

RESOLUTION NO. SBOB/2017-02

RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN BERNARDINO APPROVING THE PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS BETWEEN THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN BERNARDINO AND HIP SO CAL PROPERTIES, LLC WITH RESPECT TO THE REAL PROPERTY LOCATED AT 904 SOUTH FOISY STREET, SAN BERNARDINO (APN 0280-131-23) AND APPROVING CERTAIN RELATED ACTIONS

WHEREAS, pursuant to Health and Safety Code (the “HSC”) § 34172 (a) (1), the Redevelopment Agency of the City of San Bernardino was dissolved February 1, 2012; and

WHEREAS, consistent with the provisions of the HSC, on January 9, 2012 the Mayor and Common Council of the City of San Bernardino elected to serve in the capacity of the Successor Agency to the Redevelopment Agency of the City of San Bernardino (the “Successor Agency”); and

WHEREAS, the Oversight Board for the Successor Agency (the “Oversight Board”) has been established pursuant to HSC § 34179 to assist in the wind-down of the dissolved redevelopment agency; and

WHEREAS, on September 15, 2015, the Successor Agency submitted its Oversight Board-approved Long-Range Property Management Plan (the “LRPMP”) to the California Department of Finance (the “DOF”); and

WHEREAS, on December 31, 2015, the DOF approved the Successor Agency’s LRPMP and notified the Successor Agency that pursuant to HSC § 34191.3, the approved LRPMP shall govern, and supersede all other provisions relating to the disposition and use of all the real property assets of the former redevelopment agency; and

WHEREAS, the approved LRPMP, which addresses the disposition and use of the real property assets held by the Successor Agency, includes 230 parcels of land grouped into forty-six (46) separate sites, eighteen (18) of which were designated as government use sites, seven (7) of which are designated as future development sites and twenty-one (21) of which were designated to be sold; and

1 **WHEREAS**, the Successor Agency is the owner of that certain real property consisting of
2 approximately 0.66 acres of vacant land located at 904 South Foisy Street, San Bernardino, California
3 (APN 0280-131-23) (the "Property"); and

4 **WHEREAS**, within the LRPMP, the Property is: (i) identified as Site No. 40; (ii)
5 described as a vacant industrial site; (iii) designated for sale; and (iv) more fully described in
6 Exhibit "A" attached hereto, which is an excerpt from the LRPMP; and

7 **WHEREAS**, pursuant to its letter dated November 18, 2016, Howard Industrial Partners
8 ("HIP") has offered to purchase the Property for \$122,473.30 (the "HIP Offer Letter"), subject to
9 certain conditions, as more fully described within the HIP Offer Letter, a copy of which is attached to
10 this Resolution as Exhibit "B"; and

11 **WHEREAS**, pursuant to its letter dated November 28, 2016, HIP provided the Successor
12 Agency with certain supplemental information (the "HIP Supplemental Information Letter")
13 concerning its plans to develop the Property together with the parcels surrounding it as an
14 approximately 200,000 square foot industrial facility (the "Project"), the specifics of which are more
15 fully described within the HIP Supplemental Information Letter, a copy of which is attached to this
16 Resolution as Exhibit "C"; and

17 **WHEREAS**, to determine whether the purchase price offered by HIP is fair and reasonable,
18 the Successor Agency commissioned Daum Commercial Real Estate Services (the "Daum") of Ontario
19 California, a real estate brokerage firm familiar with the industrial/commercial real estate market
20 within the Inland Empire Region in general and the City of San Bernardino in particular, to prepare a
21 Broker's Opinion of Value (the "BOV") to confirm if the purchase price offered by HIP for the
22 Property is fair and reasonable; and

23 **WHEREAS**, based on past practice, the DOF has acknowledged that BOVs are an acceptable
24 method and basis for confirming that the value of real property being sold by a successor agency is fair
25 and reasonable; and

26 **WHEREAS**, on December 9, 2016, the Successor Agency received the BOV from Daum
27 confirming that \$122,473.30 purchase price offered by HIP for the Property is fair and reasonable, as
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1 more fully described within the BOV, a copy of which is attached to this Resolution as Exhibit “D”;
2 and

3 **WHEREAS**, the Property will be acquired by a single purpose legal entity created by HIP for
4 the Project, i.e., HIP So Cal Properties LLC, a California limited liability company; and

5 **WHEREAS**, this Resolution will approve the Purchase and Sale Agreement and Joint
6 Escrow Instructions (the “Agreement”) between the Successor Agency and HIP So Cal Properties,
7 LLC with respect to the Property, a copy of which is attached to this Resolution as Exhibit “E”, and
8 authorize certain related actions; and

9 **WHEREAS**, on December 19, 2016, the Successor Agency Board approved the
10 Agreement; and

11 **WHEREAS**, consistent with the provisions of the HSC and the LRPMP, the effectiveness
12 of the Agreement is subject to the approval of the Oversight Board and the DOF; and

13 **WHEREAS**, subject to the approvals of the Oversight Board and DOF, the Successor
14 Agency intends to distribute the land sale proceeds to the San Bernardino County Auditor-
15 Controller for distribution to the taxing entities, less the costs of sale attributable to the Successor
16 Agency that are described within the Agreement; and

17 **WHEREAS**, all of the prerequisites with respect to the approval of this Resolution have
18 been met.

19 **NOW, THEREFORE, BE IT RESOLVED** by the Oversight Board for the Successor
20 Agency to the Redevelopment Agency of the City of San Bernardino, as follows:

21 **Section 1.** The foregoing recitals are true and correct and are a substantive part of this
22 Resolution.

23 **Section 2.** The Agreement for the purchase and sale of the Property, attached hereto as
24 Exhibit “E”, is approved.

25 **Section 3.** The Successor Agency’s distribution of the land sale proceeds to the San
26 Bernardino County Auditor-Controller for distribution to the taxing entities, less the costs of sale
27 attributable to the Successor Agency, is approved.

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1 **Section 4.** The City Manager, as Executive Director of the Successor Agency, or
2 designee, is hereby authorized and directed to: i) notify DOF concerning this Resolution, in
3 accordance with the applicable provisions of the HSC; and ii) take such other actions and execute
4 such other documents as are necessary to effectuate the intent of this Resolution

5 **Section 5.** This Resolution shall take effect upon the date of its adoption. The
6 effectiveness of the Agreement is conditioned upon its approval by the DOF.

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1 RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR
 2 AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN
 3 BERNARDINO APPROVING THE PURCHASE AND SALE AGREEMENT
 4 AND JOINT ESCROW INSTRUCTIONS BETWEEN THE SUCCESSOR
 5 AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN
 6 BERNARDINO AND HIP SO CAL PROPERTIES, LLC WITH RESPECT TO
 7 THE REAL PROPERTY LOCATED AT 904 SOUTH FOISY STREET, SAN
 8 BERNARDINO (APN 0280-131-23) AND APPROVING CERTAIN RELATED
 9 ACTIONS

10 PASSED, APPROVED AND ADOPTED THIS 30th day of January, 2017, by the following vote:

Board Members	Ayes	Nays	Abstain	Absent
HEADRICK				X
HILL	X			
MORRIS	X			
O'TOOLE	X			
SMITH	X			
TORRES				X
(VACANT)				

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 19 Lisa Connor, Secretary

20 The foregoing Resolution is hereby approved this 30th day of January, 2017.

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 23 James P. Morris, Chairman
 24 Oversight Board for the
 25 Successor Agency to the Redevelopment
 26 Agency of the City of San Bernardino
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**Narrative for Site No. 40
904 Foisy Street, San Bernardino
(APN 0280-131-23)
Excerpted from the
Long-Range Property Management Plan
(Pages 188-191)

(See Attachment)**

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Site No. 40: Vacant S. Foisy Street Industrial Property

Address: 904 S. Foisy Street
APN: 0280-131-23





Site No. 40: Vacant S. Foisy Street Industrial Property

- A. Permissible Use (HSC § 34191.5 (c) (2)):**
Site No. 40 is the Vacant S. Foisy Street Industrial Property (the “Vacant Industrial Property”) and is proposed to be sold by the Successor Agency.
- B. Acquisition of Property (HSC § 34191.5 (c) (1) (A) and § 34191.5 (c) (1) (B)):**
Property records indicate that the Vacant Industrial Property was acquired by the Agency in January 2010, and carries a Book Value of \$9,845. The Vacant Industrial Property was acquired by the Agency in order to meet the revitalization goals of City and the Agency to alleviate the existence and spread of physical and economic blight. The estimated current value (the “ECV”) of the Vacant Industrial Property is approximately \$82,000.
- C. Site Information (HSC § 34191.5 (c) (1) (C)):**
The Vacant Industrial Property consists of one (1) 0.66-acre parcel (APN 0280-131-23) located at 904 S. Foisy Street. The Vacant Industrial Property is zoned Industrial Light (IL). The IL designation is intended to retain, enhance and intensify existing industrial property, and provide for the new development of lighter industrial uses along major vehicular, rail, and air transportation routes serving the City.
- D. Estimated Current Value (HSC § 34191.5 (c) (1) (D)):**
To determine an ECV for the Vacant Industrial Property, in January 2015, the Agency conducted a comparable sales analysis through the National Data Collective. The ECV was determined to be approximately \$82,000.
- Local factors were not taken into consideration in determining the ECV of this site. The ECV is only a rough estimate that was obtained from an on-line source where only comparable sales data are available. It is not possible to include environmental issues or any other special or unique factors into simple ECV calculations, as such data are not available from the source. Therefore, the actual value of the property may vary significantly from the ECV. The Successor Agency notes that in the environment of AB 1484, it may not be possible to achieve appraised values. The Successor Agency will be in charge of the process seeking to achieve successful marketing of properties, and will act with reasonable diligence. However, the constraints and environment of AB 1484 militate against maximizing prices. The actual sales prices to be realized will be a function of what a willing buyer is willing to pay under circumstances where there will be no seller financing and dispositions will be subject to Oversight Board approval. There is no reason to think that book values will be realized.
- E. Site Revenues (HSC § 34191.5 (c) (1) (E)):**
There are no site revenues generated from the Vacant Industrial Property.
- F. History of Environmental Contamination (HSC § 34191.5 (c) (1) (F)):**
There is no known history of environmental contamination.⁴⁶

⁴⁶ <http://geotracker.waterboards.ca.gov/map/?CMD=runreport&myaddress=904+s+foisy+san+bernardino>



Site No. 40: Vacant S. Foisy Street Industrial Property

G. Potential for Transit Oriented Development (TOD) and the Advancement of Planning Objectives of the Successor Agency (HSC § 34191.5 (c) (1) (G)):

There is no potential for a TOD in conjunction with Vacant Industrial Property.

Selling the Vacant Industrial Property advances the planning objectives of the Successor Agency and the City to develop and revitalize this area of the community through the creation of opportunities for private investment in the City.

H. History of Previous Development Proposals and Activity (HSC § 34191.5 (c) (1) (H)):

There is no history of previous development proposals or activities in conjunction with the Vacant Industrial Property.

I. Disposition of Property:

The Successor Agency proposes to sell the Vacant Industrial Property in accordance with the Successor Agency's policies and procedures for property disposition as shown in Exhibit "A" Section I. Purchase and Sale Procedures.

The ECV of the Vacant Industrial Property is approximately \$82,000.

Date of estimated current value – January 2015

Value Basis – The ECV was determined by a comparable sales analysis using the National Data Collective subscription service. The ECV is approximately \$82,000.

Local factors that may affect land value were not taken into consideration. Therefore, the actual value of the property may vary greatly from the ECV. The ECV is only a planning number and should not be relied upon as a basis for actual value.

Proposed sale date – TBD and subject to the Successor Agency's implementation of its policies and procedures for property disposition as shown in Exhibit "A."

Proposed sale value – TBD and subject to a fair market appraisal conducted by a licensed appraiser.

The Successor Agency notes that in the environment of AB 1484, it may not be possible to achieve appraised values. The Successor Agency will be in charge of the process seeking to achieve successful marketing of properties, and will act with reasonable diligence. However, the constraints and environment of AB 1484 militate against maximizing prices. The actual sales prices to be realized will be a function of what a willing buyer is willing to pay under circumstances where there will be no seller financing and dispositions will be subject to Oversight Board approval. There is no reason to think that book values will be realized.



Site No. 40: Vacant S. Foisy Street Industrial Property

J. Implementation of the Long-Range Property Management Plan:

Following the approval of the LRPMP by the DOF, the Successor Agency will implement the LRPMP.

For properties to be sold, implementation will include distribution of any land sales proceeds for enforceable obligations and/or distributed as property tax to the taxing entities. Due to the vagaries associated with the sale of land, such as uncertainties concerning the timing of sale and the price that would be realized, it is not feasible to precisely state in the LRPMP how the funds will be used. In that regard, once an agreement is reached with respect to the purchase and sale of a property, the agreement will be presented to the Oversight Board for concurrence. The Oversight Board's approval will be evidenced by a resolution that will be submitted to DOF and, per the HSC, is subject to DOF's review. That resolution will include or refer to a staff report which describes with greater particularity, once more facts are known, how the proceeds of sale will be distributed. As noted in Section I – Introduction of the LRPMP, the LRPMP provides that proceeds of the sale may be used for enforceable obligations and/or distributed as property tax to the taxing entities through the County Auditor-Controller. The need to retain some or all of the proceeds of sale for enforceable obligations will depend on whether there is a short-fall in RPTTF in the ROPS cycle during which the escrow is anticipated to close. If a short-fall were to occur in the RPTTF at that time, then all or a portion of the sale proceeds should be used to fulfill an enforceable obligation with any remaining sale proceeds then distributed as property tax to the taxing entities through the County Auditor-Controller. If there is not a short-fall in RPTTF at the time of close of escrow, then land sale proceeds would be distributed as property tax to the taxing entities through the County Auditor-Controller in a manner described at the time of Oversight Board approval as to a particular property sale. Since it is impossible to foresee when and if a short-fall in the RPTTF may occur, or when the property will be sold, the use of the sale proceeds cannot be specifically determined at this time and, therefore, cannot be stated with greater particularity in the LRPMP. However, it is clear that at the time a sale takes place, the sale will be brought back to the Oversight Board and will be subject to review.

**November 18, 2016 Letter
From
Howard Industrial Partners**

(See Attachment)

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Howard Industrial Partners

155 North Riverview Drive
Anaheim, California 92808
(714) 769-9155
www.hipre.net

November 18, 2016

Mr. Mark Scott
City Manager
City Hall
City of San Bernardino
300 North "D" Street, 6th Floor
San Bernardino, California 92418

Re: Offer to purchase 904 South Foisy Street (APN 0280-131-23)

Dear Mr. Scott:

This is a follow-up to our August 24, 2016 letter to you expressing interest in acquiring the approximately .66-acre vacant lot located at 904 South Foisy Street (APN 0280-131-23)(the "Property"). The Property is currently owned by the Successor Agency to the Redevelopment Agency of the City of San Bernardino (the "Successor Agency"). The Successor Agency has designated the Property for sale within its approved Long-Range Property Management Plan (the "LRPMP"). The Property is further described within the LRPMP as Site No. 40, "Vacant S. Foisy Street Industrial Property" (see pages 188-191).

Since August 24, 2016, we have met with your staff and consultants related to the opportunity to purchase the Property for the purpose of completing a site assembly program we have initiated to acquire as much of the property as possible located between East Central Avenue on the North, East Norman Road on the south, South Waterman Avenue on the west and Foisy Street on the east (the "Project Site"). An aerial map of the Project Site is attached as Exhibit A. For your information, we are also acquiring other land in the general vicinity of the Project Site. It is our intent to develop all or a portion of the Project Site with attractive and modern industrial type buildings. We currently have parcels 7 through 12 and 14 through 17 within the Project Site under contract for acquisition – All of these Sellers are providing us a minimum of 12 months to obtain project entitlements. With the Property (#13 on Exhibit A) we will be able to pursue entitlements for the development of a 9.13 acre project, which upon completion will be a state-of-the-art ±200,000 SF industrial facility valued at approximately \$20,000,000. We anticipate leasing or selling the facility to a local or regional company, which will provide good paying jobs to the community, increase the city's tax basis, and hopefully generate sales tax.

In our discussions with your staff and consultants it was confirmed that our firm may be able to purchase the Property subject to the following conditions:

1. The sale of the Property cannot wait for entitlements and must be sold for a fair market value. Asking prices for vacant land in the immediate area currently range from \$1.98 to \$4.26 per land square foot – Please see Exhibit B attached. It's important to note these properties have been sitting on the market an average of 33 months. We anticipate these properties to sell below their asking prices; however, we propose to acquire the Property at the high end of this

spectrum for \$122,473.30 (or \$4.26 per square foot), which is also higher than the 2016 sale comps for vacant land purchased without time to obtain entitlements prior to closing – Please see Exhibit C attached. We understand that the Successor Agency intends to obtain at its cost a stand-alone “Broker’s Opinion of Value” from a third-party broker to satisfy itself with respect to our fair market offer to purchase the Property and to conform with documentation requirements of State law.

2. The Property is to be sold and acquired in an “AS IS” and “WHERE IS” condition.
3. The purchase price will be paid with cash and there will not be any financing, entitlement or other contingencies, except as noted in this letter.
4. The sale will only be contingent upon the approval of the Successor Agency, its Oversight Board and the California Department of Finance (the “DOF”). Based on this, we understand that it may take 60 to 90 days to process a purchase and sale agreement.
5. The Successor Agency will not pay any broker commissions; however, our firm may pay its own broker and/or consultants in or outside of escrow.
6. The Parties will cooperate in the selection of a title company and escrow holder.
7. The Successor Agency will pay prior to or at closing the currently outstanding real property taxes applicable to the Property.
8. The Successor Agency will pay for a CLTA title policy. If our firm requires an ALTA policy, we will pay for the difference in cost.
9. The Parties will share all normal escrow costs.
10. The purchase and sale of the Property will be confirmed within a Purchase and Sale Agreement that will be prepared by the Successor Agency.

We understand that the above summarizes the property purchase and sale arrangement and that a purchase and sale agreement will more fully confirm the arrangement between the Parties. We will diligently cooperate with the Successor Agency and its representatives in the preparation and finalization of the purchase and sale agreement. In addition, it is very important to our planning for the Project Site that we receive a confirmation from the Successor Agency that it will be able to proceed with the purchase and sale of the Property by November 28, 2016.

We wish to thank you, your staff and consultants for their time and consideration in this matter. We look forward to receiving your response and especially beginning this very important new addition to San Bernardino’s economic development landscape.

If you have any questions, please contact me at (714) 769-9155.

Sincerely,



TIMOTHY J. HOWARD
Founding Partner

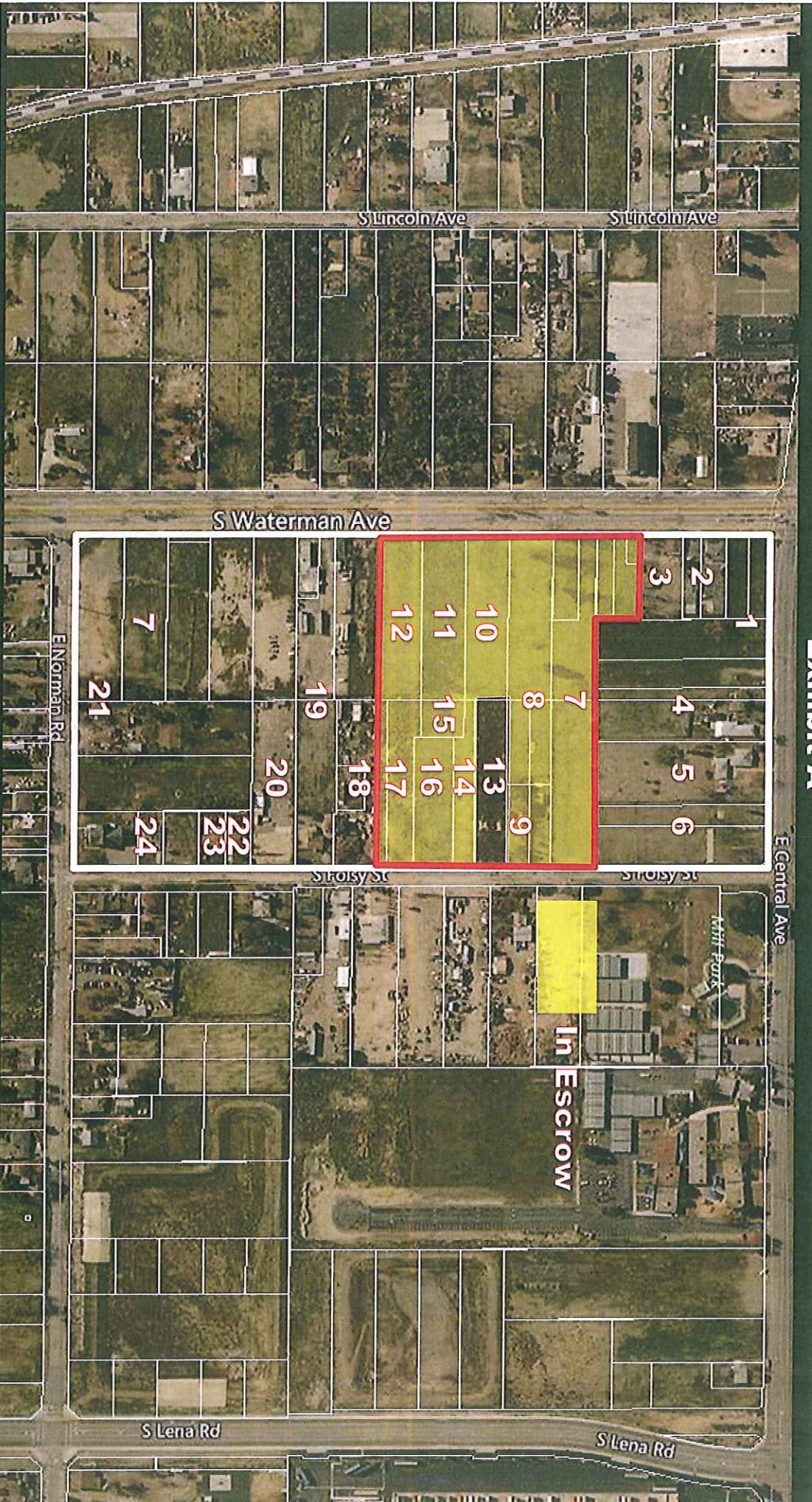
Page 3

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Enclosure







cc: Mr. Michael J. Tyre, Partner
Mr. Cody Wolf, Lee & Associates
Mr. Chris G. Morrell, Lee & Associates

EXHIBIT A



Available Land - San Bernardino



LAND		Avail SF/AC	Rate/SF	Fncd	Status	Utilities	Listing Notes
#	Property Location	Min SF/AC	Price/SF	Pvd	Use		Bldg SF Description
1	SE of 3rd St and Waterman Ave San Bernardino, CA 92410 TG: 606-J1 APN: 0135-351-22	199,534/4.58 199,505/4.58 Environmental Rpts: VERIFY;	-- \$1.98	-- --	Available Mixed Use	Gas <input checked="" type="checkbox"/> Water <input checked="" type="checkbox"/> Sewer <input checked="" type="checkbox"/> Electric <input checked="" type="checkbox"/> Tele <input type="checkbox"/> FibrOpt <input type="checkbox"/>	4.58 Acres Available Located on Busy 3rd St with Large Street Frontage Lot is Zoned for Office and Industrial Park Uses Medical, Industrial R&D, Retail Commercial, Educational Services Acceptable With an Administrative or Developmental Permit Bldg SF Desc: VERIFY
						Zoning: OIP Property/Listing #: 1128515/1037191 Mos on Mkt: 29	
2	740 W Congress St San Bernardino, CA 92410 TG: -- APN: 013609115 W Congress St/S G St	81,892/1.88 81,892/1.88 --	-- \$2.26	-- --	In Escrow Ret-General	Gas <input type="checkbox"/> Water <input checked="" type="checkbox"/> Sewer <input checked="" type="checkbox"/> Electric <input checked="" type="checkbox"/> Tele <input type="checkbox"/> FibrOpt <input type="checkbox"/>	Lot 46 1.88 Acres of Retail Land Available Highly Visible From 215 Freeway Property Being Remediated For Environmental Purposes Bldg SF Desc: --
						Zoning: Commercial Property/Listing #: 1840681/967075 Mos on Mkt: 33	
3	NW of E Mill St and S Waterman Ave San Bernardino, CA 92408 TG: 606-J5 APN: 0136-271-24	100,188/2.3 100,188/2.3 --	-- \$3.49	-- --	Available Mixed Use	Gas <input type="checkbox"/> Water <input type="checkbox"/> Sewer <input type="checkbox"/> Electric <input type="checkbox"/> Tele <input type="checkbox"/> FibrOpt <input type="checkbox"/>	2.3 Acres Available Verify All Details Bldg SF Desc: VERIFY
						Zoning: IND Property/Listing #: 869264/408908 Mos on Mkt: 106	
4	NW of E Orange Show Rd and S Waterman Ave San Bernardino, CA 92408 TG: -- APN: 0136-422-14	78,408/1.8 78,408/1.8 --	-- \$3.75	No No	Available Mixed Use	Gas <input type="checkbox"/> Water <input type="checkbox"/> Sewer <input type="checkbox"/> Electric <input type="checkbox"/> Tele <input type="checkbox"/> FibrOpt <input type="checkbox"/>	1.8 Acres Available Curb Cut on Waterman Ave Light Industrial (IL) and Office Industrial (OIP) Zoning Ideal for a Contractor's or Storage Yard Direct Access to I-215 and I-10 Bldg SF Desc: --
						Zoning: IL OIP Property/Listing #: 2050683/1628150 Mos on Mkt: 7	
5	SW of Mill St and Waterman Ave San Bernardino, CA 92408 TG: 606-J2 APN: 0136-401-72	175,982/4.04 175,982/4.04 Environmental Rpts: VERIFY;	-- \$3.76	Yes No	Available Ind-Mfg	Gas <input checked="" type="checkbox"/> Water <input checked="" type="checkbox"/> Sewer <input checked="" type="checkbox"/> Electric <input checked="" type="checkbox"/> Tele <input type="checkbox"/> FibrOpt <input type="checkbox"/>	±4.04 Acres Available Access To Waterman Ave & Mill St Excellent Development/Owner-User Property Zoned Light Industrial/Office-Industrial Park Utilities To Site Zoned IL & OIP Bldg SF Desc: VERIFY
						Zoning: IL/OIP Property/Listing #: 1143573/516270 Mos on Mkt: 77	
6	SW of E Santa Fe St and S Tippecanoe Ave San Bernardino, CA 92408 TG: -- APN: 0280-082-09	39,204/1.9 39,204/1.9 --	-- \$4.00	Yes No	Available Ind-Other	Gas <input type="checkbox"/> Water <input type="checkbox"/> Sewer <input type="checkbox"/> Electric <input type="checkbox"/> Tele <input type="checkbox"/> FibrOpt <input type="checkbox"/>	0.9 Acres Light Industrial Zoning (IL) Fully Fenced Direct Access to I-215 & I-10 Fwys Ideal for Contractor's or Storage Yard Great Land Spec Opportunity in Path of Development Bldg SF Desc: --
						Zoning: IL Property/Listing #: 2479962/1578856 Mos on Mkt: 9	

This information has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy.



Available Land - San Bernardino



LAND		Avail SF/AC	Rate/SF	Fncd	Status	Utilities	Listing Notes
#	Property Location	Min SF/AC	Price/SF	Pvd	Use		Bldg SF Description
7	NE of Amos Ave and Dumas St San Bernardino, CA 92408 TG: -- APN: 0136-442-27	39,204/9 39,204/9 --	-- \$4.25	No No	Available Ind-Whse/Dist	Gas <input type="checkbox"/> Water <input checked="" type="checkbox"/> Sewer <input type="checkbox"/> Electric <input checked="" type="checkbox"/> Tele <input type="checkbox"/> FibrOpt <input type="checkbox"/>	Flat Topography Light Industrial Zoning (Verify) Bldg SF Desc: --
						Zoning: LI Property/Listing #: 2867513/1723068 Mos on Mkt: 2	
8	9458 S Washington Ave San Bernardino, CA 92408 TG: -- APN: 0136-451-09 W Orange Show Rd/S Washington	30,928/71 30,928/71 --	-- \$4.26	No No	Available Ind-Mfg	Gas <input type="checkbox"/> Water <input checked="" type="checkbox"/> Sewer <input type="checkbox"/> Electric <input checked="" type="checkbox"/> Tele <input type="checkbox"/> FibrOpt <input type="checkbox"/>	Flat Topography Light Industrial Zoning (Verify) Bldg SF Desc: --
						Zoning: IL Property/Listing #: 2867531/1723078 Mos on Mkt: 2	

This information has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy.



Exhibit C



2016 Land Comps - San Bernardino (as is, where is)

Property Type	APN	Address	City	State	Postal Code	Sold SF	Land Size Acres	Sale Actual Price PSF	Off Market Date
Land	0136-422-07, 14	S Waterman Ave	San Bernardino	CA	92408	78,408 SF	1.8 ACRES	\$3.70 PSF	Closing 11/29/2016
Land	0136-212-21, 23	111 Cluster St	San Bernardino	CA	92408	42,689 SF	.98 ACRES	\$4.10 PSF	Closed 11/18/2016
Land	0136-451-08	Washington Ave	San Bernardino	CA	92408	9,148 SF	0.21 ACRES	\$3.39 PSF	Closed 05/04/2016

**November 28, 2016 Letter
From
Howard Industrial Partners**

(See Attachment)

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Howard Industrial Partners

155 North Riverview Drive
Anaheim, California 92808
(714) 769-9155
www.hipre.net

November 28, 2016

Mr. Mark Scott
City Manager
City Hall
City of San Bernardino
300 North "D" Street, 6th Floor
San Bernardino, California 92418

**Re: Supplemental Information Related to the Offer to purchase 904 South Folsy Street
(APN 0280-131-23)**

Dear Mr. Scott:

This is a follow-up to our November 18, 2016 offer to purchase the approximately .66-acre vacant lot located at 904 South Folsy Street (APN 0280-131-23) (the "Property"). It is our understanding that due to agenda deadline issues it was not possible to share our November 18th letter with the Mayor and Common Council (the "M/CC") during their November 21, 2016 meeting. We also understand that you will be able to share our purchase offer with the M/CC during their meeting of December 5, 2016.

In addition, we have been advised that additional information will be needed to enable a thorough review of our proposal. Therefore, the purpose of this letter is to provide you with supplemental information regarding our plan to assemble and develop the approximately 9.13-acre site located between East Central Avenue on the North, East Norman Road on the south, South Waterman Avenue on the west and Folsy Street on the east (the "Project Site"). As we previously mentioned, the Property is located within the Project Site.

In our November 18th letter, we mentioned our intent to obtain entitlements for and subsequently develop a ±200,000 SF industrial facility valued at approximately \$20,000,000 at the Project Site. We anticipate leasing or selling the facility to a local or regional company, which will provide good paying jobs to the community, increase the city's tax basis, and hopefully generate sales tax. We are aware of the City's desire for high-quality industrial developments in general and especially along the City's South Waterman Avenue corridor.

Our firm is fully committed to ensuring the development of state-of-the-art industrial facilities including, but not limited to, architectural design endeavoring to break out of the "box", site layout and internal functionality. To further illuminate our development plans, we have enclosed the following documentation showing similar projects we have developed that will exemplify the quality of our work:

1. 2600 S Stanford Ave., Ontario, CA is a 207,718 square foot building with a 32' minimum clear height, ESFR sprinkler system, 29 dock high doors and 2,241 square feet of office space. This building is lined with a mixture of grass berm and eco-friendly landscaping and is designed

with dark blue reflective glass frontage and slate wall tile entry way. Toyota leased this space on a 5 year deal.

2. 4070 E Greystone Dr., Ontario, CA is a 106,514 square foot building with 4,525 square feet of two-story office, ESFR sprinkler system, 32' minimum clear height and 28 dock high doors. As example 1, this building is beautifully designed with dark blue reflective glass frontage, slate tile lined entry ways and a mixture of lush grass and eco-friendly landscaping. Nanshan America, an advanced aluminum technology manufacturer, purchased this building in 2010;
3. 1060-1140 Citrus Ave., Riverside, CA (Hunter Business Park) is a high image park with buildings ranging from 25,000 – 150,000 square feet. These buildings feature staggered walls, mature palm tree landscaping and dark blue reflective glass frontage. All of these buildings sold to local and regional small businesses who employ hundreds of workers; and
4. 415 Nicholas Rd. and 920 Fourth St., Beaumont, CA is a two building park totaling 572,143 square feet. The 127,688 square foot building has 14 dock high doors, ESFR sprinklers, 128 parking stalls, 32' minimum clearance and 2,406 square feet of office. This park is landscaped with mature palm trees and manicured bushes. These buildings have staggered office pop outs and dark blue reflective glass frontage. Rudolph Foods Company purchased the 127,688 square foot building in 2015.

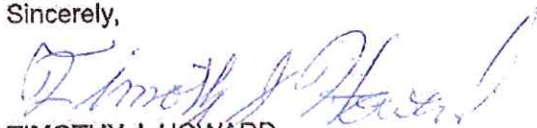
In addition, we are fully committed to work with your planning staff to ensure that the standards set within the City's entitlements for our planned $\pm 200,000$ SF industrial facility are consistent with the City's design expectations. Frankly, we believe our project will set a "high bar" for other developments in the vicinity and will help the City in its efforts to change the character of developments along the City's South Waterman Avenue corridor.

In addition, due to the need to continue the review of our proposal to the December 5th M/CC meeting, we can extend our need for written confirmation from the Successor Agency regarding its willingness to sell the Property to our firm from November 28, 2016 to December 12, 2016.

Thank you for their time and consideration in this matter. We look forward to receiving your response.

If you have any questions, please contact me at (714) 769-9155.

Sincerely,



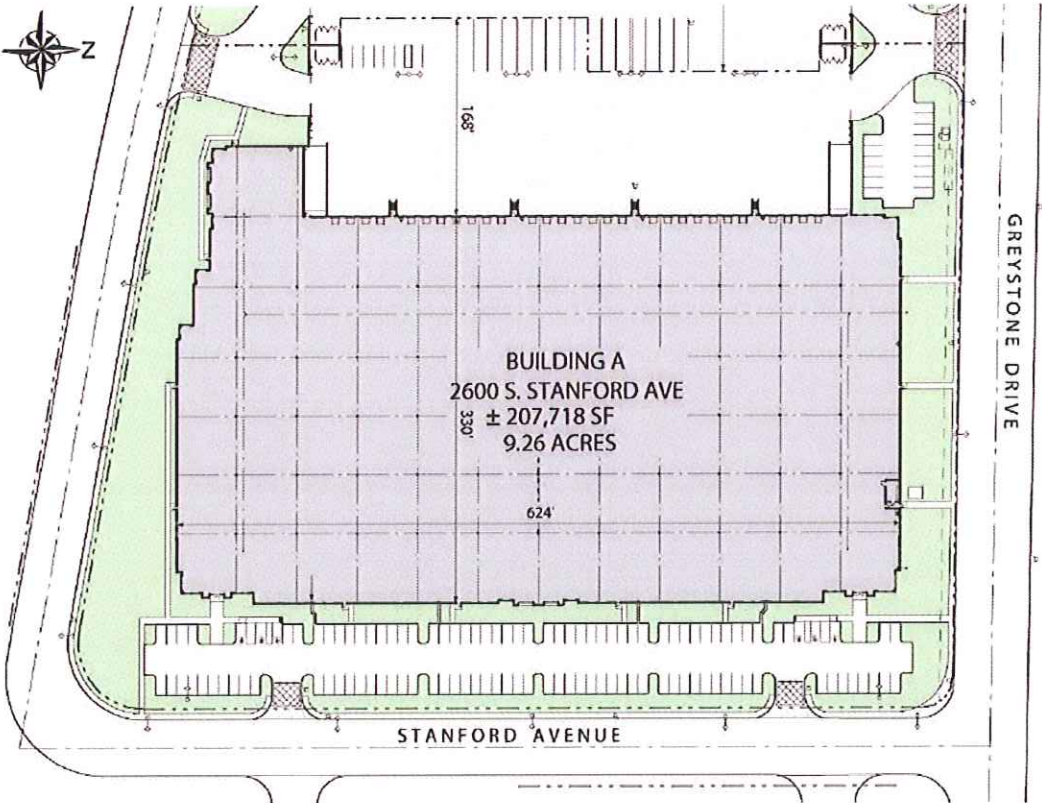
TIMOTHY J. HOWARD
Founding Partner

TJH:cw

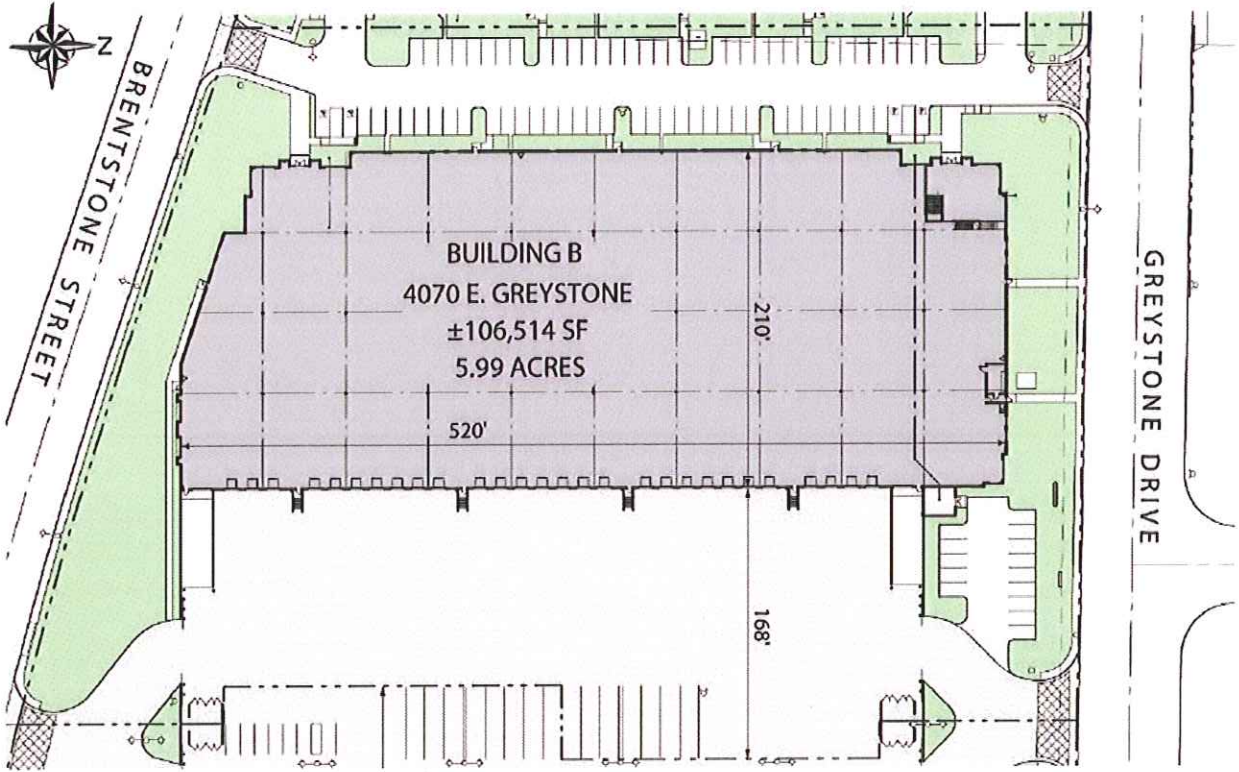
Enclosures

cc: Mr. Michael J. Tyre, Partner
Mr. Cody Wolf, Lee & Associates
Mr. Chris G. Morrell, Lee & Associates

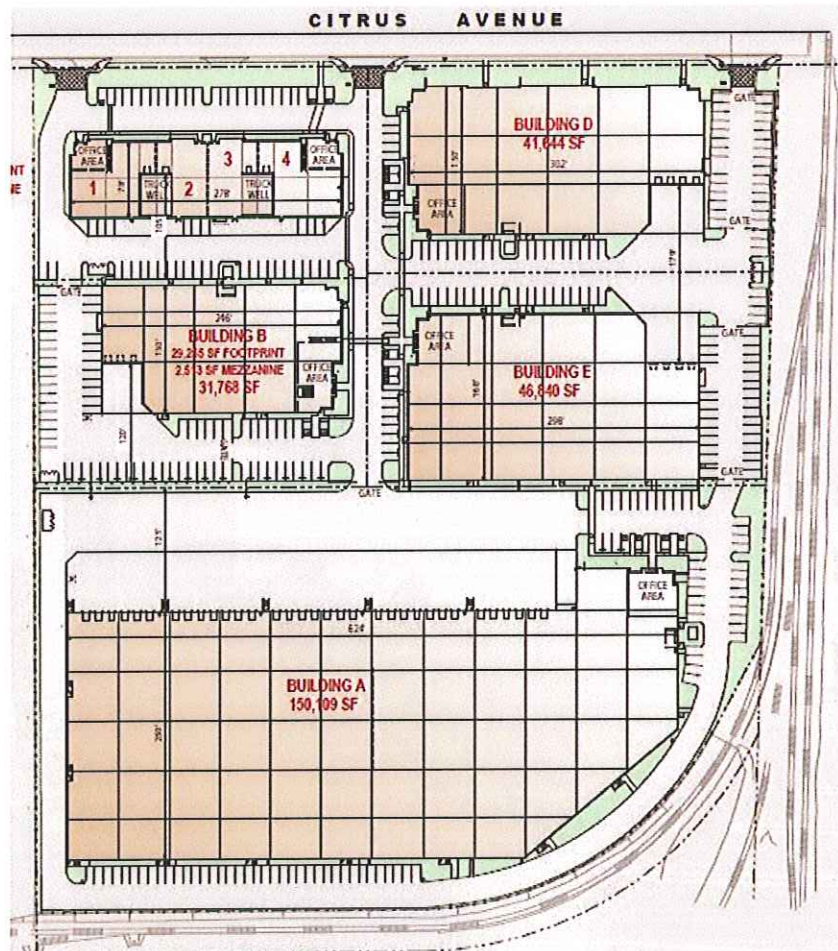
Example 1



Example 2



Example 3



Example 4



**Broker's Opinion of Value
Prepared by
Daum Commercial Real Estate Services**

(See Attachment)

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ESPECIALLY PREPARED FOR:

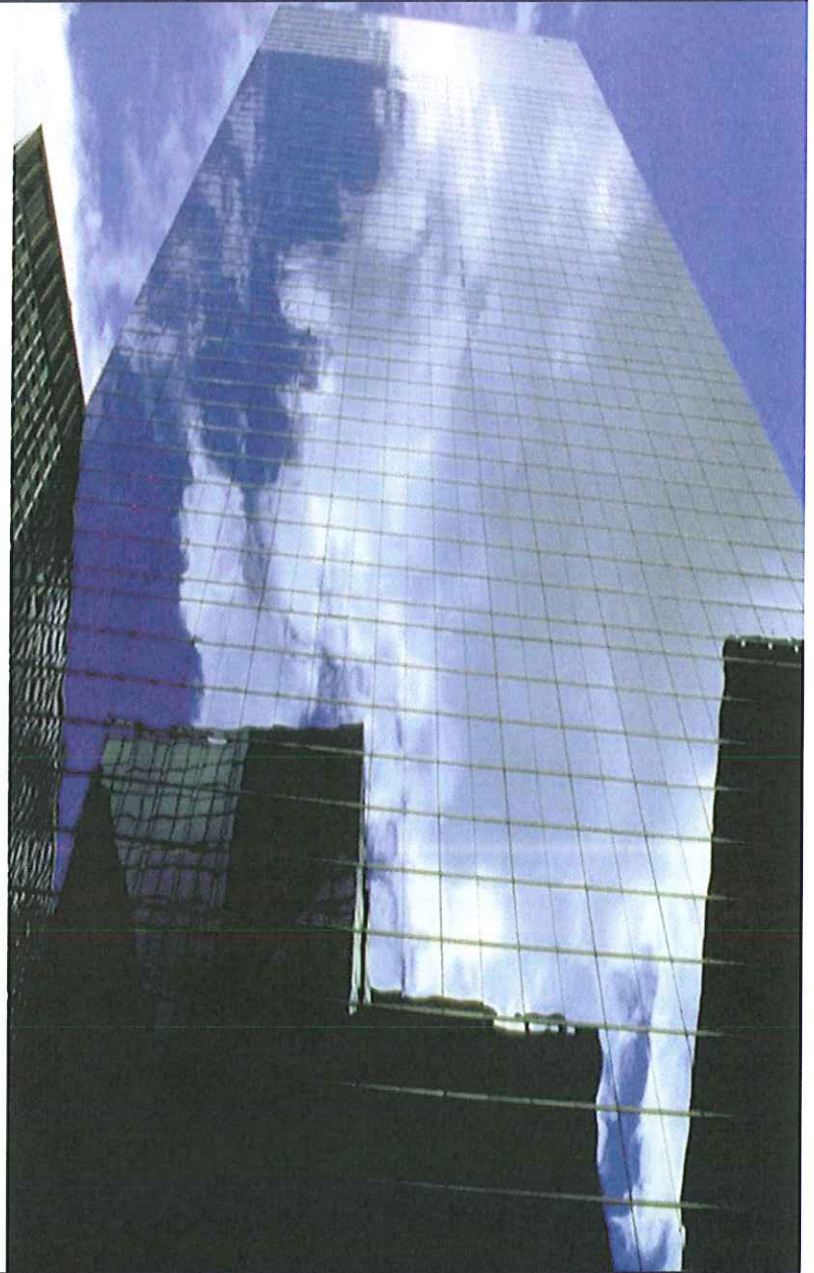
LISA CONNOR

Project Manager
Success Agency to the
Redevelopment Agency of the
City of San Bernardino, CA 92401

FOR THE PROPERTY LOCATED AT:

904 Foisy Street
San Bernardino, CA 92408

DATED: December 8, 2016



Prepared by:

JOSEPH PAREDES

Associate

Direct: 909.652.9054 | Cell: 949.566.5186

jparedes@daumcre.com

CA License#01895260

RICK JOHN, SIOR

Executive Vice President

Direct: 909.912.0001 | Cell: 949.378.4661

rj@daumcommercial.com

CA License#00800783



904 Foisey Street | San Bernardino, CA



DAUM Commercial Real Estate Services
3595 E. Inland Empire Blvd. | Bldg. 5 | Ontario, CA 91764
www.daumcommercial.com

REVIEW OF PROPERTY I

- Aerial Photo
- Area Map
- Property Profile
- Assessor's Parcel Map

SUMMARY II

- Executive Summary

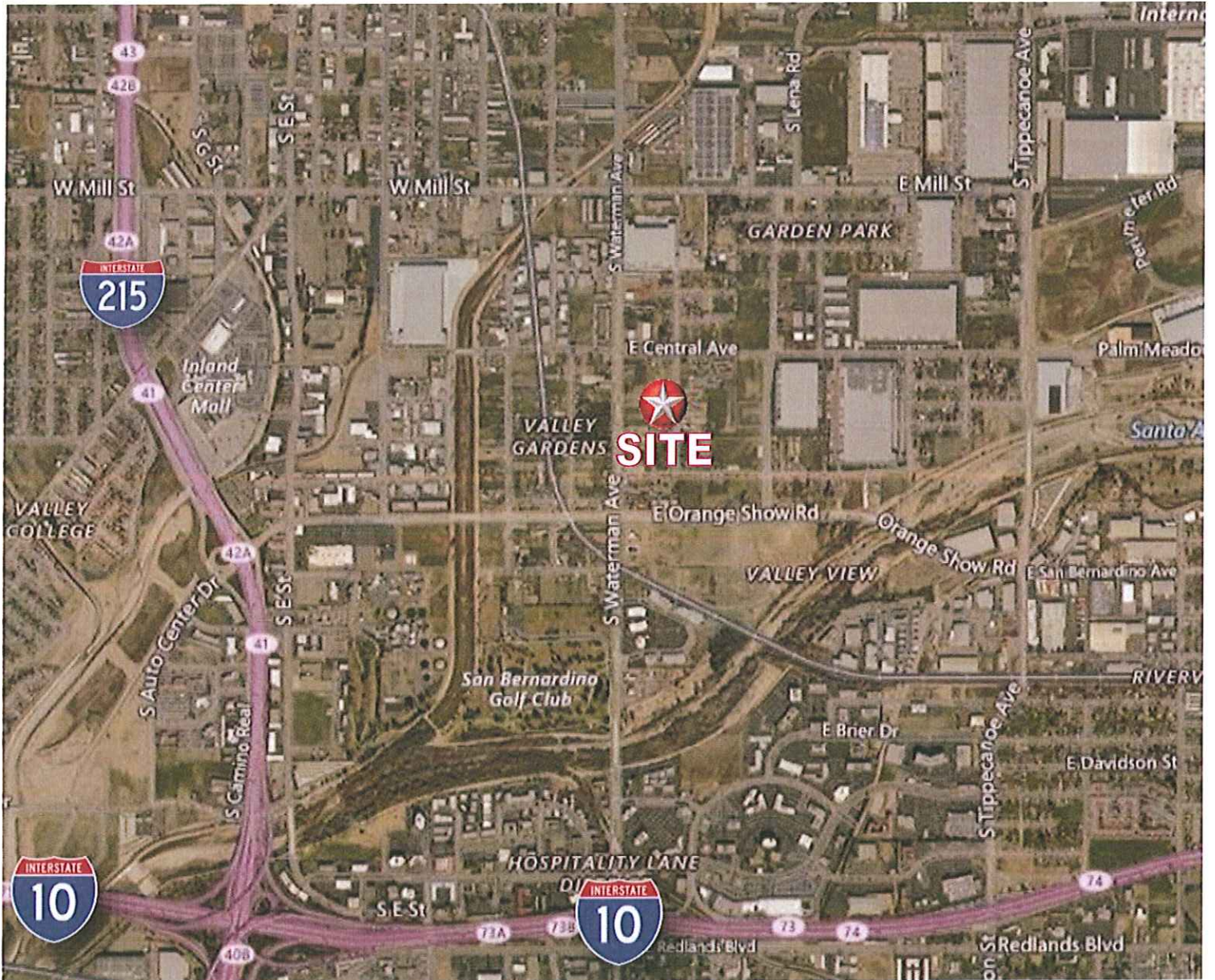
PROPERTY ANALYSIS III

- Comparables Spreadsheet
- Available Properties

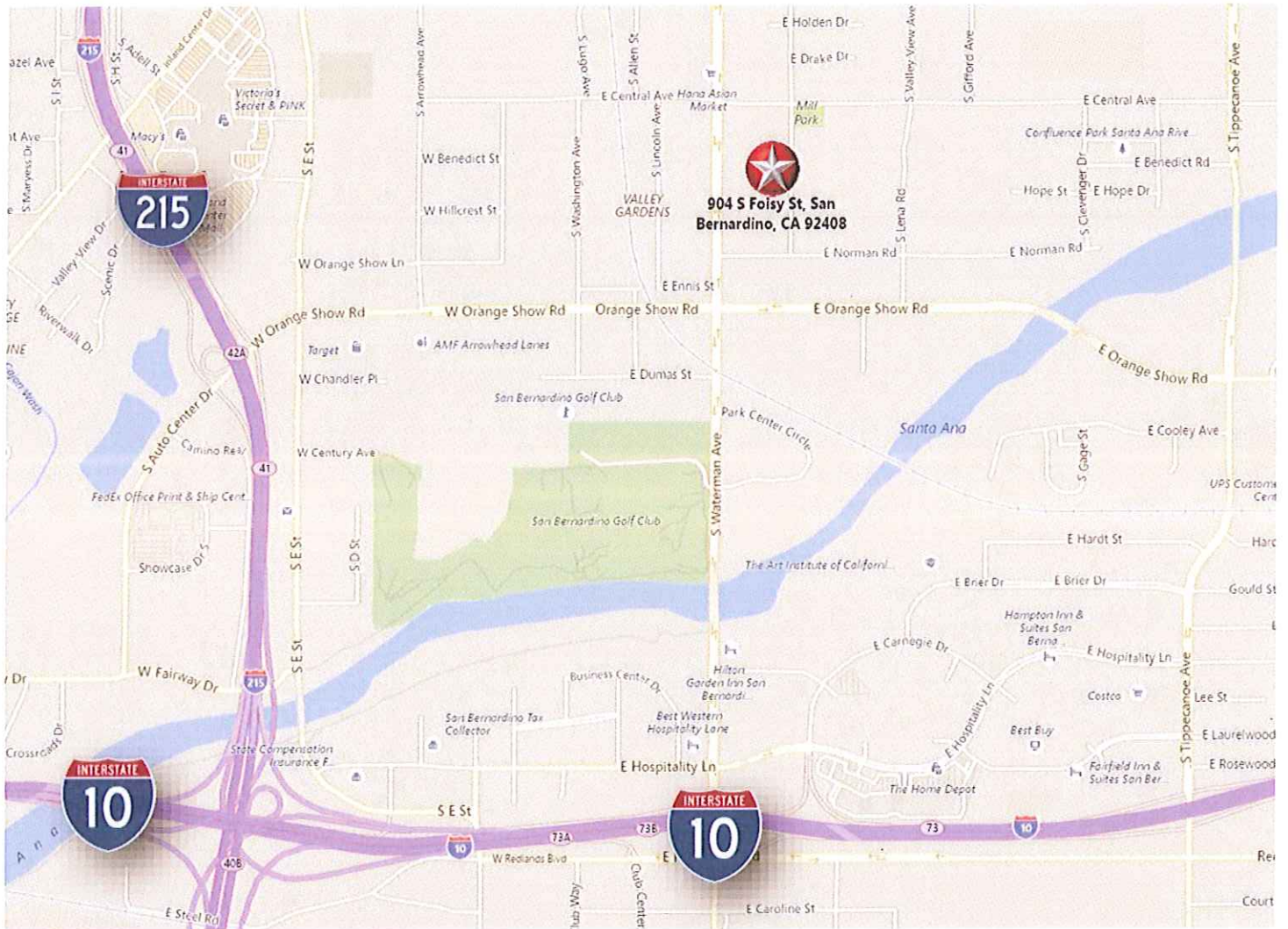
I

Section 1 | REVIEW OF PROPERTY

AERIAL PHOTOGRAPH



AREA MAP



PROPERTY PROFILE



PROPERTY ADDRESS

904 Foisy Street | San Bernardino, CA 92408

County: San Bernardino
Parcel #: 0280-131-23
Lot Size: 0.66 Acres (28,750 SF)

PROPERTY PROFILE

Property Detail Report for:



904 S FOISY ST, SAN BERNARDINO, CA, 92408-2342

Owner Information:

Owner Name: REDEVELOPMENT AGENCY OF THE CITY OF SAN
 Mailing Address: 201 H E ST STE 301, SAN BERNARDINO, CA, 92401-1520
 Vesting Code: GOVERNMENT Phone Number:

Location Information:

Legal Description: TR NO 2194 VALLEY TRUCK FARMS NO 2 H 75 FT LOT 22
 County: SAN BERNARDINO FIPS Code: 06071 Census Trct/Blk: 007200 / 2
 APN: 0280-131-23 Alternative APN: 0280-131-23-0000 Map Ref: J4-606
 Twtnshp-Rnge-Sect: - - Legal Book/Page: Tract No: 2194
 Legal Lot: 22 Legal Block:
 Subdivison: VALLEY TRUCK FARMS #2

Last Market Sale Information:

Sale Date: 12/3/2014 Sale Price: 1st Mtg Amount:
 Sale Doc No: 20140463111 Price Per SqFt: 1st Mtg Int Type:
 Transfer Doc No: 2014-0463111 Price Per Acre: 2nd Mtg Amount:
 1st Mtg Doc No: 2nd Mtg Int Type:
 Sale Type:
 Deed Type:
 Title Company:
 Lender:
 Seller Name:

Property Characteristics:

Building Area: Total Rooms: Construction:
 Living Area: Bedrooms: Heat Type:
 Garage Area: Baths: 0 Air Cond:
 Basement Area: Fireplace: Roof Type:
 Parking Type: No of Stories: Roof Material:
 Yr Built/E ffective: / Quality: Style:
 Pool Code:

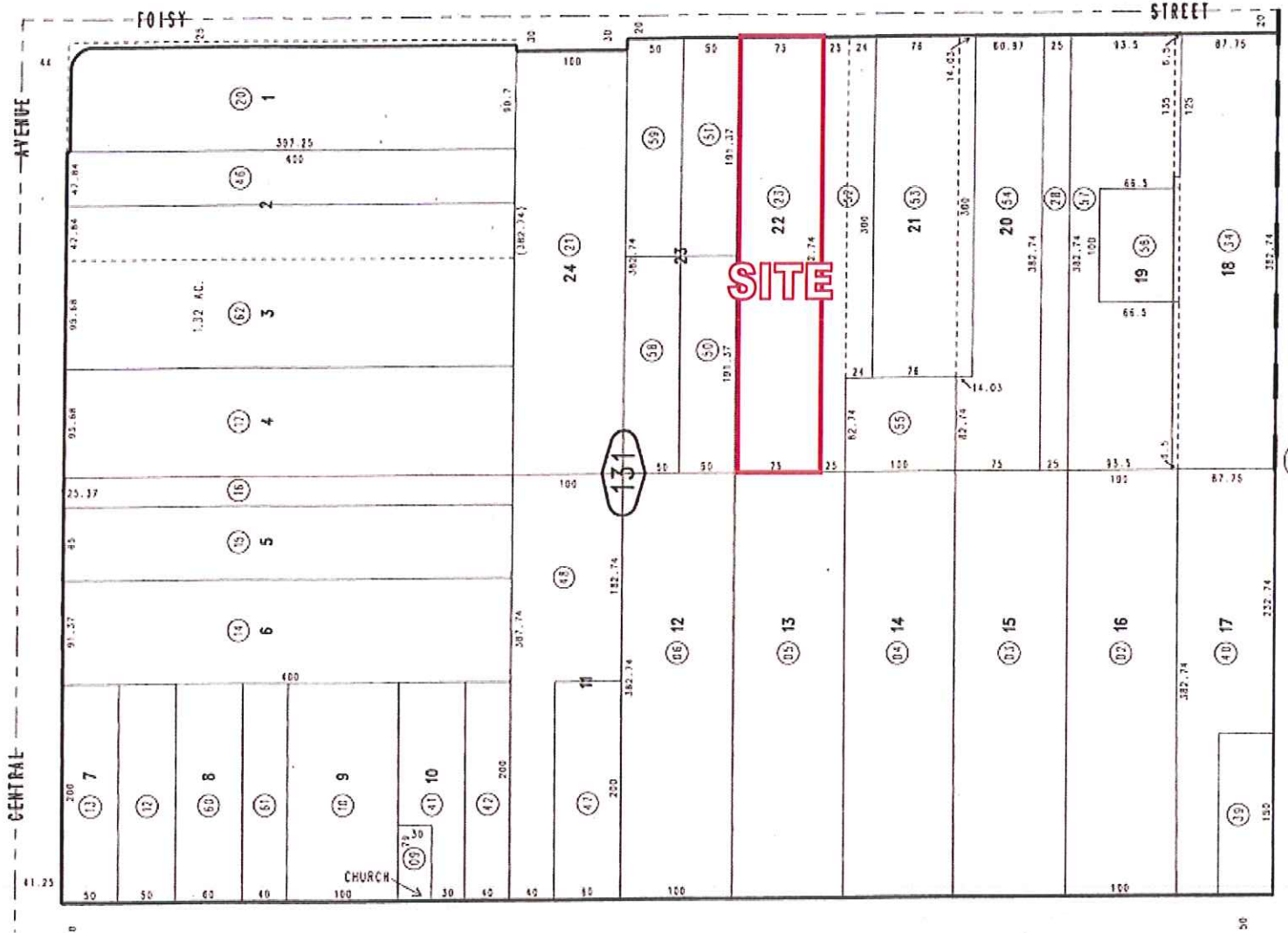
Tax and Value Information:

Assessed Value: Assessed Year: 2015 Est Market Val: \$120,500
 Land Value: Property Tax: Assessor Appd Val:
 Improvement Value: Improvement %:
 Total Taxable Value: Tax Exemption:

Site Information:

Assessor Acres: 0.66 Zoning: Land Use Code: 420
 Assessor Lot SqFt: 28,750 No of Buildings: Land Use Desc: COMMERCIAL
 Lot W/D: 750 / 3820 Res/Comm Units: County Use Code: LOT
 Calculated Acres: 0.659 Sewer Type: 0000
 Calculated Lot SqFt: 28,706 Water Type:

PROPERTY PARCEL MAP | 0280-131-23



II

Section 2 | SUMMARY

EXECUTIVE SUMMARY

December 8, 2016

Ms. Lisa Connor, Project Manager
Successor Agency to the
Redevelopment Agency of
City of San Bernardino
201 North E Street, Suite 301
San Bernardino, CA 92401

RE: Opinion of Value
904 South Foisy Street, San Bernardino, CA (APN: 0280-131-23)

Ms. Connor:

Pursuant to your request, we have prepared the following report regarding our opinion of value for the above referenced property. We have utilized the market approach to value for this analysis.

The subject property is approximately 0.66 acres of unimproved flat land that is currently zoned Industrial Light (IL) and located within the city of San Bernardino. Based upon comparable land sales in the local area combined with asking prices of comparable industrial land currently available for sale, we believe the market value of the subject property is as follows:

Market Approach to Value \$107,811.00 (\$3.75/SF)

Also enclosed you will find the following:

1. Property profile.
2. An aerial of the subject property.
3. Parcel map
4. Available industrial land for sale in San Bernardino, CA.
5. Industrial land sale comparables in San Bernardino, CA.

We appreciate the opportunity to provide you with this report. Please do not hesitate to call with any questions.

Sincerely,
DAUM Commercial Real Estate Services



Joseph Paredes
Associate
CA License #01895260



Rick John
Executive Vice President
CA License #00800783

III

Section 3 | **PROPERTY ANALYSIS**

RECENTLY SOLD COMPARABLE PROPERTIES

We have examined and included industrial buildings that have the most similar characteristics and location to the subject property. The properties listed below represent the most comparable and directly competitive properties that have been recently sold.

Avg. Sale Price: \$123.00 PSF
Sale Price Range: \$80.00 - \$221.00 PSF
Avg. Size: 3,588 Sq. Ft.
Size Range: 1,300 - 8,000 Sq. Ft.

2016 Land Comparables - San Bernardino ("As-Is" - "Where-Is")

Property Type	Address	City	State	Postal Code	Sold SF	Land Size Acres	Sale Actual Price PSF	Off Market Date
.and	S Waterman Ave	San Bernardino	CA	92408	78,408 SF	1.8 ACRES	\$3.70 PSF	Closed 11/29/201
.and	111 Cluster St	San Bernardino	CA	92408	42,689 SF	.98 ACRES	\$4.10 PSF	Closed 11/18/201
.and	Washington Ave	San Bernardino	CA	92408	9,148 SF	0.21 ACRES	\$3.39 PSF	Closed 05/04/201

LAND		Avail SF/AC	Rate/SF	Fncd	Status	Utilities	Listing Notes
#	Property Location	Min SF/AC	Price/SF	Pvd	Use		Bldg SF Description
1	SE of 3rd St and Waterman Ave San Bernardino, CA 92410 TG: 606-J1 APN: 0135-351-22	199,534/4.58 199,505/4.58	-- \$1.98	-- --	Available Mixed Use	Gas <input checked="" type="checkbox"/> Water <input checked="" type="checkbox"/> Sewer <input checked="" type="checkbox"/> Electric <input checked="" type="checkbox"/> Tele <input type="checkbox"/> FibrOpt <input type="checkbox"/>	4.58 Acres Available Located on Busy 3rd St with Large Street Frontage Lot is Zoned for Office and Industrial Park Uses Medical, Industrial R&D, Retail Commercial, Educational Services Acceptable With an Administrative or Developmental Permit Bldg SF Desc: VERIFY
						Zoning: OIP Property/Listing #: 1128515/1037191 Mos on Mkt: 30	
2	NW of E Mill St and S Waterman Ave San Bernardino, CA 92408 TG: 606-J5 APN: 0136-271-24	100,188/2.3 100,188/2.3	-- \$3.49	-- --	Available Mixed Use	Gas <input type="checkbox"/> Water <input type="checkbox"/> Sewer <input type="checkbox"/> Electric <input type="checkbox"/> Tele <input type="checkbox"/> FibrOpt <input type="checkbox"/>	2.3 Acres Available Verify All Details Bldg SF Desc: VERIFY
						Zoning: IND Property/Listing #: 869264/408908 Mos on Mkt: 107	
3	SW of Mill St and Waterman Ave San Bernardino, CA 92408 TG: 606-J2 APN: 0136-401-72	175,982/4.04 175,982/4.04	-- \$3.76	Yes No	Available Ind-Mfg	Gas <input checked="" type="checkbox"/> Water <input checked="" type="checkbox"/> Sewer <input checked="" type="checkbox"/> Electric <input checked="" type="checkbox"/> Tele <input type="checkbox"/> FibrOpt <input type="checkbox"/>	±4.04 Acres Available Access To Waterman Ave & Mill St Excellent Development/Owner-User Property Zoned Light Industrial/Office-Industrial Park Utilities To Site Zoned IL & OIP Bldg SF Desc: VERIFY
						Zoning: IL/OIP Property/Listing #: 1143573/516270 Mos on Mkt: 78	
4	NE of W Highland Ave and N Western Ave San Bernardino, CA 92411 TG: -- APN: 0148-181-03	46,609/1.07 46,609/1.07	-- \$3.84	No No	Available Ind-Other	Gas <input checked="" type="checkbox"/> Water <input checked="" type="checkbox"/> Sewer <input checked="" type="checkbox"/> Electric <input checked="" type="checkbox"/> Tele <input checked="" type="checkbox"/> FibrOpt <input checked="" type="checkbox"/>	+/-1.07 Acres Available Zoned IL for Light Industrial Use Easy Access to the 215 & 210 Freeways Utilities Available Bldg SF Desc: --
						Zoning: IL Property/Listing #: 1823075/1693699 Mos on Mkt: 4	
5	SW of E Santa Fe St and S Tippecanoe Ave San Bernardino, CA 92408 TG: -- APN: 0280-082-09	39,204/9 39,204/9	-- \$4.00	Yes No	Available Ind-Other	Gas <input type="checkbox"/> Water <input type="checkbox"/> Sewer <input type="checkbox"/> Electric <input type="checkbox"/> Tele <input type="checkbox"/> FibrOpt <input type="checkbox"/>	0.9 Acres Light Industrial Zoning (IL) Fully Fenced Direct Access to I-215 & I-10 Fwys Ideal for Contractor's or Storage Yard Great Land Spec Opportunity in Path of Development Bldg SF Desc: --
						Zoning: IL Property/Listing #: 2479962/1578856 Mos on Mkt: 10	
6	NE of Amos Ave and Dumas St San Bernardino, CA 92408 TG: -- APN: 0136-442-27	39,204/9 39,204/9	-- \$4.25	No No	Available Ind-Whse/Dist	Gas <input type="checkbox"/> Water <input checked="" type="checkbox"/> Sewer <input type="checkbox"/> Electric <input checked="" type="checkbox"/> Tele <input type="checkbox"/> FibrOpt <input type="checkbox"/>	Flat Topography Light Industrial Zoning (Verify) Bldg SF Desc: --
						Zoning: LI Property/Listing #: 2867513/1723068 Mos on Mkt: 3	

This information has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy.

LAND		Avail SF/AC	Rate/SF	Fncd	Status	Utilities	Listing Notes
#	Property Location	Min SF/AC	Price/SF	Pvd	Use		Bldg SF Description
7	9458 S Washington Ave San Bernardino, CA 92408 TG: -- APN: 0136-451-09 W Orange Show Rd/S Washington.	30,928/71 30,928/71 --	-- \$4.26	No No	Available Ind-Mfg	Gas <input type="checkbox"/> Water <input checked="" type="checkbox"/> Sewer <input type="checkbox"/> Electric <input checked="" type="checkbox"/> Tele <input type="checkbox"/> FibrOpt <input type="checkbox"/>	Flat Topography Light Industrial Zoning (Verify) Bldg SF Desc: --
						Zoning: IL Property/Listing #: 2867531/1723078 Mos on Mkt: 3	
8	1069 Lincoln Ave San Bernardino, CA 92408 TG: 606-J4 APN: 0136-422-03 Orange Show Rd/Waterman Ave	39,000/9 39,204/9 --	-- \$5.13	-- --	Available Ind-Mfg	Gas <input type="checkbox"/> Water <input type="checkbox"/> Sewer <input type="checkbox"/> Electric <input type="checkbox"/> Tele <input type="checkbox"/> FibrOpt <input type="checkbox"/>	±0.90 Acres Vacant Land Available Zoned IL Development Opportunity Manufacturing/Distribution/Repair Facility/Mini Storage Close Proximity to 10 & 210 Freeways Bldg SF Desc: VERIFY
						Zoning: IL Property/Listing #: 972827/1576005 Mos on Mkt: 11	



JOSEPH F. L. PAREDES

ASSOCIATE

PROFESSIONAL SUMMARY

Joseph has an extensive background in business development and sales & marketing. He has worked for mid-sized manufacturers, multi-national distributors, and national marketers in sales and sales management. His business development experience combined with his academic background allows for a comprehensive understanding of the needs and economic constraints that businesses and property owners encounter in today's volatile economy.

Specializing in landlord and tenant representation in the industrial discipline, Joseph focuses his efforts within the Inland Empire Market. By understanding the multiple platforms of internet marketing combined with traditional marketing mediums, Joseph is able to design and implement marketing plans that generate optimal exposure for his clients' property. Early-on in his industrial real estate career, Joseph developed a reputation as a tenacious cold caller, seeking buyers and tenants for DAUM's listings. His mission is to be his clients' most reliable partner in all of their commercial real estate interests.

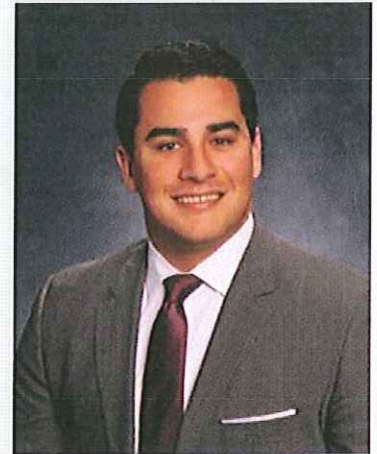
EDUCATION AND PROFESSIONAL AFFILIATIONS

Chapman University - B.A. *Cum Laude*, Political Science

American Industrial Real Estate Association (AIR)

National Association of Realtors (NAR)

California Association of Realtors (CAR)

**Contact Information:**

3595 E. Inland Empire Blvd., Bldg. 5
Ontario, CA 91764

phone: 909.652.9054

fax: 909.652.9060

joe.paredes@daumcommercial.com

BRE# D/Aq Corp.#01129558
Broker ID# 01895260

RICK JOHN, SIOR

Executive Vice President | Branch Manager

Career Summary

Rick John has over 36 years of commercial real estate experience. With top salesman accolades the last eleven of thirteen years, Rick's thirty year plus career has been focused in the San Bernardino/Riverside County markets. He is a member of the Society of Industrial and Office Realtors (SIOR), and served as the 1998 and 2014 President of the SIOR. During his career, Rick has been responsible for the marketing of 38,000,000 square feet of buildings over 5,000 acres of industrial land with a transaction volume of well over one billion dollars

Education and Affiliations

University of Southern California

B.S. Real Estate
Finance

Society of Industrial and Office Realtors
National Association of Industrial and Office Properties
American Industrial Real Estate Association
National Association of Realtors
California Association of Realtors
California Real Estate Broker License Since 1984

SIOR
NAIOP
AIR
NAR
CAR

Assignments and Designations

Top Salesperson for DAUM Commercial	2010, 2011 & 2015
DAUM President's Club	2010 thru 2015
Top Salesperson for Collins Commercial	1999 to 2004 and 2006 to 2008
CoStar Inland Empire Power Broker Sales Transactions	2003 to 2014
CoStar Inland Empire Power Broker Leasing Transactions	2003 to 2014
SIOR Largest Cooperative Transaction	1992, 1993 & 2009
SIOR Largest Investment Transaction	2002
SIOR Largest Land Transaction	1998, 2002, 2004, 2007 & 2015
SIOR Largest Industrial Transaction	1999, 2000, 2001, 2003 and 2010
SIOR Largest Office Lease Transaction	2009, 2010, 2013 & 2014
SIOR Largest Office Sale Transaction	2011, 2014

Interests and Involvements

American Cancer Society Relay for Life—Team Captain
Environmental Nature Center, Newport Beach—Board Member 1999 to Date
Paul Harris Fellow
Oasis Senior Center—Building Committee
Susan G. Komen Foundation—Team Captain
Strategic Planning Advisory Committee—City of Colton
San Bernardino County Sheriff's Department
S.S.B. Deputy Volunteer



Contact

3595 E. Inland Empire Blvd.
Building 5
Ontario, CA 91764
rj@daumcommercial.com

P 909.912.0001
F 909.912.0011
C 949.378.4661

Selected Client List:

Ashley Furniture
ProLogis
Hillwood
California Portland Cement
Southern California Edison
City of Ontario
City of Rialto
City of Colton
West Coast University
Bixby Land Company
LaSalle Investment
Management

CA License#: 00800783
D/AQ Corp#: 001129558



DAUM | INDUSTRIAL SOLUTIONS

Industrial real estate is continually evolving in response to market forces. The current shift to lower-cost overseas markets is creating a surplus of manufacturing facilities in North America and Western Europe. At the same time, the design of new distribution facilities worldwide is targeting the heightened demand for operating efficiencies to improve the bottom line.

DAUM stays ahead of the trends, constantly tracking changes and forecasting their effect on local, regional, national and international property markets around the world. A leader in industrial real estate, DAUM delivers solutions through comprehensive advisory and transactional services to clients operating throughout the world.

DAUM ADVANTAGE

This is the area of expertise in which DAUM earned its initial reputation and has maintained a leadership role throughout the ensuing decades. DAUM's competitive advantage is its entrepreneurial spirit, depth of market coverage, superior service and state of the art technology which allows us to solve more of our clients' problems faster. This high level of service helps clients acquire more productive and cost effective industrial properties, or dispose of problematic facilities, enhancing shareholder value.

SINGLE FOCUS

DAUM has a dedicated team of service providers with an exclusive focus on industrial property and associated tenants, owners, landlords and developers. Our seasoned experts have a thorough understanding of industrial clients and the issues related to their properties, from site constraints to environmental contamination.

INDUSTRY INSIGHT

Industrial property site selection has its own criteria: Proximity to major distribution highways, technical building specifications, labor issues, economic incentives and geographic location all come into play. We understand the implications of these factors and guide clients through the decision making process.



DAUM | INDUSTRIAL SOLUTIONS

SPECIALIZED EXPERTISE

DAUM fields specialized service teams in areas including logistics, automotive, natural resources, manufacturing, food and environmental. Our additional niche expertise — from aerospace and defense to paper and packaging, utilities, engineering, construction and building materials, chemicals, minerals and metals — provides invaluable support for DAUM clients.

GLOBAL CAPABILITIES

DAUM offers local market expertise and start-to-finish industrial real estate services worldwide. Whether handling one-off assignments or developing global strategies, our offices help clients the world over analyze and respond to market conditions through its ONCOR International affiliation.

SERVICES

DAUM provides a full line of real estate services to ensure clients of the necessary support and exceptional performance needed to manage their industrial portfolios.

ACQUISITIONS AND DISPOSITIONS

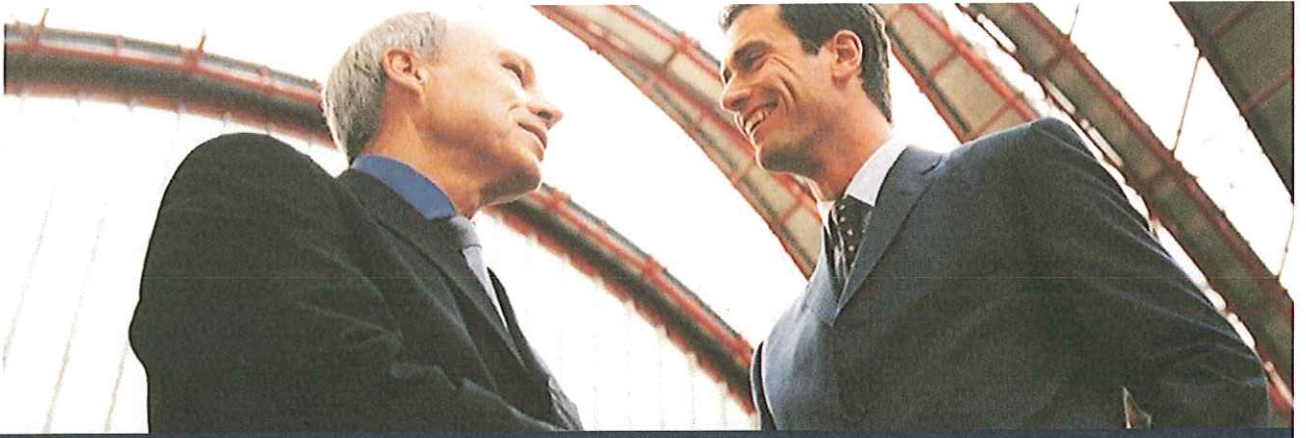
Our technological expertise, coupled with extensive market knowledge, facilitates acquisitions and dispositions of industrial buildings and land. We explore all facets of any proposed transaction — including lease versus own, financial ramifications, practical applications, intended life of the project, expansion/retrofit opportunities and exit strategy — to maximize productivity, minimize risk and provide value to the client.

BUILT-TO-SUIT

Our relationships with bankers, lenders and investors — combined with our demonstrated expertise in structuring complex transactions — enable DAUM investment specialists to place long-term and mezzanine debt financing for operating properties, construction development projects, owner-occupied facilities and tax-exempt organizations..

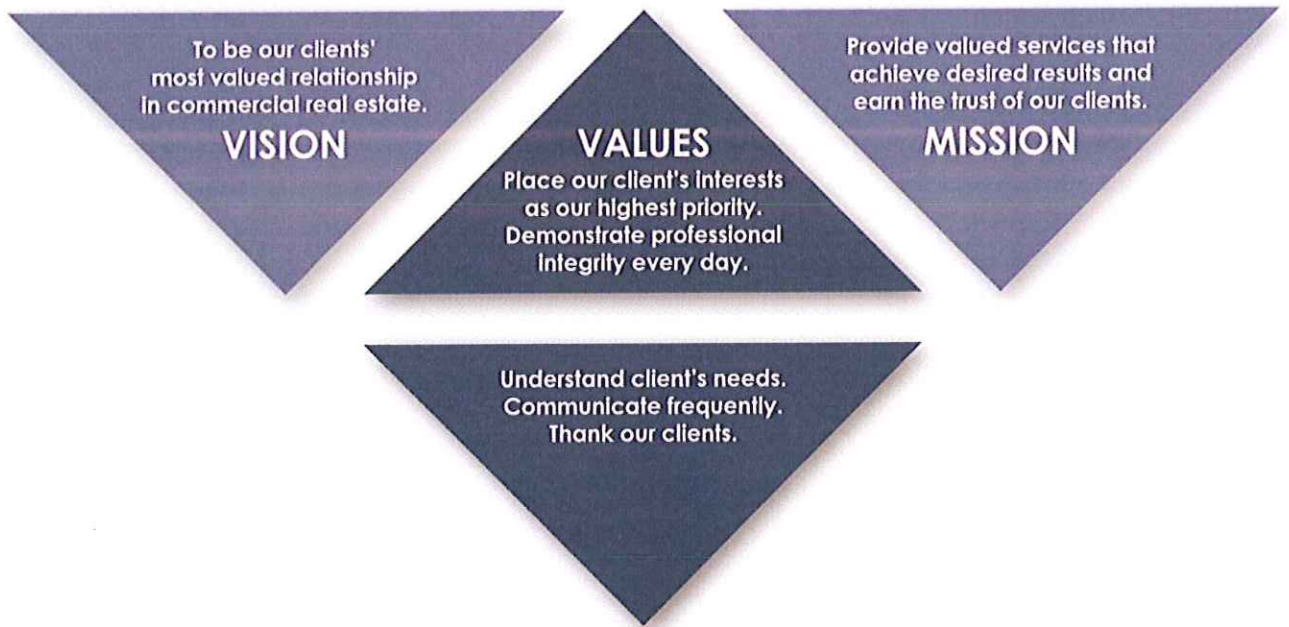
MIGRATION STRATEGIES AND SITE SELECTION

DAUM is on the forefront of helping clients throughout the life cycle of their industrial real estate needs, from the disposition of surplus properties to the acquisition of new facilities in other markets. We also provide site selection advice to identify critical location criteria, negotiate grants and incentives, and manage projects both at client headquarters and from the ground up.



DAUM | INDUSTRIAL SOLUTIONS

OUR GUIDING PRINCIPLES



RESULTS



DAUM | COMPANY PROFILE SUMMARY

EXPERIENCED PROFESSIONALS

EXPERIENCE MATTERS

DAUM has more than 135 agents in nine (9) branch offices throughout Southern California and Phoenix, Arizona. Each agent at DAUM is equipped with state-of-the-art technology and market research to assist their clients make more informed decisions concerning their real estate assets. Coupled with a wealth of experience, specialized disciplines, and a strong client service background, DAUM agents are willing and prepared to assist you with all your real estate needs.

STRONG REGIONAL COMPANY SINCE 1904

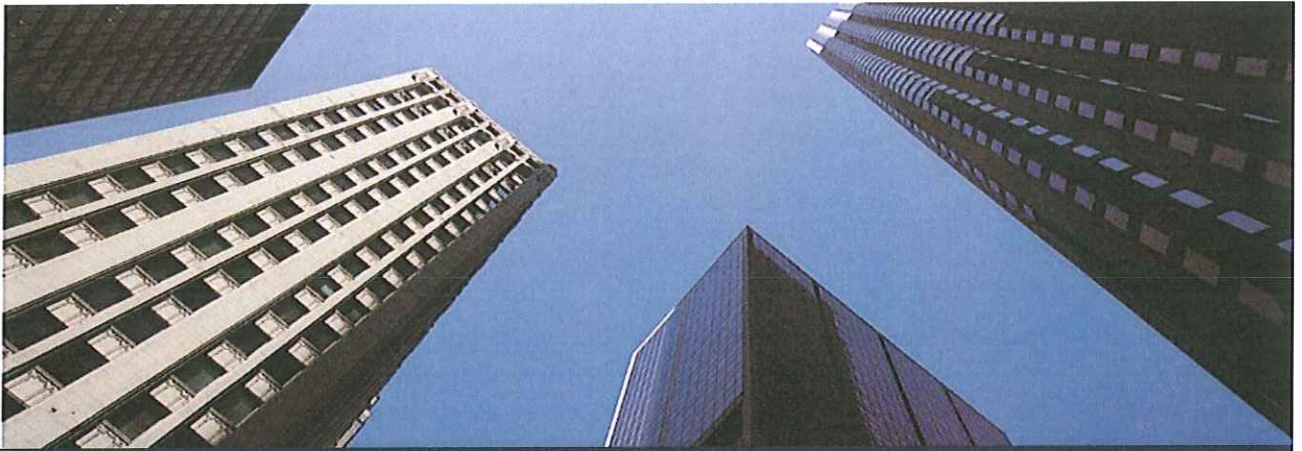
REPUTATION MATTERS

For more than a century, DAUM has the unmatched reputation as an ethical, energetic and creative problem solver. DAUM has helped thousands of local and national clients maximize their real estate values through site selections, acquisitions, dispositions, leasing, property management and consulting. DAUM understands its markets better than the competition and will take action more quickly than many larger national companies.

NATIONAL & INTERNATIONAL REACH THROUGH AFFILIATIONS

REACH MATTERS

DAUM uses its affiliation with ONCOR International, SIOR, ICSC, CCIM, CIREI, AIR and other professional organizations to provide seamless professional services to clients wherever needed.



DAUM | A PIONEERING GROWTH

- 100+ Year Heritage
- Early Vision
- Leadership Position
- Full Range of Services
- Cutting Edge Technology
- Personal Service
- Commitment to Client Needs

"Just as in the days of its visionary founder, DAUM continues to provide its clients with the highest level of professional service - today and tomorrow."



Early on, the leadership of DAUM recognized the critical importance of communication and personal service in satisfying clients' needs. This expressed itself in the excellence of the full range of contemporary real estate services – from industrial and office brokerage to property management and investments – provided by DAUM in market areas within which the company achieved unrivaled expertise.

While others failed to envision the future with similar clarity, this foresight enabled DAUM in its formative years, to attract such household names as Goodyear Tire & Rubber Company to build major plants in the area. A series of similar DAUM-driven transactions followed with equally impressive names like Firestone Tire. Many companies saw the promise of the West, after countless cross-country marketing missions by DAUM officials.

The priority DAUM placed on communication and personal service also revealed itself in corporate growth in market coverage as DAUM opened new offices in a timely manner in emerging markets, while thoughtfully expanding services to meet the changing needs of its clients.

With the new Century underway, DAUM continues to be committed to maintaining its sensitivity to personal service and communication. Yet, DAUM is not resting on its laurels. The company is dedicated to offering the benefits of cutting edge technology regarding how market data is gathered and disseminated, in the interest of making certain DAUM's clients receive the best information at the earliest moment in order to assure sound decision-making.

Accordingly, DAUM employs the latest in communications technology, both for generating current market data for clients, while achieving state-of-the-art internal communication via a modern computer network unifying its offices throughout Southern California and Arizona.

Just as in the days of its visionary founder, DAUM continues to provide its clients with the highest level of professional service - today and tomorrow.

DAUM AND LOS ANGELES | A PARTNERSHIP FOR SUCCESS

In the early 1900's, the City of Los Angeles was an emerging metropolis, teeming with entrepreneurial spirit. It was here where William H. Daum first came to the city as an agent for the Santa Fe Railway. Recognizing that the best way to build commerce was to attract new businesses, Daum founded Los Angeles' first commercial real estate brokerage firm in 1904, a venture that was instrumental in bringing more than 6,500 companies into the fledgling Los Angeles market and helping the city grow into one of the most commercially and culturally relevant market places in the world.

More than a century later, as Los Angeles' strategic position in the global economy continues to place greater demands on its real estate, DAUM's vision is more alive than ever. Remaining true to its core values, DAUM continues to serve as a visionary partner for its real estate clients, helping them to better position their businesses and take full advantage of developing local, regional and global opportunities. DAUM continues its legacy of providing best-of-class services in office, industrial, corporate, retail and investment properties.



Pico House, downtown
Los Angeles in the early 1880s



Pico House, downtown
Los Angeles (2005)

One hallmark of the Los Angeles marketplace is its ability to grow on a regional scale. Beginning as a concentrated, downtown center, Los Angeles County now spans more than 4,061 square miles and 88 incorporated cities. With eight offices throughout southern California and one in Phoenix, Arizona, DAUM is ideally positioned to address the commercial real estate needs of the greater Los Angeles basin and beyond.

Los Angeles is also one of the world's most international cities, encompassing a vibrant potpourri of cultures from all over the world. The international reach of the city coincides with DAUM's global real estate capabilities, with its affiliations and worldwide partners. While DAUM remains a local leader, it has expanded its services to encompass key markets throughout the world.



Founder W.H. Daum, Sr., son Richard H. Daum, and son W.H. Daum, Jr.; circa 1965



DAUMs Corporate
HQ Today

Perhaps the most important catalyst to Los Angeles' commercial success has been its ability to reinvent itself. The city's first wave of industrial development occurred within a five-mile radius of downtown, and was limited to basic industries, such as chemicals, tires, oil and steel. Today, the LA industrial landscape spans virtually every industry and has moved to new markets, far from downtown. DAUM has responded by working to understand the individual needs of each client and providing customized solutions to maximize the utility and value of their real estate wherever it might be.

From its days as a small outpost in the far western corner of the United States to its current status as a thriving metropolis that sets the tone for global commerce, a constant remains in Los Angeles; DAUM. From the first freight company that William H. Daum convinced to move west to the many thousands of corporations represented by DAUM since, Los Angeles and DAUM have an unparalleled partnership based upon vision, growth, and ultimately success.

Such strong support for DAUM has its roots in the early part of the 20th-century when DAUM established itself as a pacesetter in the dynamic growth of the West. During this time the unrivaled vision of DAUM attracted such familiar names as Goodyear Tire & Rubber Company to build major plants in the region.

Since that time, numerous leading corporations, representing a broad range of business activities, have followed that lead in engaging DAUM's talents. Rubbermaid, Northrop, Sanyo, Medtronic, Chevron, Michelin, AmerisourceBergen, Adidas America, Master Halco, Honeywell Aerospace, Nikola USA, Tatung, Reitek and the Automobile Club of Southern California are just a few of these outstanding names. Clearly, DAUM has rightly earned this enviable standing within the corporate and real estate communities. We have listed a few of the numerous accolades afforded DAUM by its satisfied clients. DAUM views such expressions as its most important qualification for establishing a similar association with your company.

DAUM continues to attract clients not only because of its full range of real estate service, but enhances this appeal on the strength of its global outreach through strategic affiliations, complemented by its unrivaled local and regional market expertise.

- Providing Clients with Profitable Solutions
- Ongoing Concern for Client
- Unrivaled Local and Regional Market Expertise
- Advanced Technical Support
- Prompt Response to Special Needs
- Client Peace of Mind
- Full Range of Services
- Client Satisfaction
- Understanding Client Needs

"I'd like to express my appreciation for your (DAUM) invaluable contribution to the Technicolor transaction. As you know, this 300,000 square foot lease represents the largest industrial warehouse lease in Ventura County in over five years. However, as significant as that fact is, it does not begin to convey the complexity that characterized negotiations... and your professional conduct."

Raymond W. Love
Vice President and Investment Manager Wells Fargo Real Estate Equity Fund

"... I would like to bring the services of DAUM's office division to your attention. Your knowledge of the Orange County office market, ability to negotiate to the specific needs of my company and coordinate a smooth conclusion to our lease was key to this assignment's success and assisted my department significantly."

Patrick J. Branin
Director, Wyeth-Ayerst Laboratories, a Division of American Home Products

"It has been a pleasure to have had both the working relationship and the technical real estate support of your DAUM real estate office as I pursued the possibilities for expansion and relocation for Rockwell Network Systems. I am most appreciative of your prompt response to our special needs."

Thomas W. Vestal
Manager, Facilities, Rockwell Telecommunications

A hallmark of a leading commercial real estate company is, in fact, the company it keeps. Repeat business with a diversity of satisfied corporate clients over a broad geographic landscape enhances this reputation with the values of respect and trust.

DAUM has earned such a reputation, one time-tested and growing. Since 1904, DAUM has assisted a "who's who" of household names and leaders of Corporate America in satisfying their real estate needs.

A partial list of DAUM's valued clients follow:

Ace Hardware Corporation	Conair Corporation	Host International	Orange National Bank	Sumitomo Marine Management (USA)
Adidas USA	Conoco Oil Company	Hubbell Industries, Inc.	Orgill	Sunstrand Data Control
AEGON USA Realty	Consolidated Foods Corporation	Hughes Aircraft	Owens Corning	Surf Management, Inc.
Allied Chemical Corporation	Consolidated Freightways, Inc.	Hughes Electronics	P.D.A.	Taco Bell
Allis-Chalmers Corporation	Container Corporation of America	Hughes Tool Company	Pacific Gulf Properties, Inc.	Tandy Corporation
Allstate Imaging Supply	Cort Furniture	Hunt-Wesson Foods, Inc.	Pacific Mutual Life Insurance	Talung
AMB	County of Riverside	IBM Corporation	Pacific Telephone & Telegraph	Teledyne
American Cyanamid Company	County of San Bernardino	Improv Comedy Clubs & Restaurants	Packard-Bell Electronics	Telex
American Electronics Association	Crown Zellerbach Corporation	Intec Corporation	Paramount Pictures	Texaco
American Honda Motor Company	C.S. America, Inc.	Intel Corporation	Parker-Hannifin Corporation	Textron, Inc.
American Hospital Supply Corporation	Digital Equipment	International Harvester Corporation	Payless Shoes	The Boys Market, Inc.
American Isuzu Motor Company	Dole Food Corporation	International Paper	Payless/Thrifty Drug	The Carlson Company
American Savings Bank	Dominos Pizza	International Tel & Tel Corporation	Penske Corporation	The Clorox Company
AmerisourceBergen	Dow Chemical	ITT Financial	Pep Boys Stores	The Greyhound Corporation
Amoco Chemicals Corporation	Dresser Industries	ITT Industries	Pepperdine University	The Hewson Corporation
Anheuser-Busch, Inc.	Duckett Wilson	J.P. Stevens, Inc.	Phelps Dodge Corporation	The Koll Company
Armco Steel	E.F. Data/California Microwave	JC Penney Company, Inc.	Pier 1 Imports	The Limited
Armor All	E.I. Dupont DeNemours & Company	K.F.C. Corporation	Pilkington Aerospace	The RREEF Funds
Ashland Oil	E.R. Squibb & Sons	K-Mart Corporation	Playtex International	The Sony Corporation of America
Atlas Van Lines	Eastman Kodak, Inc.	Kaiser Permanente	Pollach Corporation	The Vollrath Company, Inc.
Automobile Club of So. California	ELS Brake Parts	Kelly Services	PPG Industries	3M Company
Avon Products	Emerson Electric Company	Kern Foods, Inc.	Prentiss Properties	Tillotson Corporation
Baker Hughes, Inc.	Equitable Life Insurance	Kidde	Presson Advisory L.L.C.	Times Mirror
Bank of America, N.T. & S.A.	Equitable Real Estate Services	Kilroy Realty Corporation	Price/Costco	Tinsley Laboratories
Bank of California	Evergreen International	Kiva Container	Price Investments	Topdanmark Bank, N.A.
Bank of the West	Fairchild	La Jolla Bank & Trust Company	Price REIT	Toys 'R' Us
Beal Bank	Falcon Products, Inc.	Leach Corporation	Principal Financial Group	Trammell Crow Company
Beatrice Foods	Farmer Brothers Coffee	Little Caesar's Pizza	Prudential Insurance Company	Trus Joint MacMillan
Betchel Corporation	Fedco, Inc.	Little Tykes/Rubbermaid, Inc.	Purex Corporation, Ltd.	TRW, Inc.
Bekins	F.D.I.C.	Lockheed	RGR Development Corporation	Tutor/Saliba
Bell & Howell Company	Federal Express	Lusk	Radio Corporation of America	U.S. Bank Corporation
Bircher Pacific	Federal Mogul	Malbert Mitchell Grinding	Ralphs Grocery Company	Union Bank
BMW of North America	Firestone	Master Halco	Raytheon Corporation	Union Carbide
Boeing	Flying Tigers	McDonald's	Reitek	Unisys Corporation
Brinker International	Frito-Lay, Inc.	Medtronic	Revlon/MacAndrews & Forbes	United Artists Theatre Circuit
Brinks Armored Car Services	Fujita Property Management	Meyer Properties	Rockwell International	United Companies
Brinks, Inc.	Gates Rubber Company	Michelin	Roger Dunn Golf	United Parcel Service
Burger King	General American Life Insurance Co.	Micropolis Corporation	Rubbermaid Corporation	United States Gypsum Company
Burroughs Corporation	General Dynamics	Minolta Business Equipment	Ryder Trucks	United States Steel Corporation
C & R Clothiers	General Electric Company	Mitsui Fudosan	S.S. Kresge Company	United Technologies Packard
Cabot, Cabot & Forbes	General Foods Corporation	Montgomery Ward & Company	Safeway Stores, Inc.	Uno-Cal of California
Cabot Partners	General Motors Corporation	Motorola, Inc.	Sammis Company	Valley National Bank of Arizona
Carls Jr.	Georgia-Pacific, Inc.	Nalco Chemical, Inc.	Santa Fe Pacific Realty Corporation	Value Property Trust
Catalina Furniture	Global Van Lines	National Bank of So. California	Sanwa Bank of California	W.J. Schaefer, Inc.
Catellus Development Corporation	Goodwill Industries	National Car Rental	Sanyon Fisher (USA) Corporation	Walker Manufacturing-
Certified Grocers Company	Goodyear Tire & Rubber Company	National Pacific Mortgage Company	Scott Paper Company	A Division of Tenneco Automotive Inc
Chesapeake Consumer Products	Great Western Bank	Nexxus, Inc.	Scotts Lawn Company	Walt Industries
Chevron Petroleum	GTE of California	Nissan Carbide	Sears, Roebuck & Company	Weingard Foundation
Chief Auto Parts	H & R Block	Norelco Industries, Inc.	Smart & Final	Wells Fargo Bank
Chrysler Credit Corporation	Hallmark Cards, Inc.	Norris Industries, Inc.	Southern Pacific Trans. Company	Westco Products
Citibank of Arizona	Harman International	Northrop Corporation	Southwest Forest Industries	Western Digital
City of Los Angeles	Harte-Hanks Communications	Northrop Grumman	Sport Chalet	Western Electric Company
City of Moreno Valley	Hertz	Norwest Mortgage Corporation	Standard Brand Paint Company	Westinghouse Electric Corporation
City National Bank	Hewson Development Corporation	Ogden Entertainment Services	Stater Brothers Markets	Weyerhaeuser, Inc.
Classic Properties	Hirsch International Corporation	Oilmans Construction Company	Stroud's Linens	Xerox Corporation
Combustion Engineering	Honeywell Aerospace	Omnil Bank	Subway Sandwiches	YKK (U.S.A.) Inc.

ONCOR INTERNATIONAL

The ONCOR International™ organization is a membership-based premier commercial real estate network. Headquartered in Parsippany, NJ, ONCOR International LLC oversees The ONCOR International™ Network of members that are highly motivated, entrepreneurial-minded commercial real estate professionals who are leaders in their respective markets. As a subsidiary of Realogy Holdings Corp., ONCOR International LLC has access to the resources of one of the most respected names in global real estate.

WORLDWIDE HEADQUARTERS

1 Campus Drive
Parsippany, NJ 07054
USA
Phone: +1 973.407.6363
Fax: +1 973.407.4666



SERVICES AND OPERATIONS

ONCOR International™ Network professionals have expertise in the sale, purchase and brokerage of all types of commercial property: Industrial, Office, Retail, and others.

ONCOR International members can provide a broad spectrum of real estate services, tools, resources, and industry research. Each member firm is independent and specific services and capabilities may vary; however, they generally include:

- Corporate Real Estate Services
- Tenant representation
- Office, industrial and retail leasing
- Facilities management
- Asset and property management
- Investment sales for institutional and private investors
- Real Estate-related Financial Services
- Real Estate Development Planning Services

SELECTED CLIENTS

ABN AMRO Bank | American Hotel Register | American Express | AT&T Broadband | Bank of America | Baxter | Bell Microproducts | Blue Cross & Blue Shield | Borders Books & Music | British Airways | Burlington Resources | Camp Dresser & McKee, Inc. | Citibank | Coca-Cola | Computer Associates International | Countrywide Home Loans | Dean Foods | Dow Chemical | Dresdner Bank | Easy Rent-a-car | Edward Jones Co. | Emerson Electric | Energizer | First Franklin Financial | Firstworld Communications | Ford Motor Company | GAP | GE Capital | General Mills | Goldman Sachs & Co. | Goodyear Tire & Rubber | Goya Foods | Hermés | HILB, Rogal & Hamilton | IDEC Pharmaceuticals | Invensys | Jabil Circuit | L'Oreal | Mastercard International | McDonald's | Merrill Lynch | Nike | NEC Technologies | Nestle | NOKIA | Nortel | Per-Se Technologies | Pitney Bowes | Phillip Morris | Procter & Gamble | Prudential Corporation | Ralston Purina | Ropes & Gray | Sprint PCS | State Farm Insurance | Stone Webster | Target | Terayon Communications | TMP Worldwide | Toro Company | Unisys | UPS | U.S. Dept. of Agriculture | Walgreen's | Warner Bros. | Wells Fargo Bank

DAUM | AFFILIATIONS

DAUM uses its affiliation with ONCOR International, SIOR, CCIM, CIREI, ICSC, AIR and other professional organizations to provide seamless professional services to clients wherever needed.

ONCOR INTERNATIONAL

The ONCOR InternationalSM organization is a membership-based premier commercial real estate network. Headquartered in Parsippany, NJ, ONCOR International LLC oversees The ONCOR InternationalSM Network of members that are highly motivated, entrepreneurial-minded commercial real estate professionals who are leaders in their respective markets. As a subsidiary of Realogy Holdings Corp., ONCOR International LLC has access to the resources of one of the most respected names in global real estate.



The Society of Industrial and Office Realtors (SIOR) is an international organization of experienced, credentialed commercial real estate professionals who specialize in industrial and office real estate. There are approximately 1,800 SIOR members worldwide. DAUM has SIOR members in most of its offices and can provide its clients with the many benefits that SIOR membership affords them.



An organization of commercial real estate professionals specializing in retail real estate. Members include retailers, developers and owners of retail properties, brokers, property managers, etc.



The American Industrial Real Estate Association has over 1200 members in approximately 250 commercial real estate firms in Southern California. Since 1960, AIR has provided the benefits of a multiple listing service strictly for industrial and office properties, standard lease forms and purchase offer forms. DAUM is an active participant in AIR.



As economies throughout the world are adjusting to the formation of new markets and increased free trade opportunities, the role of the commercial real estate professional is more important than ever. A Certified Commercial Investment Member (CCIM) is a recognized professional in commercial real estate brokerage, leasing, asset management, valuation, and investment analysis. As an experienced expert, a CCIM is an invaluable resource to the commercial real estate owner, investor, and user.

DAUM | BUYER REPRESENTATION SERVICES

www.daumcommercial.com

LOS ANGELES, CALIFORNIA

801 S. Figueroa Street, Suite 600
Los Angeles, CA 90017
213-626-9101

**LOS ANGELES NORTH, CALIFORNIA**

21860 Burbank Boulevard, Suite 175
Woodland Hills, CA 91367
818-887-3600

**SANTA CLARITA VALLEY, CALIFORNIA**

28494 Westinghouse Place, Suite 312
Valencia, CA 91355
661-705-2299

**SAN GABRIEL VALLEY, CALIFORNIA**

13181 Crossroads Pkwy. N, Suite 100
City of Industry, CA 91746
562-695-7244

**MID-COUNTIES, CALIFORNIA**

12750 Center Court Drive, Suite 220
Cerritos, CA 90703
562-207-3300

**SOUTH BAY, CALIFORNIA**

1025 W. 190th Street, Suite 420
Gardena, CA 90248
310-538-6700

**ORANGE COUNTY, CALIFORNIA**

4400 MacArthur Boulevard, Suite 950
Newport Beach, CA 92660
949-724-1900

**VENTURA & SANTA BARBARA, CALIFORNIA**

751 Daily Drive, Suite 105
Camarillo, CA 93010
805-987-8866

**INLAND EMPIRE, CALIFORNIA**

3595 E. Inland Empire Boulevard, Bldg. 5
Ontario, CA 91764
909-980-1234

**PHOENIX ARIZONA**

1702 E. Highland Avenue, Suite 120
Phoenix, AZ 85016
602-957-7300



Purchase and Sale Agreement and Joint Escrow Instructions
Between the
Successor Agency to the Redevelopment Agency of the City of San Bernardino
And
HIP So Cal Properties, LLC

(See Attachment)

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PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

SELLER: Successor Agency to the Redevelopment Agency
of the City of San Bernardino

BUYER: HIP So Cal Properties LLC, a California
limited liability company

DATED: December 19, 2016

(904 South Foisy Street, APN 0280-131-23)

BASIC TERMS

Buyer: HIP So Cal Properties LLC, a California limited liability company

Buyer's Address: HIP So Cal Properties LLC, a California limited liability company
Attention: Timothy J. Howard
155 North Riverview Drive
Anaheim, CA 92808
Tel. (714) 769-9155
Fax: (714) 685-1500
Email: Thoward@hipre.net

City: The City of San Bernardino

Closing Contingency Date: April 10, 2017

Closing Date (or Closing) Estimated to occur by April 19, 2017, but not later than the Outside Date

Deed: A grant deed in the form of Exhibit B hereto

Effective Date: December 19, 2016

Escrow Holder: First American Title Insurance Company
1855 West Redlands Blvd., Suite 100
Redlands, CA 92373
Tel: (909) 380-8776
Fax: (866) 232-4615
Attention: Cheryl Zanini, Escrow Branch Manager/Escrow Officer
(direct: (909) 380-8776; email: czanini@firstam.com)
(or another escrow holder mutually acceptable to Buyer and Seller)

Independent Consideration Amount: Two Hundred Dollars (\$200.00)

Outside Date: May 10, 2017; provided that such date may be extended by mutual writing agreement by Seller and Buyer

Purchase Price: One Hundred Twenty Two Thousand Four Hundred Seventy Three Dollars and Thirty Cents (\$122,473.30.00)

Real Property: That property described in Exhibit A hereto; the subject property is sometimes referred to as APN 0280-131-23

Seller: Successor Agency to the Redevelopment Agency of the City of San Bernardino

Seller's Address: 300 N. "D" Street
San Bernardino, California 92418-0001
Attention: Mark Scott, City Manager
Tel. (909) 384-5122
Fax: (909) 384-5138
Email: Scott_Ma@sbcity.org

Soil and Title Contingency
Date: December 30, 2016

Title Company: First American Title Insurance Company
1855 West Redlands Blvd., Suite 100
Redlands, CA 92373
Tel: (909) 380-8726
Attention: Tammy Kerr, Senior California Title Officer
(direct: (909) 380-8726; email: tkerr@firstam.com)
(or another title insurer mutually acceptable to Buyer and Seller)

**PURCHASE AND SALE AGREEMENT
AND
JOINT ESCROW INSTRUCTIONS**

This **PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS** (“Agreement”) is made and entered into as of December 19, 2016 (the “Effective Date”) by and between Seller and Buyer.

RECITALS

A. Seller is the fee owner of the Real Property. The Real Property is unimproved.

B. Seller has offered to sell to Buyer the Real Property described herein for the price and subject to the terms set forth below. Buyer has considered the offer by Seller and agrees to buy from Seller the Real Property, as more specifically described below.

C. In addition to the Purchase Price, material considerations to Seller in agreeing to enter into this Agreement, Buyer has:

(i) Agreed to pay to Seller the Independent Consideration Amount;

(ii) Informed Seller of its intent to acquire adjacent real property from third-parties for the purpose of obtaining development entitlements and subsequently developing the assembled site with an approximately 200,000 square foot industrial facility valued at approximately \$20,000,000; and

(iii) Further informed Seller that it is committed to cooperatively working with the City’s planning staff to ensure that the standards set-forth within the City’s entitlements for the intended industrial facility are consistent with the City’s design expectations.

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

2. Purchase and Sale. Seller hereby agrees to sell the Real Property to Buyer, and Buyer hereby agrees to purchase the Real Property from Seller, on the terms and conditions set forth in this Agreement. The term Real Property is defined collectively as the following:

(a) The fee interest in the Real Property to be conveyed by a grant deed in the form of the Deed; and

(b) All personal property, equipment, supplies, and fixtures owned by Seller and located at the Real Property.

3. Payment of Consideration. As consideration for the sale of the Real Property from Seller to Buyer, Buyer shall, at the Closing (as defined below), pay to Seller the Purchase Price for the Real Property. Upon payment of the Purchase Price (less any adjustments made to clear liens and to defray Seller’s costs of sale including, but not limited to, the preparation of legal documents

and validation of the purchase price incurred by the City of San Bernardino and the Seller's share of closing costs), the use of sales proceeds by Seller is a matter with which Buyer is not concerned.

4. Escrow and Independent Consideration.

(a) Opening of Escrow. For the purposes of this Agreement, the escrow ("Escrow") shall be deemed opened ("Opening of Escrow") on the date that Escrow Holder receives a copy of this Agreement fully executed by Buyer and Seller. Buyer and Seller shall use their best efforts to cause the Opening of Escrow to occur on or before five (5) business days after the Effective Date. Escrow Holder shall promptly notify Buyer and Seller in writing of the date of the Opening of Escrow. Buyer and Seller agree to execute, deliver and be bound by any reasonable or customary supplemental escrow instructions or other instruments reasonably required by Escrow Holder to consummate the transaction contemplated by this Agreement; provided, however, that no such instruments shall be inconsistent or in conflict with, amend or supersede any portion of this Agreement. If there is any conflict or inconsistency between the terms of such instruments and the terms of this Agreement, then the terms of this Agreement shall control. Without limiting the generality of the foregoing, no such instruments shall extinguish any obligations imposed by this Agreement or any other agreement between Seller and Buyer.

(b) Independent Consideration. Within two (2) days after the Effective Date, Buyer shall pay to Seller the Independent Consideration Amount to be retained by Seller as non-refundable independent consideration. The Independent Consideration Amount has been bargained for and agreed to as consideration for Seller's execution and delivery of this Agreement and Buyer holding the Real Property off the market for a period commencing as of the Effective Date and continuing until the Outside Date and for the rights and privileges granted to Buyer herein, including any and all rights granted to Buyer to terminate this Agreement under the circumstances provided for herein. Notwithstanding anything to the contrary contained in this Agreement, the Independent Consideration Amount shall be non-refundable in all events, except for (i) Seller's default hereunder, (ii) the failure of the Oversight Board to approve the sale of the Real Property as provided under this Agreement, and (iii) actions by the California Department of Finance ("DOF") which prevent the disposition of the Real Property to Buyer as provided under this Agreement. If the Closing occurs, a credit shall be applied to the Purchase Price based upon payment of the Independent Consideration Amount.

(c) Closing. For purposes of this Agreement, the "Closing" or "Closing Date" shall be the date the Deed (as defined below) is recorded pursuant to applicable law in the county in which the Real Property is located. Unless changed in writing by Buyer and Seller, the Closing shall occur on the Closing Date, or as soon thereafter as the conditions precedent to closing are satisfied pursuant to Sections 6 and 7 of this Agreement. If the Closing has not, for any reason, occurred by the Closing Date, then either Buyer or Seller may terminate this Agreement by delivering written notice to the other at any time after the outside Closing Date; provided, however, that if either party is in default under this Agreement at the time of such termination, then such termination shall not affect the rights and remedies of the non-defaulting party against the defaulting party.

5. Seller's Delivery of Real Property and Formation Documents. Within ten (10) days after the Effective Date, Seller shall deliver to Buyer the following items (collectively, the Property Documents):

(a) Such proof of Sellers' authority and authorization to enter into this Agreement and to consummate this transaction as may be reasonably requested by Buyer and the Title Company consistent with the terms of this Agreement, including without limitation approval of the Oversight Board of the sale of the Real Property by Seller to Buyer.

In addition, Seller shall cause Escrow Holder to obtain and deliver to Buyer a Natural Hazard Report as provided for under Sections 1102 and 1103 of the California Civil Code (the "Natural Hazard Report") on or before the Soil and Title Contingency Date.

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

(a) Investigation of the Real Property. In addition to the foregoing, the Buyer shall have the right, at its sole cost and expense, prior to the Soil and Title Contingency Date, to engage its own environmental consultant (the "Environmental Consultant") to make such investigations as Buyer deems necessary or appropriate, including any "Phase 1" or "Phase 2" investigations of the Real Property. If, based upon such evaluation, inspections, tests or investigation, Buyer determines that it, in its discretion, does not wish to proceed with purchase of the Real Property based upon the condition of the Real Property, Buyer may cancel this Agreement by giving written notice of termination to Seller on or before the Soil and Title Contingency Date which specifically references this Section 5. If Buyer does not cancel this Agreement by the time allowed under this Section 5, Buyer shall be deemed to have approved the evaluation, inspections and tests as provided herein and to have elected to proceed with this transaction on the terms and conditions of this Agreement. Buyer shall be provided a copy of all reports and test results provided by Buyer's Environmental Consultant promptly after receipt by the Buyer of any such reports and test results without any representation or warranty as to their accuracy or completeness.

Buyer shall bear all costs, if any, associated with restoring the Real Property to the condition prior to its testing by or on behalf of Buyer if requested to so do by Seller. Buyer is a sophisticated party and is familiar with the acquisition and use of property, including for commercial uses.

Buyer shall bear all costs, if any, associated with restoring the Real Property to substantially the same condition prior to its testing by or on behalf of Buyer if requested to so do by Seller but excluding any latent defects or Hazardous Materials (as defined below) discovered by Buyer during its investigation of the Real Property. Buyer agrees to indemnify, protect, defend (with counsel satisfactory to Seller) and hold Seller and the Real Property free and harmless from and against all costs, claims, losses, liabilities, damages, judgments, actions, demands, attorneys' fees or mechanic's liens arising out of or resulting from any entry or activities on the Real Property by Buyer, Buyer's agents, contractors or subcontractors and the contractors and subcontractors of such agents, but in no event shall the indemnity of this Section include the discovery of pre-existing conditions by Buyer or any such liabilities, costs, etc. arising from the negligence or willful misconduct of Seller and/or its consultants. The indemnity obligations of Buyer set forth in this Section 5(a) shall survive any termination of this Agreement or the Close of Escrow.

“Hazardous Materials” means any substance, material, or waste which is or becomes regulated by any local governmental authority, the County, the State of California, regional governmental authority, or the United States Government, including, but not limited to, any material or substance which is (i) defined as a “hazardous waste,” “extremely hazardous waste,” or “restricted hazardous waste” under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5 (Hazardous Waste Control Law), (ii) defined as a “hazardous substance” under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-Presley-Tanner Hazardous Substance Account Act), (iii) defined as a “hazardous material,” “hazardous substance,” or “hazardous waste” under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials Release Response Plans and Inventory), (iv) defined as a “hazardous substance” under Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (v) petroleum, (vi) friable asbestos, (vii) polychlorinated biphenyls, (viii) listed under Article 9 or defined as “hazardous” or “extremely hazardous” pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20, (ix) designated as “hazardous substances” pursuant to Section 311 of the Clean Water Act (33 U.S.C. §1317), (x) defined as a “hazardous waste” pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq. (42 U.S.C. §6903) or (xi) defined as “hazardous substances” pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §6901 et seq.

(b) No Warranties as To the Real Property. The physical condition and possession of the Real Property, is and shall be delivered from Seller to Buyer in an “as is” condition, with no warranty expressed or implied by Seller, including without limitation, the presence of Hazardous Materials or the condition of the soil, its geology, the presence of known or unknown seismic faults, or the suitability of the Real Property for development purposes. In addition, Seller makes no representations, warranties or assurances concerning the Real Property, its suitability for any particular use or with regard to the approval process for entitlements as to the Real Property.

(c) Buyer Precautions after Closing. Upon and after the Closing, Buyer shall take all necessary precautions to prevent the release into the environment of any Hazardous Materials which are located in, on or under the Real Property. Such precautions shall include compliance with all laws, ordinances, statutes, codes, rules, regulations, orders, and decrees of the United States, the state, the County, the City, or any other political subdivision in which the Real Property is located, and of any other political subdivision, agency, or instrumentality exercising jurisdiction over the Real Property (“Governmental Requirements”) with respect to Hazardous Materials.

7. Buyer’s Conditions Precedent and Termination Right.

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

(i) Title Review. Within twenty (20) calendar days after the Opening of Escrow, but in no event later than the sixtieth (60th) day after the Effective Date, Seller shall cause the Title Company to deliver to Buyer a preliminary title report (the “Report”) describing the title to

the Real Property, together with copies of the plotted easements and the exceptions (the "Exceptions") set forth in the Report; provided that the cost of the Report shall be borne by Seller. Seller acknowledges that the Buyer's Title Policy shall include an endorsement against the effect of any mechanics' liens; Seller will provide such indemnity or other assurances as necessary to induce the Title Company to provide such endorsement. On or before the Soil and Title Contingency Date, Buyer shall have approved in writing, in Buyer's sole discretion, any matters of title disclosed by the following (collectively, the "Title Documents"): (i) the Report; (ii) the Exceptions; (iii) the legal description of the Real Property and (iv) any survey Buyer desires to obtain at Buyer's sole cost and expense. Buyer shall have the same rights to approve or disapprove any exceptions to title that are not created by Buyer and that come into existence after issuance of the Report but prior to Closing. Seller shall, on or before the Closing, remove all deeds of trust, mortgages, and delinquent taxes (but not the lien for any real property taxes or assessments not yet delinquent).

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

In the event Buyer enters into a loan agreement to generate moneys to purchase the Real Property from Seller under this Agreement, Buyer and not Seller shall be responsible for the title insurance, closing costs and any other costs, fees or expenses in relation to Buyer obtaining such loaned moneys. The sale shall be all cash to Seller.

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

(iv) Natural Hazard Report. Seller shall cause the Escrow Holder to provide to Buyer prior to the Soil and Title Contingency Date the Natural Hazard Report described at Section 8(a)(iii) of this Agreement; provided that Buyer shall bear the cost to prepare such Natural Hazard Report.

(v) Property and Formation Documents. On or before the Soil and Title Contingency Date, Buyer shall have approved in writing, in Buyer's reasonable discretion, the terms, conditions and status of all of the Property Documents.

(vi) Delivery of Documents. Seller's delivery of all documents described in Section 8, below.

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

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

(ix) Oversight Board and DOF Approval. The Oversight Board and, if required as a condition of the issuance of title insurance or by either party hereto, approval by DOF, shall have been given as to the disposition of the Real Property by Seller to Buyer under this Agreement.

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

(b) Termination Right. Each of (i), (ii) and (iii) shall operate independently and each shall entitle Seller to terminate this Agreement, as follows:

(i) If the Independent Consideration Amount is not paid by Buyer to Seller by the Initial by the time set forth therefor in Section 3(b)(i) of this Agreement, then this Agreement shall terminate upon Seller giving notice thereof to Buyer;

(ii) If any of Buyer's Contingencies not be met by the Closing Contingency Date, and Seller so informs Seller, Buyer may, by written notice to Seller, terminate this Agreement.

If this Agreement so terminated, then (except to the extent expressly allocated to one party hereto by this Agreement) any escrow, title or other cancellation fees shall be paid by Buyer, unless Seller is in default hereunder, in which case Seller shall pay all such fees. If the Agreement has not been terminated pursuant to (i) or (ii) of this Section 6(b) and Buyer has neither terminated this Agreement in writing ("Termination Notice") on or before 5:00 p.m. on the Monday preceding the scheduled Closing ("Termination Notice Deadline"), then all such Buyer's Contingencies shall be deemed to have been satisfied and this Agreement shall continue pursuant to its terms. If Buyer has not delivered a Termination Notice as the items set forth in Sections 6(a)(i)-(xi) inclusive, prior to the Termination Notice Deadline, such Buyer's Contingencies shall be deemed to have been satisfied.

If this Agreement is terminated, then (except to the extent expressly allocated to one party hereto by this Agreement) any escrow, title or other cancellation fees shall be paid by Buyer, unless Seller is in default hereunder, in which case Seller shall pay all such fees.

(c) Seller's Cure Right. Buyer shall notify Seller, in Buyer's Termination Notice, of Buyer's disapproval or conditional approval of any Title Documents. Seller shall then have the right, but not the obligation, to (i) remove from title any disapproved or conditionally approved Exception(s) (or cure such other title matters that are the basis of Buyer's disapproval or conditional approval of the Title Documents) within five (5) business days after Seller's receipt of Buyer's Termination Notice, or (ii) provide assurances reasonably satisfactory to Buyer that such Exception(s) will be removed (or other matters cured) on or before the Closing. With respect to any such Exception, it shall be sufficient for purposes hereof for Seller to commit in writing, within the applicable period, to remove such Exception at or before the Closing. Seller's failure to remove such Exception after committing to do so shall be a default hereunder. An Exception shall be deemed removed or cured if Seller furnishes Buyer with evidence that the Title Company will issue the Buyer's Title Policy, as defined herein, at the Closing deleting such Exception or providing an endorsement (at Seller's expense) reasonably satisfactory to Buyer concerning such Exception. If Seller cannot or does not remove or agree to remove any of the disapproved Exception(s) (or cure other matters) within such five (5) business day period, Buyer shall have three (3) business days after the expiration of such five (5) business day period to give Seller written notice that Buyer elects to proceed with the purchase of the Real Property subject to the disapproved Title Document(s), it being understood that Buyer shall have no further recourse against Seller for such disapproved Title Exception(s).

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

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

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

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

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

(e) Oversight Board and DOF Approval. The approval by the Oversight Board and DOF shall have been given as to the disposition of the Real Property by Seller to Buyer under this Agreement.

(f) Delivery of Documents. Buyer's delivery of all documents described in Section 9(a), below.

Should any of Buyer's Contingencies not be met by the respective times set forth for the satisfaction for such contingency (and without regard to whether all such contingencies have been removed or satisfied) and Buyer has so informed Seller, Seller may, by written notice to Buyer, terminate this Agreement; such termination rights shall be in addition to those termination rights of Seller as set forth in Section 6. If this Agreement is so terminated, then (except to the extent expressly allocated to one party hereto by this Agreement) any escrow, title or other cancellation fees shall be paid by Buyer.

9. Seller's Deliveries to Escrow Holder.

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

(i) Deed. The Deed.

(ii) FIRPTA/Tax Exemption Forms. The Transferor's Certification of Non-Foreign Status in the form attached hereto as Exhibit C (the "FIRPTA Certificate"), together with any necessary tax withholding forms, and a duly executed California Form 593-C, as applicable (the "California Exemption Certificate").

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

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

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

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

(b) Failure to Deliver. Should any of Seller's Delivered Items not be timely delivered to Escrow, Buyer may, by written notice to Seller, terminate this Agreement; provided, however, that Buyer may (but shall not be obligated to) in such notice provide Seller with five (5) business days to deliver all of Seller's Delivered Items. If Buyer's notice provides Seller such five (5) business days to deliver Seller's Delivered Items, and if Seller's Delivered Items are not delivered within such period, then this Agreement shall automatically terminate without further action or notice. In the event of any such termination, any cash deposited by Buyer shall immediately be returned to Buyer. Under no circumstances shall Buyer have any responsibility to or duty to pay consultants or real estate brokers retained by Seller, Seller being solely responsible in connection with any such contractual arrangements of Seller.

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

(a) Purchase Price. The Purchase Price, less amounts which Seller confirms in writing to Escrow Holder were theretofore paid to Seller as the Independent Consideration Amount, together with additional funds as are necessary to pay Buyer's closing costs set forth in Section 10(b) herein. In the event Seller does not qualify for an exemption from California withholding tax under Section 18662 of the California Revenue and Taxation Code, as evidenced by the delivery at Closing of the California Exemption Certificate duly executed by Seller, Title Company shall withhold three and one-third percent (3-1/3%) of the Purchase Price on behalf of Buyer for payment to the California Franchise Tax Board in accordance with Section 11(b) hereof. In the event Seller is not exempt from such withholding or does not otherwise deliver the California Exemption Certificate at Closing, Buyer shall execute and deliver three (3) originals of California Form 593 to Title Company at or immediately after Closing.

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

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

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

(e) Moneys for Buyer's Real Estate Broker. Buyer shall deposit any moneys due and payable to Buyer's Real Estate Broker in connection with the sale of the Real Property.

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

11. Costs and Expenses.

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

(b) Buyer's Costs. If the transaction contemplated by this Agreement is consummated, then Buyer shall bear the following costs and expenses: (i) the Escrow Holder's fee; (ii) Buyer's share of prorations, (iii) the premium for title insurance other than or in excess of a Standard Buyer's Title Policy based on the Purchase Price, and, if applicable, the cost for any survey required in connection with the delivery of an ALTA owner's extended coverage policy of

title insurance; (iv) one half of escrow charges; (v) recording and other costs of closing; (vi) costs, if any, for such services as Buyer may additionally request that Escrow perform on its behalf; and (vii) any costs associated with Buyer borrowing money in order to pay to Seller the Purchase Price (collectively, "Buyer's Costs and Debited Amounts").

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

12. Prorations; Withholding.

(a) All revenues (if any) and expenses relating to the Real Property (including, but not limited to, property taxes, utility costs and expenses, water charges and sewer rents and refuse collection charges) shall be prorated as of the Closing Date; provided that all delinquent taxes shall be satisfied at the expense of Seller. Not less than five (5) business days prior to the Closing, Seller shall deliver to Buyer a tentative schedule of prorations for Buyer's approval (the "Proration and Expense Schedule"). If any prorations made under this Section shall require final adjustment after the Closing, then the parties shall make the appropriate adjustments promptly when accurate information becomes available and either party hereto shall be entitled to an adjustment to correct the same. Any corrected or adjustment proration shall be paid promptly in cash to the party entitled thereto.

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

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

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

(b) Disburse Funds. Escrow Holder shall debit or credit (as provided herein) all Buyer's Costs and Debited Amounts, Seller's Costs and Debited Amounts and General Expenses, prorate matters and withhold funds as provided herein. The Purchase Price, less any applicable debits or credits (including any liens as to which such liens and the amount to satisfy such liens shall have been confirmed in writing by Seller to Escrow Holder) shall be distributed by check payable to Seller unless Escrow Holder is instructed otherwise in writing signed by Seller (and, in such event, in accordance with such instructions). Seller authorizes Escrow Holder to request demands for payment and to make such payments from the Purchase Price (or such other funds, if any, as are advanced by Seller) to defray the cost of removing deeds of trust, liens and other encumbrances (but not for obligations of Buyer). Escrow Holder shall disburse on behalf of Buyer such moneys as are deposited by Buyer (in addition to the Purchase Price and Buyer's share of closing costs) as the commission for Buyer's Real Estate Broker (unless Buyer's Real Estate Broker shall deliver a written statement to Escrow Holder which indicates that Buyer has arranged to pay Buyer's Real Estate Broker outside escrow and that payment of such remuneration is a matter with respect to which Escrow Holder and Seller need not be concerned).

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

(d) Documents to Buyer. Escrow Holder shall deliver to Buyer the original FIRPTA Certificate, the original California Exemption Certificate (as applicable), and a conformed copy of each of the Deed as duly recorded among the official land records of the County of San Bernardino, the Natural Hazard Report, and each other document (or copies thereof) deposited into Escrow by Seller pursuant hereto, including, without limitation, those documents referenced in Section 8.

(e) Title Company. Escrow Holder shall cause the Title Company to issue the Buyer's Title Policy to Buyer.

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

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

(h) Possession. Possession of the Real Property shall be delivered to Buyer at the Closing.

14. Representations and Warranties.

(a) Seller's Representations and Warranties. In consideration of Buyer entering into this Agreement and as an inducement to Buyer to purchase the Real Property, Seller makes the following representations and warranties as of the Effective Date and as of the Closing, each of

which is material and is being relied upon by Buyer (and the truth and accuracy of which shall constitute a condition precedent to Buyer's obligations hereunder), and all of which are material inducements to Buyer to enter into this Agreement (and but for which Buyer would not have entered into this Agreement) and shall survive Closing; provided that each of the representations and warranties of Seller is based upon the information and belief of the Executive Director of the Successor Agency:

(i) Seller believes that it has the legal power, right and authority to enter into this Agreement and the instruments referenced herein, and to consummate the transaction contemplated subject to the approval of the Oversight Board and, as may be applicable, DOF.

(ii) Subject to the approval of the Oversight Board and, as may be applicable, DOF, Seller believes that all requisite action (corporate, trust, partnership or otherwise) has been taken by Seller in connection with entering into this Agreement and the instruments referenced herein; and, by the Closing, all such necessary action will have been taken to authorize the consummation of the transaction contemplated hereby.

(iii) Subject to the approval of the Oversight Board and, as may be applicable, DOF, the individual executing this Agreement and the instruments referenced herein on behalf of Seller has the legal power, right and actual authority to bind Seller to the terms and conditions hereof and thereof.

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

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

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

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

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

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

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

(xi) There are not as of the Effective Date, nor will there be as of the Closing, any written or oral leases or contractual right or option to lease, purchase, or otherwise enjoy possession, rights or interest of any nature in and to the Real Property or any part thereof, and no person other than Buyer shall have any right of possession to the Real Property or any part thereof as of the Closing.

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

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

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

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

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

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

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

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

15. Fair Value Price. Each of Buyer and Seller believe that the Purchase Price represents a fair value price for the Real Property. At such time as Buyer makes improvements to the Real Property, the costs for planning, designing, and constructing such improvements shall be borne exclusively by the Buyer and the Buyer shall construct or cause to be constructed such improvements in compliance with all the zoning, planning and design review requirements of the San Bernardino Municipal Code, and all nondiscrimination, labor standard, and wage rate requirements to the extent such labor and wage requirements are applicable.

Buyer, including but not limited to its contractors and subcontractors, shall be responsible to comply with Labor Code Section 1720, et seq., if applicable, and its implementing regulations, regarding the payment of prevailing wages (the "State Prevailing Wage Law"), if applicable, and, if applicable, federal prevailing wage law ("Federal Prevailing Wage Law" and, together with State Prevailing Wage Law, "Prevailing Wage Laws") with regard to the construction of improvements to the Real Property, but only if and to the extent such sections are applicable to the development of the Real Property. Insofar as the parties understand that Buyer is paying a fair market price for the Real Property, the parties believe that the payment of prevailing wages will not be required. In any event, Buyer shall be solely responsible for determining and effectuating compliance with the Prevailing Wage Laws, neither the Seller nor the City makes any final representation as to the applicability or non-applicability of the Prevailing Wage Laws to improvements to the Real Property, or any part thereof. Buyer hereby releases from liability, and agrees to indemnify, defend, assume all responsibility for and hold each of the Seller and the City, and their respective officers, employees, agents and representatives, harmless from any and all claims, demands, actions, suits, proceedings, fines, penalties, damages, expenses resulting from, arising out of, or based upon Buyer's acts or omissions pertaining to the compliance with the Prevailing Wage Laws as to the Real Property. This Section 14 shall survive Closing.

16. General Provisions.

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

(b) Notices. All notices, demands, requests or other communications required or permitted hereunder (collectively, "Notices") shall be in writing, shall be addressed to the receiving party as provided in the Basic Terms section above, and shall be personally delivered, sent by overnight mail (Federal Express or another carrier that provides receipts for all deliveries), sent by certified mail, postage prepaid, return receipt requested, or sent by facsimile transmission (provided that a successful transmission report is received). All Notices shall be effective upon receipt at the appropriate address. Notice of change of address shall be given by written notice in the manner detailed in this Section. Rejection or other refusal to accept or the inability to deliver because of changed address of which no Notice in accordance with this Section was given shall be deemed to constitute receipt of such Notice. The providing of copies of Notices to the parties' respective counsels is for information only, is not required for valid Notice and does not alone constitute Notice hereunder.

(c) Brokers. Seller assumes sole responsibility for any consultants or brokers ("Seller's Agents") it may have retained in connection with the sale of the Real Property (and Buyer shall have no responsibility in connection with such matters). Seller represents to Buyer that Seller has engaged no consultants, finders or real estate brokers in connection with the sale of the Real Property to the Buyer, and there are no brokerage commission, finder's fee or other compensation of any kind is due or owing to any person or entity in connection with this Agreement. Seller agrees to and does hereby indemnify and hold the Buyer free and harmless from and against any and all costs, liabilities or causes of action or proceedings which may be instituted by any broker, agent or finder, licensed or otherwise, claiming through, under or by reason of the conduct of the Seller in connection with this Agreement. Buyer assumes sole responsibility for any consultants or brokers ("Buyer's Agents") it may have retained in connection with the purchase of the Real Property (and Seller shall have no responsibility in connection with such matters). Buyer represents that it has engaged Lee and Associates commercial Real Estate Services as "Buyer's Real Estate Broker" and that Buyer shall be solely responsible for any commission, cost, fee or compensation of any kind due to Buyer's Real Estate Broker. Buyer represents to Seller that Buyer has not engaged any consultants, finders or real estate brokers other than Buyer's Real Estate Broker in connection with the sale of the Real Property to the Buyer, and there are no brokerage commission, finder's fee or other compensation of any kind is due or owing to any person or entity in connection with this Agreement other than Buyer's costs with respect to the Buyer's Real Estate Broker. Buyer agrees to and does hereby indemnify and hold the Seller free and harmless from and against any and all costs, liabilities or causes of action or proceedings which may be instituted by any broker, agent or finder, licensed or otherwise, claiming through, under or by reason of the conduct of the Buyer in connection with this Agreement.

(d) Waiver, Consent and Remedies. Each provision of this Agreement to be performed by Buyer and Seller shall be deemed both a covenant and a condition and shall be a material consideration for Seller's and Buyer's performance hereunder, as appropriate, and any breach thereof by Buyer or Seller shall be deemed a material default hereunder. Either party may specifically and expressly waive in writing any portion of this Agreement or any breach thereof, but

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

(e) Cooperation. Buyer and Seller agree to execute such instruments and documents and to diligently undertake such actions as may be required in order to consummate the purchase and sale herein contemplated and shall use all reasonable efforts to accomplish the Closing in accordance with the provisions hereof and, following Closing.

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

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

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

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

(j) Obligations to Third Parties. City shall be deemed to be a third party beneficiary of this Agreement. Excepting only for the City, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the parties to this Agreement to, any person or entity other than the parties hereto.

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

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

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

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

(o) Entire Agreement. This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between, and the final expression of, Buyer and Seller with respect to the subject matter hereof. The parties hereto expressly agree and confirm that this Agreement is executed without reliance on any oral or written statements, representations or promises of any kind which are not expressly contained in this Agreement. No subsequent agreement, representation or promise made by either party hereto, or by or to an employee, officer, agent or representative of either party hereto shall be of any effect unless it is in writing and executed by the party to be bound thereby.

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

(q) Assignment. Neither party may assign its rights under this Agreement without the prior consent of the other party.

[signatures begin on the following page]

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

“SELLER”

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
OF SAN BERNARDINO**, a public entity, corporate
and politic

By: _____
Name: _____
Its: _____

“BUYER”

HIP SO CAL PROPERTIES LLC, a California
limited liability company

By: _____
Name: _____
Its: Managing Member

Acceptance by Escrow Holder:

First American Title Company hereby acknowledges that it has received a fully executed copy of the foregoing Purchase and Sale Agreement and Joint Escrow Instructions by and between the Successor Agency to the Redevelopment Agency of the City of San Bernardino, a public entity, corporate and politic ("Seller"), and HIP So Cal Properties LLC, a California limited liability company ("Buyer") and agrees to act as Escrow Holder thereunder and to be bound by and strictly perform the terms thereof as such terms apply to Escrow Holder.

Dated: _____, 201__

FIRST AMERICAN TITLE COMPANY

By: _____
Name: _____
Its: _____

EXHIBIT A

LEGAL DESCRIPTION

The land referred to herein is situated in the State of California, County of San Bernardino, described as follows:

The North 75 feet of Lot 22, Tract No. 2194, Valley Truck Farms No. 2, as per plat recorded in Book 31, Page 73 of Maps in the City of San Bernardino, County of San Bernardino, State of California.

APN: 0280-131-23

Commonly known as: 904 South Foisy Street, San Bernardino, California

EXHIBIT B

DEED

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

HIP So Cal Properties LLC, a California
limited liability company
155 North Riverview Drive
Anaheim, CA 92808
Attn:

APN: 0280-131-23

[Space above for recorder.]

DOCUMENTARY TRANSFER TAX

\$ _____
_____ computed on the consideration or value of
property conveyed; OR
_____ computed on the consideration or value less
liens or encumbrances remaining at time of sale.

Signature of Declarant or Agent determining tax - Firm
Name

GRANT DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, the Successor Agency to the Redevelopment Agency of the City of San Bernardino, a public entity, corporate and politic ("Grantor"), hereby grants to HIP So Cal Properties LLC, a California limited liability company ("Grantee"), that certain real property located in the County of San Bernardino, State of California, more particularly described on Attachment No. 1 attached hereto and incorporated herein by this reference (the "Property"), subject to existing easements, restrictions and covenants of record.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of _____, 201__.

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
OF SAN BERNARDINO**

By: _____
Name: _____
Its: _____

ATTACHMENT NO. 1 TO GRANT DEED

LEGAL DESCRIPTION

The land referred to herein is situated in the State of California, County of San Bernardino, described as follows:

The North 75 feet of Lot 22, Tract No. 2194, Valley Truck Farms No. 2, as per plat recorded in Book 31, Page 73 of Maps in the City of San Bernardino, County of San Bernardino, State of California.

APN: 0280-131-23

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

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

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

personally appeared _____

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

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

WITNESS my hand and official seal.

Signature of Notary Public

OPTIONAL

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

CAPACITY CLAIMED BY SIGNER

- Individual
 Corporate Officer

Title(s)

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

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

DESCRIPTION OF ATTACHED DOCUMENT

Title Or Type Of Document

Number Of Pages

Date Of Documents

Signer(s) Other Than Named Above

EXHIBIT C

FIRPTA CERTIFICATE

TRANSFEROR'S CERTIFICATE OF NON-FOREIGN STATUS

To inform HIP So Cal Properties LLC, a California limited liability company ("Transferee"), that withholding of tax under Section 1445 of the Internal Revenue Code of 1986, as amended ("Code") will not be required upon the transfer of certain real property to the Transferee by the Successor Agency to the Redevelopment Agency of the City of San Bernardino (the, "Transferor"), the undersigned hereby certifies the following:

1. The Transferor is not a foreign person or citizen, foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Code and the Income Tax Regulations promulgated thereunder);
2. The Transferor's social security number or U.S. employer identification number is as follows: _____.
3. The Transferor's home or office address is:

The Transferor understands that this certification may be disclosed to the Internal Revenue Service by the Transferee and that any false statement contained herein could be punished by fine, imprisonment or both. Under penalty of perjury, I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document.

Successor Agency to the Redevelopment
Agency of the City of San Bernardino