

PURCHASE, SALE AND DEVELOPMENT AGREEMENT

COMMONS PARTNERS, LLC

(First Street & Main Project)

This Purchase and Development Agreement (“**Agreement**”) is entered into this ____ day of _____, 2019 (“**Effective Date**”), by and between **THE CITY OF RIVERSIDE AS THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF RIVERSIDE**, a public entity (“**Seller**”) and **COMMONS PARTNERS, LLC**, a Nevada 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 vacant land, located at 3158-3250 Main Street, identified as Assessor’s Parcel Numbers 213-031-004 and -005, and 213-081-001 and 002, and that certain historic former gas station, commonly known as the “**Teague Texaco Station**,” located at 3102 Main Street, identified as Assessor’s Parcel Numbers 213-031-002 and -003, Riverside, California (collectively the “**Property**”), all as more particularly described in Exhibit “A” (Legal Description) and depicted on Exhibit “B” (Plat Map), both of which are attached hereto and incorporated herein by reference. The Property is zoned Downtown Specific Plan and is located within the Raincross District. This Agreement is subject to the approvals of the City of Riverside as the Successor Agency to the Redevelopment Agency of the City of Riverside (“**Successor Agency**”), the Oversight Board for the County of Riverside (“**Oversight Board**”) and the State of California Department of Finance (“**DOF**”), which shall be obtained prior to execution of this Agreement by Seller. The above reference approvals of each of the Successor Agency, Oversight Board and DOF shall collectively be referred to herein as the “**Administrative Approval(s)**.”

1.2 **Intention.** Buyer desires to purchase the fee simple interest the Property for the development and development of a mixed-use development consisting of a minimum of 85 units of multi-family residential and a minimum of 1,700 square feet of commercial space, which includes the preservation and restoration of the Teague Texaco Station into a retail or restaurant use (“**Project**”). Seller desires to sell and convey the Property to Buyer for the development of the Project.

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.

(a) Environmental Due Diligence: Seller acknowledges that to be compliant with applicable laws, regulations, and ordinances relating to pollution and environmental control, an updated Phase I Environmental Site Report (and together with related environmental reports, "**Environmental Reports**") shall be required prior to proceeding with the Due Diligence Period (as defined below). The parties hereby agree that Buyer shall have ninety (90) days from the Effective Date ("**Environmental Due Diligence Period**") to: (i) order updated Environmental Reports, (ii) review such updated Environmental Reports, and, (iii) if required, prepare remediation action plans to address any recognized environmental conditions identified in the Environmental Reports ("**Remediation Plan**").

(b) On or before the end of the Environmental Due Diligence Period, Buyer agrees to provide Seller with copies of the Environmental Reports and a draft of the Remediation Plan. Unless otherwise extended by each of the Seller and Buyer, in writing, the parties agree that Seller shall have sixty (60) days following the expiration of the Environmental Due Diligence Period to review the Environmental Reports and draft Remediation Plan ("**Seller Environmental Due Diligence Period**"). During the Seller Environmental Due Diligence Period, Seller agrees to also conduct a preliminary review of the proposed development plan for the Project and thereafter, Seller and Buyer, each, agree to use commercially reasonable efforts to agree to (i) the scope of work required per the Remediation Plan ("**Final Remediation Plan**"), and (ii) the cost associated with the execution and performance of the Final Remediation Plan ("**Remediation Cost**"). If at the conclusion of the Seller Environmental Due Diligence Period, the Buyer and Seller are unable to reach an agreement as to the scope of the Final Remediation Plan or the Remediation Cost, this Agreement and any ongoing obligations thereunder shall be terminated at no further cost or expense to Buyer. Notwithstanding the above Seller Environmental Due Diligence Period, Buyer acknowledges and agrees that final approval of the Final Remediation Plan and/or Remediation Costs are subject to Administrative Approval and such Administrative Approval will take at least six (6) months. If Buyer does not want to wait the six (6) months they may terminate this Agreement or may accept the existing terms of this Agreement. The Due Diligence Period defined below will not be extended or stayed while the Administrative Approval is being sought.

(c) Project and Related Due Diligence: Buyer shall have one hundred and eighty (180) days following the Seller Environmental Due Diligence Period, 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 the Property and the feasibility of any proposed development on the Property. On or before the end of the Due Diligence Period, Buyer shall deliver written notice to Seller accepting the condition of 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 condition of the Property and elected to proceed with this Agreement.

1.5 Right of Entry. During Escrow, Seller grants to Buyer and its agents, employees, contractors or subcontractors, the right to enter into and upon the Property for the purpose of conducting Environmental Site Assessments, soil testing, environmental and engineering studies, and such further engineering, grading, archeological, geological or survey work as may be desired for the preparation by Buyer of its development plans for the Property. Buyer must obtain Seller's permission, in writing, before any intrusive soil testing is performed, which permission shall not be unreasonably withheld or delayed and subject to Buyer providing Seller with a copy of all proposed soil boring locations and depths and insurance. Buyer shall provide Seller with at least twenty four (24) hours' notice prior to such entry. Prior to entry Buyer shall provide Seller with all certificates of insurance and additional insured endorsements in the amounts required by Seller, such as, but not limited to commercial general, workers' compensation and automobile. Buyer agrees to 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. Buyer agrees to indemnify and hold Seller harmless from any damages or liability arising from the activities of Buyer, its agents, contractors or subcontractors on the Property, however, Buyer shall not be responsible for any damages to the Property that occur due to unknown trespass onto the site, or outside the scope of the Buyer's Due Diligence. 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 Assumption of the Risk. Subject to the other provisions of this Agreement: (a) Buyer agrees, that by its acceptance of the condition of the Property at the conclusion of the Due Diligence Period as identified under Section 1.4(c), 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.

1.7 **Duty to Act in Good Faith.** The parties agree to act in good faith and fair dealing and endeavor to utilize their best efforts to perform all terms of this Agreement and in any discussions related to the Project with the parties and third parties.

1.8 **Historical Significance.** The Teague Texaco Station has been identified as a significant cultural resource to the City of Riverside. The Teague Texaco Station has been recognized to be eligible for listing in the National Register of Historic Places and the California Register of Historical Resources and for designation as a Riverside Landmark. Preservation of the Teague Texaco Station, along with careful and compatible design of new development is important in maintaining the Raincross District's character and unique sense of identity. Buyer understands that improvements affecting the exterior are subject to the review of the City's Cultural Heritage Board pursuant to Title 20 of the Riverside Municipal Code and must also be in compliance with the Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Rehabilitation. Buyer acknowledges and agrees that it will preserve and rehabilitate the Teague Texaco Station as a retail or restaurant use, as well as construct new development pursuant to the Design Standards and Guidelines for the Raincross District of the Downtown Specific Plan. Concurrently with the Close of Escrow, Buyer shall execute and record a Historic Preservation Covenant and Agreement and Declaration of Restrictions ("Covenant") on the Property ensuring the continued historical nature of the Property. A copy of the Covenant is attached hereto as Exhibit "C" and incorporated herein by reference.

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 One Million One Hundred Eighty-Five Thousand Dollars (\$1,185,000.00) ("**Purchase Price**"). The parties agree that should there need to be a remediation plan, they will discuss and negotiate any change to the Purchase Price, which shall be subject to further Administrative Approvals to be effective. 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.

2.2 **Escrow.** Within ten (10) calendar days following the Effective Date, Buyer shall open an escrow ("**Escrow**") with Stewart Title of California – Inland Empire Division, ("**Escrow Holder**" or "**Title Company**") located at 7065 Indiana Avenue, Suite 100, Riverside, CA 92506, 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.

2.3 **Deposit.** Within fifteen (15) calendar days following the Effective Date, Buyer shall deliver a deposit in the amount of Thirty Thousand Dollars (\$30,000) ("**Deposit**") to the

Escrow Holder which will be applied towards the Purchase Price at the Close of Escrow, subject however to the Seller's right to liquidated damages as set forth in Section 7.5 in the event of Buyer's default. After the Due Diligence Period, if Buyer has not terminated this Agreement as provided in Section 1.4(c) above, Buyer's Deposit shall become non-refundable and be applied towards the Purchase Price at the Close of Escrow. If this Agreement is terminated for any reason after the completion of the Due Diligence Period, the Deposit shall be released to Seller. Notwithstanding anything to the contrary in this Agreement, if Buyer cancels the Escrow in accordance with Section 3.1 for the sole reason that Seller fails to satisfy the condition in Section 3.2.1(d), Buyer shall be entitled to the return of the Deposit.

2.4 Buyer's Obligations during Escrow.

2.4.1 Within thirty (30) days following the Seller Environmental Due Diligence Period, Buyer shall submit an application to the City of Riverside ("**City**") Community and Economic Development Department, Planning Division ("**Planning Division**") for:

- (a) A parcel map, tract map and/or lot consolidation as appropriate;
- (b) A Preliminary Project Design Review of Buyer's proposed development of the Project including specific site plan and preliminary elevations ("**Project Design**");
- (c) Discretionary Project approvals and environmental clearance as necessary for the Project, including, but not limited to, any conditional use permits, zoning variances, site plan approval, and related CEQA compliance (as such term is defined in Section 8.17) ("**Entitlements**"); and
- (d) Any other documents or applications required for the development of the Project.

2.4.2 Buyer shall also comply with the following prior to Close of Escrow:

- (a) Within eighteen (18) months from the Seller Environmental Due Diligence Period, Buyer shall have obtained all necessary Entitlements.

2.5 **Seller's Cooperation during Escrow.** Seller agrees to assist Buyer in the execution of an application and other such documents as the owner of the Property in connection with Buyers Entitlements under Section 2.4.1 above.

ARTICLE III CLOSING

3.1 **Closing Date.** Escrow shall close within eighteen (18) months following the Seller Environmental Due Diligence Period (“**Close of Escrow**”), but in no event shall Escrow close until Buyer has obtained all Entitlements, whichever is sooner. Close of Escrow is subject to Buyer completing all of Buyer’s obligations as described in Section 2.4 above and in Section 3.2 below. If the conditions to close Escrow as stated herein are not satisfied by the Close of Escrow, then either party, upon notice in writing to the Escrow Holder and the other party, may demand the return of their documents and cancellation of the Escrow. Unless objected to in writing within ten (10) days from the receipt of the notice of cancellation, the Escrow will automatically be canceled; provided, however, in the event of such cancellation Seller’s sole remedy against Buyer shall be to withhold the Deposit. 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;
- (b) 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 and with the requirements of the Title Company;
- (c) Any further Administrative Approvals as contemplated in Section 2.1 above, if necessary; and
- (d) Evidence that any unauthorized encroachments as identified by a survey of the Property obtained by Buyer, at Buyer’s sole cost, during the Due Diligence Period have been resolved to the reasonable satisfaction of Buyer or, if any such encroachments cannot be resolved prior to Close of Escrow that Buyer has taken subject to the encroachments.

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) Evidence of Entitlements;
- (d) Proof of financing and/or cash funding for the construction of the Project including a development Pro-Forma that shows the total construction cost of the Project;
- (e) The fully executed Covenant attached as Exhibit "C" hereto; and
- (f) 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 and with the requirements of the Title Company.

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 for the Property that will become due effective on or after Close of Escrow 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 Title Company 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 Title Company). 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 a CLTA Standard form policy of title insurance from Title Company; 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 additional 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. AS OF THE CLOSE OF ESCROW, BUYER SHALL HAVE 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 or otherwise affecting the Property.

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 the best of Seller's knowledge, Seller has received no written notice of any hazardous materials located on, under, or about the Property, except as disclosed in writing 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 OBLIGATIONS AFTER THE CLOSE OF ESCROW

6.1 Buyer's Obligations after the Close of Escrow.

6.1.1 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 the design standards of the Downtown Specific Plan and Titles 19 and 20 of the Riverside Municipal Code, as applicable.

6.1.2 Buyer shall use its best efforts commence construction of the Project no later than one-hundred eighty (180) days after Close of Escrow, subject to force majeure delays (including, without limitation, acts of destruction by nature). Failure to commence construction as required herein shall result in the payment of a Five Hundred Dollar (\$500) per diem penalty by Buyer to the Seller for failure to commence construction within one hundred eighty (180) days from the Close of Escrow. Notwithstanding the foregoing, upon mutual written agreement of the parties, the construction commencement deadline may be extended for up to three (3) months.

6.1.3 Buyer shall use its best efforts complete construction of the Project within thirty-six (36) months following the Close of Escrow subject to force majeure delays (including, without limitation, acts of destruction by nature). Failure to complete construction as required herein shall result in the payment of a Five Hundred Dollar (\$500) per diem penalty by Buyer to the Seller for failure to complete construction within thirty-six (36) months from the Close of Escrow. Notwithstanding the foregoing, upon mutual written agreement of the parties, the construction deadline may be extended for up to three (3) months.

6.2 **Prohibited Uses.** Buyer agrees it will only utilize the Property consistent with the uses permitted by the Downtown Specific Plan.

6.3 **Sale to Tax-Exempt Entity Prohibited.** For ten (10) years from Close of Escrow, Buyer is prohibited from selling, conveying or transferring fee title to the Property to any public

entity that is exempt from paying real property taxes. Buyer shall; however, be permitted to seek Historic Designation of the Teague Texaco Station as a landmark under the Mills Act and realize any property tax relief that may be associated said Historic Designation.

ARTICLE VII DEFAULTS

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 Close of Escrow.

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 thirty (30) days in the case of a non-monetary default (or, if the event of default is such that cannot be cured within thirty (30) days, the party shall be entitled to commence the cure within such time and thereafter diligently prosecute it to completion), or fifteen (15) days in the case of a monetary default.

7.3 **Remedies.** As provided in Sections 3.1 and 7.5 herein, if Buyer is deemed to be in default after the Due Diligence Period, Seller shall be entitled to (a) the Deposit, including interest, which shall be forthwith delivered to Seller by Escrow Holder on receipt of notice from Seller that Buyer has defaulted under this Agreement and reasonable attorney's fees incurred by Seller and/or (b) termination of this Agreement. Escrow Holder shall receive consent from Buyer which shall not be unreasonably withheld prior to release of funds.

7.4 **Waiver of Right to Specific Performance.** If Seller fails to convey the Property to Buyer in accordance with the provisions of this Agreement, 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 Property under applicable law or to pursue the specific performance of this Agreement, unless Buyer has timely completed all of its obligations under this Agreement.

7.5 **Liquidated Damages.** **BUYER AND SELLER AGREE THAT AT THE TIME THIS AGREEMENT IS MADE AND ENTERED INTO, SELLER'S DAMAGES UPON DEFAULT BY BUYER UNDER THIS AGREEMENT ARE EXTREMELY DIFFICULT OR IMPOSSIBLE TO CALCULATE AND BUYER AND SELLER 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 SELLER 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 SELLER UPON BUYER'S DEFAULT. BUYER HEREBY AGREES THAT SHOULD**

BUYER DEFAULT IN THE PERFORMANCE OF BUYER'S OBLIGATION TO CLOSE OF ESCROW, SELLER SHALL BE ENTITLED TO THE SUM OF THIRTY THOUSAND DOLLARS (\$30,000) AS LIQUIDATED DAMAGES FROM BUYER. THE FOREGOING PROVISIONS OF THIS SECTION 7.5 CONSTITUTE THE SOLE AND EXCLUSIVE REMEDY AVAILABLE TO SELLER AS A RESULT OF A DEFAULT BY BUYER OF ITS OBLIGATIONS TO CLOSE ESCROW 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 PROPERTY PURSUANT TO SECTIONS 1.4 AND 1.5, NOR FOR BUYER'S OBLIGATIONS AFTER CLOSE OF ESCROW AS SET FORTH IN ARTICLE 6.



Buyer's Initials

Seller's 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, other than to an affiliate of Buyer.

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 as Successor Agency to
The Redevelopment of the City of Riverside
Community and Economic Development Department
Real Property Services Division
3900 Main Street, 3rd Floor
Riverside, CA 92522
Attn: David Welch, Real Property Services Manager
Phone: (951) 826-5665
Email: dwelch@riversideca.gov

If to Buyer: Commons Partners, LLC
4 Venture, Suite 295
Irvine, CA 92618
Phone: (949) 491-1667
Email: anjela@integrityhousing.org

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 or electronic mail, 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 and electronic mail 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, sexual orientation or military or veterans status, 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, the Oversight Board and the 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.** This Agreement provides a framework for information, collection, due diligence, feasibility and planning studies toward the potential transfer of the Property. Buyer and Seller understand, acknowledge and agree that in the event this transaction is deemed to be a "project" pursuant to the California Environmental Quality Act ("CEQA"), the Close of Escrow shall be contingent upon the parties compliance with CEQA. The parties specifically acknowledge that this Agreement does not authorize the development of the Property

until and unless the City of Riverside ("City") first approves such development in full compliance with CEQA, reserving to the City all discretionary authority to approve, deny or condition the development of the Property as necessary to fully consider feasible environmental mitigation and alternatives in compliance with CEQA.

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.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Reference Date.

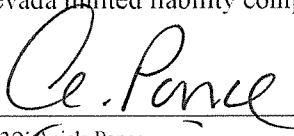
Seller:


Buyer:

THE CITY OF RIVERSIDE, AS SUCCESSOR
AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY OF RIVERSIDE,
a public body

COMMONS PARTNERS, LLC,
a Nevada limited liability company

By: _____
City Manager on behalf of the Successor Agency
to the Redevelopment Agency for the City of
Riverside

By:  _____
Name: Anjela Ponce
Title: Executive Vice President, Affordable Housing Alliance II, Inc. a
Colorado nonprofit corporation doing business in California as
Integrity Housing, Member

By:  _____
Name: Michael J. Skehern
Title: Chief Executive Officer, Pac Am Development LLC,
a California limited liability company, Member

ATTESTED TO:

By: _____
City Clerk on behalf of the Successor Agency to the
Redevelopment Agency for the City of Riverside

APPROVED AS TO FORM:

By:  _____
Successor Agency General Counsel

EXHIBIT "A"
LEGAL DESCRIPTION

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1 - A.P.N.: 213-031-005
Address: 3190 Main Street

That certain real property located in the City of Riverside, County of Riverside, State of California, being that portion of Block 1, Range 6, of the Town of Riverside as shown by map on file in map Book 7, Page 17 thereof, Records of San Bernardino County, California described as follows:

BEGINNING at the Southwest corner of said Block 1, Range 6;

Thence Northeasterly, along the Northwest line of said Block 1, Range 6, a distance of 90.00 feet;

Thence Southeasterly and parallel with the Southwest line of said Block 1, Range 6, a distance of 157.50 feet;

Thence Southwesterly and parallel with said Northwest line of said Block 1, Range 6, a distance of 90.00 feet to said Southwest line of Block 1, Range 6;

Thence Northwesterly along said Southwest line of Block 1, Range 6, a distance of 157.50 feet to the **POINT OF BEGINNING**;

Area - 14,175 S.F. more or less

PARCEL 2 - A.P.N.: 213-031-004
Address: 3158 Main Street

That certain real property located in the City of Riverside, County of Riverside, State of California, being that portion of Block 1, Range 6, of the Town of Riverside as shown by map on file in map Book 7, Page 17 thereof, Records of San Bernardino County, California described as follows:

BEGINNING at a point on the Northwest line of said Block 1, Range 6, 90.00 feet Northeast from the Southwest corner thereof;

Thence Northeasterly along said Northwest line of Block 1, Range 6, a distance of 135.00 feet;

Thence Southeasterly and parallel with the Southwest line of said Block 1, Range 6, a distance of 157.50 feet;

Thence Southwesterly parallel with said Northwest line of said Block 1, Range 6, a distance of 135.00 feet;

Thence Northwesterly parallel with said Southwest line of Block 1, Range 6, a distance of 157.50 feet to the **POINT OF BEGINNING**.

Area - 21,262.5 S.F. more or less

PARCEL 3 - A.P.N.: 213-031-002
Address: 3102 Main Street

That certain real property located in the City of Riverside, County of Riverside, State of California, being that portion of Block 1, Range 6, of the Town of Riverside as shown by map on file in map Book 7, Page 17 thereof, Records of San Bernardino County, California described as follows:

BEGINNING at the most Northerly corner of said Block 1, Range 6;

Thence Southwesterly, along the Northwest line of said Block 1, Range 6, a distance of 105.00 feet to the most Northerly corner of that certain parcel conveyed to Nicholas B. Leest and Evelyn R. Leest, Husband and Wife, by deed recorded February 19, 1947, in Book 817, Page 419, of Official Records of Riverside County, California;

Thence Southeasterly and parallel with the Northeast line of said Block 1, Range 6, and on the Northeasterly line of said Parcel conveyed to Nicholas B. Leest and Evelyn R. Leest, a distance of 157.50 feet;

Thence Northeasterly and parallel with said Northwest line of Block 1, Range 6, a distance of 50.00 feet;

Thence Northwesterly and parallel with said Northeast line of Block 1, Range 6, a distance of 35.00 feet;

Thence Northeasterly and parallel with said Northwest line of Block 1, Range 6, a distance of 55.00 feet to said Northeast line of Block 1, Range, 6;

Thence Northwesterly along said Northeast line of Block 1, Range 6, a distance of 122.50 feet to the **POINT OF BEGINNING**.

EXCEPTING THEREFROM that portion conveyed to the City of Riverside per deed recorded March 11, 1909, in Book 280, Page 142 of Deeds of Official Records of Riverside County, California.

Area – 14,190 S.F. more or less

PARCEL 4 - A.P.N.: 213-031-003
Address: 3654 1st Street

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

The Southeasterly rectangular 35 feet of the Northeasterly rectangular 55 feet of the Northwesterly rectangular 157.5 feet of Lot 6 in Block 1, Range 6 of Town of Riverside as shown by map on file in map Book 7, Page 17 thereof, Records of San Bernardino County, California.

Area – 1,925 S.F. more or less

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

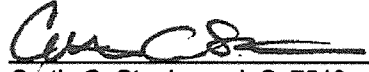

 10/28/12 Prep. 
Curtis C. Stephens, L.S. 7519 Date



EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1 - A.P.N.: 213-081-001 &-002
Address: 3250 & 3210 Main Street

That certain real property located in the City of Riverside, County of Riverside, State of California, being that portion of Block 2, Range 6, of the Town of Riverside as shown by map on file in map Book 7, Page 17 thereof, Records of San Bernardino County, California described as follows:

BEGINNING at a point on the Southeast line of Main Street, 155.00 feet Northwest from the Southwest corner of said Block 2, Range 6;

Thence Southeasterly, parallel with the Northeast line of Third Street, a distance of 157.50 feet to an Alley;

Thence Northeasterly, parallel with said Southeast line of Main Street and along said Alley, a distance of 175.00 feet to the Southwest line of Second Street;

Thence Northwesterly, along said Southwest line of Second Street, a distance of 157.50 feet to the Northwest corner of said Block 2, Range 6;

Thence Southwesterly, along said Southeast line of Main Street, a distance of 175.00 feet to the **POINT OF BEGINNING**;

Area - 27,562.5 S.F. more or less

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

Curtis C. Stephens 11/29/18 Prep. (S)
Curtis C. Stephens, L.S. 7519 Date

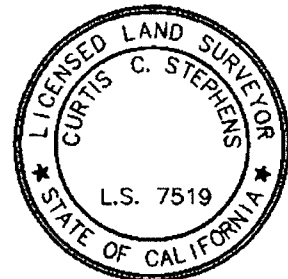
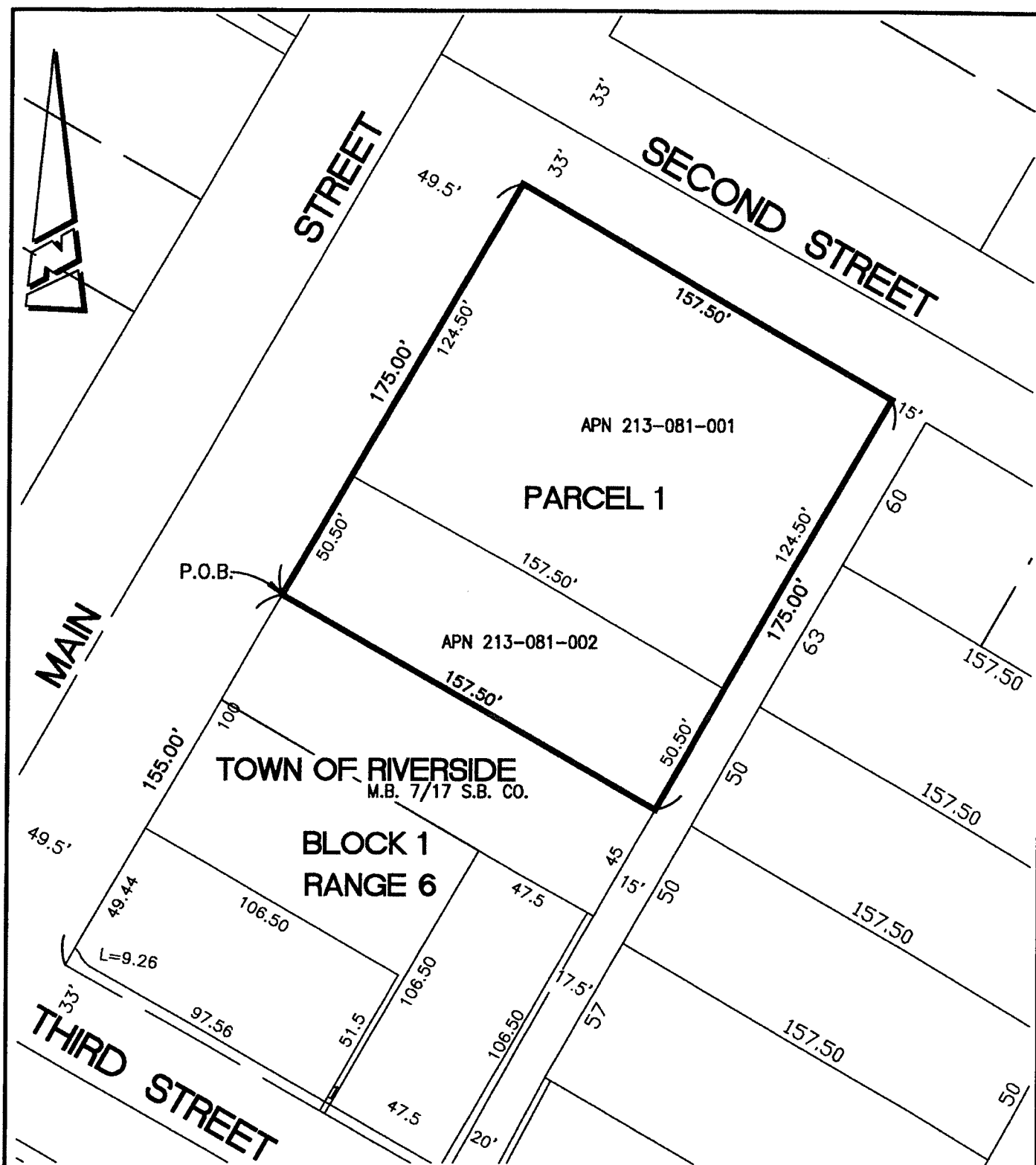


EXHIBIT "B"
PLAT MAP



• 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.

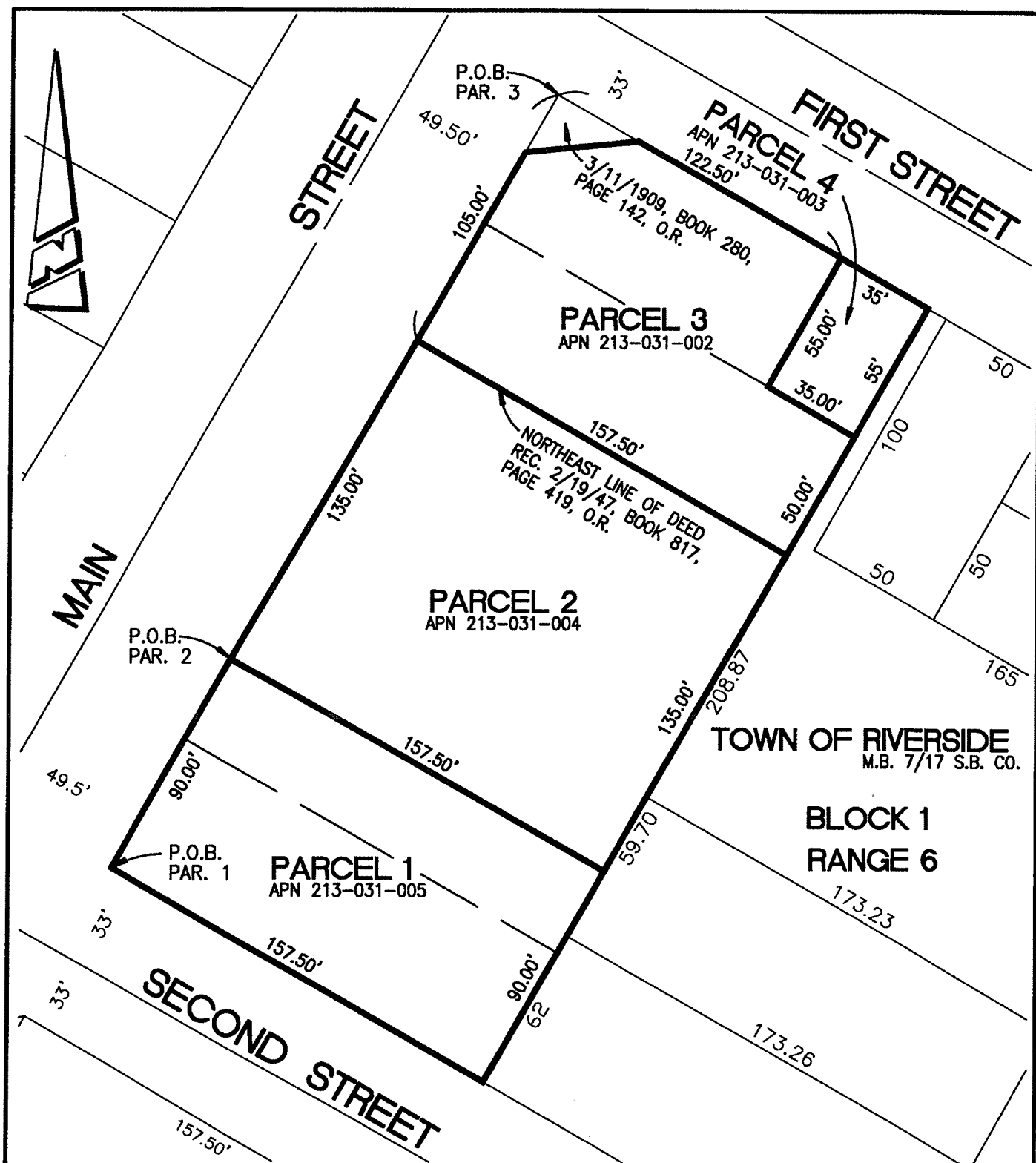
SHEET 1 OF 1

SCALE: 1"=50'

DRAWN BY: CURT

DATE: 10/29/18

SUBJECT: MAIN STREET - EAST SIDE 2ND TO 3RD STREETS



• 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"=50'

DRAWN BY: CURT

DATE: 10/29/18

SUBJECT: MAIN STREET - EAST SIDE 2ND TO 3RD STREETS

EXHIBIT "C"
HISTORIC PRESERVATION COVENANT AND
AGREEMENT AND DECLARATION
OF RESTRICTIONS

WHEN RECORDED MAIL TO:

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

Project: 1st & Main Project
3102 Main Street
APN's: 213-031-002 and -003

For Recorder's Office Use Only

HISTORIC PRESERVATION COVENANT AND AGREEMENT AND DECLARATION OF RESTRICTIONS

THIS HISTORIC PRESERVATION COVENANT AND AGREEMENT AND DECLARATION OF RESTRICTIONS ("Covenant"), is made and entered into this ____ day of _____, 20__, by **COMMONS PARTNERS, LLC**, a Nevada limited liability company ("Declarant").

RECITALS

A. The City of Riverside as Successor Agency to the Redevelopment Agency of the City of Riverside ("Agency") is the fee owner of that certain real property located at 3102 Main Street, Riverside, California ("Teague Texaco Station"), known as Assessor's Parcel Numbers 213-031-002 and -003 as well as the adjacent property known as Assessor's Parcel Numbers 213-031-004 and -005 ("Property"). The legal description for the Teague Texaco Station and the Property is attached hereto as Exhibit "A" and incorporated herein by reference.

B. The Teague Texaco Station has been recognized to be eligible for listing in the National Register of Historic Places and the California Register of Historical Resources and for designation as a Riverside Landmark. As such, preservation of the Teague Texaco Station, along with careful and compatible design of the Property, is important to the City.

C. Declarant has purchased or is purchasing the Teague Texaco Station and the Property and understands that improvements affecting the exterior of the Teague Texaco Station are subject to compliance with Title 20 of the Riverside Municipal Code as well as the Secretary of the Interior Standards for the Treatment of Historic Properties with Guidelines for Rehabilitation.

D. The use, rehabilitation and improvement of the Teague Texaco Station by Declarant pursuant to this Covenant, and the fulfillment generally of this Covenant, are in the vital and best interests of the Agency as well as the City of Riverside ("City"), and the health, safety,

morals and welfare of its residents, and in accord with the public purposes and provisions of applicable federal, state and local laws and requirements.

E. Declarant hereby acknowledges and agrees that it will preserve and rehabilitate the Teague Texaco Station as a commercial use, as well as develop the Property pursuant to the Design Standards and Guidelines for the Raincross District of the Downtown Specific Plan.

NOW, THEREFORE, for the purpose of putting future owners, lessees, successors and assigns on notice, Declarant hereby covenants and agrees to the following covenants, conditions, and restrictions:

1. Historic Preservation. Declarant, for itself and for its successors or assigns, hereby acknowledges that the Teague Texaco Station is eligible for listing in the National Register of Historic Places and the California Register of Historical Resources and for designation as a Riverside Landmark and is located within the Raincross District of the Downtown Specific Plan. Preservation of the Teague Texaco Station along with careful and compatible design of the adjacent new development is important in maintaining the Teague Texaco Station's and the Raincross District's character and unique sense of identity. Declarant understands that improvements affecting the exterior of the Teague Texaco Station are subject to review and approval by the City pursuant to Title 20 of the Riverside Municipal Code and must also be in compliance with the Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Rehabilitation. Further, Declarant acknowledges and agrees that it will preserve and rehabilitate the Teague Texaco Station as well as develop the Property pursuant to the Design Standards and Guidelines for the Raincross District of the Downtown Specific Plan.

2. Maintenance. Declarant, for itself and for its successors or assigns, hereby covenants and agrees that the Teague Texaco Station shall be maintained in good repair by the Declarant, its successor and assigns, at its sole cost and expense, using guidance from applicable National Park Service Preservation Briefs and in accordance with the Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preservation, in effect as of the date of this Covenant, and as amended from time to time.

All exterior surfaces of the Teague Texaco Station and the Property shall be maintained at all times in a clean, safe and presentable manner, free from chipping, cracking and defacing marks. Any such defacing marks on the Teague Texaco Station shall be cleaned or removed by Declarant, its successors and assigns, using a methodology following National Park Service Preservation Brief No.'s 1, 6, and 22, <http://www.nps.gov/tps/how-to-preserve/briefs.htm> within one (1) week of their creation or within one (1) week after notice to Declarant. All exterior maintenance of the Teague Texaco Station must be in compliance with the Secretary of the Interior's Standards for the Treatment of Historic Properties and all applicable provisions of the Riverside Municipal Code, specifically Chapter 6.14 and Title 20.

Further, Declarant on its behalf and on behalf of all successors and assigns of the Teague Texaco Station and the Property, shall maintain all buildings, improvements, landscaping and

fixtures therein in good repair and shall keep them free from any accumulation of debris or waste materials, consistent with the customary practice and so as not to create a nuisance, or violate any provision of the Riverside Municipal Code.

3. Securing of Permits. Declarant shall secure all permits legally required by the Building and Safety, Planning, Fire and any other applicable department of the City or other governmental agency prior to any development of the Property or rehabilitation of the Teague Texaco Station.

4. Enforcement. The terms of this Covenant may be enforced by the City, its successors or assigns.

5. Termination/Amendment. This Covenant shall run with the land, in perpetuity, and shall be binding on and shall inure to the benefit of the parties hereto, their successors or assigns and cannot be amended, modified or terminated unless by a writing duly recorded and signed by the Community & Economic Development Director of the City of Riverside.

IN WITNESS WHEREOF, the Declarant has executed this Covenant on the date and year first written above.

COMMONS PARTNERS, LLC,
a Nevada limited liability company

By: _____

Name: _____

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

ACKNOWLEDGMENT

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)

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

ACKNOWLEDGMENT

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 "A"
LEGAL DESCRIPTION

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1 - A.P.N.: 213-031-005
Address: 3190 Main Street

That certain real property located in the City of Riverside, County of Riverside, State of California, being that portion of Block 1, Range 6, of the Town of Riverside as shown by map on file in map Book 7, Page 17 thereof, Records of San Bernardino County, California described as follows:

BEGINNING at the Southwest corner of said Block 1, Range 6;

Thence Northeasterly, along the Northwest line of said Block 1, Range 6, a distance of 90.00 feet;

Thence Southeasterly and parallel with the Southwest line of said Block 1, Range 6, a distance of 157.50 feet;

Thence Southwesterly and parallel with said Northwest line of said Block 1, Range 6, a distance of 90.00 feet to said Southwest line of Block 1, Range 6;

Thence Northwesterly along said Southwest line of Block 1, Range 6, a distance of 157.50 feet to the **POINT OF BEGINNING**;

Area - 14,175 S.F. more or less

PARCEL 2 - A.P.N.: 213-031-004
Address: 3158 Main Street

That certain real property located in the City of Riverside, County of Riverside, State of California, being that portion of Block 1, Range 6, of the Town of Riverside as shown by map on file in map Book 7, Page 17 thereof, Records of San Bernardino County, California described as follows:

BEGINNING at a point on the Northwest line of said Block 1, Range 6, 90.00 feet Northeast from the Southwest corner thereof;

Thence Northeasterly along said Northwest line of Block 1, Range 6, a distance of 135.00 feet;

Thence Southeasterly and parallel with the Southwest line of said Block 1, Range 6, a distance of 157.50 feet;

Thence Southwesterly parallel with said Northwest line of said Block 1, Range 6, a distance of 135.00 feet;

Thence Northwesterly parallel with said Southwest line of Block 1, Range 6, a distance of 157.50 feet to the **POINT OF BEGINNING**.

Area - 21,262.5 S.F. more or less

PARCEL 3 - A.P.N.: 213-031-002
Address: 3102 Main Street

That certain real property located in the City of Riverside, County of Riverside, State of California, being that portion of Block 1, Range 6, of the Town of Riverside as shown by map on file in map Book 7, Page 17 thereof, Records of San Bernardino County, California described as follows:

BEGINNING at the most Northerly corner of said Block 1, Range 6;

Thence Southwesterly, along the Northwest line of said Block 1, Range 6, a distance of 105.00 feet to the most Northerly corner of that certain parcel conveyed to Nicholas B. Leest and Evelyn R. Leest, Husband and Wife, by deed recorded February 19, 1947, in Book 817, Page 419, of Official Records of Riverside County, California;

Thence Southeasterly and parallel with the Northeast line of said Block 1, Range 6, and on the Northeasterly line of said Parcel conveyed to Nicholas B. Leest and Evelyn R. Leest, a distance of 157.50 feet;

Thence Northeasterly and parallel with said Northwest line of Block 1, Range 6, a distance of 50.00 feet;

Thence Northwesterly and parallel with said Northeast line of Block 1, Range 6, a distance of 35.00 feet;

Thence Northeasterly and parallel with said Northwest line of Block 1, Range 6, a distance of 55.00 feet to said Northeast line of Block 1, Range, 6;

Thence Northwesterly along said Northeast line of Block 1, Range 6, a distance of 122.50 feet to the **POINT OF BEGINNING**.

EXCEPTING THEREFROM that portion conveyed to the City of Riverside per deed recorded March 11, 1909, in Book 280, Page 142 of Deeds of Official Records of Riverside County, California.

Area – 14,190 S.F. more or less



PARCEL 4 - A.P.N.: 213-031-003
Address: 3654 1st Street

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

The Southeasterly rectangular 35 feet of the Northeasterly rectangular 55 feet of the Northwesterly rectangular 157.5 feet of Lot 6 in Block 1, Range 6 of Town of Riverside as shown by map on file in map Book 7, Page 17 thereof, Records of San Bernardino County, California.

Area – 1,925 S.F. more or less

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

 10/28/12 Prep. 
Curtis C. Stephens, L.S. 7519 Date

