

PURCHASE AND SALE AGREEMENT

LMC-Millenia Investment Company, L.P.,
a California limited partnership
(Seller)

and

City of Chula Vista

(Buyer)

Table of Contents

Section 1—Definitions..... 1

Section 2—Sale and Purchase of Property ~~65~~

Section 3—Payment of Purchase Price..... ~~65~~

Section 4—Escrow..... 7

Section 5—Pre-Closing Conditions Precedent 9

Section 6—The Closing ~~1244~~

Section 7—Closing Costs, Prorations..... 13

Section 8—Representations, Warranties, and Covenants..... 14

Section 9—Possession 19

Section 10—Buyer’s Option re Early Closing..... 19

Section 11—Breach and Remedies..... 20

Section 12—Condemnation 21

Section 13—Casualty..... 21

Section 14—Miscellaneous Provisions..... ~~2224~~

Purchase and Sale Agreement

This Purchase and Sale Agreement ("**this Agreement**"), dated **December __, 2022**, ("**Effective Date**"), is executed by LMC-Millenia Investment Company, L.P., a California limited partnership ("**Seller**"), and City of Chula Vista ("**Buyer**").

Seller and Buyer hereby agree as follows:

Section 1—Definitions. The following terms shall have the following definitions in this Agreement:

Acceptance. As defined in the Project Development Agreement.

Accrued Soft Costs. The costs incurred by Seller prior to the Effective Date for design, engineering, entitlement, permit processing, and related costs pertaining to the Improvements, the amount of which is **\$3,145,203.00**. Seller and Buyer confirm the amount of the Accrued Soft Costs is an agreed amount to be paid that is not subject to adjustment.

Amenity Building. The single-story building having a total area of approximately **5,850 square feet** to be constructed on the Land, as more particularly described in the Buildings Plans and Specifications.

Buildings. The Library Building and the Amenity Building. The Buildings shall be delivered in "warm shell" condition, as provided in the Buildings Plans and Specifications.

Building Costs. The allowed costs incurred by Seller to construct the Buildings pursuant to the terms of the Project Development Agreement.

Buildings Plans and Specifications. The plans and specifications for construction of the Buildings prepared by Gensler pursuant to the Design Contract that have been submitted to and approved by the City of Chula Vista under permit application numbers B-17-0654 (Library Building) and B17-0656 (Amenity Building). The Buildings Plans and Specifications do not include the plans and specifications for the Tenant Improvements or the Parking Structure.

Building Permits. The permits to be issued by the City of Chula Vista to allow lawful commencement, prosecution, and completion of construction of the Buildings and the Six Level Structure (as defined in the Project Development Agreement).

Business Day(s). Any day other than a Saturday, Sunday, or legal holiday recognized in California.

Closing. The time and date when the Deed conveying fee title to the Real Property is recorded in the San Diego County Recorder's Office and the payments and deliveries required by the terms of this Agreement are made.

Closing Date. The date on which the Closing occurs.

Construction Schedule. The schedule for completion of the Improvements to be developed pursuant to the Project Development Agreement, as such schedule may be amended during the course of construction of the Improvements.

Completion. As defined in the Project Development Agreement.

Construction Supervision Fee. As defined in the Project Development Agreement.

Contractor. The general contractor to be selected by Seller and approved by Buyer pursuant to the Project Development Agreement to complete the Improvements.

Deed. The grant deed to be used to convey title to the Real Property to Buyer. Such deed shall be in the form and content of **Exhibit 3** attached hereto.

Design Contract. The contract dated December 13, 2016, between Seller, as owner, and M. Arthur Gensler Jr. & Associates, Inc., a California corporation dba Gensler (“**Gensler**”), as architect, pertaining to the preparation of plans and specifications for the construction of the Buildings on the Real Property and all amendments to such contract.

Development Agreement. That certain Development Agreement between City of Chula Vista and McMillin Otay Ranch, LLC recorded October 27, 2009 as Document No. 2009-0595116 of Official Records of the San Diego County Recorder, as assigned from McMillin Otay Ranch, LLC to SLF IV – Millenia, LLC, a Delaware limited liability company, pursuant to that certain Assignment of Development Agreement; Memorandum of Assignment of Parks Agreement; and Confirmations Regarding Parks Agreement recorded February 22, 2011 as Document No. 2011-0098720 of Official Records of the San Diego County Recorder, as such Development Agreement may have been or may be amended from time to time.

Developer Fee. As defined in the Project Development Agreement.

Due Diligence Documents. The documents listed in **Exhibit 2** attached hereto.

Due Diligence Period. The period commencing on the Effective Date and continuing through **March 1, 2023**.

Early Work. As defined in the Project Development Agreement.

Effective Date. The date specified above.

Escrow Holder. First American Title Insurance Company.

Improvements. Collectively the Buildings, the Tenant Improvements, the Parking Structure, and the Site Work.

Improvements Plans and Specifications. Collectively the Buildings Plans and Specifications, the Tenant Improvements Plans and Specifications, the Parking Structure Plans and Specifications, and the Site Work Plans and Specifications.

Intangible Property. All intangible property to the extent owned or held by Seller in connection with the ownership and development of the Real Property, including, without limitation, all plans, permits, entitlements, guaranties, and warranties.

Job Close Out Deliveries. The documents and tangible items required to be delivered by Seller to Buyer as a condition of Acceptance.

Land. That certain fee simple parcel of land located in Chula Vista, California, more particularly described in **Exhibit 1** attached hereto.

Library Obligation. Seller's obligation to construct a library, which obligation (1) is described in Section 4.3.1 and Exhibit D of the Development Agreement and (2) was assumed by Seller pursuant to that certain Agreement Regarding Consent to Partial Assignment and Transfer of Development Agreement recorded February 16, 2016, as Document No. 2016-0064898 of Official Records of San Diego County, California.

Library Building. The multi-story library building having a total area of approximately **169,000 square feet** to be constructed on the Land, as more particularly described in the Buildings Plans and Specifications.

Option and Right of First Refusal. The option and right of first refusal in favor of SLF IV – Millenia, LLC, a Delaware limited liability company (“**SLF IV**”), a memorandum of which was recorded February 16, 2016, as Document No. 2016-0064897 of Official Records of San Diego County, California (“**the Memorandum of Option and Right of First Refusal**”).

Parking Structure. As defined in the Project Development Agreement.

Parking Structure Costs. As defined in the Project Development Agreement.

Parking Structure Plans and Specifications. As defined in the Project Development Agreement.

Personal Property. All equipment, appliances, tools, machinery, supplies, building materials and other personal property of every kind and character owned by Seller and attached to, appurtenant to, located in or used in connection with the operation of the Improvements.

Prime Contract. The contract between Seller and Contractor by which Contractor will act as the general contractor to construct the Improvements, which contract shall be a guaranteed maximum price form of contract and otherwise subject to the terms and conditions described in the Project Development Agreement.

Project. As defined in the Project Development Agreement.

Project Development Agreement. The Project Development Agreement between Seller and Buyer for the development and construction of the Improvements to be entered into concurrently herewith in form and content as **Exhibit 11** attached hereto.

Permitted Encumbrances. The encumbrances to title to the Real Property, as approved by Buyer and as provided below; however, the Permitted Encumbrances shall not include any deeds of trust, mortgages, judgment liens, mechanic's liens, income tax liens, or other similar liens securing monetary obligations (excluding nondelinquent real property taxes and assessments), all of which shall be paid and/or otherwise discharged by Seller prior to or concurrently with the Closing.

Property. The Real Property, the Personal Property, and the Intangible Property.

Property Expenses. All costs and expenses of any nature incurred or payable, or arising in connection with, the ownership, management, maintenance, construction, repair, replacement, restoration, or operation of the Project site or the Project, including, without limitation, any amounts paid for: (i) the cost of supplying any utilities, the cost of operating, maintaining, repairing, renovating and managing any utility systems, mechanical systems, communications systems, sanitary and storm drainage systems, and the cost of supplies and equipment and maintenance and service contracts in connection therewith; (ii) the cost of licenses, certificates, permits and inspections; (iii) the cost of any insurance carried or required to be carried by Developer pursuant to this Agreement with respect to the Project site or the Project; (iv) the cost of landscaping, supplies, tools, equipment and materials, and all fees, charges and other costs incurred in connection with the management, operation, repair and maintenance of the Project site or the Project; (v) payments under any easement, license, permit, operating agreement, declaration, or covenant or instrument pertaining to the Project site that exist as of the Effective Date or that are created or consented to by Developer; (vi) the cost of any improvements, capital repairs, capital alterations, or capital equipment, required by Laws or otherwise required under this Agreement; and (vii) real property taxes and installments of assessments payable prior to the Closing; however Property Expenses shall not include (1) Developer's general overhead, (2) any Property Expenses incurred prior to **January 1, 2023**, or (3) any costs or expenses that are otherwise paid by Buyer or to be reimbursed by Buyer under any other provision of this Agreement or the Project Development Agreement.

Purchase Price. The sum of the following:

Reimbursable Project Costs	\$76,268,188
Developer Fee*	\$3,300,000
Construction Supervision Fee*	\$2,700,000
TOTAL ESTIMATED REIMBURSABLE PROJECT COSTS*	\$82,268,188

Land Acquisition Costs	\$11,000,000
Previously Incurred Soft Costs	\$3,145,203
Estimate Total	\$96,413,391

*The amounts shown above for Reimbursable Project Costs, Developer Fee, and Construction Supervision Fee are estimates and are subject to adjustment pursuant to the Project Development Agreement.

Real Property. The Land and the Improvements.

Reimbursable Project Costs. As defined in the Project Development Agreement.

Site Work. As defined in the Project Development Agreement.

Site Work Costs. The allowed costs incurred by Seller to construct the Site Work, as provided in the Project Development Agreement.

Site Work Plans and Specifications. As defined in the Project Development Agreement.

Target Closing Date. **Ten Business Days** following the satisfaction of the conditions to Acceptance, as provided in the Project Development Agreement.

Tenant Improvements. The improvements to the interior of the Buildings in excess of the “warm shell” specifications for the Buildings described in the Buildings Plans and Specifications.

Tenant Improvements Costs. The allowed costs incurred by Seller to construct the Tenant Improvements, as provided in the Project Development Agreement.

Tenant Improvements Plans and Specifications. The plans and specifications for the Tenant Improvements to be developed pursuant to the Project Development Agreement.

Title Company. First American Title Insurance Company.

Title Policy. The Title Policy shall be a California Land Title Association ("CLTA") owner's standard coverage policy of title insurance; however, subject to Buyer's (1) payment of the additional premium and (2) compliance with all of Title Company's additional requirements, including obtaining an ALTA survey at Buyer's cost, Buyer may elect that the Title Policy shall be an ALTA owner's extended coverage policy of title insurance.

Section 2—Sale and Purchase of Property. Seller hereby agrees to sell the Property to Buyer and Buyer hereby agrees to purchase the Property from Seller at the price and on the terms, covenants, and conditions set forth in this Agreement.

Section 3—Payment of Purchase Price. Buyer shall pay to Seller the Purchase Price as follows:

3.1 Initial Deposit. As used herein, “**the Initial Deposit**” means the sum of **\$9,145,203.00**, which shall be delivered by Buyer to Escrow Holder and released by Escrow Holder to Seller, as follows:

3.1.1 First Release. Within two Business Days following satisfaction or Buyer’s waiver of the pre-Closing condition precedent in **Section 5.1.1** (Title Documents), Buyer shall deposit with Escrow Holder **\$500,000.00** of the Initial Deposit (“**the First Release**”). Within two Business Days following Escrow Holder’s receipt of (1) the First Release, (2) Seller’s wire transfer instructions, and (3) such escrow instructions signed by Seller and Buyer as Escrow Holder may reasonably require to release the First Release, Escrow Holder shall release to Seller First Release. The First Release shall (1) constitute independent consideration for Seller’s execution of this Agreement and allowing Buyer to disapprove or approve Buyer’s pre-Closing conditions in **Section 5.1** in Buyer’s sole and unfettered discretion, (2) not be refundable to Buyer for any reason other than Seller’s breach of this Agreement, and (3) be applicable to the Purchase Price together with the balance of the Initial Deposit. Notwithstanding the foregoing, if the Land is encumbered by a deed of trust as of the Effective Date, then, as a further condition to Escrow Holder’s release to Seller of the First Release, Escrow Holder must be in possession of (1) a demand for payment from the beneficiary of such deed of trust, (2) a request for full reconveyance of such deed of trust from the beneficiary of such deed of trust, (3) an instruction from Buyer that allows Escrow Holder to pay such beneficiary’s demand for payment from the First Release, and (4) if the amount owed to such beneficiary exceeds the amount of the First Release, immediately available funds from Seller in an amount to pay the balance owed to such beneficiary in excess of the First Release and an instruction from Seller to use such funds to pay the remaining balance of the demand.

3.1.2 Second Release. Within two Business Days following (1) Escrow Holder’s confirmation of recording of the Memorandum of Agreement (defined below) and the Performance Deed of Trust (defined below) and (2) satisfaction or Buyer’s waiver of the pre-Closing conditions precedent for Buyer’s benefit in **Section 5.1** below, Buyer shall deposit with Escrow Holder **\$5,500,000.00** of the Initial Deposit (“**the Second Release**”). Within two Business Days following Escrow Holder’s receipt of (1) the Second Release, (2) Seller’s wire transfer instructions, and (3) such escrow instructions signed by Seller and Buyer as Escrow Holder may reasonably require to release the Second Release, Escrow Holder shall release to Seller the Second Release. The Second Release shall be (1) applicable to the Purchase Price together with the First Release and balance of the Initial Deposit and (2) refundable if this Agreement is terminated under **Section 5.4** or because of Seller’s breach.

3.1.3 Third Release. Within two Business Days following the date (1) Buyer has approved and Seller has executed the Prime Contract, as provided in the Project

Development Agreement, (2) Seller (and/or Prime Contractor) has obtained the insurance policies, payment bond(s), and performance bond(s), all in forms satisfactory to the City, required under the Project Development Agreement, and (3) Seller has delivered to Escrow Holder conditional assignments of the Prime Contract and all other assignment agreements required by this Agreement or the Project Development Agreement, all in forms satisfactory to the City, Buyer shall deposit with Escrow Holder the **\$3,145,203.00** balance of the Initial Deposit (“**the Third Release**”). Within two Business Days following Escrow Holder’s receipt of (1) the Third Release, (2) Seller’s wire transfer instructions, and (3) such escrow instructions signed by Seller and Buyer as Escrow Holder may reasonably require to release the Third Release, Escrow Holder shall release to Seller the balance the Third Release. The Third Release shall be (1) applicable to the Purchase Price together with the First Release and Second Release and (2) refundable if this Agreement terminated under **Section 5.4** or because of Seller’s breach.

3.2 Project Development Agreement Payments. At such times that payments are due under the Project Development Agreement to Seller or Contractor, subject to any retention provisions, Buyer shall pay such amounts. The amounts paid by Buyer to Seller or Contractor under this section shall be credited to the Purchase Price.

3.3 Balance of Purchase Price. The balance of the Purchase Price shall be paid in immediately available certified funds at the Closing.

Section 4—Escrow. Escrow Holder shall act as escrow under this Agreement. An executed copy of this Agreement shall be delivered to Escrow Holder by both parties within two Business Days following the date both parties sign this Agreement, and the parties hereby instruct Escrow Holder to act in accordance with the terms of this Agreement. Buyer and Seller shall execute such further escrow instructions as may be required by Escrow Holder to consummate the transactions contemplated by this Agreement, but in the event of any conflict between the provisions of such escrow instructions and this Agreement, the provisions of this Agreement shall control.

4.1 Buyer's Deliveries. In addition to the Initial Deposit, Buyer shall make the following deliveries to Escrow Holder:

4.1.1 Closing Payment and Costs. No later than 10:00 a.m. on the Target Closing Date, Buyer shall deliver to Escrow Holder immediately available funds in an amount equal to the sum of (1) the unpaid balance of the Purchase Price and (2) Buyer's costs, fees and prorations.

4.1.2 Buyer’s Closing Documents. No later than 3:00 p.m. of the last regular Business Day before the Target Closing Date, Buyer shall deliver to Escrow Holder (1) an agreement (“**the Library Assumption Agreement**”) in form and content as **Exhibit 8** attached hereto by which Buyer assumes the Library Obligation signed by Buyer’s duly authorized representative before a notary public and (2) such documents, if any, required by Title Company to release the Memorandum of Agreement and the Performance Deed of Trust.

4.2 Seller's Deliveries. Seller shall make the following deliveries:

4.2.1 Closing Deliveries to Escrow. No later than 3:00 p.m. of the last regular Business Day before the Target Closing Date, Seller shall deliver to Escrow Holder:

4.2.1.1 The Seller's Grant Deed. The Deed conveying the Real Property to Buyer, signed by Seller before a notary public, together with such additional documents as Title Company requires to issue the Title Policy, including, if applicable an owner's affidavit and a gap indemnity agreement.

4.2.1.2 General Assignment. A General Assignment in substantially the form and of content as **Exhibit 4** signed by Seller.

4.2.1.3 Bill of Sale. A Bill of Sale in form and of content as **Exhibit 5** signed by Seller.

4.2.1.4 Discharge of Encumbrances, Seller's Charges. If the funds deposited with Escrow Holder by Buyer are insufficient to (1) discharge all encumbrances other than the Permitted Encumbrances and (2) pay the charges to Seller's prorations, fees and costs, Seller shall deliver to Escrow Holder sufficient funds and instruments to discharge and pay such encumbrances and charges.

4.2.1.5 Affidavit of Non-Foreign Status. Declarations bearing Seller's signature pursuant to (1) Internal Revenue Code section 1445, confirming that Seller is not a foreign person and (2) California Revenue and Taxation Code section 18662, confirming whether this transaction is subject to California at-source withholding. The declaration under Internal Revenue Code section 1445 shall be substantially in form and of content as **Exhibit 6** attached hereto. If this transaction is subject to withholding under Internal Revenue Code section 1445, California Revenue and Taxation Code section 18662, or other applicable law requiring at-source withholding with respect to the Purchase Price payable to Seller, Seller authorizes Escrow Holder to comply with such laws and withhold from Seller the portion of the Purchase Price required to be withheld to comply with such laws. If the cash proceeds otherwise payable to Seller at the Closing are insufficient to satisfy the amount required to be withheld, then, on or before 3:00 p.m. on the Business Day preceding the Target Closing Date, Seller shall deposit with Escrow Holder immediately available funds in an amount such that, with the other cash funds payable to Seller at the Closing, Escrow Holder shall have sufficient funds to satisfy the withholding requirement.

4.2.1.6 Reconfirmation of Representations. A written statement signed by Seller that confirms that, during the period from the Effective Date to the Closing Date, nothing has occurred (and Seller has not become aware of any facts) that, to Seller's actual knowledge, causes any of the Seller's representations and warranties contained in this Agreement to be materially untrue and that, to Seller's actual knowledge, all of the representations and warranties contained in this Agreement remain true and are reconfirmed as of the Closing Date; however, Seller's written statement may except any occurrences or facts as to which Seller has, prior to the Closing, delivered to Buyer written notice and, as provided below, Buyer has,

nevertheless, elected to proceed with the Closing. The written statement shall be substantially in form and content as **Exhibit 7** attached hereto.

4.2.1.7 Library Assumption Agreement. A counterpart of the Library Assumption Agreement signed by Seller's duly authorized representative.

4.2.2 Additional Deliveries.

4.2.2.1 Due Diligence Documents. Within two Business Days following the Effective Date, Seller shall deliver to Buyer or Buyer's agent the Due Diligence Documents. Such delivery may be accomplished by online access to one or more digital folders that contain copies of the Due Diligence Documents. Buyer reserves the right to require production of original versions of Due Diligence documents where reasonably available.

4.2.2.2 Memorandum of Agreement. Within **three Business Days** following (1) satisfaction or Buyer's waiver of the pre-Closing conditions precedent in **Section 5.1** below and (2) satisfaction of the pre-Closing condition precedent in **Section 5.3** below, Seller shall deliver to Escrow Holder (i) a Memorandum of Agreement in form and content as **Exhibit 9** attached hereto ("**the Memorandum of Agreement**") signed by Seller's duly authorized representative before a notary public and (ii) instructions to Escrow Holder to record the Memorandum of Agreement.

4.2.2.3 Performance Deed of Trust. Within **three Business Days** following (1) satisfaction or Buyer's waiver of the pre-Closing conditions precedent in **Section 5.1** below and (2) satisfaction of the pre-Closing condition precedent in **Section 5.3** below, Seller shall deliver to Escrow Holder (i) a Deed of Trust in form and content as **Exhibit 10** attached hereto ("**the Performance Deed of Trust**") signed by Seller's duly authorized representative before a notary public and (ii) instructions to Escrow Holder to record the Performance Deed of Trust.

Section 5—Pre-Closing Conditions Precedent.

5.1 Buyer's Conditions Precedent. Buyer's obligations under this Agreement (including the obligation to deliver to Escrow Holder the Purchase Price) are subject to each of the following conditions precedent for Buyer's benefit:

5.1.1 Title Documents. On or before the Title Review Date, Buyer shall have reviewed and approved a preliminary report issued by the Title Company pertaining to the Real Property with a copy of all instruments described in the preliminary report evidencing exceptions to title thereto (the preliminary report and copies of exceptions are referred to herein as the "**Title Report**"). As used herein, the term "**Title Review Date**" shall mean **December 13, 2022**. If, on or prior to the Title Review Date, Buyer delivers to Seller written notice of Buyer's disapproval of any of the encumbrances disclosed by the Title Report, then, within five Business Days following Seller's receipt of such notice, Seller shall provide to Buyer written notice of whether Seller shall eliminate such disapproved encumbrance(s) prior to or concurrently with the Closing. If Seller's responding notice states that all encumbrances disapproved by Buyer shall be

eliminated prior to or concurrently with the Closing, then (1) the condition under this paragraph shall be deemed satisfied and waived and (2) Seller shall, as a condition to the Closing, cause the disapproved encumbrance(s) to be eliminated. If Seller's responding notice states that one or more of the disapproved encumbrances shall not be eliminated prior to or concurrently with the Closing, then, for a period of ten Business Days following Buyer's receipt of Seller's responding notice, Buyer may elect to (1) waive the disapproval of the encumbrance(s) and accept the encumbrance(s) as part of the Permitted Encumbrances or (2) terminate this Agreement as provided in **Section 5.4** below. The exceptions to the Title Report approved by Buyer shall constitute "**Permitted Encumbrances**" for all purposes of this Agreement. If Title Company subsequently issues a supplement to the Title Report, Buyer shall have until the later of the Title Review Date or ten Business Days following Buyer's receipt of the supplement to review and approve or disapprove the matter disclosed in the supplement. If the matter disclosed in the supplement is not timely approved, then either party may terminate this Agreement, as provided in **Section 5.4** below. If the matter disclosed in the supplement is timely disapproved, then it shall be subject to the same procedure described above for an item disclosed in the Title Report as to which Buyer has delivered timely written notice of disapproval; however, Buyer shall not be obligated to disapprove any matter disclosed in a supplement that is a lien or other monetary encumbrance.

5.1.2 Buyer's Feasibility. On or before expiration of the Due Diligence Period, Buyer shall have reviewed and approved Buyer's feasibility analysis of Buyer's proposed purchase and development of the Property, including Buyer's review and approval of the Due Diligence Documents, the physical condition of the Property, feasibility of Buyer's proposed development, and existing permits and approvals. From and after the Effective Date, Buyer and its agents, employees, and contractors shall be afforded reasonable access to the Property during normal business hours upon reasonable notice to Seller for the purpose of making such investigations as Buyer deems prudent with respect to the physical condition of the Property. Buyer shall indemnify and hold harmless Seller and the Property from all claims, liens, losses, damages, fines, and liabilities (including court costs and attorney's fees) arising from Buyer's entry upon the Property; however, Buyer shall not be obligated to indemnify Seller for the negligence or willful misconduct of Seller and/or Seller's agents, employees, or contractors.

5.1.3 Waiver of Option. On or before expiration of the Due Diligence Period, Escrow Holder shall have received (1) a written agreement signed by SLF IV's duly authorized representative before a notary public by which SLF IV agrees to rescind any and all rights SLF IV may have to purchase the Real Property pursuant to the Option and Right of First Refusal and (2) such other documents as Title Company may require to issue the Title Policy without the Memorandum of Option and Right of First Refusal as an exception to coverage.

5.1.4 Confirmation of State Funding Availability. On or before expiration of the Due Diligence Period, Buyer shall have entered into contracts with the State of California on terms acceptable to Buyer in its sole discretion, providing for no less than \$30,000,000.00 in funding that can be used, in a timely manner, for Buyer's acquisition and development of the Library Building, or Buyer's payments towards other cost components of the Purchase Price.

5.1.5 Lease Agreement with SDSU. On or before expiration of the Due Diligence Period, Buyer shall have entered into a lease agreement with San Diego State University (“SDSU”) for SDSU’s occupancy of at least 50,000 gross square feet of the Library Building on substantially the terms set forth in that certain Memorandum of Understanding [SDSU Film and TV Production Studios Project Chula Vista] between Buyer and SDSU, dated effective September 2, 2022.

5.1.6 Early Work. Developer shall perform complete the Early Work in a manner that allows the City of Chula Vista, in its regulatory capacity (not as Buyer under this Agreement) to have inspected and approved the Early Work on or before **February 28, 2023**.

5.2 Satisfaction/Waiver. Buyer may unilaterally disapprove or waive any pre-Closing condition described in **Section 5.1** above in Buyer's sole and unfettered discretion. Satisfaction or waiver of a pre-Closing condition shall be effective only if the satisfaction or waiver is (1) in writing and (2) delivered to Seller.

5.3 Seller’s Condition Precedent--Waiver of Option. Seller’s obligations under this Agreement are subject to the condition precedent for Seller’s benefit that, on or before January 31, 2023, Escrow Holder shall have received (1) a written agreement signed by SLF IV’s duly authorized representative before a notary public by which SLF IV agrees to rescind any and all rights SLF IV may have to purchase the Real Property pursuant to the Option and Right of First Refusal and (2) such other documents as Title Company may require to issue the Title Policy without the Memorandum of Option and Right of First Refusal as an exception to coverage.

5.4 Termination of this Agreement. In the event any of the pre-Closing conditions precedent described in **Sections 5.1 and 5.3** above is not timely satisfied or waived within the time periods provided above, either party may terminate this Agreement by delivering to the other party a notice of termination; however, if Seller delivers to Buyer a notice of termination with respect to one or more of the conditions precedent in **Section 5.1** above, then Seller's notice of termination shall not be effective if, within 20 Business Days following Seller's delivery to Buyer of the notice of termination, Buyer delivers to Seller Buyer's written waiver of the condition(s) that, as of the date of delivery of Seller's notice of termination, had not previously been timely satisfied or waived. If this Agreement is terminated as provided in the preceding sentence, then (1) all costs incurred by Escrow Holder shall be borne by the party responsible for such costs as provided herein, (2) if the Memorandum of Agreement has been recorded, Buyer shall cause to be recorded a release of the Memorandum of Agreement, (3) if the Performance Deed of Trust has been recorded, Buyer shall cause to be recorded a release of the Performance Deed of Trust, (4) Seller shall retain the First Release, (5) if Escrow Holder has delivered to Seller the Second Release, then Seller shall refund to Buyer the Second Release, (6) Escrow Holder shall refund to Buyer the remaining balance, if any, of the Initial Deposit held by Escrow Holder (including the amount designated for the Second Release if Escrow Holder did not deliver to Seller the Second Release), (7) Buyer shall reimburse Seller for the costs incurred by Seller to perform the Early Work, and (8) thereafter, no party shall have any further rights or obligations under this Agreement other than Buyer's indemnity obligation in **Section 5.1.2** above.

Section 6—The Closing. The parties further agree:

6.1 Conditions to Closing. Escrow Holder shall accomplish the Closing on the Target Closing Date by (1) filing for record the Deed (and such other documents as may be necessary to procure the Title Policy) and (2) delivering funds and documents to the parties when all of the following conditions have been satisfied:

6.1.1 Deliveries. All funds and documents required to be delivered to Escrow Holder have been delivered to Escrow Holder.

6.1.2 Pre-Closing Conditions. All of the conditions precedent set forth in **Section 5.1** and **Section 5.3** have been, or upon Closing shall be, satisfied or waived in the manner specified in said sections.

6.1.3 Owner's Title Policy. Escrow Holder can procure from Title Company the Title Policy with liability in the amount of the Purchase Price, insuring that fee title to the Real Property vests in Buyer subject only to:

6.1.3.1 General and special real estate taxes and assessments that are, as of the Closing, not delinquent.

6.1.3.2 Supplemental taxes, if any, pursuant to California Revenue and Taxation Code section 75, et seq., that are assessed and pertain to the period of time after the Closing.

6.1.3.3 The Permitted Encumbrances.

6.1.3.4 All encumbrances voluntarily imposed by Buyer, including the Library Assumption Agreement.

6.1.4 Acceptance of Improvements. Provided Buyer has not delivered an Early Closing Notice (defined below), Acceptance shall have occurred, as provided under the terms of the Project Development Agreement.

6.1.5 Performance. Seller and Buyer shall have performed any and all other material obligations to be performed prior to the Closing by Seller and Buyer, respectively, under the terms of this Agreement.

6.2 Delayed Closing. If the Closing has not occurred prior to the Target Closing Date, then a party not in breach may deliver to the other party written notice ("**a Termination Notice**") to terminate this Agreement. If (1) a party delivers a Termination Notice and (2) the Closing does not occur within ten Business Days following delivery of the Termination Notice, then the following shall apply:

6.2.1 If the Closing fails to occur as a consequence of a material breach by the party receiving the Termination Notice, then this Agreement shall terminate, and the non-breaching party shall have the remedies in **Section 11** below.

6.2.2 If the Closing fails to occur as a consequence of a failure of a condition precedent and neither party is in default, then this Agreement shall terminate; however, the party receiving the Termination Notice may postpone termination of this Agreement for ten additional Business Days if such receiving party delivers to the sending party a written notice (“**a Postponement Notice**”) electing to postpone termination of this Agreement. A Postponement Notice must be delivered by the receiving party to the sending party within ten Business Days following the receiving party's receipt of the Termination Notice. If the conditions to Closing are satisfied within such additional ten Business Days, then the Closing shall occur. If the conditions to Closing are not satisfied within such additional ten Business Days, then this Agreement shall terminate. If this Agreement terminated under this section, then (1) Buyer shall deliver to Seller such documents as may be required to release the Memorandum of Agreement and Performance Deed of Trust, (2) Buyer shall pay all Reimbursable Project Costs accrued through the termination date, and (3) if amount of the Second Release exceeds the total Reimbursable Project Costs incurred prior to the termination date, then Seller shall refund to Buyer the amount of such excess.

6.2.3 Notwithstanding the foregoing, if (1) Seller delivers to Buyer a Termination Notice or (2) Buyer could deliver to Seller a Termination Notice, but elects not to do so, then (i) Buyer may waive any of Closing conditions in **Section 6.1** and complete the Closing and (ii) if a party is in breach of such party's obligations under this Agreement, then the other party shall retain all remedies and the consequences of such breach shall be resolved after the Closing.

Section 7—Closing Costs, Prorations. Expenses in connection with the transactions contemplated by this Agreement shall be paid as follows:

7.1 Seller's Costs. Seller shall pay for the following:

7.1.1 Customary seller's recording and filing fees.

7.1.2 The documentary transfer tax, if any, due on the conveyance and sale of the Property to Buyer.

7.1.3 The portion of the cost of the Title Policy attributable to a CLTA owner's standard coverage policy of title insurance without endorsements.

7.1.4 The cost to obtain a natural hazards disclosure report (e.g., flood plain, earthquake, etc.) from a reputable company selected by Seller.

7.1.5 One-half of Escrow Holder's fees.

7.2 Buyer's Costs. Buyer shall pay for the following:

7.2.1 Customary buyer's recording and filing fees.

7.2.2 The portion of the cost of the Title Policy in excess of the cost to be paid by Seller, as provided above.

7.2.3 One-half of Escrow Holder's fees.

7.3 Prorations. All non-delinquent real property taxes and other items of expense pertaining to the Property shall be prorated between Seller and Buyer as of the Closing Date.

7.3.1 Time of Prorations. Prorations shall be made as of 12:01 a.m. on the Closing Date, with Buyer to be charged for all expenses for such day. All prorations shall be final, except as otherwise provided herein.

7.3.2 Unknown Amounts. If the amount of any prorated item is not known at Closing, the parties agree that such item shall be (1) prorated at Closing upon the basis of the best information available and (2) adjusted when the actual amount of such item is known, with appropriate charges and credits to be made. If subsequent to the Closing any adjustment pursuant to this section is required, then either party hereto entitled to payment shall invoice the other party for such amount as may be owing, and such amount shall be paid within 10 days following receipt of the invoice. The provisions of this section shall survive the Closing.

7.3.4 Dispute re Purchase Price. If as of the Target Closing Date the exact amount of the Reimbursable Project Costs cannot be determined with certainty because of a dispute or otherwise, then (1) the Closing shall not be delayed, (2) Buyer may withhold from the Closing deposit of the balance of the Purchase Price an amount reasonably estimated to be the uncertain or disputed amount, and (3) Seller and Buyer shall resolve the uncertainty or dispute after the Closing.

7.3.5 Property Expenses. Pending the Closing Date, Seller shall pay Property Expenses and Buyer shall reimburse Seller for Property Expenses within 30 days following Buyer's receipt from Seller of an invoice therefor along with such evidence reasonably required by Buyer of the nature and amount of the Property Expenses for which Seller seeks to be reimbursed. Buyer's reimbursement of Property Expense shall not be applicable to the Purchase Price.

Section 8—Representations, Warranties, and Covenants. Buyer and Seller further agree as follows:

8.1 Disclaimer of Warranties. Except as provided in this Agreement, or in the Project Development Agreement, Buyer acknowledges and agrees that Seller has not made, does not make, and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present, or future, of, as to, concerning, or with respect to the Property.

8.2 Seller's Representations and Warranties. Seller hereby represents and warrants to Buyer as of the Effective Date:

8.2.1 Authority and Organization. Seller has all requisite power and authority to execute this Agreement and consummate the transactions contemplated by this Agreement. Seller is a limited partnership duly organized, validly existing, and in good standing under the laws of California, is duly authorized to do business in and in good standing in California, and has all requisite power and authority to own the property that Seller now owns.

8.2.2 Litigation. To the best of Seller's knowledge, after reasonable inquiry, no actions, suits or proceedings are pending or threatened against or affecting Seller or the Property in any court at law or in equity or before or by any governmental department, commission, board, bureau, agency or instrumentality, an adverse decision in which might materially affect the Property or Seller's ability to perform Seller's obligations under this Agreement.

8.2.3 No Violation of Restrictions. Seller has not received written notice of any violation of any zoning or subdivision ordinances or regulations, building codes, regulations, restrictive covenants or other restrictions to which the Property is subject.

8.2.4 Rights of Others. Other than the Option and Right of First Refusal, no person or entity has any option or right of first refusal that is still effective to acquire all or any portion of the Property.

8.2.5 Payment of Cost for Labor and Materials. All sums payable by Seller by reason of any labor or materials heretofore furnished with respect to the Property have been, or, subject to Buyer's payment of the Purchase Price, prior to Closing shall be, paid; however, if a dispute exists in connection with such sums so payable that results in a recorded lien against the Property, Seller shall record a lien release bond under Civil Code section 8424 with respect to any recorded claim of lien encumbering the Property and, upon recording such bond, Seller's representation in this section shall be deemed to be accurate.

8.2.6 Creditors. Seller has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by Seller's creditors, (iii) suffered the appointment of a receiver to take possession of all, or substantially all, of Seller's assets, (iv) suffered attachment or other judicial seizure of all, or substantially all, of Seller's assets, or (v) admitted in writing Seller's inability to pay Seller's debts as they become due.

8.2.7 Seller Not a Foreign Person. Seller is not a foreign person within the meaning of Section 1445(f)(3) of the Internal Revenue Code of 1954, as amended, and Seller shall furnish to Buyer, prior to Closing, an affidavit confirming the same.

8.2.8 Due Diligence Documents. To the best of Seller's actual knowledge, the Due Diligence Documents delivered by Seller to Buyer are complete copies of the originals of

such documents. Further, such documents contain no material misstatements or omissions of fact known by Seller with respect to the Property to the best of Seller's actual knowledge.

8.2.9 Hazardous Materials. To the best of Seller's actual knowledge except as disclosed in the Due Diligence Documents, there are and have not been any Hazardous Materials on, under or about the Property in violation of any federal, state, or local law, ordinance or regulation promulgated thereunder relating to Hazardous Materials, including soil and groundwater conditions. As used herein, the term "**Hazardous Materials**" shall mean (a) "hazardous waste," "extremely hazardous waste," or "restricted hazardous waste," as defined in Chapter 6.5 of Division 20 (Section 25100, et seq.) of the California Health and Safety Code, as amended, or any successor statute, (b) "hazardous substance," as defined in the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. section 9601, et seq.), as amended, or any successor statute, (c) "hazardous material," as defined in the Hazardous Materials Transportation Act (49 U.S.C. section 1801, et seq.), as amended, or any successor statute, (d) "hazardous waste," "solid waste," "sludge," "used oil," "recycled oil," "lubricating oil," and "re-refined oil," as defined in the Resource Conservation and Recovery Act of 1976 (42 U.S.C. section 6901, et seq.), as amended, or any successor statute, (e) "hazardous substance," as defined in the Carpenter-Presley-Tanner Hazardous Substance Account Act, Chapter 6.8 of Division 20 (Section 25300, et seq.) of the California Health and Safety Code, as amended, or any successor statute, (f) "hazardous substance," as defined in Chapter 6.7 of Division 20 (Section 25280, et seq.) of the California Health and Safety Code, as amended, or any successor statute, (g) "hazardous material," "hazardous substance," or "hazardous waste," as defined in Chapter 6.95 of Division 20 (Section 25501, et seq.) of the California Health and Safety Code, as amended, or any successor statute, (h) "hazardous substance," as defined in Clean Water Act (33 U.S.C. section 1251, et seq.), as amended, or any successor statute, (i) asbestos or products containing asbestos or (j) any substances, materials or wastes listed in (1) the United States Department of Transportation Hazardous Materials Table (49 C.F.R. section 172.101), as amended, (2) the Environmental Protection Agency List (40 C.F.R. Part 302), as amended, or (3) the list published in Title 26 of the California Administrative Code, as amended.

8.2.10 Physical Condition of the Property. To the best of Seller's actual knowledge, except as disclosed in the Due Diligence Documents, Seller represents that there are no material defects in the physical condition of the Land that would prevent or inhibit the development of the Land with the Improvements.

8.3 Survival of Covenants, Representations and Warranties; Seller's Knowledge.

8.3.1 Survival. All of the covenants, representations and warranties of Seller set forth in **Section 8.2** shall survive the Closing and the delivery of the Deed; however, if, after the Closing, Buyer discovers a breach of any representation or warranty in **Section 8.2**, then any action by Buyer for breach of such representation or warranty under **Section 8.2** must be commenced within two (2) years after the Closing.

8.3.2 Pre-Closing Remedies. If either party discovers (1) any material misrepresentation of Seller or any material breach of Seller's representations or warranties

hereunder or (2) a change in circumstances occurs that causes one or more of Seller's representations above to be materially untrue, then, the party making such discovery shall promptly provide to the other party notice of such discovery. If after the Effective Date and prior to the Closing Buyer discovers (by notice from Seller or otherwise) (1) any material misrepresentation of Seller or any material breach of Seller's representations or warranties hereunder or (2) a change in circumstances occurs that causes one or more of Seller's representations above to be materially untrue, then the following shall apply:

8.3.2.1 Termination for Misrepresentation. If Buyer discovers a material misrepresentation or material breach of Seller's representations or warranties (i.e., not a change of circumstances), by receipt of a notice from Seller, or otherwise, then for a period of 45 days following Buyer's discovery of the material misrepresentation, Buyer shall have the right to terminate this Agreement by delivering to Seller written notice of Buyer's election to terminate, and, if Buyer elects to terminate this Agreement, then, subject to the waiver of consequential damages below, Buyer shall have all rights and remedies arising out of such misrepresentation. Buyer's failure to deliver written notice to terminate or, in the alternative, some other form of resolution while reserving Buyer's right to terminate, prior to the expiration of such 45-day period shall be deemed to be Buyer's election not to terminate this Agreement. If, notwithstanding Buyer's discovery of a misrepresentation by Seller, Buyer elects to not to terminate this Agreement, unless the parties otherwise agree in writing, such election shall, upon the Closing, constitute a waiver by Buyer of any and all claims relating to such misrepresentation.

8.3.2.2 Change of Circumstances. If (1) after the Effective Date a change of circumstances occurs that causes one of Seller's representation to become materially untrue and (2) such change of circumstances does not arise out of Seller's negligence, willful misconduct, or breach of this Agreement, then this Agreement shall remain in full effect and the parties' obligations shall remain unchanged (i.e., Buyer shall not have a right to terminate this Agreement or adjustment to the Purchase Price following such change of circumstances). If (1) after the Effective Date a change of circumstances occurs that causes one of Seller's representation to become materially untrue and (2) such change of circumstances arises out of Seller's negligence, willful misconduct, or breach of this Agreement, then Buyer shall have the same rights under **Section 8.3.2.1** as if such change of circumstances were a material misrepresentation by Seller.

8.3.3 Seller's Knowledge. For purposes of this Agreement, the terms "**to the best of Seller's actual knowledge**" and similar terms or phrases shall mean the actual, present knowledge of **Lee M. Chesnut, Susan Guerra, and Mary Kay Jordan** (each a "**Seller's Knowledge Party**") following investigation of files in Seller's possession or control, but shall not include any duty of additional investigation. Seller represents and warrants that Seller's Knowledge Parties are the representatives on behalf of Seller who have the best involvement and responsibility for the Property so as to have such knowledge. Notwithstanding the foregoing, in no event is any personal liability to be asserted against or in any manner assumed by a Seller's Knowledge Party, who is acting solely as Seller's representative.

8.4 Seller's Pre-Closing Covenants. Seller hereby covenants and agrees with Buyer that, pending the Closing or termination of this Agreement:

8.4.1 No Granting of Interest in Property. Except as may be reasonably required to complete the Improvements (e.g., utility easements) and subject to Buyer's prior written consent, which consent shall not be unreasonably withheld, Seller shall not grant to or purport to create any interest in the Property to any third party or any entity holding title to the Property. Notwithstanding the foregoing, without Buyer's prior written consent, which consent may be withheld in Buyer's sole and unfettered discretion, Seller shall not encumber the Property with any mortgage, deed of trust, or other lien to secure any loan(s) made to Seller.

8.4.2 Notice of Assessment/Violation. Promptly after Seller becomes aware thereof, Seller shall notify Buyer in writing of (1) any levy or threatened levy of any pre-Closing governmental assessment affecting the Property and/or (2) any alleged violation of any law, regulation, ordinance, order or other requirement of any governmental authority (including but not limited to the City) affecting any of the Property.

8.4.3 Access to Books and Records. Upon reasonable notice, Buyer shall be afforded access during normal business hours to all books and records in Seller's custody or control that relate to the Property, including any and all documents related to construction of the Improvements. Notwithstanding the foregoing, Seller shall not be obligated to give Buyer access to Seller's tax returns, Seller's internal appraisals of value of the Property, if any, or documents that pertain to Seller's internal management of Seller's corporate, partnership or limited liability company affairs.

8.4.4 Project Development Agreement; Completion of the Improvements. Seller shall (1) perform Seller's obligations under the Project Development Agreement and (2) following (i) issuance of the Building Permit and (ii) release to Seller of the Initial Deposit, use commercially reasonable efforts to cause Contractor to complete the Improvements in accordance with the Improvements Plans and Specifications and within the time periods specified in the Construction Schedule.

8.4.5 Insurance and Bonds. Commencing on the date Contractor commences construction of the Improvements, Seller shall maintain in force (and cause Contractor to maintain in force) the policies of insurance and bonds described in the Project Development Agreement.

8.5 Buyer's Pre-Closing Covenants. Buyer hereby covenants and agrees with Seller that, pending the Closing or termination of this Agreement, Buyer shall (1) perform Buyer's obligations under the Project Development Agreement and (2) use commercially reasonable efforts to timely respond to Seller's and Contractor's requests for information and approvals related to the Improvements.

8.6 Mutual Indemnity.

8.6.1 Seller's Indemnity. Seller shall defend, indemnify and hold harmless Buyer and Buyer's Parties from and against any and all claims, losses, liabilities, fines, penalties and damages (including reasonable attorney's fees and other costs of defense) arising out of or relating to (1) Seller's ownership of the Property prior to the Closing Date or (2) Seller's breach of Seller's obligations under this Agreement; however, nothing contained in this section shall be construed to limit or otherwise affect (1) Seller's warranty obligations under the Project Development Agreement or (2) Seller's express representations contained in this Agreement that survive the Closing. As used herein, "**Buyer's Parties**" means Buyer's elected and appointed officers and officials, agents, employees, and representatives.

8.6.2 Buyer's Indemnity. Buyer shall defend, indemnify and hold harmless Seller and Seller's Parties from and against any and all claims, losses, liabilities, fines, penalties and damages (including reasonable attorney's fees and other costs of defense) arising out of or relating to (1) Buyer's ownership of the Property after the Closing Date or (2) Buyer's breach of Buyer's obligations under this Agreement; however, nothing contained in this section shall be construed to limit or otherwise affect (1) Seller's warranty obligations under the Project Development Agreement or (2) Seller's express representations contained in this Agreement that survive the Closing. As used herein, "**Seller's Parties**" means Buyer's agents, employees, partners, managers, and officers.

Section 9—Possession. Subject to the rights of parties having the benefit of any Permitted Encumbrances that create possessory interests, if any, Seller shall deliver possession of the Property as required under the Project Development Agreement; however, Buyer's authorized representatives shall have reasonable access to the Property for the purposes of (1) satisfaction of any conditions precedent to the Closing contained herein and (2) Buyer's becoming familiar with the physical condition of the Property and inspecting the Improvements during construction thereof.

Section 10—Buyer's Option re Early Closing. Buyer shall have the option, at any time and without cause, to complete the Closing prior to the Target Closing Date. To exercise such option, Buyer shall deliver to Seller a written notice (an "**Early Closing Notice**") that states (1) Buyer elects to complete the Closing prior to the Target Closing Date and (2) the date on which Buyer wants to complete the Closing, which date shall be not less than three weeks following the date Seller received the Early Closing Notice and not more than six weeks following the date Seller received the Early Closing Notice. If Buyer delivers an Early Closing Notice, then the following shall apply:

10.1 Target Closing Date. The Target Closing Date shall be the date specified by Buyer in the Early Closing Notice.

10.2 Assignment of Contracts; Continued Performance. On the Closing Date, Seller shall assign to Buyer and Buyer shall assume Seller's rights and obligations under the Prime Contract, the Design Contract, and all other contracts executed by Seller relating to the Improvements to the extent that all obligations under such contracts have not been fully performed as of the Closing Date (the Prime Contract, the Design Contract, and such other contracts are herein collectively referred to as "**the Executory Contracts**"). Without limiting

the generality of the foregoing, Buyer shall assume Seller's rights and obligations under the Executory Contracts to pay all amounts that (1) are accrued, but unpaid, as of the Closing Date and (2) accrue on and after the Closing Date. Pending the Closing Date, Seller shall continue to perform Seller's obligations under the Executory Contracts and this Agreement. Buyer shall indemnify and hold harmless Seller from all obligations that arise under the Executory Contracts on and after the Closing Date and Seller shall defend, indemnify, and hold harmless Buyer from all obligations that were required to be performed by Seller or liabilities that arose as a result of Seller's negligence or willful misconduct prior to the Closing Date. On the Closing Date, Seller shall also (1) assign to Buyer all rights Seller may have under the performance bond described in the Project Development Agreement and (2) deliver to Buyer a written list and description of all claims, in any, that may then be pending or threatened in connection with construction of the Improvements.

10.3 Purchase Price. To calculate the Purchase Price, the amounts related to the Buildings Cost, Tenant Improvements Cost (if any), Parking Structure Cost, and Site Work Cost components shall be the amounts paid by Buyer under the terms of the Project Development Agreement with respect to such components prior to the Closing Date.

10.4 Delivery of Documents. On the Closing Date (or as soon as practicable thereafter), Seller shall deliver to Buyer all documents in Seller's possession related to construction of the Improvements. To the extent practicable, Seller shall deliver to Buyer the Job Close-Out Deliveries for Improvements completed up to the Closing Date; however, Seller shall not be obligated to deliver any Job Close-Out Deliveries that are not due or otherwise available as of the revised Target Closing Date (e.g., Seller shall not be obligated to deliver to Buyer a lien release from Contractor for the final payment or Improvements not yet constructed and paid for under the terms of the Project Development Agreement).

10.5 Developer/Construction Supervision Fees. On the Closing Date, Buyer shall pay to Seller the amount, if any, of accrued, but unpaid, Construction Supervision Fee and Developer Fee under the Project Development Agreement, however, if such amount cannot be accurately calculated as of the Closing Date, then such amount shall be estimated as of the Closing Date and a reconciliation shall be completed promptly following the Closing Date. Seller shall not be entitled to any Construction Supervision Fee or Developer Fee with respect to the cost to complete the Improvements that accrues after the Closing Date.

10.6 Effect of Exercise of Option on Buyer's Remedies for Seller's Breach. If Seller breaches Seller's obligations under this Agreement, Buyer may exercise Buyer's option under this section without impairing Buyer's remedies against Seller arising out of such breach.

Section 11—Breach and Remedies.

11.1 Breach. A party shall be in breach under this Agreement if (1) such party is in breach of such party's obligations under the Project Development Agreement or (2) such party fails to perform such party's obligations under this Agreement and such failure continues for ten Business Days following such party's receipt from the other party of written notice of such failure; however, if such failure cannot reasonably be cured within such ten Business Day

period, such party shall not be in breach if such party commences to cure within such ten Business Day period and thereafter diligently proceeds to cure such failure.

11.2 Seller's Remedies. If Buyer is in breach of Buyer's obligations under the Project Development Agreement, then Seller shall have Seller's remedies provided in the Project Development Agreement. If Buyer is in breach of Buyer's obligations under this Agreement, then, subject to the waiver below, Seller shall have all rights and remedies allowed under applicable law.

11.3 Buyer's Remedies. If Seller is in breach of Seller's obligations under the Project Development Agreement, then Buyer shall have Buyer's remedies provided in the Project Development Agreement. If Seller is in breach of Seller's obligations under this Agreement, then, subject to the waiver below, Buyer shall have all rights and remedies allowed under applicable law, including specific performance and/or foreclosure of the Performance Deed of Trust.

11.4 Waiver. Notwithstanding anything in this Agreement to the contrary, in no event shall either party be entitled to recover from the other party any punitive, consequential, or speculative damages.

Section 12—Condemnation. In the event of commencement of a condemnation proceeding relating to the Property, Buyer may terminate this Agreement if Buyer reasonably determines that such condemnation will adversely affect Buyer's intended use of, or access to, the Property. Buyer's option to terminate this Agreement as a consequence of such condemnation must be exercised by Buyer's delivery to Seller of written notice within 120 days following the date Buyer first receives notice of the condemnation. If Buyer timely terminates this Agreement as a consequence of such condemnation, Buyer and Seller may each assert all claims against the condemning authority arising out of such condemnation. If Buyer does not terminate this Agreement, Buyer and Seller shall complete the Closing in accordance with this Agreement, all rights to condemnation proceeds otherwise payable to Seller on account of such condemnation shall be assigned to Buyer at Closing, and, pending Closing, Seller shall not settle such matters with the condemnor without Buyer's consent; however, if such condemnation impairs Seller's performance of Seller's obligations under the Project Development Agreement, such condemnation shall be a Force Majeure Event (as defined in the Project Development Agreement).

Section 13—Casualty.

If (1) prior to the Closing Date the Improvements are damaged by fire or other casualty and (2) Buyer does not elect to deliver an Early Closing Notice, then (i) this Agreement shall remain in effect (i.e., neither party shall have the right to terminate this Agreement as a consequence of such casualty), (ii) an equitable adjustment shall be made to the Reimbursable Project Costs and Construction Schedule, as provided in the Project Development Agreement following a Force Majeure Event (as defined in the Project Development Agreement), and (iii) all insurance proceeds payable as a consequence of the casualty shall be applied to the cost to repair, restore, and complete the Improvements. If (1) prior to the Closing Date the

Improvements are damaged by fire or other casualty and (2) Buyer elects to deliver an Early Closing Notice, then (i) the Closing shall occur on the amended Target Closing Date specified in the Early Closing Notice and (ii) pending the Closing Date, Buyer shall have the right to (a) direct continuation of the work to complete the Improvements, including repair of the damage caused by the casualty, (b) direct that work to complete the Improvements be suspended, (c) negotiate with the insurance carrier(s) that issued the casualty insurance policy(ies), and (d) direct the use of all insurance proceeds payable with respect to the casualty.

Section 14—Miscellaneous Provisions.

14.1 Time Is of the Essence. Time is hereby expressly declared to be of the essence of this Agreement.

14.2 No Waiver. Any failure to insist upon strict performance of any of the terms and provisions of this Agreement shall not constitute or be deemed to be a waiver of any such term or provision or constitute an amendment or waiver of any such term or provision by course of performance, and each party, notwithstanding any failure to insist upon strict performance, shall have the right thereafter to insist upon the strict performance of any and all of the terms and provisions of this Agreement.

14.3 Survival of Terms. Except as provided herein, all of the agreements, representations, warranties and obligations of the parties set forth in this Agreement shall survive the Closing and the conveyance of the Property to Buyer and shall continue thereafter to be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and permitted assigns.

14.4 Brokerage. Seller and Buyer represent that no brokers are involved in the transaction described in this Agreement and that no brokerage commissions or finder's fees are or shall be payable hereunder. If any claim is made by any third party for the payment of any commission or fee, then the party whose acts gave rise (or are alleged to have given rise) to such claim shall indemnify, defend and save harmless the other party for the full amount of such claim and all other claims, demands, actions, losses, damages, liabilities, costs and expenses (including reasonable attorney's fees) filed against or incurred by such other party as a result of such claim.

14.5 California Law/Venue. This Agreement shall be governed by and construed under the laws of California. Any action commenced to enforce or interpret this Agreement shall be filed in San Diego County only.

14.6 Attorneys' Fees. If an action is commenced by either party to enforce or interpret this Agreement, then the prevailing party shall be entitled to recover from the other party reasonable attorney's fees in addition to any other relief that may be awarded in such action.

14.7 Interpretation of Contract. The parties acknowledge that both parties have caused this Agreement to be reviewed and approved by legal counsel of their own choice.

14.8 No Other Agreements. This Agreement, along with the agreements referenced herein and attached hereto, are the sole agreements between the parties related to the subject matter hereof. Any and all prior oral or written representations, correspondence, letters of intent and agreements are merged into and superseded by this Agreement and shall be of no force or effect. Any modifications of this Agreement must be in writing and signed by the parties hereto.

14.9 Tax-Deferred Exchange. Seller may desire to effect a tax-deferred exchange under Internal Revenue Code section 1031 in connection with the sale or purchase of the Property. In connection therewith, Buyer agrees to execute such documents as are reasonably necessary or appropriate and to otherwise cooperate with the other to effectuate such exchange, provided Buyer and Buyer's representatives shall have a reasonable opportunity to review such documents prior to Closing and Seller shall bear any and all escrow or other costs arising directly or indirectly from such exchange transaction. Seller hereby indemnifies and holds free and harmless Buyer from any liability (including the tax ramification to the party effecting the exchange) arising by reason of performing the acts required hereby to effectuate such exchange, except insofar as any such liability is attributable to Buyer's failure party to perform as required hereunder. Buyer shall not be required to take title to or otherwise assume any liability with respect to the property to be exchanged with the Property.

14.10 Partial Invalidity. If any provision hereof is held invalid or not enforceable to its fullest extent, such provision shall be enforced to the extent permitted by law, and the validity of the remaining provisions hereof shall not be affected thereby.

14.11 Nominee/Assignee of Buyer. Buyer shall have the right to assign all of Buyer's right, title, and interest under this Agreement to any entity or entities, whereupon such assignee or assignees shall succeed to all of Buyer's rights and obligations hereunder; however, Seller shall not be required to bear any additional cost and expense or incur any additional liability or obligation or otherwise suffer any adverse effect as a consequence of such assignment in excess of the costs, expenses, liabilities, obligations and other effects that would have been applicable if the Property were acquired by Buyer. Such assignment shall not relieve Buyer of any obligations under this Agreement. To accommodate timely and efficient execution and preparation of the documents to be delivered at the Closing, Buyer shall deliver to Seller and Escrow Holder, at least five Business Days prior to the Target Closing Date, the name and signature block for the assignee.

14.12 Exhibits. All exhibits, if any, to this Agreement are incorporated herein by reference.

14.13 Notices. All notices, requests, demands or documents that are required or permitted to be given or served hereunder shall be in writing and delivered by (1) personal delivery, (2) Federal Express (or other similar overnight delivery service furnishing proof of delivery), (3) registered or certified mail, postage prepaid, or (4) email, addressed as follows:

To Seller at:	Lee M. Chesnut 1155 Camino Del Mar, PMB 525 Del Mar, California 92014 Telephone: 858-523-0694 Email: Lee@chesnutproperties.com
With Copy to:	F. Sigmund Luther, Esq. 5333 Mission Center Road, Suite 360 San Diego, California 92108 Telephone: 619-239-0755 Email: sig.luther@gmail.com
To Buyer at:	Attn: City Manager City of Chula Vista 276 Fourth Avenue, Building A Chula Vista, CA 91910 Telephone: (619) 691-5031 Email: mkachadoorian@chulavistaca.gov
With Copy to:	City Attorney City of Chula Vista 276 Fourth Avenue, Building A Chula Vista, CA 91910 Emails:ggoogins@chulavistaca.gov cityattorney@chulavistaca.gov

Such addresses may be changed from time to time by the addressee by serving notice as heretofore provided. Service of such notice or demand shall be deemed complete on the date of actual delivery as shown by the addressee's registry or certification receipt or at the expiration of the third day after the date of mailing (whether or not actually received by the addressee), whichever is earlier in time. Notices delivered by email shall be deemed to have been given at the time of transmission; however, notices sent after 5:00 p.m., Pacific Time, shall be deemed received on the next following Business Day.

14.14 Headings of Sections. The headings of sections and subsections herein are inserted only for convenience and reference and shall in no way define, limit or describe the scope or intent of any provision of this Agreement.

14.15 Date of Performance. If the date of performance of any obligation or the expiration of any time period provided herein falls on a day other than a Business Day, then such obligation shall be due and owing and such time period shall expire on the first Business Day thereafter. Except as may otherwise be set forth herein, any performance provided for herein shall be timely made if completed not later than 5:00 p.m. on the day of performance. If a provision of this Agreement specifies a time of day by which an act shall be performed, such

time of day shall be determined by reference to Pacific Standard Time or Pacific Daylight Time, as may then be applicable.

14.16 Counterparts; Electronic Signatures. This Agreement may be executed in any number of identical counterparts, any or all of which may contain the signatures of fewer than all of the parties, and all of which shall be construed together as but a single instrument. Signatures to this Agreement accomplished electronically (e.g., DocuSign) and/or transmitted by electronic transmission (e.g., fax or email) shall be valid and effective to bind the parties so signing and/or transmitting.

14.17 Conflict. If a conflict exists between the terms of this Agreement and the terms of the Project Development Agreement, then the terms of the Project Development Agreement shall prevail.

Signature Page Follows

Signature Page to Purchase and Sale Agreement

Seller:

LMC-Millenia Investment Company, L.P.,
a California limited partnership

By LMC-Millenia GP, LLC
a Delaware limited liability company

By _____
Lee M. Chesnut, Manager

Buyer:

City of Chula Vista

By _____
Mary Casillas Salas, Mayor

Approved as to Form:

Glen R. Googins, City Attorney

Schedule of Exhibits

Exhibit 1	Legal Description
Exhibit 2	List of Due Diligence Documents
Exhibit 3	Grant Deed
Exhibit 4	General Assignment
Exhibit 5	Bill of Sale
Exhibit 6	Declaration under Internal Revenue Code section 1445
Exhibit 7	Reconfirmation of Representations
Exhibit 8	Library Assumption Agreement
Exhibit 9	Memorandum of Agreement
Exhibit 10	Performance Deed of Trust
Exhibit 11	Project Development Agreement

Exhibit 1

Legal Description

Real property in the City of Chula Vista, County of San Diego, State of California, described as follows:

LOT 7 OF CHULA VISTA TRACT NO. 09-03, OTAY RANCH MILLENIA PHASE 2 (EASTERN URBAN CENTER), IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 16081, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 28, 2015.

APN: 643-060-57-00

Exhibit 2

List of Due Diligence Documents

The Due Diligence Documents consist of the documents that can be accessed by the following link as of the Effective Date:

https://www.dropbox.com/sh/b95jrmxfion7f9a/AABETnSoZOH18MFmEvnft_HPpa?dl=0

Exhibit 3

Grant Deed

RECORDING REQUESTED BY:

WHEN RECORDED RETURN AND
MAIL TAX STATEMENTS TO:

Assessor's Parcel No. 643-060-57-00

Title Order No. _____

The undersigned declares:

Documentary Transfer Tax is \$ _____

___ Computed on full value of property conveyed, or

___ Computed on full value less value of liens or encumbrances remaining at time of sale.

___ Unincorporated area X City of Chula Vista

Grant Deed

For valuable consideration, the receipt of which is hereby acknowledged, LMC-Millenia Investment Company, L.P., a California limited partnership, hereby grants to City of Chula Vista all of that certain real property located in Chula Vista, San Diego County, California, and legally described in Exhibit A, attached hereto and incorporated herein by this reference.

Dated: _____, 20__

LMC-Millenia Investment Company, L.P.,
a California limited partnership

By LMC-Millenia GP, LLC
a Delaware limited liability company

By _____
Lee M. Chesnut, Manager

Exhibit A

Legal Description of the Property

Real property in the City of Chula Vista, County of San Diego, State of California, described as follows:

LOT 7 OF CHULA VISTA TRACT NO. 09-03, OTAY RANCH MILLENIA PHASE 2 (EASTERN URBAN CENTER), IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 16081, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 28, 2015.

APN: 643-060-57-00

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

State of California
County of San Diego

On _____, 20____, before me, _____, a notary public, personally appeared Lee M. Chesnut, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

(Seal)

Exhibit 4

General Assignment

This General Assignment ("**Assignment**") dated _____, 20__, is executed by LMC-Millenia Investment Company, L.P., a California limited partnership ("**Assignor**"), in favor of City of Chula Vista ("**Assignee**").

Assignor is the owner of that certain land legally described as:

LOT 7 OF CHULA VISTA TRACT NO. 09-03, OTAY RANCH MILLENIA PHASE 2 (EASTERN URBAN CENTER), IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 16081, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 28, 2015. (APN: 643-060-57-00)

Such land has been improved with buildings and other improvements (collectively "**the Real Property**"). The Real Property is concurrently being conveyed by Assignor to Assignee pursuant to a grant deed .

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby grants, assigns, transfers, conveys and delivers to Assignee, without warranty, all of Assignor's right, title, interest, benefits and privileges, if any, in and to the following:

1. All governmental entitlements, permissions, environmental clearances, rights, licenses and permits that relate to all or any of the Real Property.
2. All general intangibles relating to the development or use of the Real Property, including all guaranties and warranties related to improvements constructed on the Real Property.

LMC-Millenia Investment Company, L.P.,
a California limited partnership

By LMC-Millenia GP, LLC
a Delaware limited liability company

By _____
Lee M. Chesnut, Manager

Exhibit 5

Bill of Sale

This Bill of Sale dated _____, is executed by LMC-Millenia Investment Company, L.P., a California limited partnership ("**Seller**"), in favor of City of Chula Vista ("**Buyer**").

A. Seller and Buyer entered into that certain Purchase and Sale Agreement dated as of _____ ("**the Purchase Agreement**"), respecting the sale of the real property that includes the land legally described as follows:

LOT 7 OF CHULA VISTA TRACT NO. 09-03, OTAY RANCH MILLENIA PHASE 2 (EASTERN URBAN CENTER), IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 16081, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 28, 2015. (APN: 643-060-57-00)

B. Under the Purchase Agreement, Seller is obligated to transfer to Buyer any and all of Seller's right, title and interest in and to all equipment, appliances, tools, machinery, supplies, building materials and other personal property of every kind and character owned by Seller and attached to, appurtenant to, located in or used in connection with the operation of the Improvements (as defined in the Purchase Agreement), if any (collectively, "**the Personal Property**").

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller does hereby absolutely and unconditionally give, grant, bargain, sell, transfer, set over, assign, convey, release, confirm and deliver to Buyer, without warranty express or implied, all of the Personal Property.

LMC-Millenia Investment Company, L.P.,
a California limited partnership

By LMC-Millenia GP, LLC
a Delaware limited liability company

By _____
Lee M. Chesnut, Manager

Exhibit 6

Declaration under Internal Revenue Code Section 1445

The undersigned hereby declares:

1. LMC-Millenia Investment Company, L.P. is a limited partnership organized and in good standing under the laws of California.
2. The taxpayer identification number for LMC-Millenia Investment Company, L.P. is 81-0762246.
3. LMC-Millenia Investment Company, L.P. is not a foreign person, as defined in Internal Revenue Code of the United States.
4. LMC-Millenia Investment Company, L.P. is not a disregarded entity as defined in Section 1.1445-2(b)(2)(iii) of the Internal Revenue Code of the United States.
5. The office address of LMC-Millenia Investment Company, L.P. is 1155 Camino Del Mar, PMB 525, Del Mar, California 92014.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration is executed _____, 20__, at San Diego, California.

LMC-Millenia Investment Company, L.P.,
a California limited partnership

By LMC-Millenia GP, LLC
a Delaware limited liability company

By _____
Lee M. Chesnut, Manager

Exhibit 7

Reconfirmation of Representations

This Reconfirmation, dated _____, 20__, is executed by LMC-Millenia Investment Company, L.P., a California limited partnership ("**Seller**"), for the benefit of City of Chula Vista ("**Buyer**"). Pursuant to that certain Purchase and Sale Agreement ("**the Purchase Agreement**") between Buyer and Seller dated _____, 2022, Seller hereby confirms that during the period from the Effective Date to the Closing Date, nothing has occurred and Seller has not become aware of any facts that, to Seller's actual knowledge, cause any of the Seller's representations and warranties contained in the Purchase Agreement to be materially untrue, and, to Seller's actual knowledge, all of the representations and warranties contained in the Purchase Agreement remain true and are reconfirmed as of the Closing Date except _____. Defined (capitalized) terms used in this Reconfirmation shall have the same meanings as defined in the Purchase Agreement.

LMC-Millenia Investment Company, L.P.,
a California limited partnership

By LMC-Millenia GP, LLC
a Delaware limited liability company

By _____
Lee M. Chesnut, Manager

Exhibit 8

RECORDING REQUESTED BY:

AND WHEN RECORDED MAIL TO:

LMC-Millenia Investment Company, L.P.
1155 Camino Del Mar, PMB 525
Del Mar, California 92014

Order No.:

Agreement Regarding Assumption of Obligation to Construct Library

This Agreement, dated _____, 20__, is executed by City of Chula Vista ("**City**"), and LMC-Millenia Investment Company, L.P., a California limited partnership ("**LMC**"), with reference to the following facts:

A. McMILLIN OTAY RANCH, LLC, a Delaware limited liability company ("McMillin") and City entered into the "Development Agreement by and between the City of Chula Vista and McMillin Otay Ranch LLC," recorded October 27, 2009 as Document No. 2009-0595116 of Official Records of the San Diego County Recorder (the "**Development Agreement**"). The Development Agreement relates to what was then called the "**EUC**" project and is now known as "Millenia."

B. By an assignment, memorandum and confirmations recorded February 22, 2011 as Document No. 2011-0098720 of Official Records of the San Diego County Recorder, McMillin assigned its rights and transferred its obligations under the Development Agreement to SLF IV/McMILLIN MILLENIA JV, LLC, a Delaware limited liability company ("SLFMM"). SLFMM changed its name to SLF IV – Millenia, LLC ("**SLF IV**") by amendments filed in Delaware on March 4, 2015, and in California on March 9, 2015.

C. Section 4.3.1 and Exhibit D of the Development Agreement impose certain obligations on Principal Master Developer relating to a library in EUC (the "**Library Obligations**").

D. By that certain Agreement Regarding Consent to Partial Assignment and Transfer of Development Agreement recorded February 16, 2016, as Document No. 2016-0064898 of Official Records of San Diego County, California, LMC assumed the Library Obligations.

E. LMC wishes to sell to a City the real property described in **Exhibit A** attached hereto ("**Lot 7**"), which property is subject to the Library Obligations.

F. Section 10.2.2 of the Development Agreement allows, on certain conditions, the assignment of rights and interests and the transfer or delegation of “some or all” of the obligations of “Master Developer” thereunder to another “Master Developer.” This Agreement is intended to accomplish that assignment and transfer/delegation as to Lot 7 and the Library Obligations.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Assumption. City hereby accepts all of Principal Master Developer’s rights and assumes all of SLF IV’s duties pursuant to the Development Agreement as (and only as) those rights and duties relate to LMC’s obligations with respect to Lot 7 and the Library Obligations. City shall fulfill the role of the “Master Developer” under the Development Agreement with regard to Lot 7 and the Library Obligations.

2. Release. City hereby releases LMC from all of LMC’s duties pursuant to the Development Agreement as (and only as) those duties relate to Lot 7 and the Library Obligations.

3. Status. Solely as to Lot 7, City is hereby designated the “Master Developer” under the Development Agreement.

4. Interpretation. Except as separately defined herein, all defined terms used in this Consent shall have the same meanings as in the Development Agreement. This Consent effectuates the Development Agreement and thus does not constitute, and shall not be deemed to constitute, an amendment thereto.

Signature Page Follows

Signature Page to Agreement Regarding Assumption of Obligation to Construct Library

LMC-Millenia Investment Company, L.P.,
a California limited partnership

By LMC-Millenia GP, LLC
a Delaware limited liability company

By _____
Lee M. Chesnut, Manager

City of Chula Vista

By _____
Print Name: _____
Title: _____

Schedule of Exhibits

Exhibit A—Legal Description

Exhibit A

Legal Description of the Property

Real property in the City of Chula Vista, County of San Diego, State of California, described as follows:

LOT 7 OF CHULA VISTA TRACT NO. 09-03, OTAY RANCH MILLENIA PHASE 2 (EASTERN URBAN CENTER), IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 16081, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 28, 2015.

APN: 643-060-57-00

Exhibit 9

RECORDING REQUESTED BY:

Chicago Title Company

WHEN RECORDED RETURN TO:

City Attorney
City of Chula Vista
276 Fourth Avenue, Building A
Chula Vista, CA 91910

Assessor's Parcel No. APN: 643-060-57-00
Title Order No. _____

The undersigned declares:

Documentary Transfer Tax is \$0.00—This document is recorded solely to impart constructive notice; no transfer is made by the recording of this document.

Computed on full value of property conveyed, or
 Computed on full value less value of liens or encumbrances remaining at time of sale.
 Unincorporated area City of Chula Vista

Memorandum of Agreement

By recording this Memorandum, LMC-Millenia Investment Company, L.P., a California limited partnership (“**Seller**”), being the owner of the real property (“**the Property**”) in the City of Chula Vista, County of San Diego, State of California, legally described in **Exhibit A** attached hereto, provides constructive notice that Seller and City of Chula Vista (“**Buyer**”), have entered into a written agreement pursuant to the terms and subject to the conditions thereof Seller agrees to sell and Buyer agrees to buy the Property.

Dated: _____, 2023

LMC-Millenia Investment Company, L.P.
a California limited partnership

By LMC-Millenia GP, LLC
a Delaware limited liability company

By _____
Lee M. Chesnut, Manager

Exhibit A

Legal Description of the Property

LOT 7 OF CHULA VISTA TRACT NO. 09-03, OTAY RANCH MILLENIA PHASE 2 (EASTERN URBAN CENTER), IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 16081, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 28, 2015. (APN: 643-060-57-00)

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

State of California
County of San Diego

On _____, 20__, before me, _____, a notary public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

(Seal)

Exhibit 10

Performance Deed of Trust

RECORDING REQUESTED BY:

Chicago Title Company

WHEN RECORDED RETURN TO:

City Attorney
City of Chula Vista
276 Fourth Avenue, Building A
Chula Vista, CA 91910

Assessor's Parcel No. APN: 643-060-57-00

Title Order No. _____

Deed of Trust

This Deed of Trust is made _____, 2023, by LMC-Millenia Investment Company, L.P., a California limited partnership, herein called TRUSTOR, whose address is 1155 Camino Del Mar, PMB 525, Del Mar, California 92014, Chicago Title Company, herein called TRUSTEE, and City of Chula Vista, herein called BENEFICIARY.

Witnesseth that Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE, that property ("**the Property**") in the City of Chula Vista, County of San Diego, State of California, legally described in **Exhibit A** attached hereto.

TOGETHER WITH the rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power and authority given to and conferred upon Beneficiary by Paragraph (10) of the provisions incorporated herein by reference to collect and apply such rents, issues and profits.

For the Purpose of Securing:

1. Performance of each agreement of Trustor herein contained.
2. Performance of Trustor's obligations that certain Purchase and Sale Agreement dated _____, 2022 ("**the Purchase Agreement**"), between Trustor, as Seller, and Beneficiary, as Buyer, by which, among other things, Seller agreed to sell and Buyer agreed to buy the Property.

To Protect the Security of This Deed of Trust, Trustor Agrees:

(1) To keep the Property in good condition and repair, and to pay when due all claims for labor performed and materials furnished therefor, to comply with all laws affecting the Property or requiring any alterations or improvements to be made thereon, not to commit or permit waste thereof, not to commit, suffer or permit any act upon the Property in violation of law.

(2) To provide maintain and deliver to Beneficiary the bonds and insurance policies required to be delivered under the Purchase Agreement.

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

(4) To pay at least ten days before delinquency all taxes and assessments affecting the Property, including assessments on appurtenant water stock, when due, all encumbrances, charges and liens, with interest, on the Property or any part thereof, which appear to be prior or superior hereto, all costs, fees and expenses of this Trust. If Trustor fails to make any payment or do any act as herein provided, then Beneficiary, without the obligation to do so, without notice to or demand upon Trustor, and without releasing Trustor from any obligation hereof, may make such payment or do such act in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary is authorized to enter upon the Property for such purposes, to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary, to pay, purchase, contest or compromise any encumbrance, charge or lien that in Beneficiary's judgment appears to be prior or superior hereto, and, in exercising any such powers, to pay necessary expenses, employ counsel and pay reasonable fees incurred by Beneficiary.

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

(6) That any proceeds of casualty insurance or award of damages in connection with any condemnation for public use of or injury to the Property or any part thereof shall be used and applied as provided in the Purchase Agreement.

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

(8) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed for endorsement and without affecting the personal liability of any person for payment of the indebtedness secured

hereby, Trustee may reconvey any part of the Property, consent to the making of any map or plot thereof, join in granting any easement thereon, or join in any extension agreement or any agreement subordinating the lien or charge hereof.

(9) That upon written request of Beneficiary stating that all obligations secured hereby have been fully performed and upon surrender of this Deed to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "The person or persons legally entitled thereto."

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

(11) That upon default by Trustor in the performance of any obligation secured hereby, Beneficiary may cause Trustee to exercise the power of sale contained herein by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold the Property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed, and all documents evidencing expenditures secured hereby. After the lapse of such time as may then be required by law following the recordation of said notice of default and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell the Property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels and in such order as it may determine at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale. After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of all sums expended under the terms hereof,

not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof, all other sums then secured hereby, and the remainder, if any, to the person or persons legally entitled thereto.

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

(13) That this Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. Whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

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

(15) If at any time without Beneficiary's written consent, which consent may be withheld in Beneficiary's sole discretion without a standard of reasonableness, (1) the Property, any part of the Property, or any undivided interest in the Property (i) is sold, transferred or otherwise conveyed by Trustor either voluntarily or by operation of law or (ii) becomes the subject of a contract or a grant of option for the sale, transfer or conveyance thereof (other than the Purchase Agreement) or (2) the Property is or becomes the subject of a lease creating a leasehold interest in all of the Property without the lessee under such lease taking physical possession of the Property, then Beneficiary will have the option to declare, without giving notice or making a demand of any kind, that the entire indebtedness secured by this Deed of Trust is immediately due.

(16) The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to Trustor at Trustor's address hereinbefore set forth.

(17) If a conflict exists between the provisions of this Deed of Trust and the provisions of the Purchase Agreement, the provisions of the Purchase Agreement shall prevail.

Signature Page Follows

Signature Page to Deed of Trust

LMC-Millenia Investment Company, L.P.,
a California limited partnership

By LMC-Millenia GP, LLC
a Delaware limited liability company

By _____
Lee M. Chesnut, Manager

Schedule of Exhibits

Exhibit A—Legal Description

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

State of California
County of San Diego

On _____, 2023, before me, _____, a notary public, personally appeared **Lee M. Chesnut**, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

(Seal)

Exhibit A—Legal Description

Real property in the City of Chula Vista, County of San Diego, State of California, described as follows:

LOT 7 OF CHULA VISTA TRACT NO. 09-03, OTAY RANCH MILLENIA PHASE 2 (EASTERN URBAN CENTER), IN THE CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 16081, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, DECEMBER 28, 2015.

APN: 643-060-57-00

Exhibit 11

Project Development Agreement