

PURCHASE, SALE, AND DEVELOPMENT AGREEMENT

GREENS GIBSON LLC

Vacant Land in the Canal Property between Van Buren Boulevard and Gibson Street

This PURCHASE, SALE, AND DEVELOPMENT AGREEMENT (“**Agreement**”) is entered into this ____ day of _____, _____ (“**Effective Date**”), by and between the **CITY OF RIVERSIDE**, a California charter city and municipal corporation (“**Seller**”) and **GREENS GIBSON LLC**, a California limited liability company (“**Buyer**”). In consideration of the mutual covenants and agreements, the parties agree to the following terms and conditions:

ARTICLE I AGREEMENT OF SALE

1.1 **Property.** Seller owns certain real property consisting of 12,693 square feet of vacant land located between Van Buren Boulevard and Gibson Street in Riverside, California, known as a portion of Assessor’s Parcel Number(s) 233-160-022 and more particularly described in Exhibit “A,” Legal Description and depicted in Exhibit “B,” Plat Map, both attached hereto and incorporated herein by reference (“**Property**”).

1.2 **Intention.** Buyer desires to purchase in fee the Property for ingress and egress and the development of four (4) parking spaces, open space and a dog park as part of their multi-family housing project approved by the City as planning case number PR-2021-000975 (“**Project**”). Seller desires to sell and convey the Property to Buyer, but desires (i) that Buyer execute a covenant and agreement to construct an alternate drainage system on the property that conveys the required storm drain design flow and is constructed to the Seller’s requirements to be completed within twenty-four (24) months of grading permit issuance (“**Covenant**”); and (ii) to retain a permanent easement and right of way for the construction, reconstruction, maintenance, operation, inspection, repair, replacement, relocation, renewal and removal of the proposed storm drain, and all necessary appurtenances, located in, under, upon, over and along the above-described Property (“**Easement**”), both in accordance with condition of approval #73 of City of Riverside Design Review planning case #PR-2021-000975. Accordingly, Seller will deed the Property, reserving the Easement, to Buyer and in exchange, Buyer will record the Covenant and construct the modernized storm drain improvements for the Seller.

1.3 **Incomplete Legal Description.** If the legal description of the Property is not complete or is inaccurate, this Agreement shall not be invalid and the legal description shall be completed or corrected to meet the requirements of the title company to issue a title policy hereinafter described.

1.4 **Due Diligence.** Buyer shall have sixty (60) calendar days following the Effective Date to perform, in its sole discretion, its due diligence review of the condition of Property and all other matters concerning the Property, including without limitation, condition of title, economic, financial, and accounting matters relating to or affecting the Property or its value, and the physical

and environmental condition of the Property (“**Due Diligence Period**”). During the Due Diligence Period, Buyer shall have made such inquiries, communicated with local, state and federal government agencies as it sees fit, retained such consultants, and taken such actions as Buyer deems necessary or appropriate to enter into this Agreement. Seller authorizes Buyer to make all inquiries of appropriate governmental authorities with respect to the Property, as Buyer, in its good faith and reasonable judgment deems necessary to satisfy itself as to the condition of title to the Property and the feasibility of any proposed development on the Property. On or before the Due Diligence Period, Buyer shall deliver written notice to Seller accepting the Property or terminating this Agreement. If Buyer fails to give such notice on or before the Due Diligence Period, Buyer shall be deemed to have accepted the Property and proceed with this Agreement.

1.5 Right of Entry. After Seller’s execution of this Agreement by the parties, and during Escrow, Seller grants to Buyer, its agents, employees or nominees, the right to enter into and upon the Property for the purpose of conducting a Phase I Environmental Site Assessment, soil testing, environmental and engineering studies, and such further engineering, grading, archeological, geological or survey work as may be required for the preparation by Buyer of its development plans for the Property. Buyer shall provide Seller with forty-eight (48) hours’ notice prior of such entry, and shall not unreasonably interfere with any occupant's use of the Property or any of Seller’s other operations on the Property. Buyer shall keep the Property free and clear of any liens or encumbrances that may arise out of Buyer's inspection of and activities on the Property. All costs, expenses, liabilities or charges incurred in or related to the performance of any and all of such studies and work on the Property including the preparation by Buyer of any plans or maps for the development or use of the Property, and the cost of filing, recording reports, plans, maps or other documents related thereto shall be at the sole cost and expense of and shall be paid by Buyer. Buyer hereby agrees to repair any damage done to the Property by Buyer, its agents, employees, servants or nominees, and Buyer shall restore the Property to the same or similar condition as existed on the Effective Date. Buyer shall not have any such obligation if Escrow closes and title to the Property vests in Buyer. The right to enter the Property shall be co-extensive with the period during which Escrow is open, or any extension thereof.

1.6 Insurance. During the exercise of the right of entry in Section 1.5 above, Buyer shall maintain commercial general liability insurance in the amount of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate by an insurance company or companies authorized to transact liability insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class VII or larger. Buyer shall name Seller as an additional insured under its policy and shall provide a Certificate of Insurance and said endorsement to Seller prior to exercising its rights under Section 1.5.

1.7 Assumption of the Risk. Subject to the other provisions of this Agreement: (a) Buyer agrees, that by its acceptance of the Property under Section 1.4, it assumes the risk that an adverse condition of the Property may not have been revealed by its own due diligence; and (b) on Buyer’s acceptance, Seller shall have no obligation to repair, correct, or compensate Buyer for any condition of the Property, including defects in improvements, noncompliance with applicable laws and regulations, including without limitation zoning laws, building codes, and the Americans with Disabilities Act, whether or not such condition of the Property would have been disclosed by Buyer’s due diligence.

ARTICLE II PURCHASE PRICE, ESCROW, DEPOSIT AND BUYER'S OBLIGATIONS

2.1 **Purchase Price.** The total purchase price to be paid by Buyer to Seller for the Property shall be the sum of Fifty Thousand Seven Hundred Seventy-Two Dollars (\$50,772.00) ("**Purchase Price**"). The purchase price reflects the impact of the work required to remove the existing open channel and replace it with an underground storm drain pipe, including both transitions to meet and match the existing conditions. The property will retain an easement to the Seller in perpetuity for the use of the storm drain facility. The Purchase Price shall be payable to Seller in immediately available funds in accordance with the provisions and requirements of this Agreement. The parties acknowledge and agree that the Purchase Price represents the full fair market value of the Property and the work the Buyer will need to construct and deed back to the seller.

2.2 **Escrow.** Within ten (10) calendar days following the Effective Date, Seller shall open an escrow ("**Escrow**") with Commonwealth Land Title, 4100 Newport Place Drive, Suite 120, Newport Beach, CA 92660, Attention: Kelly Ralph ("**Escrow Holder**"), for the purpose of consummating this Agreement. The parties hereto shall execute and deliver to Escrow Holder such escrow instructions prepared by Escrow Holder as may be required to complete this transaction. Any such instructions shall not conflict with, amend, or supersede any provision of this Agreement. If there is any inconsistency between such instructions and this Agreement, this Agreement shall control. The close of escrow shall be forty-five (45) calendar days following the expiration of the Due Diligence Period or Buyer's acceptance of the Property under Section 1.4, whichever is earlier ("**Close of Escrow**").

2.3 **Deposit.** Within fifteen (15) calendar days following the Effective Date, Buyer shall deliver a deposit in the amount of One Thousand Five Hundred Dollars (\$1,500.00) ("**Deposit**") to the Escrow Holder which will be applied towards the Purchase Price at the Close of Escrow, subject however to the Sellers right to liquidated damages as set forth in Section 7.5 in the event of Buyer's default. After sixty (60) calendar days following the Effective Date, Buyer's Deposit shall become non-refundable but may still be applied towards the Purchase Price at the Close of Escrow. If this Agreement is terminated for any reason after sixty (60) calendar days, the Deposit shall be released to Seller.

ARTICLE III CLOSING

3.1 **Closing Date.** Buyer shall complete all of Buyer's Obligations as described in Section 3.2 below by the Close of Escrow. If the Escrow is not in a condition to close by the Close of Escrow, any party who is not then in default, upon notice in writing to the Escrow Holder and the other party, may demand the return of their documents and cancel the Escrow. If no demand for cancellation is made, then Escrow will close as soon as possible. Notwithstanding the foregoing, the Close of Escrow may be extended by mutual agreement if the parties are diligently attempting to resolve the issue(s) that may be preventing or delaying the Close of Escrow.

3.2 Closing Documents.

3.2.1 Seller, prior to the Close of Escrow, shall deliver to Escrow Holder each of the following items, the delivery of each of which shall be a condition to the performance by Buyer of its obligations under this Agreement:

- (a) A grant deed sufficient for recording, conveying legal title of the Property to Buyer, reserving the Easement to Seller;
- (b) A fully executed Declaration of Restrictive Covenants, which shall be in such form as that attached hereto as Exhibit "C" and incorporated herein by this reference, as to permit it to be recorded in the Riverside County Recorder's Office; and
- (c) All additional documents and instruments which may be reasonably necessary for the Close of Escrow and to consummate the sale of the Property in accordance with the terms of this Agreement.

3.2.2 Buyer, prior to the Close of Escrow, shall deliver to Escrow Holder each of the following items, the delivery of each of which shall be a condition to the performance by Seller of its obligations under this Agreement:

- (a) The Purchase Price of the Property and any additional funds necessary to satisfy Buyer's obligation relating to the acquisition of the Property;
- (b) Copies of Buyer's authority documents and/or such other documents and instruments evidencing Buyer's due existence and authority to enter into and consummate the sale of the Property contemplated by this Agreement as Seller or Escrow Holder may require;
- (c) A fully executed Covenant and Agreement For Construction Of New Underground Drainage Facility, which shall be in such form as that attached hereto as Exhibit "D" and incorporated herein by this reference, as to permit it to be recorded in the Riverside County Recorder's;
- (d) A fully executed Covenant and Agreement and Declaration of Restrictions (Right of Reverter in Favor of City of Riverside), which shall be in such form as that attached hereto as Exhibit "E" as to permit it to be recorded in the Riverside County Recorder's Office; and

- (e) Any additional documents and instruments which may be reasonably necessary to consummate the sale of the Property in accordance with the terms of this Agreement.

3.3 **Taxes.** Buyer understands and acknowledges that Seller, as a public entity, is not being assessed for any real property taxes or for any special assessments on the Property. However, upon the Close of Escrow, Buyer understands and acknowledges that real property taxes and special assessments will be assessed against the Property and Buyer will be responsible for the same. Buyer agrees to hold Seller harmless for any and all real property taxes and/or special assessments on the Property assessed on and after Close of Escrow.

3.4 **Condition of Title.** At the Close of Escrow, Seller shall convey fee simple merchantable and insurable title of the Property to the Buyer free and clear of all liens, restrictions, delinquent taxes and assessments, and encumbrances as evidenced by a CLTA Title Insurance Policy (“**Title Policy**”) issued by Stewart Title of California in an amount equal to the Purchase Price. Buyer may elect to require that the Title Policy be an ALTA extended coverage policy so long as that does not delay the Close of Escrow and Buyer pays the additional cost therefor (including the cost of any survey required by Stewart Title of California). The Title Policy shall show as exceptions with respect to the Property only matters approved in writing by the Buyer during the Due Diligence Period. Any exceptions to title representing monetary liens or encumbrances shall be deemed disapproved by Buyer, and, Escrow Holder is hereby authorized and instructed to cause at Seller’s expense the re-conveyance or partial re-conveyance, as the case may be, of any such monetary exceptions to Buyer’s title to the Property at or prior to the Close of Escrow.

3.5 **Costs.**

3.5.1 At the Close of Escrow, and as a debit from the closing proceeds to be paid to Seller, Seller shall be responsible for: (i) one-half the cost of any escrow charges imposed by the Escrow Holder; (ii) the cost of for a CLTA Standard form policy of title insurance from Stewart Title of California; and (iii) any other expenses customarily charged to Seller in connection with similar transactions including its own attorney’s fees.

3.5.2 At the Close of Escrow, Buyer shall be responsible for: (i) all recording fees and any and all state, county, and local governmental transfer taxes, documentary or otherwise, and/or the cost of documentary stamps to be affixed to the instrument or instruments of conveyance (if obtained by buyer); (ii) the extra cost of an extended ALTA owners title policy and associated costs if obtained by Buyer; (iii) one-half the cost of any escrow charges imposed by the Escrow Holder; (iv) any taxes disclosed in Section 3.3; and (v) any other expenses customarily charged to Buyer in connection with similar transactions including its own attorney’s fees.

3.6 **Brokerage Commissions.** The parties acknowledge that neither party has been represented by a broker, with respect to this transaction. The parties hereby agree to indemnify, defend and hold the other party harmless from any and all claims that may arise in regard to any commission that may claimed to be owed.

ARTICLE IV “AS-IS” PURCHASE

4.1 **As-Is Information.** Buyer acknowledges, agrees, represents, and warrants that: (a) any information supplied or made available by Seller, whether written or oral, or in the form of maps, surveys, plats, soils reports, engineering studies, environmental studies, inspection reports, plans, specifications, or any other information whatsoever, without exception, pertaining to the Property, any and all records and other documents pertaining to the use and occupancy of the Property, income thereof, the cost and expenses of maintenance thereof, and any and all other matters concerning the condition, suitability, integrity, marketability, compliance with law, or other attributes or aspects of the Property, or a part thereof, if furnished to Buyer, is furnished solely as a courtesy; (b) **THE INFORMATION IS PROVIDED ON AN “AS-IS, WHERE-IS” BASIS AND SELLER MAKES NO REPRESENTATION, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT IN NO WAY LIMITED TO, ANY WARRANTY OF CONDITION, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE, AS TO THE INFORMATION;** and (c) no representations have been made by Seller, or its agents or employees, in order to induce Buyer to enter into this Agreement. Without limiting the generality of the foregoing, Buyer acknowledges, agrees, warrants and represents to Seller that neither the Seller nor its agents or employees have made any representations or statements to Buyer concerning the Property's investment potential or resale at any future date, at a profit or otherwise, nor has Seller or its agents or employees rendered any advice or expressed any opinion to Buyer regarding any tax consequences of ownership of the Property.

4.2 **As-Is Property.** On the Close of Escrow, Buyer will be familiar with the Property and will have made such independent investigations as Buyer deems necessary or appropriate concerning the Property. Seller makes no representations or warranties and specifically disclaims any representation, warranty or guaranty, oral or written, past, present or future with respect to the use, physical condition or any other aspect of the Property, including without limitation the structural integrity of any improvements, the manner, construction, condition, state of repair or lack of repair of any improvements, the conformity of any improvements to any plans or specifications, including but not limited to, any plans and specifications that may have been or which may be provided to Buyer, the conformity of the Property to past, current or future applicable zoning or building code requirements or the compliance with any other laws, rules, ordinances, or regulations of any government or other body, the financial earning capacity or expenses history of the operation of the Property, the nature and extent of any right-of-way, lease, possession, lien, encumbrance, license, reservation, condition, or otherwise, the existence of soil instability, past soil repairs, soil additions or conditions of soil fill, susceptibility to landslides, sufficiency of undershoring, sufficiency of drainage, whether the Property is located wholly or partially in a flood plain or a flood hazard boundary or similar area, the existence or nonexistence of hazardous waste or other toxic materials of any kind, whether known or unknown and whether or not regulated or governed by applicable laws (including, without limitation, hydrocarbons or asbestos), or any other matter affecting the condition, stability, suitability or integrity of the Property or portion thereof.

4.3 **Negligence or Failure to Investigate.** Seller shall not be responsible for any negligent misrepresentation or failure to investigate the Property on the part of Seller, any real estate broker or agent, or any other agent, contractor or employee of Seller or any third party.

4.4 **As-Is.** BUYER EXPRESSLY ACKNOWLEDGES AND AGREES THAT THE PROPERTY IS BEING SOLD AND ACCEPTED ON AN "AS-IS, WHERE-IS" BASIS, AND IS BEING ACCEPTED WITHOUT ANY REPRESENTATION OR WARRANTY. IF BUYER ELECTS TO PROCEED WITH THE PURCHASE OF THE PROPERTY, ANY OBJECTIONS WHICH BUYER MAY HAVE WITH RESPECT TO THE PROPERTY (INCLUDING, WITHOUT LIMITATION, ANY ENVIRONMENTAL MATTERS, HAZARDOUS SUBSTANCES, WASTES OR TOXIC MATERIALS THAT MAY BE LOCATED ON, UNDER OR ABOUT THE PROPERTY, WHETHER KNOWN OR UNKNOWN) SHALL BE WAIVED BY BUYER.

4.5 **Past Uses.** BUYER EXPRESSLY ACKNOWLEDGES AND AGREES AS PART OF ITS ACCEPTANCE OF THE PROPERTY ON AN "AS-IS, WHERE-IS" BASIS THAT BUYER IS AWARE OF ALL PRIOR USES OF THE PROPERTY THAT MAY LEAD TO CONTAMINATION OF THE PROPERTY. BUYER HAS OBTAINED AND READ ALL ENVIRONMENTAL ASSESSMENTS REGARDING THE PROPERTY WHICH A REASONABLY DILIGENT BUYER WOULD HAVE OBTAINED PRIOR TO THE PURCHASE THEREOF. BUYER ASSUMES ALL RESPONSIBILITY FOR ANY CONTAMINATION THAT IS PRESENT ON THE PROPERTY DUE TO PRIOR AND/OR EXISTING USES OF THE PROPERTY.

4.6 **Waivers.** AS PART OF BUYER'S AGREEMENT TO PURCHASE AND ACCEPT THE PROPERTY "AS-IS, WHERE-IS", AND NOT AS A LIMITATION ON SUCH AGREEMENT, BUYER HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY AND ALL ACTUAL OR POTENTIAL RIGHTS BUYER MIGHT HAVE REGARDING ANY FORM OF WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND OR TYPE, RELATING TO THE PROPERTY AND ITS IMPROVEMENTS. SUCH WAIVER IS ABSOLUTE, COMPLETE, TOTAL AND UNLIMITED IN ANY WAY. SUCH WAIVER INCLUDES, BUT IS NOT LIMITED TO, A WAIVER OF EXPRESS WARRANTIES, IMPLIED WARRANTIES, WARRANTIES OF FITNESS FOR A PARTICULAR USE, WARRANTIES OF MERCHANTABILITY, WARRANTIES OF HABITABILITY, STRICT LIABILITY RIGHTS AND CLAIMS OF EVERY KIND AND TYPE, INCLUDING, BUT NOT LIMITED TO, CLAIMS REGARDING DEFECTS WHICH WERE NOT OR ARE NOT DISCOVERABLE, PRODUCT LIABILITY CLAIMS, PRODUCT LIABILITY TYPE CLAIMS, ANY RIGHTS AND CLAIMS RELATING OR ATTRIBUTABLE TO ENVIRONMENTAL CONDITIONS, AND ALL OTHER ACTUAL OR LATER CREATED OR CONCEIVED OR STRICT LIABILITY OR STRICT LIABILITY TYPE CLAIMS AND RIGHTS.

BUYER 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, BUYER HEREBY WAIVES THE PROVISIONS OF SAID SECTION 1542 IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING ACKNOWLEDGMENTS, WAIVERS AND RELEASES SET FORTH IN THIS ARTICLE 4. AND ACKNOWLEDGES BUYER IS PURCHASING THE PROPERTY “AS IS”.



Buyer's Initials

ARTICLE V REPRESENTATIONS, WARRANTIES AND INDEMNITIES

5.1 Seller's Representations, Warranties and Covenants. Seller hereby represents, warrants and covenants to Buyer as of the date of this Agreement, and upon the Close of Escrow, as follows, all of which shall survive the Close of Escrow:

5.1.1 Seller is a public body and has the full power and authority to enter into and carry out the agreements contained in, and transactions contemplated by, this Agreement. The person(s) signing this Agreement and any documents and instruments in connection herewith on behalf of Seller have full power and authority to do so. This Agreement has been duly authorized and executed by Buyer, and upon delivery to and execution by Seller shall be a valid and binding agreement of Seller.

5.1.2 There are no attachments, assignments for the benefit of creditors, receiverships, conservatorships or voluntary or involuntary proceedings in bankruptcy or any other debtor relief actions contemplated by Seller or filed by Seller, or to the best of Seller's knowledge, pending in any current judicial or administrative proceeding against Seller.

5.1.3 Seller has not entered into any other written contracts or agreements for the sale or transfer of any portion of the Property.

5.1.4 To Seller's knowledge, Seller has received no written notice of any hazardous materials located on, under, or about the Property, except as disclosed to Buyer.

The material truth and accuracy of the foregoing representations and warranties shall be a condition of Buyer's obligations hereunder. Prior to the Close of Escrow, Seller shall notify Buyer of any facts or circumstances which are contrary to the foregoing representations and warranties.

5.2 Buyer's Representations and Warranties. Buyer hereby represents, warrants and covenants to Seller as of the date of this Agreement, and upon the Close of Escrow, as follows, all of which shall survive the Close of Escrow:

5.2.1 The person(s) signing this Agreement and any documents and instruments in connection herewith on behalf of Buyer have full power and authority to do so. This Agreement has been duly authorized and executed by Buyer, and upon delivery to and execution by Seller shall be a valid and binding agreement of Buyer.

5.2.2 There are no attachments, assignments for the benefit of creditors, receiverships, conservatorships or voluntary or involuntary proceedings in bankruptcy or any other debtor relief actions contemplated by Buyer or filed by Buyer, or to the best of Buyer's knowledge, pending in any current judicial or administrative proceeding against Buyer.

The material truth and accuracy of the foregoing representations and warranties shall be a condition of Seller's obligations hereunder. Prior to the Close of Escrow, Buyer shall notify Seller of any facts or circumstances which are contrary to the foregoing representations and warranties.

5.3 No Warranties. Except for those representations and warranties expressly set forth in this Agreement, the parties understand and acknowledge that no person acting on behalf of Seller is authorized to make, and by execution hereof Buyer acknowledges that no person has made any representations, agreement, statement, warranty, guaranty or promise regarding the Property or the transaction contemplated herein, or regarding the zoning, construction, development, physical condition or other status of the Property. Without limiting the generality of the foregoing, Seller makes no representation or warranties with respect to the amount or types of fees required to obtain building permits or otherwise to rezone and develop the Property.

ARTICLE VI BUYER'S OBLIGATION AFTER CLOSE OF ESCROW/RIGHT OF REPURCHASE OPTION

6.1 Buyer Obligations Following Close of Escrow.

6.1.1 Development of the Property. Buyer shall comply with all zoning, planning and building laws, regulations and procedures imposed by the City and any other public and/or quasi-public entity, as well as adhering to Titles 19 and 20 of the Riverside Municipal Code as applicable.

6.1.2 Local Hiring Compliance

6.1.2.1 Buyer shall comply with all provisions of City Resolution No. 23780 during construction of the Project. Buyer shall make good faith efforts to employ qualified local individuals in sufficient numbers so that no less than thirty (30) percent of the workforce, measured in labor hours, is comprised of local individuals for the construction of the Project.

6.1.2.2 “Local individual” shall mean an individual with a permanent residence within a 20-mile radius of the center of the City of Riverside.

6.1.2.3 “Good faith efforts” includes, but is not limited to: (1) Contacting and engaging local hiring halls and reputable recruitment sources, such as the American Jobs Center, to identify qualified local individuals; (2) Advertising available jobs in trade papers and newspapers of general circulation within the City of Riverside; (3) Providing ongoing assistance to local individuals in completing job application forms; (4) Conducting or participating in a job application workshop within the City of Riverside to assist the community in applying and interviewing for jobs in the contracting industry; (5) Conducting job interviews within 20 miles of the real property; and (6) Any other means of obtaining employees who are local individuals that are reasonably calculated to comply with the goals of this section.

6.1.2.4 Reports. No less than semi-annually, beginning upon the date of the issuance of the first building permit for construction, Buyer shall submit to the City’s Community and Economic Development Department, reports showing that either the thirty (30) percent local individuals hiring goal has been met, or that Buyer has made good faith efforts to reach that goal during the period covered by the report. Reports shall include the total number of employees hired, the total number of labor hours for the Project to date, the number local individuals hired, as defined in section 6.1.2.3, the total number of labor hours completed by local individuals, the name and address of each local individual hired, and the occupation or trade of each local individual hired. All reports shall be signed by Buyer under penalty of perjury.

6.1.2.5 Buyer shall have the right to determine the competency of all individuals hired, the number of employees required, the duties of such employees within their occupation, and shall have the right to reject an applicant for any reason; however, Buyer shall exercise this right in good faith and not for the purpose of avoiding the provisions of this section. Buyer shall retain records documenting reasons for rejection of local applicants and make them available for review by the City upon request.

6.1.2.6 Nothing in this section shall preclude Buyer from advertising regionally or nationally for employees in addition to its local outreach efforts.

6.1.2.7 The provisions of this section shall apply to the construction of the Project until the final certificate of occupancy for the Project has been issued by the City.

ARTICLE VII DEFAULTS/LIQUIDATED DAMAGES

7.1 **Default.** A party shall be deemed in default hereunder if any of the warranties or representations set forth herein are or become untrue or if it fails to meet, comply with, or perform any covenant, agreement, or obligation on its part required within the time limits and in the manner required in this Agreement for any reason other than a default by the other party hereunder or termination of this Agreement prior to Closing.

7.2 Opportunity to Cure. No act, failure to act, event or circumstance which might be deemed to be a default by either party shall be deemed to be a default under any of the provisions of this Agreement, unless and until, notice thereof is first given by the non-defaulting party to the party alleged to be in default and said party fails to cure the alleged default within fifteen (15) days in the case of a non-monetary default, or five (5) days in the case of a monetary default.

7.3 Remedies. Buyer's Default.

7.3.1 Buyer's Default Prior to Close of Escrow. If Buyer is deemed to be in default with its obligations hereunder, prior to Close of Escrow, the Seller shall be entitled to termination of this Agreement and shall be entitled to retain the Deposit as liquidated damages as set forth in Section 7.5 below.

7.3.2 Buyer's Default After Close of Escrow. If Buyer is deemed to be in default with its obligations hereunder, after Close of Escrow, the Seller shall be entitled to the following alternative remedies, at the Seller's discretion:

(a) **Liquidated Damages.** In the event Buyer fails to commence, diligently proceed with, or complete construction of the Project as required by Section 6.1 hereof, the Buyer shall pay liquidated damages to the Seller for each day of delay as provided in Section 6.1 hereof until such default has been cured or until title to the Property has been reconveyed to the Seller in accordance with Section 7.3.2(b) below.

(b) **Power of Termination.** In the event Buyer: (a) has not commenced construction as provided in Section 6.1 hereof; (b) has informed Seller by written notice that Buyer is either unable or has elected not to proceed with the development of the Property for any reason, or (c) abandons or substantially suspends construction of the Project as required by this Agreement for a period of thirty (30) days after written notice thereof from the Seller, subject to force majeure delays as described in the Agreement, then the Grant Deed conveying the Property to the Buyer shall be automatically terminated and title to the Property shall revert to the City of Riverside upon written notice from Seller to Buyer and the City of Riverside's delivery to Buyer of the original Purchase Price paid by the Buyer for the Property at the time of Close of Escrow as evidenced in a final escrow closing statement, less any amounts required to place the Property into compliance with the Riverside Municipal Code (if applicable) (the "Power of Termination"). Such Power of Termination shall be subject to and be limited by and shall not defeat, render invalid or limit: (i) any mortgage or deed of trust or other security interest permitted by this Agreement; or (ii) any rights or interests provided in this Agreement for the protection of the holders of such mortgages or deeds of trust or other security interests. Upon issuance of a release of construction covenants for the Project, the City of Riverside's Power of Termination shall terminate. This Power of Termination shall be in the Covenant and Agreement and Declaration of Restrictions.

(c) The rights established in this Section 7.3.2 are not intended to be exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy

authorized herein or now or hereafter existing at law or in equity. These rights are to be interpreted in light of the fact that (i) the Seller will have conveyed the Property or portion thereof to the Buyer for redevelopment purposes, particularly for the development of the Project, and not for speculation in land, and (i) failure of the Buyer to complete the Project once development of the Project has been commenced will cause extreme harm and damage to the Seller and the businesses and residents of the City of Riverside by creating a blighted property in place of the proposed Project.

7.4 Waiver of Right to Specific Performance. If the Sellers fail to convey the Properties to Buyer in accordance with the provisions of this Agreement (other than an intentional refusal by Sellers to consummate its obligations hereunder), and such failure constitutes a default under this Agreement, Buyer hereby waives its right to receive any equitable relief, including without limitation the right to record a lis pendens against the Properties under applicable law or to pursue the specific performance of this Agreement.

7.5 Liquidated Damages. THE PARTIES AGREE THAT AT THE TIME THIS AGREEMENT IS MADE AND ENTERED INTO, THE SELLERS DAMAGES UPON DEFAULT BY BUYER UNDER THIS AGREEMENT ARE EXTREMELY DIFFICULT OR IMPOSSIBLE TO CALCULATE AND BUYER AND THE SELLERS AGREE THAT THE AMOUNT OF LIQUIDATED DAMAGES SET FORTH HEREIN IS A REASONABLE ESTIMATE UNDER THE CIRCUMSTANCES EXISTING AT THE TIME THIS AGREEMENT IS MADE OF THE DAMAGES THE SELLERS WOULD SUSTAIN BECAUSE OF SUCH DEFAULT BY BUYER UNDER THIS AGREEMENT. FURTHER, BUYER DESIRES TO HAVE A LIMIT PLACED ON THE AMOUNT OF DAMAGE TO BE PAID TO THE SELLERS UPON BUYER'S DEFAULT. BUYER HEREBY AGREES THAT SHOULD BUYER DEFAULT IN THE PERFORMANCE OF BUYER'S OBLIGATION TO CLOSE THE TRANSACTION CONTEMPLATED BY THIS AGREEMENT, OR TO PERFORM ANY OTHER OBLIGATIONS AFTER CLOSE OF ESCROW THE SELLERS SHALL BE ENTITLED TO COLLECT THE SUM REPRESENTING THE AMOUNT OF THE DEPOSIT AND REASONABLE ATTORNEY'S FEES INCURRED BY SELLER AS LIQUIDATED DAMAGES FROM BUYER. THE FOREGOING PROVISIONS OF THIS SECTION 7.5 CONSTITUTE THE SOLE AND EXCLUSIVE MONETARY REMEDY AVAILABLE TO SELLER AS A RESULT OF A DEFAULT BY BUYER OF ITS OBLIGATIONS UNDER THIS AGREEMENT. THE PROVISIONS OF THIS SECTION 7.5 DO NOT LIMIT ANY DAMAGES DUE SELLER BY REASON OF BUYER'S ENTRY ONTO THE PROPERTIES PURSUANT TO SECTION 1.4. OR THE SELLERS RIGHT OF REPURCHASE. BUYER AGREES TO DELIVER, ON WRITTEN REQUEST OF THE SELLERS, SUCH INSTRUCTIONS AS MAY BE REASONABLY NECESSARY TO CAUSE THE ESCROW HOLDER TO DELIVER THE DEPOSIT TO THE SELLERS.


Buyer's Initials


Sellers Initials

7.5.1 Local Hiring Liquidated Damages. Failure of Buyer to comply with the provisions of section 6.1.2 (Local Hiring Compliance) will result in damages being sustained by City. Such damages are, and will continue to be, impracticable and extremely difficult to determine. For each semi-annual report that Buyer fails to comply with sections 6.1.2, Buyer shall pay to City, the sum of Twenty-Five Thousand Dollars (\$25,000) for each violation of 6.1.2. Execution of this

Agreement shall constitute agreement by City and Buyer that said sum is the minimum value of the costs and actual damage caused by the failure of Buyer to comply. Such sum is liquidated damages and shall not be construed as a penalty and will be owed to the City upon City's notice to Buyer.



Buyer's Initials



Sellers Initials

ARTICLE VIII MISCELLANEOUS

8.1 **Exhibits.** All Exhibits annexed hereto are a part of this Agreement for all purposes.

8.2 **Assignability.** Buyer may not at any time assign any of its rights, title, and interest in and to this Agreement.

8.3 **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of Seller and Buyer, and their respective successors, heirs and permitted assigns.

8.4 **Captions.** The captions, headings, and arrangements used in this Agreement are for convenience only and do not in any way affect, limit, amplify, or modify the terms and provisions hereof.

8.5 **Number and Gender of Words.** Whenever herein the singular number is used, the same shall include the plural where appropriate, and words of any gender shall include each other gender where appropriate.

8.6 **Notices.** All notices, terminations, waivers and other communications hereunder shall be in writing and shall be delivered personally or shall be sent by registered or certified United States mail or a nationally recognized, overnight courier service, postage prepaid, and addressed as follows:

If to Seller:

City of Riverside
Community Development Department
Real Property Services Division
Benjamin Morales
3900 Main Street
Riverside, CA 92522
Phone: (951) 826-5665
Email: BMorales@riversideca.gov

If to Buyer:

Greens Development, Inc.
Ashutosh Kadakia
9289 Research Drive
Irvine, California 92618
Phone: (949) 829-4902
Email: Ashutosh.kadakia@greens.com

Any notice in accordance herewith shall be deemed received when delivery is received or refused, as the case may be. Additionally, notices may be given by telephone facsimile transmission, provided that an original of said transmission shall be delivered to the addressee by a nationally recognized overnight delivery service on the business day following such transmission. Telephone facsimiles shall be deemed delivered on the date of such transmission.

8.7 Governing Law and Venue. The laws of the State of California shall govern the validity, construction, enforcement, and interpretation of this Agreement. All claims, disputes and other matters in question arising out of or relating to this Agreement, or the breach thereof, shall be decided by proceedings instituted and litigated in the state court in the County of Riverside, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

8.8 Entirety. This Agreement embodies the entire agreement between the parties and supersedes all prior written or oral agreements and understandings, if any, between them concerning the subject matter contained herein. There are no representations, agreements, arrangements, or understandings, oral or written, between the parties hereto, relating to the subject matter contained in this Agreement which are not fully expressed herein.

8.9 Amendments. This Agreement may be amended or supplemented only by written documents signed by the parties.

8.10 Severability. If any of the provisions of this Agreement, or its application to any party or circumstance, is held to be illegal, invalid, or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part of this Agreement and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement. In lieu of such illegal, invalid, or unenforceable provision, there shall be added automatically as a part of this Agreement, a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible to make such provision legal, valid, and enforceable.

8.11 Further Acts. In addition to the acts and deeds recited herein and contemplated and performed, executed and/or delivered by Seller and Buyer, Seller and Buyer agree to perform, execute and/or deliver or cause to be performed, executed and/or delivered at the Close of Escrow or after the Close of Escrow any and all such further acts, deeds, and assurances as may be necessary to consummate the transactions contemplated herein.

8.12 Construction. No provision of this Agreement shall be construed in favor of, or against, any particular party by reason of any presumption with respect to the drafting of this Agreement; both parties, being represented by counsel, having fully participated in the negotiation of this instrument.

8.13 Time of the Essence. It is expressly agreed by the parties hereto that time is of the essence with respect to each and every provision of this Agreement.

8.14 Waiver of Covenants, Conditions or Remedies. The waiver by one party of the performance of any covenant, condition or promise, or of the time for performing any act under this Agreement shall not invalidate this Agreement nor shall it be considered a waiver by such party of any other covenant, condition or promise, or of the time for performing any other act required under this Agreement. The exercise of any remedy provided in this Agreement shall not be a waiver of any other remedy provided by law, and the provisions of this Agreement for any remedy shall not exclude any other remedies unless they are expressly excluded.

8.15 Nondiscrimination. The parties shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical or mental disability, medical conditions, including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, genetic information, gender, gender identity, gender expression, sex or sexual orientation, in connection with the performance of this Agreement. The parties further agree to conform to the requirements of the Americans with Disabilities Act in the performance of this Agreement.

8.16 Ratification. This Agreement is subject to the approval and ratification by the Successor Agency, Oversight Board and DOF. In the event either of these entities fail to approve this Agreement, there shall be no liability on the part of the Seller and this Agreement shall become null and void and of no further force and effect.

8.17 CEQA Compliance. Buyer must comply with CEQA and all associated permits prior to development of the Property.

8.18 Counterparts. This Agreement may be executed in a number of identical counterparts. If so executed, each of such counterparts shall, collectively, constitute one original agreement. In making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

8.19 Digital and Counterpart Signatures. Each party to this Agreement intends and agrees to the use of digital signatures that meet the requirements of the California Uniform Electronic Transactions Act (Civil Code §§ 1633.1, et seq.), California Government Code § 16.5, and California Code of Regulations Title 2 Division 7 Chapter 10, to execute this Agreement. The parties further agree that the digital signatures of the parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures for purposes of validity, enforceability, and admissibility. For purposes of this section, a “digital signature” is defined in subdivision (d) of Section 16.5 of the Government Code and is a type of “electronic signature” as defined in subdivision (h) of Section 1633.2 of the Civil Code. This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each certified or authenticated electronic copy of an encrypted digital signature shall be deemed a duplicate original, constituting one and the same instrument and shall be binding on the parties hereto.

[SIGNATURES ON FOLLOWING PAGE.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

Seller:

CITY OF RIVERSIDE, a California
charter city and municipal corporation

By: _____
Mike Futrell
City Manager

Attest: _____
Donesia Gause
City Clerk

Approved as to Form:

By: 
Anthony D. Gause (May 24, 2026 16:03:55 PDT)
Assistant City Attorney

Buyer:

GREENS GIBSON LLC,
a California limited liability company

By: Greens Development Inc.,
a California corporation
Its: Manager


By: Ashutosh Kadakia
Its: CFO

**EXHIBIT “A”
LEGAL DESCRIPTION**

(Inserted behind this page)

EXHIBIT "A"
LEGAL DESCRIPTION

Project: Riverside Water Company Canal Excess
Van Buren Blvd. to Gibson Street
Por. A.P.N.: 233-160-022

That certain real property located in the City of Riverside, County of Riverside, State of California, described as follows:

That portion of the Riverside Water Company Canal, 33 feet in width through Lot 2 in Block 22 of Arlington Heights as shown by map on file in Book 11, Pages 20 and 21 of Maps and in Lot 6 in Block 30 of Riverside Land and Irrigating Company Lands as shown by map on file in Book 1, Page 72 of Maps, both of Records of San Bernardino County, California. The centerline of said Canal is shown on Record of Survey on file in Book 14, Page 13 of Record of Surveys, Records of Riverside County, California.

EXCEPTING THEREFROM that portion of said Canal lying Southwesterly of the Southeasterly prolongation of the Southwesterly line of Parcel 1 of Certificate of Compliance, recorded August 17, 1990 as Instrument No. 306834, Official Records of Riverside County, California and that portion lying Northeasterly of a line parallel with and distant 25.00 feet Southwesterly, measured at right angles from the centerline of Gibson Street as shown on said Record of Survey.

RESERVING THEREFROM a permanent easement and right of way for the construction, reconstruction, maintenance, operation, inspection, repair, replacement, relocation, renewal and removal of the **existing canal and canal pipeline**, and all necessary appurtenances, located in, under, upon, over and along the above described parcel.

Area – 12,693 S.F. (0.291 Ac.) more or less

This description was prepared by me or under my direction in conformance with the requirements of the Land Surveyors Act.

DB Webb 1/24/2024 Prep. EV
Douglas B. Webber, L.S. 9477 Date



**EXHIBIT “B”
PLAT MAP**

(Inserted behind this page)

EXHIBIT “C”

DECLARATION OF RESTRICTIVE COVENANTS

(Inserted behind this page)

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

CITY OF RIVERSIDE
Community & Economic Development
3900 Main Street
Riverside, CA 92522

FREE RECORDING IN ACCORDANCE
WITH GOVERNMENT CODE SECTIONS
6103 AND 27383
APN(s): A portion of 233-160-022

(SPACE ABOVE FOR RECORDER'S USE ONLY)

DECLARATION OF RESTRICTIVE COVENANTS

This DECLARATION OF RESTRICTIVE COVENANTS (the "Restrictive Covenant"), is executed on this ____ day of _____ for reference purposes only, by the City of Riverside, a California charter city and municipal corporation and its successors, assigns and transferees (the "Declarant"), with reference to the following facts:

RECITALS

- A. Declarant is the sole owner in fee simple of certain real property containing approximately 12,693 square feet of vacant land located between Van Buren Boulevard and Gibson Street in the City of Riverside, County of Riverside, State of California, identified as a portion of Assessor's Parcel Number(s) 233-160-022 ("Property") and as further described in Exhibit "A", attached hereto and incorporated herein by this reference.
- B. In anticipation of the disposal of the Property, Declarant complied with the provisions of the Surplus Land Act (Government Code §54220 *et seq.*) (the "Act").
- C. On July 18, 2023, Declarant's Riverside City Council adopted Resolution No. 24018, which, among other things, declared the Property as surplus land pursuant to Section 54221(b)(1) of the Act.
- D. Thereafter, Declarant issued Notices of Availability of the Property to all entitled entities, and Declarant received no Notices of Interest within the statutory period of availability.

COVENANTS, TERMS, CONDITIONS, AND RESTRICTIONS

In consideration of the above recitals, Declarant hereby declares the Property shall be held, transferred, conveyed, leased, occupied, or otherwise disposed of and used subject to the following restrictive covenants:

If ten (10) or more residential units are developed on the Property, not less than fifteen (15) percent of the total number of residential units developed on the property shall be sold or rented at affordable housing cost, as defined in Section 50052.5 of the California Health and Safety Code, or affordable rent, as defined in Section 50053 of the California Health and Safety Code, to lower income households, as defined in Section 50079.5 of the California Health and Safety Code. Rental units shall remain affordable to and occupied by lower income households for a period of 55 years for rental housing and 45 years for ownership housing. The initial occupants of all ownership units shall be lower income households, and the units shall be subject to an equity sharing agreement consistent with the provisions of paragraph (2) of subdivision (c) of 65915 of the California Government Code. These requirements shall be covenants or restrictions running with the land and shall be enforceable against any owner who violates a covenant or restriction and each successor-in-interest who continues the violation by any of the entities described in subdivisions (a) to (f), inclusive, of Section 54222.5 of the California Government Code.

IN WITNESS WHEREOF, Declarant has executed this Restrictive Covenant the day and year first written above and agrees to be bound by the terms and provisions hereof.

CITY OF RIVERSIDE, a California
charter city and municipal corporation

GREENS GIBSON LLC,
a California limited liability company

By: _____
Mike Futrell
City Manager

By: Greens Development Inc.,
a California corporation
Its: Manager

Attest: _____
Donesia Gause
City Clerk

By: Ashutosh Kadakia
Its: CFO

Approved as to Form:

By: _____
Assistant City Attorney

EXHIBIT “A”

LEGAL DESCRIPTION

EXHIBIT "A"
LEGAL DESCRIPTION

Project: Riverside Water Company Canal Excess
Van Buren Blvd. to Gibson Street
Por. A.P.N.: 233-160-022

That certain real property located in the City of Riverside, County of Riverside, State of California, described as follows:

That portion of the Riverside Water Company Canal, 33 feet in width through Lot 2 in Block 22 of Arlington Heights as shown by map on file in Book 11, Pages 20 and 21 of Maps and in Lot 6 in Block 30 of Riverside Land and Irrigating Company Lands as shown by map on file in Book 1, Page 72 of Maps, both of Records of San Bernardino County, California. The centerline of said Canal is shown on Record of Survey on file in Book 14, Page 13 of Record of Surveys, Records of Riverside County, California.

EXCEPTING THEREFROM that portion of said Canal lying Southwesterly of the Southeasterly prolongation of the Southwesterly line of Parcel 1 of Certificate of Compliance, recorded August 17, 1990 as Instrument No. 306834, Official Records of Riverside County, California and that portion lying Northeasterly of a line parallel with and distant 25.00 feet Southwesterly, measured at right angles from the centerline of Gibson Street as shown on said Record of Survey.

RESERVING THEREFROM a permanent easement and right of way for the construction, reconstruction, maintenance, operation, inspection, repair, replacement, relocation, renewal and removal of the **existing canal and canal pipeline**, and all necessary appurtenances, located in, under, upon, over and along the above described parcel.

Area – 12,693 S.F. (0.291 Ac.) more or less

This description was prepared by me or under my direction in conformance with the requirements of the Land Surveyors Act.

DB Webb 1/24/2024 Prep. EV
Douglas B. Webber, L.S. 9477 Date



ACKNOWLEDGMENT

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

State of California

County of _____)

On _____, before me, _____, a

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

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

WITNESS my hand and official seal.

Signature (SEAL)

EXHIBIT “D”

**COVENANT AND AGREEMENT FOR CONSTRUCTION OF NEW UNDERGROUND
DRAINAGE FACILITY**

(Inserted behind this page)

WHEN RECORDED MAIL TO:

City Surveyor
City of Riverside
City Hall, 3900 Main Street
Riverside, CA 92522

Assessor's Parcel Number(s) 233-160-022

For Recorder's Office Use Only

COVENANT AND AGREEMENT
FOR CONSTRUCTION OF NEW UNDERGROUND DRAINAGE FACILITY

THIS COVENANT AND AGREEMENT FOR CONSTRUCTION OF NEW UNDERGROUND DRAINAGE FACILITY ("Covenant and Agreement") is made and entered into this _____ day of _____, 2026, by GREENS GIBSON LLC, a California limited liability company ("Declarant"), with reference to the following facts:

A. Declarant is the sole owner in fee simple of certain real property containing approximately 12,693 square feet of vacant land located between Van Buren Boulevard and Gibson Street in in the City of Riverside, County of Riverside, State of California, identified with Assessor's Parcel Number(s) 233-160-022 ("Property") and more particularly described in Exhibit "A" Legal Description and depicted in Exhibit "B" Plat Map, both attached hereto and incorporated herein by reference ("**Property**"). The City of Riverside ("City") owns a permanent easement and right of way over the Property for the construction, reconstruction, maintenance, operation, inspection, repair, replacement, relocation, renewal and removal of the existing canal and canal pipeline, and all necessary appurtenances, located in, under, upon, over and along the above-described parcel (the "Easement").

B. Under its Easement rights, the City has an open, uncovered drainage canal located on the entire length of the Property and is currently in use for drainage purposes. This portion of the canal between Gibson Street and Van Buren Boulevard serves as drainage facilities and is maintained by the City's Public Utilities Department. Under that Purchase, Sale and Development Agreement dated for identification purposes only as of _____, 2025, the City sold the Property to Declarant with the condition that (i) Declarant shall construct an alternate underground drainage system that conveys the design flow and is constructed to the City of Riverside's Public Works Department's requirements, and maintain the existing drainage system until construction is complete; and (ii) the City would reserve a permanent easement for the construction, reconstruction, maintenance, operation, inspection, repair, replacement, relocation, renewal and removal of the existing canal and canal pipeline, and all necessary appurtenances, located in, under, upon, over, and along the parcel.

C. As a condition of the City's sale of the Property to Declarant, the City requires Declarant to execute and record an agreement whereby all current and future property

owners shall be informed of and bound to the stated requirements to construct, maintain and/or repair the site improvements as described in Recital B hereto.

D. Declarant intends by this document to comply with the conditions imposed by the City and to impose upon the Property mutually beneficial restrictions, conditions, covenants and agreements for the benefit of Property.

NOW, THEREFORE, for the purposes of complying with the sale of the Property by the City of Riverside to Declarant, Declarant hereby declares that the Property is and hereafter shall be held, conveyed, transferred, mortgaged, encumbered, leased, rented, used, occupied, sold and improved subject to the following declarations, limitations, covenants, conditions, restrictions and easements, to comply with certain conditions imposed by the City for the sale of the Property, and shall be binding and inure to the benefit of each successor and assignee in interest of each such party. Any conveyance, transfer, sale, assignment, lease or sublease made by Declarant of a parcel of the Property shall be and hereby is deemed to incorporate by reference all the provisions of the Covenant and Agreement including, but not limited to, all the covenants, conditions, restrictions, limitations, grants of easement, rights, rights-of-way, and equitable servitude contained herein.

1. This Covenant and Agreement is intended to and does hereby notify all current and future owners of the Property that he/she/it/they is/are subject to and adhere to this Covenant and Agreement and that it shall be the responsibility of said owners, including any of their heirs, successors, and assigns, to construct an alternate underground drainage system that conveys the design flow and is constructed to the City of Riverside's Public Works Department's requirements and approved by the City as complete, and maintain and repair the open, uncovered drainage canal located on the entire length of the Property for use for drainage purposes until such construction is complete. Said responsibility to so maintain and repair shall continue until the City issues such approval, in writing.

2. In the event Declarant, or its heirs, successors or assigns, fails to undertake the maintenance, repair and/or construction contemplated by this Covenant and Agreement within twenty-one (21) days of being given written notice by the City, or fails to complete any maintenance, repair and/or construction contemplated by this Covenant and Agreement with reasonable diligence, the City is hereby authorized to cause any maintenance or repair necessary to be completed and charge the entire cost and expense to the Declarant or Declarant's successors or assigns, including administrative costs and interest thereon at the maximum rate authorized by the Civil Code from the date of the notice of expense until paid in full.

3. Any person who now or hereafter owns or acquires any right, title or interest in or to any parcel of the Property shall be deemed to have consented and agreed to every covenant, condition, restriction and easement contained herein.

4. In addition, each of the provisions hereof shall operate as covenants running with the land for the benefit of the Property and each Parcel thereof and shall inure to the benefit of all owners of the Parcels thereof, their successors and assigns in interest, and shall apply to and bind each successive owner of each Parcel, their successors and assigns in interest.

5. The terms of this Covenant and Agreement may be enforced by the City, its successors or assigns, and by any owner, lessee or tenant of the Parcels of the Property. Should the City or any owner, lessee or tenant bring an action to enforce any of the terms of this Covenant and Agreement, the prevailing party shall be entitled to costs of.

6. Subject to the prior written approval of the City by its City Manager, any provision contained herein may be terminated, modified or amended as to all of the Property or any portion thereof. No such termination, modification or amendment shall be effective until there shall have been executed, acknowledged and recorded in the Office of the Recorder of Riverside County, California, an appropriate instrument evidencing the same including the consent thereto by the City.

IN WITNESS WHEREOF, Declarant has caused this Covenant and Agreement to be executed as of the day and year first written above.

CITY OF RIVERSIDE, a California
charter city and municipal corporation

GREENS GIBSON LLC,
a California limited liability company

By: _____
Mike Futrell
City Manager

By: Greens Development Inc.,
a California corporation
Its: Manager

Attest: _____
Donesia Gause
City Clerk

By: Ashutosh Kadakia
Its: CFO

Approved as to Form:

By: _____
Assistant City Attorney

EXHIBIT "A"
LEGAL DESCRIPTION

Project: Riverside Water Company Canal Excess
Van Buren Blvd. to Gibson Street
Por. A.P.N.: 233-160-022

That certain real property located in the City of Riverside, County of Riverside, State of California, described as follows:

That portion of the Riverside Water Company Canal, 33 feet in width through Lot 2 in Block 22 of Arlington Heights as shown by map on file in Book 11, Pages 20 and 21 of Maps and in Lot 6 in Block 30 of Riverside Land and Irrigating Company Lands as shown by map on file in Book 1, Page 72 of Maps, both of Records of San Bernardino County, California. The centerline of said Canal is shown on Record of Survey on file in Book 14, Page 13 of Record of Surveys, Records of Riverside County, California.

EXCEPTING THEREFROM that portion of said Canal lying Southwesterly of the Southeasterly prolongation of the Southwesterly line of Parcel 1 of Certificate of Compliance, recorded August 17, 1990 as Instrument No. 306834, Official Records of Riverside County, California and that portion lying Northeasterly of a line parallel with and distant 25.00 feet Southwesterly, measured at right angles from the centerline of Gibson Street as shown on said Record of Survey.

RESERVING THEREFROM a permanent easement and right of way for the construction, reconstruction, maintenance, operation, inspection, repair, replacement, relocation, renewal and removal of the **existing canal and canal pipeline**, and all necessary appurtenances, located in, under, upon, over and along the above described parcel.

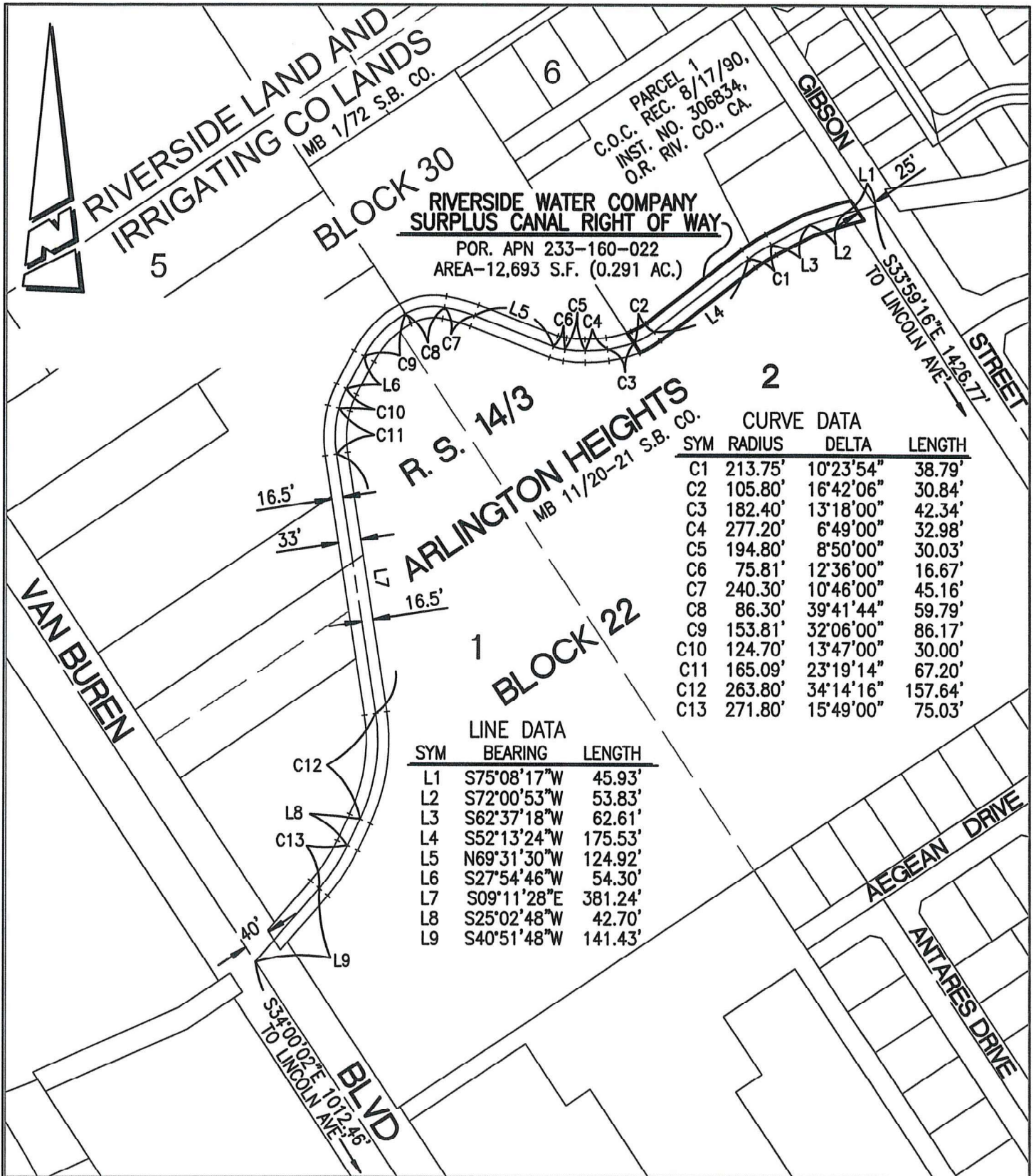
Area – 12,693 S.F. (0.291 Ac.) more or less

This description was prepared by me or under my direction in conformance with the requirements of the Land Surveyors Act.

DB Webb 1/24/2024 Prep. EV
Douglas B. Webber, L.S. 9477 Date



EXHIBIT "B"



• CITY OF RIVERSIDE, CALIFORNIA •

THIS PLAT IS SOLELY AN AID IN LOCATING THE PARCEL(S) DESCRIBED IN THE ATTACHED DOCUMENT. IT IS NOT A PART OF THE WRITTEN DESCRIPTION THEREIN.

SHEET 1 OF 1

SCALE: 1"=200'

DRAWN BY: CURT

DATE: 9/28/22

SUBJECT: RIVERSIDE WATER COMPANY CANAL RIGHT OF WAY SURPLUS

ACKNOWLEDGMENT

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

State of California

County of _____)

On _____, before me, _____, a

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

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

WITNESS my hand and official seal.

Signature (SEAL)

EXHIBIT E

COVENANT AND AGREEMENT AND DECLARATION OF RESTRICTIONS

[Inserted behind this page]

WHEN RECORDED MAIL TO:

City Clerk
City of Riverside
City Hall, 3900 Main Street
Riverside, CA 92522

Project: Van Buren Boulevard and Gibson
Street in Riverside, California, known as a
portion of Assessor's Parcel Number(s)
233-160-022

For Recorder's Office Use Only

COVENANT AND AGREEMENT AND DECLARATION OF RESTRICTIONS

(Right of Reverter in Favor of City of Riverside)

THIS COVENANT AND AGREEMENT AND DECLARATION OF RESTRICTIONS is made and entered into this _____ day of _____, _____, by CITY OF RIVERSIDE, a California charter city and municipal corporation ("Seller") and GREENS GIBSON LLC, a California limited liability company ("Buyer") reference to the following facts.

RECITALS

A. Seller owns that certain real property 12,693 square feet of vacant land located between Van Buren Boulevard and Gibson Street in Riverside, California, known as a portion of Assessor's Parcel Number(s) 233-160-022 ("Property"), more particularly described in Exhibit "A," Legal Description and depicted in Exhibit "B," Plat Map, attached hereto and incorporated herein by this reference.

B. The Seller and Buyer entered into that certain Purchase, Sale, and Development Agreement dated for identification purposes only as of _____, 2026 (the "**Agreement**"), which is incorporated herein by this reference and a copy of which is on file as public record of the City at its offices located at 3900 Main Street, Riverside, CA 92522. As a condition of the sale of the Property by the Seller to Buyer, Buyer is required to execute and record a covenant and agreement against the Property regarding a right of reverter to the City of Riverside for a default under the terms of the Agreement ("Covenant"). The Covenant shall provide that if Buyer fails to timely commenced construction, has informed Seller by written notice that Buyer is either unable or has elected not to proceed with the development of the Property for any reason, or abandons or substantially suspends construction of the Project as required by the Agreement for a period of thirty (30) days after written notice thereof from the Seller, subject to force majeure delays as described in the Agreement, then the grant deed conveying the Property to the Buyer shall be automatically terminated and title to the Property shall revert to the City of Riverside upon written notice from Seller to Buyer and the City of Riverside's delivery to Buyer of the original

Purchase Price paid by the Buyer for the Property at the time of Close of Escrow as evidenced in a final escrow closing statement, less any amounts required to place the Property into compliance with the Riverside Municipal Code (if applicable).

C. Buyer hereby offers and agrees to record such Covenant to put future owners, lessees, successors and assigns on notice of said restriction.

NOW, THEREFORE, incorporating the above recitals and for the purposes of complying with the condition of approval and putting future owners, lessees, successors and assigns on notice, Seller and Buyer hereby covenant and agree to the following covenants, conditions, and restrictions.

1. If In the event Buyer: (a) has not commenced construction as provided in Section 6.1 of the Agreement or (b) has informed Seller by written notice that Buyer is either unable or has elected not to proceed with the development of the Property for any reason, and/or (c) abandons or substantially suspends construction of the Project as required by the Agreement for a period of thirty (30) days after written notice thereof from the Seller, subject to force majeure delays as described in the Agreement, then the Grant Deed conveying the Property to the Buyer shall be automatically terminated and title to the Property shall revert to the City of Riverside upon written notice from Seller to Buyer and the City of Riverside's delivery to Buyer of the original Purchase Price paid by the Buyer for the Property at the time of Close of Escrow as evidenced in a final escrow closing statement, less any amounts required to place the Property into compliance with the Riverside Municipal Code (if applicable) (the "Power of Termination"). Such Power of Termination shall be subject to and be limited by and shall not defeat, render invalid or limit: (i) any mortgage or deed of trust or other security interest permitted by this Agreement; or (ii) any rights or interests provided in this Agreement for the protection of the holders of such mortgages or deeds of trust or other security interests. Upon issuance of a release of construction covenants for the Project, the City of Riverside's Power of Termination shall terminate. This Power of Termination shall be included in the Grant Deed from Seller to Buyer.

2. The terms of this Covenant and Agreement and Declaration of Restrictions may be enforced by the City of Riverside, and its successors and assigns. Should the City of Riverside bring an action to enforce the terms of this Covenant and Agreement and Declaration of Restrictions, each party shall bear their own attorney's fees.

4. This Covenant and Agreement and Declaration of Restrictions shall run with the land and each and all of its terms shall be binding upon the Declarant, its heirs, successors and assigns, and shall continue in effect until such time as released the Community Development Director of the City of Riverside, California, by a writing duly recorded.

[SIGNATURES ON FOLLOWING PAGE.]

IN WITNESS WHEREOF, Seller and Buyer have caused this Covenant and Agreement and Declaration of Restrictions to be executed as of the day and year first written above.

CITY OF RIVERSIDE, a California
charter city and municipal corporation

GREENS GIBSON LLC,
a California limited liability company

By: _____
Mike Futrell
City Manager

By: Greens Development Inc.,
a California corporation
Its: Manager

Attest: _____
Donesia Gause
City Clerk

By: Ashutosh Kadakia
Its: CFO

Approved as to Form:

By: _____
Assistant City Attorney

**EXHIBIT “A”
LEGAL DESCRIPTION**

(Inserted behind this page)

EXHIBIT "A"
LEGAL DESCRIPTION

Project: Riverside Water Company Canal Excess
Van Buren Blvd. to Gibson Street
Por. A.P.N.: 233-160-022

That certain real property located in the City of Riverside, County of Riverside, State of California, described as follows:

That portion of the Riverside Water Company Canal, 33 feet in width through Lot 2 in Block 22 of Arlington Heights as shown by map on file in Book 11, Pages 20 and 21 of Maps and in Lot 6 in Block 30 of Riverside Land and Irrigating Company Lands as shown by map on file in Book 1, Page 72 of Maps, both of Records of San Bernardino County, California. The centerline of said Canal is shown on Record of Survey on file in Book 14, Page 13 of Record of Surveys, Records of Riverside County, California.

EXCEPTING THEREFROM that portion of said Canal lying Southwesterly of the Southeasterly prolongation of the Southwesterly line of Parcel 1 of Certificate of Compliance, recorded August 17, 1990 as Instrument No. 306834, Official Records of Riverside County, California and that portion lying Northeasterly of a line parallel with and distant 25.00 feet Southwesterly, measured at right angles from the centerline of Gibson Street as shown on said Record of Survey.

RESERVING THEREFROM a permanent easement and right of way for the construction, reconstruction, maintenance, operation, inspection, repair, replacement, relocation, renewal and removal of the **existing canal and canal pipeline**, and all necessary appurtenances, located in, under, upon, over and along the above described parcel.

Area – 12,693 S.F. (0.291 Ac.) more or less

This description was prepared by me or under my direction in conformance with the requirements of the Land Surveyors Act.

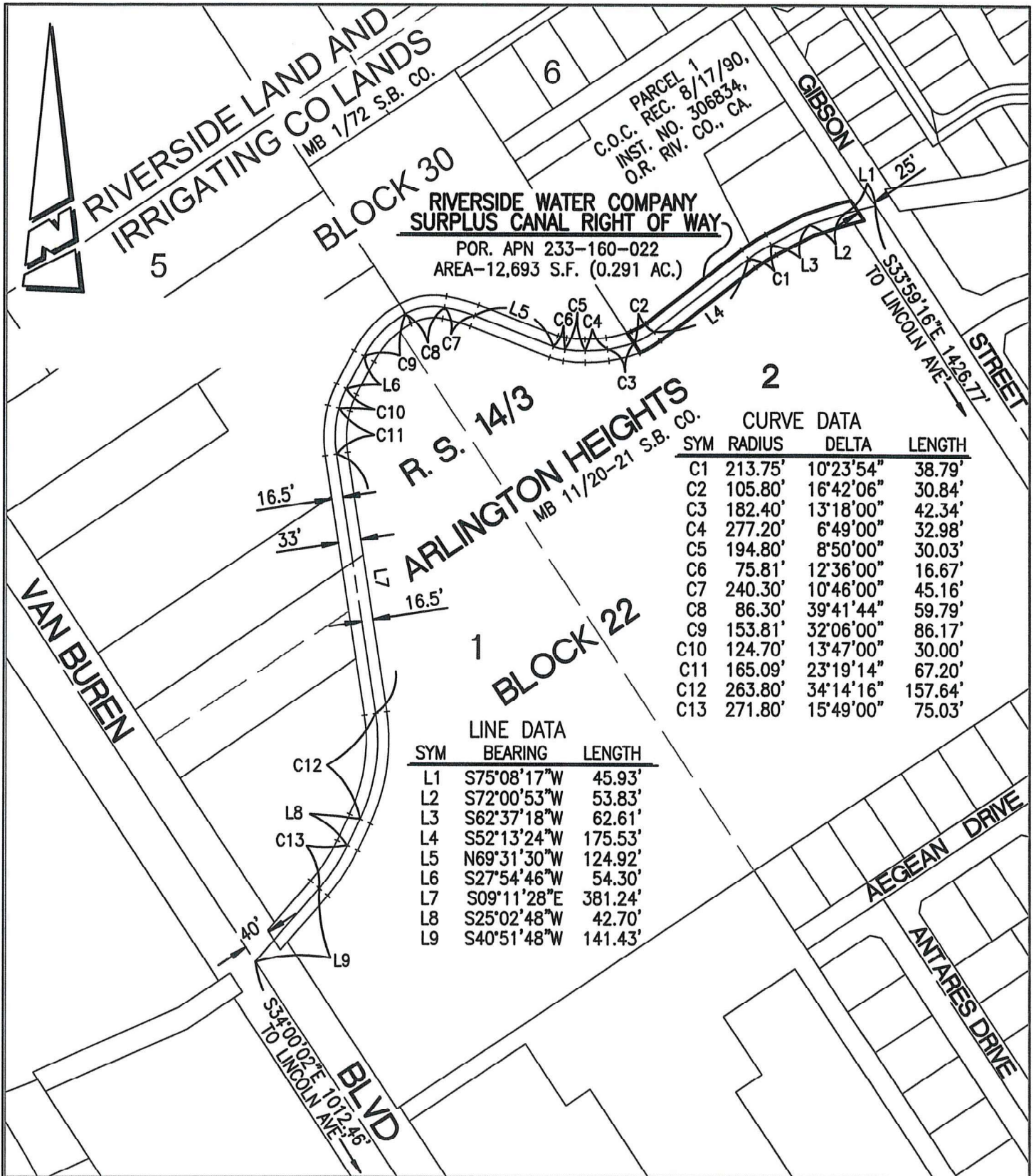
DB Webb 1/24/2024 Prep. EV
Douglas B. Webber, L.S. 9477 Date



**EXHIBIT “B”
PLAT MAP**

(Inserted behind this page)

EXHIBIT "B"



• CITY OF RIVERSIDE, CALIFORNIA •

THIS PLAT IS SOLELY AN AID IN LOCATING THE PARCEL(S) DESCRIBED IN THE ATTACHED DOCUMENT. IT IS NOT A PART OF THE WRITTEN DESCRIPTION THEREIN.

SHEET 1 OF 1

SCALE: 1"=200'

DRAWN BY: CURT

DATE: 9/28/22

SUBJECT: RIVERSIDE WATER COMPANY CANAL RIGHT OF WAY SURPLUS

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.

[illegible]

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

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

WITNESS my hand and official seal.

Notary Signature

Signature: *Miranda Evans*

Email: mevans@riversideca.gov