central angle of 00°23'01" to the **TRUE POINT OF BEGINNING**.

CONTAINING: 16,952 Square Feet, more or less.

Bearings and distances hereon are in terms of California Coordinate System of 1983 (Epoch 1991.35), Zone 5. All distances are grid unless otherwise noted. To obtain ground distance multiply the grid distance by 1.000022.

This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors' Act.

Signature: *Gregory A. Melnyk*
 Licensed Land Surveyor

Date: December 8, 2014



Number
80326

IN WITNESS WHEREOF, said corporation has caused its corporate name to be hereunto subscribed and its corporate seal to be affixed hereto, this ____ day of _____, 20 ____.

By _____

By _____

[CORPORATE SEAL]

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 _____ } ss

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

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)

THIS IS TO CERTIFY, That the State of California, acting by and through the Department of Transportation (pursuant to Government Code Section 27281), hereby accepts for public purposes the real property described in the within deed and consents to the recordation thereof.

IN WITNESS WHEREOF, I have hereunto set my hand
 this ____ day of _____, 20 ____.

 Director of Transportation

By _____
 Attorney in Fact



November 12, 2014

Mr. Kevin Radecki, City Manager
City of Industry
15625 East Stafford Street
City of Industry, CA 91744

Dear Mr. Radecki:

Subject: Approval of Oversight Board Action

The City of Industry Successor Agency (Agency) notified the California Department of Finance (Finance) of its August 27, 2014 Oversight Board (OB) resolutions on September 10, 2014. Pursuant to Health and Safety Code (HSC) section 34179 (h), Finance has completed its review of the OB action.

Based on our review and application of the law, OB Resolution No. OB 2014-21 approving the transfer of land to the California Department of Transportation (Caltrans) for governmental use is approved. It is our understanding Caltrans will use the land for construction of the Grand Avenue and SR-60 westbound on-ramp and the off-ramp. The transferred land is identified as Property Nos. 73 through 77 on the Agency's Amended Long-Range Property Management Plan.

This is our determination with respect to the OB action taken.

Please direct inquiries to Cindie Lor, Supervisor, or Veronica Green, Lead Analyst at (916) 445-1546.

Sincerely,



JUSTYN HOWARD
Acting Program Budget Manager

cc: Mr. Dean Yamagata, Contracted Finance Manager, City of Industry
Ms. Kristina Burns, Manager, Los Angeles County Department of Auditor-Controller
Ms. Elizabeth Gonzalez, Bureau Chief, Local Government Audit Bureau, California State
Controller's Office
California State Controller's Office



November 12, 2014

Mr. Kevin Radecki, City Manager
City of Industry
15625 East Stafford Street
City of Industry, CA 91744

Dear Mr. Radecki:

Subject: Amended Long-Range Property Management Plan

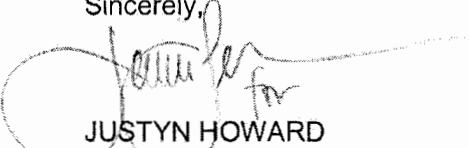
This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated February 21, 2014. Pursuant to Health and Safety Code (HSC) section 34191.5 (b), the City of Industry Successor Agency (Agency) submitted an Amended Long-Range Property Management Plan (LRPMP) to the California Department of Finance (Finance) on September 10, 2014. Finance has completed its review of the Amended LRPMP, which may have included obtaining clarification for various items.

Based on our review and application of the law, the Oversight Board (OB) Resolution 2014-20 amending the LRPMP to revise Property No. 40 and add Property Nos. 73 through 77 is approved. It is our understanding the changes are needed to properly separate and identify the original portion of Property No. 40 that is to be transferred to the California Department of Transportation in order to complete the construction of the Grand Avenue and SR-60 westbound on-ramp and off-ramp.

This is our determination with respect to the OB action taken.

Please direct inquiries to Cindie Lor, Supervisor, or Veronica Green, Lead Analyst at (916) 445-1546.

Sincerely,



JUSTYN HOWARD
Acting Program Budget Manager

cc: Mr. Dean Yamagata, Contracted Finance Manager, City of Industry
Ms. Kristina Burns, Manager, Los Angeles County Department of Auditor-Controller
Ms. Elizabeth Gonzalez, Bureau Chief, Local Government Audit Bureau, California State
Controller's Office
California State Controller's Office

RESOLUTION NO. OB 2014-21
ATTACHMENT B
QUITCLAIM DEED
[ATTACHED BEHIND THIS PAGE]

EXHIBIT "B"

RECORDING REQUESTED BY & MAIL TO

CITY OF INDUSTRY
15625 East Stafford Street,
City of Industry, CA 91744
Attention: City Manager

APN(s): 8719-007-907, 917, 922

SPACE ABOVE THIS LINE FOR RECORDER'S USE

QUITCLAIM DEED

THE UNDERSIGNED DECLARES AS FOLLOWS:

The undersigned declares that this transfer is exempt from Recording Fees pursuant to California Government Code Section 27383 and exempt from Documentary Transfer Tax pursuant to California Revenue and Taxation Code Section 11922.

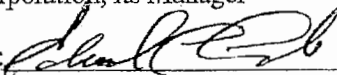
FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged the **INDUSTRY EAST BUSINESS CENTER L.L.C.**, a Delaware limited liability company, ("IEBC") does hereby remise, release and forever quitclaim to the **SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY**, a public body ("Agency"), all of its rights, title and interest in and to the certain real property located in the County of Los Angeles, State of California, more particularly described in Exhibit "A" attached hereto and incorporated herein by reference (the "**Property**"), including without limitation all of its rights, title and interest as lessee under that certain Lease Agreement dated April 28, 2005, by and between the Agency, as successor-in-interest by operation of law to the Industry Urban-Development Agency, and IEBC, as successor-in-interest to Industry East Land, LLC, as it pertains to the Property.

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

Date: 8-1, 2014

INDUSTRY EAST BUSINESS CENTER L.L.C.,
a Delaware limited liability company,

By: Majestic Realty Co., a California Corporation, its Manager

40 By: 

Its: **EDWARD P. ROSKI, JR**
President and Chairman of the Board

State of California)
County of Los Angeles)

On August 1, 2014, before me, Linda J. Casey,
(insert name and title of the officer)

Notary Public, personally appeared Edward P. Roski, Jr.,
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

Linda J. Casey



(Seal)

Exhibit A
To Quit Claim Deed

Sheet 1 of 12

LEGAL DESCRIPTION OF THE PROPERTY

THE LAND REFERRED TO HEREIN IS SITUATED IN THE STATE OF CALIFORNIA,
COUNTY OF LOS ANGELES, DESCRIBED AS ATTACHED HERETO.

RBF Consulting
14725 Alton Parkway
Irvine, California 92618

Sheet 2 of 12

EXHIBIT "A"

July 2, 2013
JN 65-100576
Page 1 of 2

LEGAL DESCRIPTION

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
CITY OF INDUSTRY
FEE PARCELS

PARCEL 80326-1

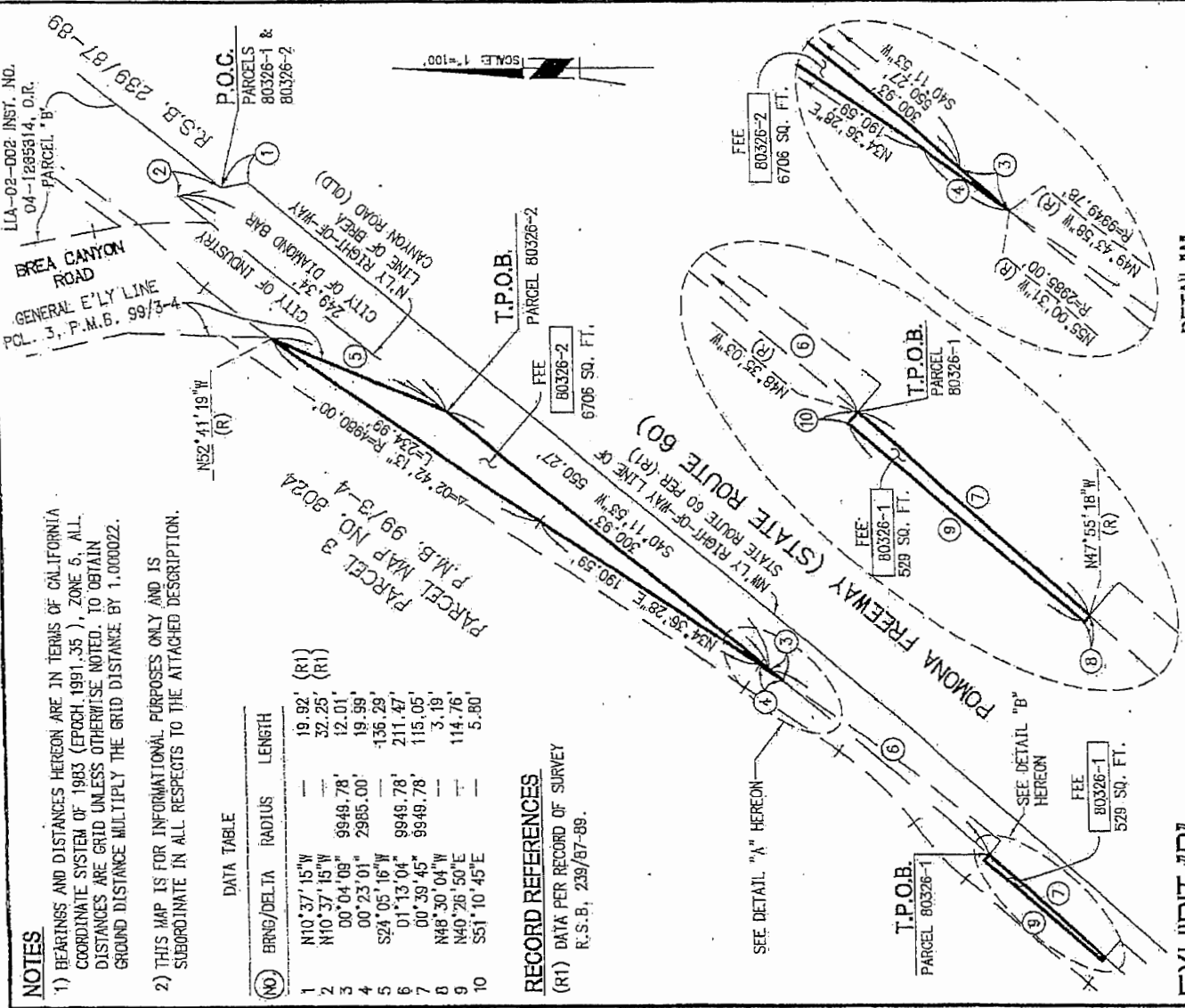
That certain parcel of land situated in the City of Industry, County of Los Angeles, State of California, being that portion of Parcel 3 of Parcel Map No. 8024 filed in Book 99, Pages 3 and 4 of Parcel Maps in the Office of the County Recorder of said Los Angeles County, described as follows:

COMMENCING at the northerly terminus of that certain course shown as "North 10°37'15" West 19.92 feet" on Record of Survey filed in Book 239, Pages 87 through 89 of Record of Surveys in the Office of the County Recorder of said Los Angeles County, said point also being an angle point in the northwesterly right-of-way line of State Route 60 as shown on said Record of Survey; thence leaving said northwesterly right-of-way line along the northerly prolongation of said course and general westerly line of Parcel "B" as shown on Certificate of Compliance, City of Diamond Bar Case No. LLA-02-002, recorded May 14, 2004 as Instrument No. 04-1235314 in the Office of the County Recorder of said Los Angeles County, North 10°37'15" West 32.25 feet to an angle point therein and the northerly right-of-way line of Brea Canyon Road (old) as shown on said Record of Survey; thence along said northerly right-of-way line South 40°11'53" West 550.27 feet to the beginning of a tangent curve concave northwesterly and having a radius of 9949.78 feet; thence along said curve southwesterly 211.47 feet through a central angle of 01°13'04" to the **TRUE POINT OF BEGINNING**, a radial line of said curve from said point bears North 48°35'03" West; thence continuing along said northerly right-of-way line and said curve southwesterly 115.05 feet through a central angle of 00°39'45"; thence leaving said northerly right-of-way line non-tangent from said curve North 48°30'04" West 3.19 feet; thence North 40°26'50" East 114.76 feet; thence South 51°10'45" East 5.80 feet to the **TRUE POINT OF BEGINNING**.

CONTAINING: 529 Square Feet, more or less.

PARCEL 80326-2

That certain parcel of land situated in the City of Industry, County of Los Angeles, State of California, being that portion of Parcel 3 of Parcel Map No. 8024 filed in Book 99, Pages 3 and 4 of Parcel Maps in the Office of the County Recorder of said Los Angeles County, described as follows:



NOTES

- 1) BEARINGS AND DISTANCES HEREON ARE IN TERMS OF CALIFORNIA COORDINATE SYSTEM OF 1983 (EPOCH 1981.35), ZONE 5. ALL DISTANCES ARE GRID UNLESS OTHERWISE NOTED. TO OBTAIN GROUND DISTANCE MULTIPLY THE GRID DISTANCE BY 1.000022.
- 2) THIS MAP IS FOR INFORMATIONAL PURPOSES ONLY AND IS SUBORDINATE IN ALL RESPECTS TO THE ATTACHED DESCRIPTION.

DATA TABLE

(NO)	BRNG/Delta	RADIUS	LENGTH
1	N10°37'15"W	—	19.92' (R1)
2	N10°37'15"W	—	32.25' (R1)
3	00°04'09"	9949.78'	12.01'
4	00°23'01"	2985.00'	19.99'
5	S24°05'16"W	—	136.29'
6	D1°13'04"	9949.78'	211.47'
7	00°39'45"	9949.78'	115.05'
8	N48°30'04"W	—	3.19'
9	N40°26'50"E	—	114.76'
10	S51°10'45"E	—	5.80'

RECORD REFERENCES

(R1) DATA PER RECORD OF SURVEY
R.S.B., 239/87-89.

EXHIBIT "B"

SKETCH TO ACCOMPANY A
LEGAL DESCRIPTION FOR

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
CITY OF INDUSTRY
FEE PARCELS

DETAIL "B"
NOT TO SCALE

DETAIL "A"
NOT TO SCALE

SHEET 1 OF 1 SHEET

RBF
CONSULTING
PLANNING ■ DESIGN ■ CONSTRUCTION
14775 ALTON PARKWAY
IRVINE, CALIFORNIA 92618-2027
949.472.0005 • FAX 949.472.8970 • www.rbf.com

JULY 2, 2013
J.N. 65-100576

Exhibit 'A' - Legal Description

Sheet 5 of 12

(A portion of A.P.N. 8719-007-922)

That portion of Parcel 3 of Parcel Map No. 8024, in the City of Industry, County of Los Angeles, State of California, as shown on the map filed in Book 99, Pages 3 and 4 of Parcel Maps, in the Office of the County Recorder of said County, described as follows:

BEGINNING at the southerly terminus of that certain course shown on the boundary of said Parcel 3, having a bearing and distance of "North 11°58'27" West 210.00 feet";

Thence along said course, North 11°47'15" West 129.51 feet;

Thence South 33°29'16" West 42.93 feet;

Thence South 12°05'23" East 99.16 feet to that certain course shown on the boundary of said Parcel 3 having a bearing and distance of "North 78°17'54" East 32.00 feet";

Thence along said course, North 78°29'06" East 29.98 feet to the **POINT OF BEGINNING**.

The above described parcel contains 3,462 square feet, or 0.08 acres, more or less.

Bearings and distances used in the above description are on the California Coordinate System, Zone 5 (NAD83), 1991.35 Epoch. Divide grid distances shown by 0.999976526 to obtain ground level distances.

All as shown on Exhibit 'B', attached hereto and made a part hereof.

This legal description was prepared by me, or under my direction, in accordance with the Professional Land Surveyors Act.



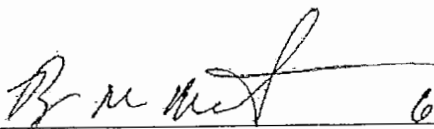
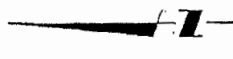

Ryan M. Versteeg, PLS 7809 6-20-2014
Date

EXHIBIT "B"

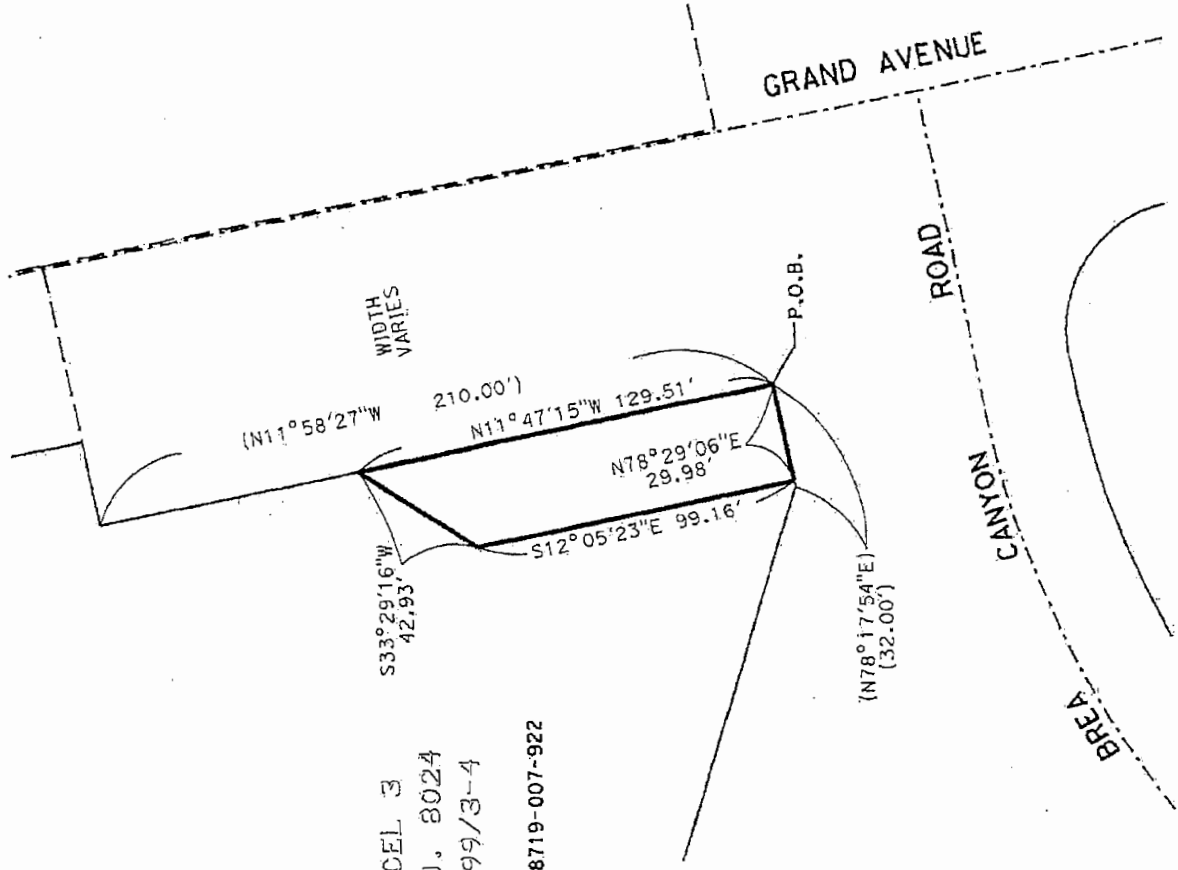
Sheet 6 of 12



N.T.S.

PARCEL 3
FM NO. 8024
PMB 99/3-4

APN 8719-007-922



() INDICATES RECORD DATA PER
PARCEL MAP NO. 8024,
PMB 99/3-4.

BEARINGS AND DISTANCES ARE IN TERMS OF THE
CALIFORNIA COORDINATE SYSTEM OF 1983 (EPOCH
1991.35), ZONE V. ALL NON-RECORD DISTANCES
ARE GRID DISTANCES. TO OBTAIN GROUND DISTANCES
DIVIDE THE GRID DISTANCES BY 0.999976526.

<p>TOWILL Surveying, Mapping and GIS Services 10390 Commerce Center Drive, Suite C-190 Rancho Cucamonga, CA 91730-5858 909.303.7960 / Fax 909.303.7965</p>	<p>A PORTION OF</p> <p>APN 8719-007-922</p> <p>City of Industry</p> <p>County of Los Angeles</p> <p>State of California</p>	<p>Date: 6/19/2014</p> <p>Drawn: RMV</p> <p>Checked: LMH</p> <p>J.N.: 14221</p> <p>Sheet 1 of 1</p>
	<p>BEARINGS AND DISTANCES ARE IN TERMS OF THE CALIFORNIA COORDINATE SYSTEM OF 1983 (EPOCH 1991.35), ZONE V. ALL NON-RECORD DISTANCES ARE GRID DISTANCES. TO OBTAIN GROUND DISTANCES DIVIDE THE GRID DISTANCES BY 0.999976526.</p>	

Exhibit 'A' - Legal Description

Sheet 7 of 12

(A portion of A.P.N. 8719-007-922)

That portion of Parcel 3 of Parcel Map No. 8024, in the City of Industry, County of Los Angeles, State of California, as shown on the map filed in Book 99, Pages 3 and 4 of Parcel Maps, in the Office of the County Recorder of said County, described as follows:

Commencing at the westerly terminus of that certain course shown on the boundary of said Parcel 3, having a bearing and distance of "North 78°17'54" East 82.00 feet";

Thence along said course, North 78°29'06" East 10.44 feet to the **TRUE POINT OF BEGINNING**;

Thence continuing along said course, North 78°29'06" East 15.71 feet to the westerly line of Grand Avenue, shown as "Future Street" on said Parcel Map;

Thence along said westerly line, North 11°30'44" West 56.63 feet;

Thence South 78°29'12" West 15.71 feet;

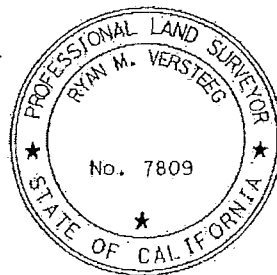
Thence South 11°30'48" East 56.63 feet to the **TRUE POINT OF BEGINNING**.

The above described parcel contains 890 square feet, or 0.02 acres, more or less.

Bearings and distances used in the above description are on the California Coordinate System, Zone 5 (NAD83), 1991.35 Epoch. Divide grid distances shown by 0.999976526 to obtain ground level distances.

All as shown on Exhibit 'B', attached hereto and made a part hereof.

This legal description was prepared by me, or under my direction, in accordance with the Professional Land Surveyors Act.



R. M. Versteeg

Ryan M. Versteeg, PLS 7809

6-20-2014

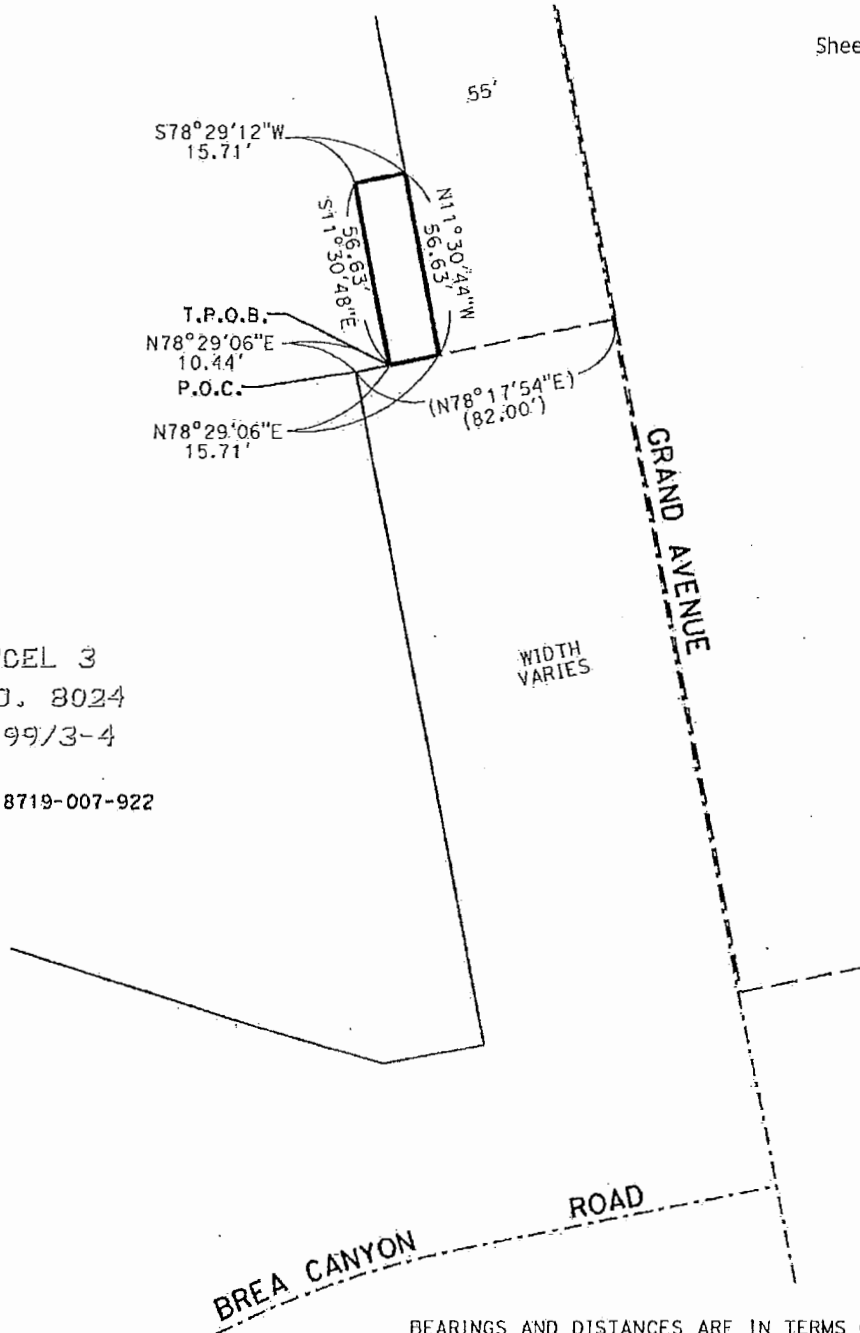
Date

EXHIBIT "B"

Sheet 8 of 12



PARCEL 3
 PM NO. 8024
 PMB 99/3-4
 APN 8719-007-922



() INDICATES RECORD DATA PER
 PARCEL MAP NO. 8024,
 PMB 99/3-4.

BEARINGS AND DISTANCES ARE IN TERMS OF THE
 CALIFORNIA COORDINATE SYSTEM OF 1983 (EPOCH
 1991.35), ZONE V. ALL NON-RECORD DISTANCES
 ARE GRID DISTANCES. TO OBTAIN GROUND DISTANCES
 DIVIDE THE GRID DISTANCES BY 0.999976526.



TOWILL | Surveying, Mapping
 and GIS Services
 10390 Commerce Center Drive, Suite C-190
 Rancho Cucamonga, CA 91730-5858
 909.303.7960 / Fax 909.303.7965

A PORTION OF
 APN 8719-007-922

City of Industry
 County of Los Angeles State of California

Date: 6/19/2014
Drawn: RMV
Checked: LMH
J.N.: 14221
Sheet 1 of 1

Exhibit 'A' - Legal Description

(A portion of A.P.N.s 8719-007-907 & 8719-007-917)

That portion of Section 9, Township 2 South, Range 9 West, San Bernardino Meridian, according to the Official Plat of said land approved by the Surveyor General February 28, 1865, described as follows:

Commencing at the northerly terminus of that certain course described in the deed to the State of California recorded July 30, 1970 as Instrument No. 593 in Book D4786, Page 910, Official Records of said County, having a bearing and distance of "North 00°15'04" West 99.25 feet";

Thence along the next five (5) courses of said deed and also along the southerly line of the deed recorded July 30, 1970 as Instrument No. 592 in Book D4786, Page 907, Official Records of said County, as follows:

1. South 40°56'02" West 247.79 feet to the **TRUE POINT OF BEGINNING**;
2. Thence South 35°49'08" West 86.51 feet;
3. Thence South 42°58'39" West 63.08 feet to the beginning of a curve concave northwesterly having a radius of 599.99 feet;
4. Thence southwesterly along said curve 370.00 feet through a central angle of 35°19'59";
5. Thence South 78°18'38" West 486.94 feet to the easterly line of Grand Avenue described in the Irrevocable Offer to Dedicate recorded September 18, 1970 as Instrument No. 3369, Official Records of said County;

Thence along said easterly line, North 11°30'54" West 266.40 feet;

Thence North 78°29'12" East 64.01 feet;

Thence South 11°30'48" East 100.00 feet;

Thence South 56°46'00" East 70.68 feet;

Thence North 78°29'16" East 239.74 feet;

Thence North 87°01'07" East 61.90 feet to the beginning of a curve concave northerly having a radius of 254.62 feet;

Thence easterly along said curve 37.91 feet through a central angle of 08°31'51";

Thence North 78°29'16" East 185.17 feet;

Thence North 65°12'02" East 160.60 feet;

Thence North $57^{\circ}31'29''$ East 134.60 feet;

Thence North $40^{\circ}56'02''$ East 35.10 feet to the **TRUE POINT OF BEGINNING**.

The above described parcel contains 95,955 square feet, or 2.20 acres, more or less.

Bearings and distances used in the above description are on the California Coordinate System, Zone 5 (NAD83), 1991.35 Epoch. Divide grid distances shown by 0.999976526 to obtain ground level distances.

All as shown on Exhibit 'B', attached hereto and made a part hereof.

This legal description was prepared by me, or under my direction, in accordance with the Professional Land Surveyors Act.



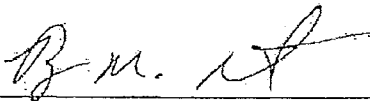
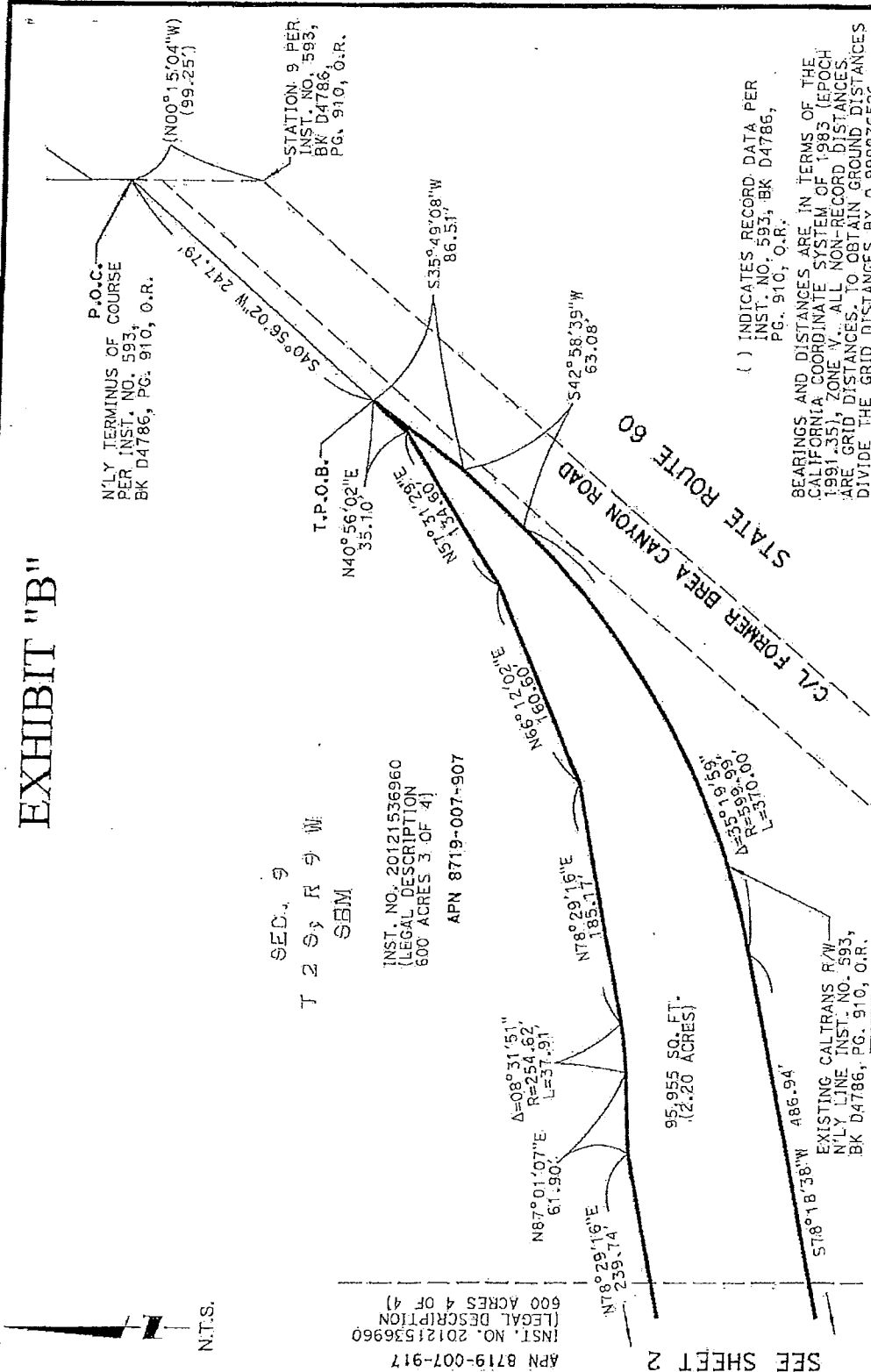

Ryan M. Versteeg, PLS 7809 6-23-2014
Date

EXHIBIT "B"



N.T.S.

SEC. 9
T 2 S, R 9 W
SBM

INST. NO. 20121536960
(LEGAL DESCRIPTION
600 ACRES 4 OF 4)


INST. NO. 20121536960
(LEGAL DESCRIPTION
600 ACRES 3 OF 4)

APN 8719-007-907

SEE SHEET 2

() INDICATES RECORD DATA PER
INST. NO. 593, BK D4786,
PG. 910, O.R.

BEARINGS AND DISTANCES ARE IN TERMS OF THE
CALIFORNIA COORDINATE SYSTEM OF 1983 (EPOCH
1991.351), ZONE V. ALL NON-RECORD DISTANCES
ARE GRID DISTANCES. TO OBTAIN GROUND DISTANCES
DIVIDE THE GRID DISTANCES BY 0.999976526.

 <p>TOWILL Surveying, Mapping and GIS Services 10390 Commerce Center Drive, Suite C-190 Rancho Cucamonga, CA 91730-5858 909.303.7960 / Fax 909.303.7965</p>	A PORTION OF APN 8719-007-907 & 8719-007-917		Date: 6/23/2014
	County of Los Angeles	City of Industry	Drawn: RMV Checked: LMH J.N.: 14221

9:51:50 AM

EXHIBIT "B"

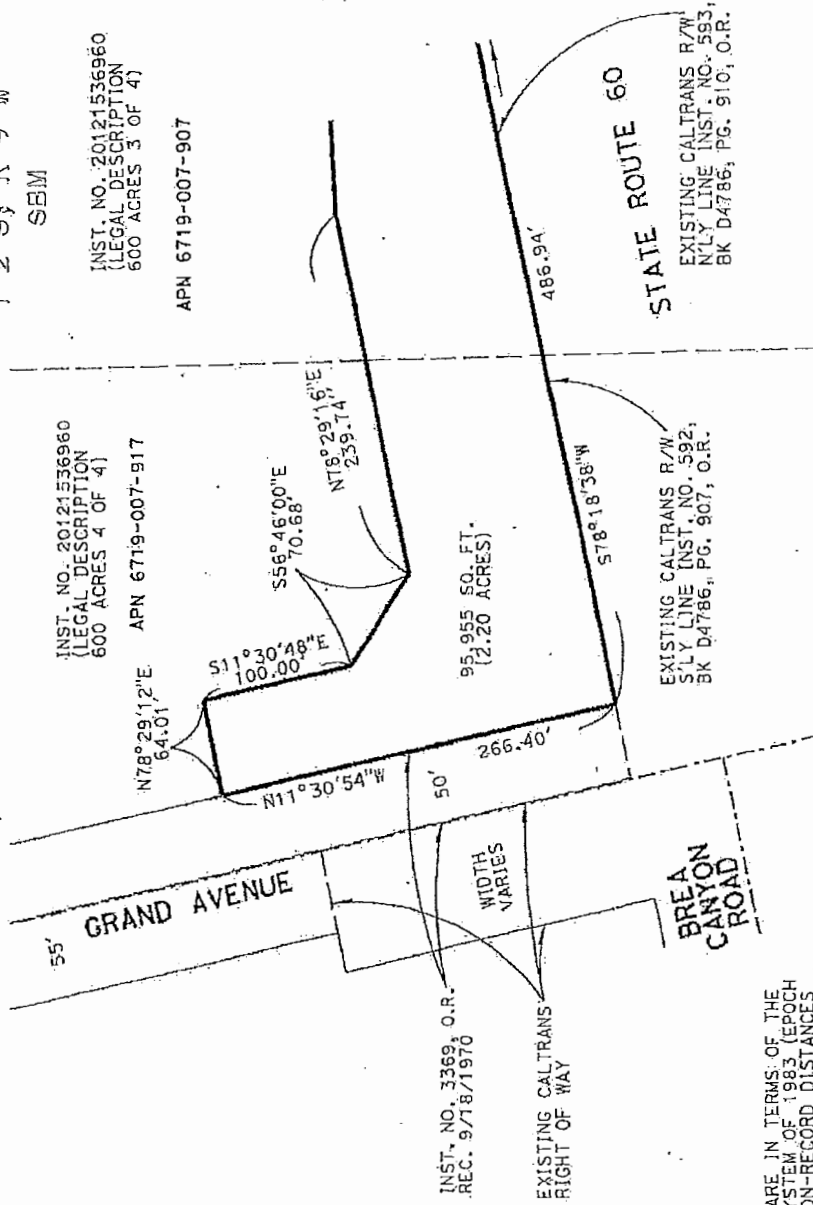
SEC. 9
T 2 S, R 9 W
SBM

INST. NO. 20121536960
(LEGAL DESCRIPTION
600 ACRES 4 OF 4)

INST. NO. 20121536960
(LEGAL DESCRIPTION
600 ACRES 3 OF 4)

APN 6719-007-917

APN 6719-007-907



SEE SHEET 1

INST. NO. 3369, O.R.
REC. 9/18/1970

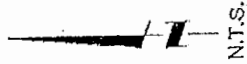
EXISTING CALTRANS
RIGHT OF WAY

BREA
CANYON
ROAD

EXISTING CALTRANS R/W
S/LY LINE (INST. NO. 582,
BK D4786, PG. 907, O.R.)

EXISTING CALTRANS R/W
N/LY LINE (INST. NO. 593,
BK D4786, PG. 910, O.R.)

STATE ROUTE 60



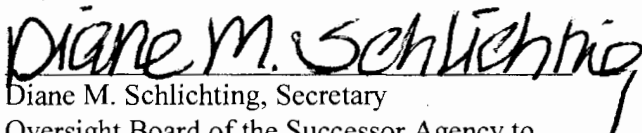
BEARINGS AND DISTANCES ARE IN TERMS OF THE CALIFORNIA COORDINATE SYSTEM OF 1983 (EPOCH 1991.35), ZONE V. ALL NON-RECORD DISTANCES ARE GRID DISTANCES TO OBTAIN GROUND DISTANCES DIVIDE THE GRID DISTANCES BY 0.999976526.

<p>TOWILL Surveying, Mapping and GIS Services 10390 Commerce Center Drive, Suite C-190 Rancho Cucamonga, CA 91730-5858 909.303.7960 / Fax 909.303.7965</p>	<p>A PORTION OF APN 8719-007-907 & 8719-007-917</p>	<p>Date: 6/23/2014 Drawn: RMV Checked: LMH J.N.: 14221 Sheet 2 of 2</p>
	<p>County of Los Angeles City of Industry State of California</p>	<p>9:48:09 AM</p>

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF INDUSTRY) SECRETARY'S CERTIFICATION RE: ADOPTION
OF OVERSIGHT BOARD OF THE SUCCESSOR
AGENCY TO THE INDUSTRY URBAN-
DEVELOPMENT AGENCY RESOLUTION

I, Diane M. Schlichting, Secretary of the Oversight Board of the Successor Agency to the Industry Urban-Development Agency, do hereby certify that the foregoing Resolution No. OB 2014-21 was duly passed and adopted at a Special Meeting of the Oversight Board of the Successor Agency to the Industry Urban-Development Agency on August 27, 2014, by the following vote, to wit:

AYES:	BOARD MEMBERS:	Duarte, Hertzberg, Gregoryk, Radecki, VC/Cipriani, C/Kreimann
NOES:	BOARD MEMBERS:	None
ABSENT:	BOARD MEMBERS:	Frutos
ABSTAIN:	BOARD MEMBERS:	None


Diane M. Schlichting, Secretary
Oversight Board of the Successor Agency to
the Industry Urban-Development Agency