



City of Fontana

8353 Sierra Avenue
Fontana, CA 92335

Action Report

City Council Meeting

File #: 25-0503

Agenda #: AD.

Agenda Date: 9/9/2025

Category: Consent Calendar

FROM:
Development Services

SUBJECT:
Purchase and Sale Agreement - Aldea Apartments

RECOMMENDATION:

1. Approve a Purchase & Sale Agreement for the purchase of buildings and associated land located at 15186 Foothill Boulevard, Fontana, CA 92335 specifically described as APN 0191-162-40 in the amount of \$26,635,000 plus escrow costs and related acquisition fees.
2. Authorize the purchase of that certain Real Property with APN 1110-161-44-0000 (former APN 1110-161-09-0000) comprised of approximately 2.27 acres ("Property") from Aldea Fontana Foothill, LLC, a California limited liability company.
3. Authorize the City Manager to enter into the Purchase and Sale Agreement and/or any other documents necessary or appropriate to facilitate said purchase on behalf of the City of Fontana.

COUNCIL GOALS:

- Promote economic development by construction of high-quality multi-family housing which also serves to address the affordability needs of this community.
- Promote affordable housing by acquisition, substantial rehabilitation, and professional management of selected multi-family properties as a vehicle to reduce crime and code enforcement activity and to address the affordability needs of this community.

DISCUSSION:

The City of Fontana has been actively addressing the growing demand for affordable and workforce housing. In recent years, we have observed a significant increase in housing needs driven by population growth, economic development, and changes in housing affordability. This demand underscores the necessity of expanding our housing portfolio to support diverse and inclusive community development.

The 78-unit multi-family development located at 15186 Foothill Boulevard represents a strategic opportunity to advance our housing goals. The development's design and unit mix align with our objective to provide a range of housing options that cater to different income levels and family sizes.

In September 2024, the City Council approved a lease for the subject property, which included an option to acquire. The lease was subsequently executed, and the property is currently being utilized as an affordable housing community. The lease was intended as a placeholder, allowing the city the necessary time to locate acquisition funding. Funding has now been identified and staff is

recommending moving immediately forward with the acquisition.

Details of the Purchase Agreement:

- Purchase Price:** The proposed purchase price is \$26,635,000 (plus escrow costs), approximately \$341,500 per unit.
- Release of deposits:** Concurrent with the execution of the lease, the city released a good faith option deposit in the amount of \$500,000. That payment will be applied to the purchase price. In addition, upon execution of the purchase agreement and approval of the pro forma title policy, an additional \$3,000,000 will be deposited into escrow and immediately released to the seller, all applicable to the purchase price.
- Close of Escrow:** The balance of the purchase price will be deposited into escrow prior to the anticipated closing, which is currently projected to occur on or before November 6, 2025.

FISCAL IMPACT:

The fiscal impact associated with the approval of this item is \$26,635,000 plus estimated escrow costs and related acquisition fees of \$65,000, for a total cost of acquisition of \$26,700,000, and is not currently included in the 2025-26 budget. Additionally, in 2024-25 a non-refundable option payment of \$500,000 was previously provided by the Housing Authority and the acquisition cost is being offset by the payment resulting in a net fiscal impact of \$26,200,000.

Funding for the acquisition will be provided as follows and included in the 2025-26 First Quarter Budget Status Report:

Fund	Account	Recommended Amount	Description
Affordable Housing (Fund 698)	69830299 8420	636,610	Budgeted
	69830299 8420	363,390	New Request
Low/Mod Income Housing (Fund 297)	29730299 8420	1,900,008	Budgeted
	29730299 8420	99,992	New Request
Capital Reinvestment (Fund 601)	60137699 8330	15,500,000	Parking Structure
Measure T (Fund 604)	60437699 8330	<u>7,700,000</u>	Pavemnet Rehab
Total		26,200,000	

Of the necessary \$26.2 million, \$2.5 million is already included in the Housing Authority 2025-26 budget. The additional amounts will come from the Parking Structure project (\$15.5 million) budgeted in Fund 601 and pavement rehabilitation projects (\$7.7 million) budgeted in Fund 604, which will be programmed to be funded by the 2025A Lease Revenue Bond proceeds, and additional funding from the Housing Authority (\$463,382).

MOTION:

Approve staff recommendation and authorize City Manager to enter into the Purchase and Sale Agreement and to take any other actions necessary to consummate the purchase of the Property.

RESOLUTION NO. 2025-090

A RESOLUTION OF THE CITY COUNCIL OF FONTANA, CALIFORNIA APPROVING THE PURCHASE OF REAL PROPERTY IDENTIFIED AS APN 1110-161-44-0000 (FORMER APN 1110-161-09-0000) – LOCATED AT 15186 FOOTHILL BOULEVARD – FROM ALDEA FONTANA FOOTHILL, LLC

WHEREAS, the property located at 15186 Foothill Boulevard (the “Property”) was offered for sale; and

WHEREAS, in line with the City of Fontana’s plan to promote economic development by construction of high-quality multi-family housing which also serves to address the affordability needs of this community and to promote affordable housing by acquisition, substantial rehabilitation, and professional management of selected multi-family properties as a vehicle to reduce crime and code enforcement activity and to address the affordability needs of this community; and

WHEREAS, the City and Seller have prepared a purchase and sale agreement, whereby the City will purchase the Property for Twenty-Six Million Six Hundred Thirty-Five Thousand U.S. Dollars (\$26,635,000.00).

NOW, THEREFORE, THE CITY DOES HEREBY RESOLVE AND FIND AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated herein to this Resolution by this reference.

Section 2. CEQA Compliance. The City Council finds that approval of the Purchase and Sale Agreement is not subject to the requirements of California Environmental Quality Act (“CEQA”), as it is not a “project” within the meaning of Section 15378 of Title 14 of the California Code of Regulations (“State CEQA Guidelines”) because it has no potential for resulting in direct or indirect physical change in the environment. This action is also exempt under Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the activity in question will have a significant effect on the environment. This resolution shall take effect immediately.

Section 3. Approval of the Purchase of Property. The City hereby approves the purchase of the Property from Aldea Fontana Foothill, LLC in the amount of Twenty-Six Million Six Hundred Thirty-Five Thousand U.S. Dollars (\$26,635,000.00).

Section 4. Implementation. The City Manager or designee is hereby authorized to sign and enter into the agreement for the purchase of the Property on behalf of the City and to take any other actions reasonably necessary to implement its terms.

Section 5. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable.

Section 6. Effective Date. This Resolution shall become effective immediately upon its adoption by the City Council and the City Clerk shall certify the vote adopting this resolution.

APPROVED AND ADOPTED this 9th day of September, 2025.

READ AND APPROVED AS TO LEGAL FORM:

City Attorney

I, Germaine Key, City Clerk of the City of Fontana, California, do hereby certify that the foregoing Resolution is the actual Resolution duly and regularly adopted by the City Council at a regular meeting of said City Council on the 9th day of September, 2025, by the following vote to-wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

City Clerk of the City of Fontana

Mayor of the City of Fontana

ATTEST:

City Clerk

AGREEMENT FOR PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS

This AGREEMENT FOR PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS (“**Agreement**”) is entered into by and between **ALDEA FONTANA Foothill, LLC, a California limited liability company** (“**Seller**”), and **CITY OF FONTANA, a municipal corporation** (“**Buyer**”). Buyer and Seller are sometime individually referred to herein as “**Party**” and collectively as “**Parties**.” The Parties have executed this Agreement on the dates set forth below next to their respective signatures. This Agreement shall be effective on the date, following all legally required notices and hearings, this Agreement has been approved by Buyer’s governing body or its delegated representative and signed by all Parties (“**Effective Date**”).

A. Seller is owner in fee of certain improved real property commonly known as 15186 Foothill Boulevard, City of Fontana, County of San Bernardino, California, identified by Assessor’s Parcel Number 1110-161-44-0000 (former APN 1110-161-09-0000) comprised of approximately 2.27 acres and more particularly described on EXHIBIT “A” attached hereto and incorporated herein by this reference (the “**Real Property**”), together with:

(1) All buildings, improvements and other structures presently located on the Real Property (the “**Improvements**”), together with all rights, benefits, privileges, easements, tenements, hereditaments and appurtenances thereto or appertaining the Real Property;

(2) All personal property remaining on the Real Property or in the Improvements as of the Close of Escrow (the “**Personal Property**”); and

(3) The solar system on the Real Property for **Six Hundred thirty-five Thousand U.S. Dollars (\$635,000)** (the “**Solar System**”);

(4) Any and all of Seller’s right, title and interest in and to any of the following existing at the Closing (i) all assignable warranties and guaranties issued to Seller in connection with the Improvements or the Personal Property, and (iii) all assignable permits, licenses, approvals and authorizations issued by any governmental authority in connection with the Real Property being sometimes herein referred to collectively as the “**Intangibles**.”

The Real Property, Improvements, Personal Property and Intangibles are collectively referred to hereinafter as the “**Property**.”

B. Seller and Buyer are parties to that certain Lease Agreement dated September 11, 2024 (the “**Lease**”), under which Buyer has leased the Property from Seller.

C. The Lease grants Buyer an option to purchase the Property pursuant to the terms and conditions set forth in Lease Article 7 (“**Option**”). The Parties acknowledge Buyer has duly and properly exercised its Option in accordance with the Lease.

D. Buyer desires to purchase the Property from Seller and Seller desires to sell the Property to Buyer, upon the terms and provisions set forth in this Agreement.

NOW THEREFORE, in consideration of the above facts and for the covenants and agreements contained herein, the Buyer and Seller agree as follows:

1. PURCHASE AND SALE.

1.1 Property. Buyer agrees to purchase the Property from Seller and Seller agrees to sell the Property to Buyer, upon the terms and provisions set forth in this Agreement.

1.2 Purchase Price. The total purchase price for the Property is the sum of **Twenty-Six Million Six Hundred Thirty-Five Thousand U.S. Dollars (\$26,635,000.00)** ("Purchase Price").

1.3 Payment of Purchase Price. The Purchase Price shall be paid as follows:

1.3.1 Concurrently with execution of the Lease, Buyer deposited the sum of **Five Hundred Thousand Dollars (\$500,000.00)** as Option Consideration. The Parties acknowledge that the Option Consideration was previously paid by Buyer and received by Seller and is nonrefundable to the Buyer except in the event a Seller Breach or Default pursuant to the term of this Agreement. Pursuant to the Lease, the Option Consideration shall be applied to the Purchase Price.

1.3.2 Within two (2) business days of the opening of escrow (as defined below), Buyer shall deposit **Three Million Dollars (\$3,000,000)** into Escrow (the "Deposit"). The Deposit shall remain fully refundable to Buyer until Buyer has received and approved the Title Policy pursuant to Section 2.7.2 hereof at which time the Deposit shall be released to Seller. Following said release, the Deposit shall be non-refundable to Buyer except in the event of Seller's default under this Agreement. The balance of the Purchase Price, plus or minus any applicable prorations pursuant to Section 2.5 hereof, shall be paid through Escrow to Seller at Closing in cash or other immediately available funds.

2. ESCROW.

2.1 Opening of Escrow. Within two (2) business days following the Effective Date, Buyer and Seller shall open an escrow ("Escrow") with Sheri Keene, First American Title Insurance Company, 4380 La Jolla Village Drive #200, San Diego, CA 92122 ("Escrow Holder"), for the purpose of consummating the transaction contemplated by this Agreement. For purposes of this Agreement, the Escrow shall be deemed open on the date Escrow Holder shall have received a copy of this Agreement, showing it to be fully executed by Buyer and Seller ("Opening of Escrow" or "Opening Date"). Escrow Holder shall notify Buyer and Seller, in writing, of the Opening Date.

2.2 Escrow Instructions. This Agreement constitutes the joint basic escrow instructions of Buyer and Seller for conveyance of the Property. Buyer and Seller shall execute, deliver and be bound by any reasonable or customary supplemental or additional escrow instructions ("Additional Instructions") of Escrow Holder or other instruments as may be reasonably required by Escrow Holder in order to consummate the transaction contemplated by this Agreement. Any such Additional Instructions shall not conflict with, amend or supersede any portions of this Agreement unless expressly consented or agreed to in writing by Buyer and Seller.

In the event of any conflict or any inconsistency between this Agreement and such Additional Instructions, this Agreement shall govern unless otherwise expressly consented or agreed to in writing by the Parties.

2.3 Close of Escrow. For purposes of this Agreement, “**Close of Escrow**” or “**Closing**” means the recordation in Official Records of San Bernardino County, California of a grant deed (“**Grant Deed**”) in substantially the form and content of EXHIBIT “B” attached hereto and made a part hereof by this reference conveying fee title of the Property to Buyer, and the disbursement of funds and distribution of other documents by Escrow Holder, all as described herein. Close of Escrow shall occur on November 6, 2025 (“**Closing Date**”), provided that Buyer and Seller may, but shall not be obligated to, close the Escrow upon such earlier date as the Buyer and Seller mutually agree to in writing. Buyer and Seller may mutually agree to change the Closing Date by joint written notice to Escrow Holder. The Closing shall be conditioned upon satisfaction, or waiver by the Party for whose benefit the condition exists, of all conditions precedent thereto. If no notice of termination as provided in Section 7.1 herein is received by Escrow Holder, Escrow Holder is instructed to proceed with Close of Escrow as soon as possible. Rental income as may be due or as may have been prepaid shall be prorated based on the Closing Date.

2.4 Costs of Escrow and Title Policy. Buyer represents to Seller that because of Buyer’s status as a public agency, no documentary transfer tax will be payable with respect to the conveyance contemplated by this Agreement, pursuant to California Revenue and Taxation Code Section 11922. Similarly, no recording fees will be payable with respect to the recording of the Grant Deed pursuant to California Government Code Section 27383. Buyer and Seller shall each pay one-half of all Escrow fees and costs attributable to conveyance of the Property pursuant to this Agreement, including the cost of the Title Policy (defined below). Escrow Holder shall provide an estimated closing costs statements to Buyer and Seller at least three (3) days prior to the Closing Date.

2.5 Property Taxes and Prorations.

2.5.1 The parties acknowledge that Buyer is exercising its Option under the Lease, under which, pursuant to Lease Section 9, Buyer is responsible for payment of all property taxes and utilities applicable to the Property. As such, the parties acknowledge that no proration for utilities, property taxes and other assessments levied and assessed against the Property shall be made at the Close of Escrow. In the event there are any other prorations required, including but not limited to any supplemental tax assessments, the parties shall make best efforts to complete all prorations on the Closing Date by estimating such prorations for purposes of Close of Escrow. Thereafter, each party shall cooperate with each other and complete such prorations within sixty (60) days after Close of Escrow. Any balance owed to a party as a result of such final prorations shall be paid in cash within ten (10) days after completion of such accounting. Notwithstanding anything contained herein or in the Lease, the Parties acknowledge that Buyer is a public entity and is legally exempt from paying ad valorem property taxes and shall not pay any taxes from and after the Closing Date. Additionally, as a tax exempt entity, Buyer shall not prepay or reimburse any portion of real estate taxes to Seller if Seller has prepaid any installment of such real estate taxes within Buyer’s jurisdiction. Buyer shall cooperate, at no cost to Buyer, in any refund request Seller submits to the tax assessor.

2.6 Deliveries through Escrow. Seller and Buyer shall each deliver to the other through Escrow such documents, instruments and funds consistent with this Agreement as are necessary to consummate the purchase and sale of the Property pursuant to this Agreement, including without limitation, the following:

2.6.1 Deliveries by Seller. Seller shall deliver the following:

- (1) the Grant Deed, executed and acknowledged by Seller;
- (2) a Bill of Sale in the form of EXHIBIT "C", executed by Seller;
- (3) two counterpart copies of the Assignment and Assumption (the "**Assignment and Assumption**") in the form of EXHIBIT "D", executed by Seller;
- (4) a Certificate of Non-Foreign Status executed by Seller;
- (5) a California Franchise Tax Board Form 593C, executed by Seller;
- (6) a Seller's Estimated Closing Statement in form and content satisfactory to Seller, executed by Seller;
- (7) such evidence of Seller's authority as the Title Company may reasonably require; and
- (8) such other documents and sums, if any, required of Seller under this Agreement and by Escrow Holder in the performance of its contractual or statutory obligations.

2.6.2 Deliveries by Buyer. Buyer shall deliver the following:

- (1) the Purchase Price, less the Deposit, together with all sufficient funds to pay all of Buyer's closing costs, in cash or other immediately available funds, subject to all prorations described herein;
- (2) two counterpart copies of the Assignment and Assumption, executed by Buyer;
- (3) Certificate of Acceptance in the form attached to the Grant Deed (EXHIBIT "B");
- (4) Buyer Estimated Settlement Statement, in form and content satisfactory to Buyer, executed by Buyer;
- (5) such evidence of Buyer's authority as the Title Company may reasonably require; and

(6) such other documents and sums, if any, required of Buyer under this Agreement and by Escrow Holder in the performance of its contractual or statutory obligations.

2.6.3 Deliveries Outside of Escrow. Seller and Buyer shall each deliver to the other outside of Escrow such items as are necessary to consummate the purchase and sale of the Property pursuant to this Agreement, including without limitation, the delivery by the Seller to the Buyer of the following to the extent any of the following are in Seller's possession and have not been previously delivered to Buyer:

- (1) permits, warranties and plans and specifications relating to the Property; and
- (2) the keys to doors or locks on the Property.

2.6.4 Simultaneous Delivery; Conditions Concurrent. All documents and other items to be delivered at the Closing shall be deemed to have been delivered simultaneously and no individual delivery shall be effective until all such items have been delivered.

2.7 Buyer's Conditions Precedent to Close of Escrow. The Close of Escrow and Buyer's obligation to accept title to the Property and pay the Purchase Price are subject to the satisfaction of the following described conditions for Buyer's benefit (or Buyer's waiver thereof, it being agreed that Buyer may waive any or all of such conditions) on or prior to the Closing Date:;

2.7.1 Buyer's Inspections; Due Diligence Period. Under the Lease, the Buyer enjoys access to the Property and may, throughout the Due Diligence Period (defined below) of this Agreement, inspect, examine, survey and undertake all engineering, environmental, or other tests which it may deem necessary or advisable. Seller shall not be liable or responsible for any activities of Buyer within the Property, and Buyer shall not allow the filing of any lien or encumbrance upon the Property. Should anyone attempt to file a lien against the Property by reason of Buyer's activities, Buyer shall have the same canceled and discharged of record within ten (10) business days after the filing thereof. Buyer hereby indemnifies and agrees to hold Seller harmless from and against any and all liens which may arise as a result of Buyer's activities within the Property and against any and all claims for death or injury to persons or damage to properties arising out of Buyer's Due Diligence activities prior to the Closing. This indemnity shall survive any termination of this Agreement and shall survive the Closing. The "**Due Diligence Period**" shall commence on the Effective Date and shall expire at 5:00 p.m., California time, on the date which is five (5) days after the Effective Date. The Buyer's obligation to consummate the transactions contemplated by this Agreement (the "**Transactions**") is subject to and conditioned upon Buyer's approval, deemed approval or waiver of the right to approve of the following prior to the expiration of the Due Diligence Period:

2.7.2 Title and Survey Review.

(1) The parties hereby agree that at Closing, Seller shall convey and transfer to Buyer such fee simple marketable title to the Property as will enable First American Title Insurance Company, 1250 Corona Pointe Court, Suite 200, Corona, CA 92879, Attn: Terrell Crutchfield, to issue to Buyer an ALTA Extended Coverage Owner's Policy of Title Insurance (the "**Title Policy**") in the full amount of the Purchase Price, subject only to the "Permitted Exceptions" (as hereinafter defined), and Buyer's receipt of a commitment from Title Company to issue the Title Policy as of the Closing in such form (subject to Title Company's receipt of payment for such Title Policy, the cost of which shall be paid by Buyer as provided in this Agreement) shall be a condition precedent to Buyer's obligation to purchase the Property at Closing.

(2) Seller shall cause a title commitment to be issued to Buyer within two (2) business days following the opening of escrow, together with copies of all underlying documents. At Buyer's option, the Title Policy may include any endorsements thereto as Buyer may request.

(3) Notwithstanding anything contained herein to the contrary, the Property shall be conveyed subject to the following matters, which shall be deemed to be Permitted Exceptions: (1) the lien of all ad valorem real estate taxes and assessments not yet due and payable as of the date of Closing, subject to adjustment as herein provided; (2) local, state and federal laws, ordinances or governmental regulations, including but not limited to, building and zoning laws, ordinances and regulations, now or hereafter in effect relating to the Property; and (3) those matters which Seller is not obligated to remove as provided below.

(4) Buyer shall have until three (3) days after the Effective date to notify Seller, in writing, of such objections to title as Buyer may have. Any title matter to which Buyer does not so object by such time shall be deemed a Permitted Exception. In the event Buyer shall so notify Seller of any objection(s) to title, Seller shall have the right, but not the obligation, to cure such objection(s), other than any defects, objections or exceptions which comprise mortgages or liens voluntarily created by Seller, and which can be satisfied by payment of a liquidated amount, which Seller agrees that it shall either pay, discharge or, if it is contesting such lien, make arrangement with the Title Company to insure over such matters (at normal rates) without such objection as an exception in Buyer's Title Policy; provided, that Buyer shall have the right to reasonably approve any method which Seller elects to cure any such liquidated amount. In the event there are any objections which Seller is not obligated to cure, then within two (2) business days after receipt of Buyer's notice of objection(s), Seller shall notify Buyer in writing whether Seller elects to attempt to cure such objection(s). Failure of Seller to give such notice shall be deemed an election by Seller not to cure such objection(s). If Seller elects to attempt to cure any such matter, Seller shall use reasonable efforts to cure such objections. If Seller elects not to cure any objection(s) specified in Buyer's notice which Seller is not required hereby to cure, or if Seller is unable to effect a cure prior to the Closing, Buyer shall have the following options to be given by written notice within three (3) business days of Seller's notice or deemed election: (i) to accept a conveyance of the Property subject to the Permitted Exceptions, specifically including any matter objected to by Buyer which Seller is unwilling or unable to cure (which such matter(s) shall thereafter be deemed to be a Permitted Exception), without reduction of the Purchase Price, or (ii) to terminate this Agreement by sending written notice thereof to Seller and Escrow Holder, and upon delivery of such notice of termination, this Agreement shall terminate,

and thereafter neither party hereto shall have any further rights, obligations or liabilities hereunder except for such obligations under this Agreement as are expressly provided herein to survive the termination of this Agreement.

(5) Upon the issuance of any amendment or supplement to the Buyer's Title Commitment for the Property that adds additional exceptions (including, but not limited to, adding additional exceptions for matters shown on the Buyer's Survey [defined below]), the foregoing right of review and approval shall also apply to said amendment or supplement (provided that the period for the Buyer to review such amendment or supplement shall be the later of the expiration of the Due Diligence Period or three (3) business days from receipt of the amendment or supplement) and Escrow shall be deemed extended by the amount of time necessary to allow such review and approval in the time and manner set forth in this Section 2.7.2. Notwithstanding anything to the contrary, the Closing Date shall not extend, by reason of extension of Due Diligence Period.

(6) Buyer, at its sole cost and expense, may obtain a survey of the Property ("Buyer's Survey"). The Buyer's Survey shall be in a form acceptable to the Title Company for the deletion of the standard survey exception in the Buyer's Title Policy relating to boundaries, without the addition of further exceptions, unless the same are acceptable to the Buyer, in its sole and absolute discretion. The Buyer shall have until the end of the Due Diligence Period to complete and examine the Buyer's Survey and to notify the Seller in writing of any objections the Buyer has to the Buyer's Survey ("Buyer's Survey Objection Notice"). The Seller shall have a period of five (5) business days after receipt of the Buyer's Survey Objection Notice in which to deliver written notice to the Buyer ("Seller's Survey Notice") of the Seller's election to either: (i) agree to remove objectionable items identified in the Buyer's Survey Objection Notice prior to the Close of Escrow or (ii) decline to remove such items and terminate this Agreement and the Escrow. If the Seller notifies the Buyer of its intention not to remove objectionable items identified in the Buyer's Survey Objection Notice, the Buyer shall have the right, by written notice delivered to the Seller within five (5) business days after the Buyer's receipt of the Seller's Survey Notice, to agree to accept the Property subject to the objectionable items, in which event, the Buyer's election to terminate this Agreement and cancel the Escrow shall be of no further effect, and the Buyer shall accept the Property at the Close of Escrow subject to such objectionable items identified in the Buyer's Survey Objection Notice. In the event that this Agreement is terminated by the Buyer under this Section 2.7.2, the Seller shall be responsible for paying for all Escrow cancellation costs of the Escrow Holder.

2.7.3 Condition of the Property. The condition of the Property, including but not limited to the structure of the Improvements, the boundaries and dimensions of the Real Property and Improvements, entitlements and permits relating to the Property, the soils and environmental condition of the Property, the physical and economic condition of the Property, the suitability of the Property for Buyer's intended use, and any and all other matters relating to the Property deemed relevant by Buyer.

2.7.4 Books and Records. All Operating Agreements, Property management files, reports, warranties, permits and other documents relating to the Property in Seller's possession. Seller shall upon request of Buyer make such books and records available for Buyer's review. Notwithstanding anything to the contrary in this Agreement,

Seller shall not be obligated to provide Buyer with any of Seller's internal memoranda or reports, any financial projections, budgets or appraisals, or any other confidential, proprietary or privileged information. In addition, Seller shall not have any liability, obligation or responsibility of any kind with respect to the content or accuracy of any report, study, opinion, projection or analysis prepared by third parties (and not by Seller).

2.7.5 Notice of Disapproval. For purposes of this Section 2.7, an approval which is conditioned or qualified in any way shall be deemed a disapproval. If Buyer disapproves of any of the items set forth in Section 2.7, Buyer shall deliver written notice of such disapproval to Seller on or before the expiration of the Due Diligence Period. In the event Buyer does not deliver written notice to Seller disapproving any of the items set forth in Section 2.7) on or before the expiration of the Due Diligence Period, Buyer shall be conclusively deemed to have approved all of the items set forth in Section 2.7 and to have waived any right to terminate this Agreement pursuant to Section 7.1.

2.7.6 Termination Upon Disapproval. If Buyer gives written notice to Seller on or prior to the expiration of the Due Diligence Period that Buyer disapproves, or if Buyer in any way conditions or qualifies its approval, of any of the items set forth in Section 2.7, this Agreement shall automatically terminate and the provisions of Section 7.1 shall apply.

2.7.7 All representations and warranties of Seller set forth in this Agreement shall be true and correct as of the Effective Date and again as of Close of Escrow.

2.7.8 Seller shall have timely performed all obligations required to be performed by Seller prior to the Close of Escrow by the terms of this Agreement.

2.7.9 Buyer shall have approved Escrow Holder's estimated closing costs statement.

2.7.10 Seller shall have executed and notarized a utility easement, to serve the real property identified as APN 1110-161-08-0-000, adjacent to the Property.

2.8 Seller's Conditions Precedent to Close of Escrow. The Close of Escrow and Seller's obligation to convey the Property are subject to the satisfaction of the following-described condition for Seller's benefit (or Seller's waiver thereof, it being agreed that Seller may waive any or all of such conditions) on or prior to the Closing Date:

2.8.1 Buyer shall have timely performed all obligations to be performed by Buyer prior to Close of Escrow by the terms of this Agreement.

2.8.2 Buyer shall have deposited into Escrow the original Grant Deed which shall have been executed by Buyer.

2.9 Notices. All communications from Escrow Holder to either Buyer or Seller shall be directed to the addresses and in the manner established in Section 8 herein for notices, demands and communications between the Buyer and Seller.

2.10 Facsimile/Counterpart Documents. In the event Buyer or Seller utilizes “facsimile” or digital-mail transmitted signed documents, the Parties hereby agree to accept and instruct Escrow Holder to rely upon such documents as if they bore original signatures. Buyer and Seller hereby acknowledge and agree to provide to Escrow Holder, within seventy-two (72) hours after transmission, such documents bearing the original signatures. Buyer and Seller further acknowledge and agree that facsimile documents bearing non-original signatures will not be accepted for recording and that the Parties will provide originally executed documents to Escrow Holder for such purpose. Escrow Holder is authorized to utilize documents which have been signed by Buyer and Seller in counterparts.

3. TERMINATION OF LEASE AGREEMENT. Except for those provisions which expressly survive the Closing, the Parties’ Lease shall terminate upon Closing.

4. [RESERVED].

5. SELLER’S REPRESENTATIONS AND WARRANTIES. Seller hereby represents and warrants to Buyer that the following statements are true and correct as of the Effective Date, and shall be true and correct as of the Close of Escrow, and the truth and accuracy of such statements shall constitute a condition precedent to all of Buyer’s obligations under this Agreement:

5.1.1 Hazardous Substances or Waste. Seller has not received any written complaint, order, citation or notice from any Governmental Authority or other person or entity with regard to the presence of Hazardous Substances or Waste or other environmental problems affecting the Property. To Seller’s current actual knowledge and except as disclosed in any environmental reports provided by Seller to Buyer, no release of Hazardous Substances or Waste (as defined by the Federal Water Pollution Control Act, the Federal Resource Conservation and Recovery Act, the U.S. Environmental Protection Buyer Regulations at 40 C.F.R., Part 261, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, the Resource Conservation and Recovery Act of 1976, the Clean Water Act, the Safe Drinking Water Act, the Hazardous Materials Transportation Act, the Toxic Substance Control Act, and regulations promulgated under any of the foregoing) have come to be located upon or under the Property. As used herein, the terms “Hazardous Substances” or “Waste” mean petroleum (including gasoline, crude oil or any crude oil fraction), waste, trash, garbage, industrial by-product, and chemical or hazardous substance of any nature, including, without limitation, radioactive materials, PCBs, asbestos, pesticides, herbicides, pesticide or herbicide containers, untreated sewerage, industrial process sludge and any other substance identified as a hazardous, toxic or dangerous substance, material or waste in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (commonly known as “CERCLA”), as amended, the Superfund Amendment and Reauthorization Act (commonly known as “SARA”), the Resource Conservation and Recovery Act (commonly known as “RCRA”), or any other federal, state, city or county legislation, regulations, laws or ordinances applicable to the Property.

5.1.2 Pending Litigation. To Seller's current, actual knowledge there is no pending litigation or judicial proceeding against Seller relating to the Property, nor has Seller received any threats that any such litigation or proceeding will be commenced.

5.1.3 No Other Contracts. Seller is not a party to any other contracts for the sale of the Property.

5.1.4 Violations of Laws. To Seller's current, actual knowledge, there are no violations of any governmental laws, ordinances, rules, regulations or orders relating to the Property. The consummation of the transactions contemplated by this Agreement do not violate any law with which Seller must comply.

5.1.5 Unrecorded Easements. To Seller's current, actual knowledge, there are no unrecorded easements or other use or occupancy rights which encumber the Property.

5.1.6 Utility Moratoriums. To Seller's current, actual knowledge, there is no existing, proposed or contemplated utility company or governmental moratorium on the providing of any utility services to the Property.

5.1.7 No Approval Necessary. No approval or consent not previously obtained is necessary in connection with the execution of this Agreement by Seller or the performance of Seller's obligations under this Agreement.

5.1.8 No Violation of Existing Agreements. Neither this Agreement nor anything provided to be done under this Agreement violates or shall violate any contract, document, understanding, agreement or instrument to which Seller is a party or by which it may be bound.

5.1.9 Binding and Enforceable. This Agreement constitutes the legally valid and binding obligation of Seller and is enforceable against Seller in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or by equitable principals relating to or limited the rights of creditors generally.

5.1.10 Bankruptcy. Seller has no present intent to file any voluntary petition in bankruptcy or to seek relief, protection, reorganization, liquidation, dissolution or similar relief for debtors under any law or inequity or to take any action which would directly or indirectly cause the Property or any portion of the Property to become the property of any bankruptcy estate or the subject to any bankruptcy, dissolution, litigation or insolvency proceedings.

5.1.11 No Leases; No Further Agreements or Undertakings. To Seller's current actual knowledge, there are no agreements for occupancy in effect with respect to the Property and no unrecorded agreements that would adversely affect Buyer's title to or use of the Property other than those executed pursuant to the Lease by Buyer's property management company Quality Management Group or by Buyer. Any and all agreements relating to the leasing, operation, maintenance and repair of the Property between

Seller and third parties which burden or otherwise affect the Property or any portion thereof shall be terminated subject to and as of Close of Escrow. Seller shall not enter into any agreements nor undertake any obligations prior to Close of Escrow that would in any way burden, encumber or otherwise affect the Property, including, without limitation, any agreements for occupancy with respect to the Property, or any portion thereof.

5.1.12 Survival. The representations and warranties of Seller set forth in this Section 5, shall survive Closing for a period of eighteen (18) months.

If, prior to the Close of Escrow, Buyer becomes aware that any of Seller's representations or warranties has been materially breached by Seller or is materially incorrect, or that any information or document provided by or on behalf of Seller to Buyer is materially incorrect, then Buyer shall have the right to terminate this Agreement by providing Seller and Escrow Agent with written notice within five (5) days of Buyer becoming aware of such material breach or inaccuracy. Seller shall promptly notify Buyer in writing if Seller becomes aware on or before the Close of Escrow that any of its representations or warranties was not or is no longer true and correct.

6. ACKNOWLEDGMENT OF FULL SATISFACTION.

6.1 Full Satisfaction. By execution of this Agreement, Seller, on behalf of itself, its successors and assigns, hereby acknowledges that this Agreement, once fully performed, provides full and complete payment and satisfaction for the acquisition of the Property by Buyer, and Seller hereby expressly and unconditionally waives any claim for damages, relocation assistance benefits, interest, loss of goodwill, severance damages, claims for inverse condemnation or unreasonable pre-condemnation conduct, or any other compensation or benefits other than as already expressly provided for in this Agreement, it being understood that this is a complete and full settlement of all acquisition claims, liabilities, or benefits of any type or nature whatsoever relating to or in connection with the acquisition of the Property.

6.2 Survival of Acknowledgments. The provisions of Section 6.1, above, shall survive recordation of the Grant Deed and the Close of Escrow.

7. TERMINATION, DEFAULTS, REMEDIES.

7.1 Exercise of Rights to Terminate. In the event Buyer or Seller elects to exercise its rights to terminate this Agreement and the Escrow as provided in this Agreement, then Buyer or Seller, as applicable, may so terminate by giving notice, in writing, prior to the Close of Escrow, of such termination to the other Party and Escrow Holder. In such event, the Party so terminating shall pay all Escrow Holder and Title Company termination fees and charges (collectively, "**Termination Costs**"). Upon such termination, all obligations and liabilities of the Parties under this Agreement, excepting for the obligation of the Party so terminating to pay Termination Costs as provided herein, and excepting for the obligations under this Agreement that expressly survive any termination of this Agreement, shall cease and terminate.

7.2 Buyer's Breach. IN THE EVENT THE SALE OF THE PROPERTY IS NOT CONSUMMATED BECAUSE OF A DEFAULT UNDER OR BREACH OF THIS AGREEMENT ON THE PART OF THE BUYER, BUYER AND SELLER AGREE THAT IT WOULD BE IMPRACTICABLE AND EXTREMELY DIFFICULT TO FIX THE ACTUAL

DAMAGE TO SELLER. BUYER AND SELLER THEREFORE AGREE THAT, IF BUYER FAILS TO COMPLETE THE PURCHASE OF THE PROPERTY AS HEREIN PROVIDED BY REASON OF BUYER'S BREACH OR DEFAULT, THE AMOUNT OF ANY PREVIOUSLY RELEASED FUNDS, INCLUDING THE DEPOSIT AND OPTION CONSIDERATION IS A REASONABLE ESTIMATE OF SELLER'S DAMAGES AND THAT SELLER SHALL BE ENTITLED TO SAID SUM AS LIQUIDATED DAMAGES, WHICH SHALL BE SELLER'S SOLE AND EXCLUSIVE REMEDY, EITHER AT LAW OR IN EQUITY. IN SUCH EVENT, THE ESCROW HOLDER SHALL, UPON WRITTEN DEMAND BY SELLER WITHOUT JOINDER OF BUYER, IMMEDIATELY DELIVER THE DEPOSIT TO SELLER IN CASH OR OTHER IMMEDIATELY AVAILABLE FUNDS. THE FOREGOING DOES NOT LIMIT BUYER'S LIABILITY UNDER INDEMNITY OR OTHER PROVISION OF THIS AGREEMENT WHICH BY ITS TERMS SURVIVES A TERMINATION OF THIS AGREEMENT OR IS TO BE PERFORMED AFTER CLOSING. TO SIGNIFY THEIR AWARENESS AND AGREEMENT TO BE BOUND BY THE TERMS AND PROVISIONS OF THIS PARAGRAPH 7.2 BUYER AND SELLER HAVE SEPARATELY INITIALED THIS PARAGRAPH.

SELLER INITIALS: _____

BUYER'S INITIALS: _____

7.3 Seller's Breach. In the event Seller breaches any obligation hereunder which Seller is to perform prior to the Close of Escrow, and fails to cure such breach within a reasonable period of time determined at the reasonable discretion of Buyer, then, in addition to pursuing any other rights or remedies which Buyer may have at law or in equity, Buyer may, at Buyer's option, (i) terminate this Agreement and the Escrow by giving notice, in writing, prior to Close of Escrow, of such termination to Seller and Escrow Holder, and Escrow Holder shall immediately return the Deposit to Buyer; or (ii) initiate an action for specific performance of this Agreement. Should Buyer elect to terminate this Agreement and the Escrow as provided herein, then Seller shall pay all Termination Costs. Upon such termination, all obligations and liabilities of the Parties under this Agreement, excepting for the obligation of the Seller to pay Termination Costs as provided herein, and excepting for the obligations under this Agreement that expressly survive any termination of this Agreement, shall cease and terminate.

7.4 Return of Funds and Documents; Release of Liability as to Escrow Holder
In the event Escrow Holder terminates the Escrow as a result of having received notice, in writing, from Buyer or Seller of its election to terminate the Escrow as provided in this Section 7, then Escrow Holder shall terminate the Escrow and return all funds, less Termination Costs, as appropriate, and documents to the Party depositing the same. Further, the Parties hereby release Escrow Holder, and shall hold Escrow Holder free and harmless, from all liabilities associated with such termination excepting for Escrow Holder's obligations to return funds and documents as provided herein, to the party entitled to such funds and documents. It is expressly agreed that the provisions of this Section 7.4 shall survive any termination of this Agreement.

7.5 Survival of the Lease and Option. In the event this Agreement is terminated and/or the sale of the Real Property is not consummated for any reason, the parties agree that the Lease shall remain in full force and effect, and Buyer's Purchase Option shall continue in accordance with its terms. Nothing in this Agreement shall be construed to terminate, waive, or

impair Buyer's rights obligations under the Lease or the Option, except as may be expressly agreed in writing by both parties.

8. **NOTICES AND DEMANDS.** All notices or other communications required or permitted between the Parties hereunder shall be in writing, and shall be (i) personally delivered, (ii) sent by United States registered or certified mail, postage prepaid, return receipt requested, (iii) sent by facsimile transmission with confirmation of receipt, or (iv) sent by nationally recognized overnight courier service (e.g., Federal Express or United Parcel Service), addressed to the Party to whom the notice is given at the addresses provided below, subject to the right of any Party to designate a different address for itself by notice similarly given. Any notice so given by registered or certified United States mail shall be deemed to have been given on the third business day after the same is deposited in the United States mail. Any notice not so given by registered or certified mail, such as notices delivered by personal delivery, facsimile transmission or courier service, shall be deemed given upon receipt, rejection or refusal of the same by the Party to whom the notice is given. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice or other communication sent.

To Buyer: City of Fontana
City Hall
Attn: City Manager
8353 Sierra Avenue
Fontana, CA 92335

With Copy to: Best Best & Krieger LLP
Attn: Jessica K. Lomakin, Esq.
2855 E. Guasti Road, Suite 400
Ontario, CA 91761

To Seller: Aldea Fontana Foothill, LLC
Attn: Mohammad Monshizadeh
1 Venture, Suite 130
Irvine, CA 92618

With Electronic Copy to:
Mousavi Law, PC
4343 Von Karman Ave., Suite 250J
Newport Beach, CA 92660
amy@mousavilawpc.com

To Escrow Holder: First American Title Insurance Company
4380 La Jolla Village Drive, #200
San Diego, CA 92122
Attn: Sheri Keene, Escrow Officer

9. **INDEMNITY BY SELLER.** Seller shall, at Seller's sole cost and expense, indemnify, protect and defend (with counsel of Buyer's choice) and hold Buyer, its officers and/or

directors and its successors and assigns, harmless from and against any and all claims, liabilities, obligations, losses, damages, costs and expenses of any kind or nature whatsoever, including, without limitation, reasonable attorney's fees, court costs and litigation expenses, that Buyer may reasonably incur or sustain by reason of or in connection with (i) the Property or Seller's ownership or operation thereof on or before the Close of Escrow, (ii) the use on or before the Close of Escrow of the Property by Seller or any third party, including, without limitation, any tenant, invitee or licensee of Seller, (iii) any breach of any covenant, agreement, representation or warranty of Seller contained in this Agreement; and (iv) the Seller's violation of any federal, state or local law, ordinance or regulation, occurring or allegedly occurring with respect to the Property prior to the Close of Escrow. This indemnity by Seller herein contained shall survive recordation of the Grant Deed and the Close of Escrow. Notwithstanding anything to the contrary contained herein, Seller's indemnity under this Section 9 shall expressly exclude, and Seller shall have no responsibility or liability for, any matters arising from or attributable to Buyer's possession, use, or control of the Property during the period of Buyer's occupancy pursuant to the Lease.

10. **POSSESSION; RISK OF LOSS.** Buyer shall be entitled to sole possession, of the Property immediately upon Close of Escrow. All risk of loss or damage to the Property will pass from the Seller to the Buyer at the Close of Escrow. In the event that material loss or damage occurs to the Property, or any portion thereof, prior to the Close of Escrow, Buyer may elect to terminate this Agreement as provided in Section 7.1 herein.

11. **BROKERS AND SALES COMMISSIONS.** Seller and Buyer each represent and warrant to the other that no broker, agent or finder has been engaged by them in connection with the transaction described in this Agreement. Each of the parties shall indemnify and defend the other party and hold it harmless from any and all loss, damage, liability or expense, including costs and reasonable attorneys' fees, which the other party may incur or sustain by reason of or in connection with any misrepresentation or breach of warranty by the indemnifying party with respect to the foregoing.

12. **MISCELLANEOUS**

12.1 **Required Actions of Buyer and Seller.** Buyer and Seller agree to execute such instruments and documents and to diligently undertake such actions as may be required in order to consummate the transaction herein contemplated and shall use their best efforts to accomplish the Close of Escrow in accordance with the provisions hereof.

12.2 **Time of Essence.** Time is of the essence of each and every term, condition, obligation and provision hereof.

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

12.4 **Captions.** Any captions to, or headings of, the Sections or subsections of this Agreement are solely for the convenience of the Parties, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any provision hereof.

12.5 No Obligations to Third Parties. Except as otherwise expressly provided herein, the execution and delivery of this Agreement shall not be deemed to confer any rights upon, nor obligate any of the Parties to, any person or entity other than the Parties.

12.6 Exhibit. The Exhibits referenced herein and attached hereto are hereby incorporated herein by this reference.

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

12.8 Applicable Law. All questions with respect to this Agreement, and the rights and liabilities of the Parties and venue hereto, shall be governed by the laws of the State of California, without application of conflicts of law principles. Any and all legal actions sought to enforce the terms and provisions of the Agreement shall be brought in the courts of the County in which the Property is located.

12.9 Assignment. Buyer shall have the right to assign this Agreement, and any right or obligation herein, to any party of its choice with Seller written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. Seller shall not assign this Agreement, or any right or obligation herein, to any party without the prior written consent of Buyer, which consent may be given or withheld in Buyer's sole discretion; provided, however, that Seller may, without Buyer's consent, assign this Agreement to any entity that is wholly controlled by Seller. In the event of any assignment by Seller, Seller shall not be relieved of liability hereunder.

12.10 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the voluntary and involuntary successors and assigns of the Parties hereto.

12.11 Severability. If any term or provision of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected.

12.12 Construction. This Agreement will be liberally construed to effectuate the intention of the Parties with respect to the transaction described herein. In determining the meaning of, or resolving any ambiguity with respect to, any word, phrase or provision of this Agreement, neither this Agreement nor any uncertainty or ambiguity herein will be construed or resolved against either Party (including the Party primarily responsible for drafting and preparation of this Agreement), under any rule of construction or otherwise, it being expressly understood and agreed that the Parties have participated equally or have had equal opportunity to participate in the drafting thereof.

12.13 Legal Fees. Each Party shall be responsible for payment of its own attorney's fees and expenses with respect to negotiation and preparation of this Agreement and processing of the Escrow. In the event of the bringing of any action or proceeding to enforce or construe any of the provisions of this Agreement, the prevailing Party in such action or proceeding, whether by final judgment or out of court settlement, shall be entitled to have and recover of and from the other Party all costs and expenses of suit, including actual reasonable attorney's fees.

12.14 Entire Agreement. This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between Buyer and Seller as to the subject matter hereof. No subsequent agreement, representation, or promise made by either Party hereto, or by or to an employee, officer, agent or representative of either Party, shall be of any effect unless it is in writing and executed by the Party to be bound thereby.

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

IN WITNESS WHEREOF, each Party has executed this Agreement on the date set forth below next to that Party's signature.

[SIGNATURES APPEAR ON NEXT PAGE]

“BUYER”

**CITY OF FONTANA,
a municipal corporation**

Dated: _____, 2025

By: _____
Matthew C. Ballantyne, City Manager

Attest:

Germaine Key, City Clerk

Approved as to Form:

Best Best & Krieger LLP

“SELLER”

**ALDEA FONTANA FOOTHILL, LLC,
a California limited liability company**

Dated: _____, 2025

By: _____

ACCEPTANCE BY ESCROW HOLDER

We acknowledge receipt on _____, 2025, of a fully executed copy of the foregoing “Agreement for Purchase and Sale and Joint Escrow Instructions” fully executed by Seller and Buyer. This escrow is assigned _____

[Title]

By: _____
[Name]

LIST OF EXHIBITS

EXHIBIT "A" – LEGAL DESCRIPTION OF PROPERTY

EXHIBIT "B" – GRANT DEED

EXHIBIT "C" – BILL OF SALE

EXHIBIT "D" – ASSIGNMENT AND ASSUMPTION

**EXHIBIT "A" TO
AGREEMENT FOR PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS**

Legal Description of Property

LEGAL DESCRIPTION

Real property in the City of Fontana, County of San Bernardino, State of California, described as follows:

Parcel 1:

Parcel 1 of PARCEL MAP NO. 19941, in the City of Fontana, County of San Bernardino, State of California, as per Map recorded in [Book 260 of Parcel Maps at Pages 100-102](#), in the Office of the County Recorder of said County.

Parcel 2:

An easement for the purpose of laying and maintaining sewer pipes and erecting and maintaining poles and wires for electric service over that portion of Lot 52, Arrowhead Vineyard Tract #1, Section 2, Township 1 South, Range 6 West, San Bernardino Base and Meridian, recorded in [Book 16, Page 69](#) of Maps, records of said County, described as follows:

A strip of land 5 feet in width beginning at the intersection of Foothill Boulevard with the Westerly line of said Lot 52 and running Easterly along the Northerly boundary of Foothill Boulevard as established by Deed from Dalciade Laliberty and Ella F. Laliberty, husband and wife, dated July 29, 1927 and recorded in [Book 304 of Official Records, Page 314](#), a distance of 330 feet.

Saving and excepting the South 20 feet of said Lot 52 in State Highway.

APN: 1110-161-09-0-000, (New APN: 1110-161-44-0-000, not yet assessed)

**EXHIBIT “B” TO
AGREEMENT FOR PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS**

Grant Deed

[Attached]

RECORDING REQUESTED BY:

[TITLE]

WHEN RECORDED RETURN TO:

CITY OF FONTANA
8353 Sierra Avenue
Fontana, CA 92335
Attn: City Clerk

GRANT DEED

Space above this line for Recorder's Use
No Recording Fee Pursuant to Gov't Code § 27383
No Documentary Transfer Tax Pursuant to
California Revenue & Taxation Code § 11922

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **ALDEA FONTANA FOOTHILL, LLC**, a **California limited liability company** ("**Grantor**") hereby GRANTS to **CITY Of FONTANA, a municipal corporation** ("**Grantee**"), the following described real property in the City of Fontana, County of San Bernardino, State of California:

SEE EXHIBIT "1" ATTACHED HERETO.

Dated: _____, 2025

ALDEA FONTANA FOOTHILL, LLC, a California limited liability company

By: EXHIBIT ONLY – DO NOT EXECUTE

(Name)
(Title)

STATE OF CALIFORNIA)

COUNTY OF _____)

On _____ before me, _____ (here
insert name and title of the officer), 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 "1" TO GRANT DEED
LEGAL DESCRIPTION

LEGAL DESCRIPTION

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Saving and excepting the South 20 feet of said Lot 52 in State Highway.

APN: 1110-161-09-0-000, (New APN: 1110-161-44-0-000, not yet assessed)

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the above Grant Deed from **ALDEA FONTANA FOOTHILL, LLC, a California limited liability company** (“Grantor”) to **CITY OF FONTANA** (“Grantee”), is hereby accepted by the undersigned officer on behalf of Grantee pursuant to authority conferred by the Grantee’s governing board, and Grantee hereby consents to recordation of said Grant Deed.

**CITY OF FONTANA,
a municipal corporation**

Dated: _____, 2025

By: _____
Matthew C. Ballantyne, City Manager

Attest:

Germaine Key, City Clerk

**EXHIBIT “C” TO
AGREEMENT FOR PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS**

Bill of Sale

[Attached]

BILL OF SALE

This Bill of Sale is made as of this ____ day of _____, 2025, by **ALDEA FONTANA Foothill, LLC, a California limited liability company** (“Seller”), in favor of **CITY OF FONTANA, a municipal corporation** (“Buyer”).

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller hereby assigns and transfers to Buyer, its successors and assigns, all of Seller’s right, title and interest in and to all the personal property (collectively, the “Personal Property”) owned by Seller and located on the Real Property (more particularly described on Exhibit “1” hereto) as of the date hereof.

The Personal Property transferred hereby is transferred “AS IS”, “WHERE IS” and “WITH ALL FAULTS”, and without any representation or warranty whatsoever.

IN WITNESS WHEREOF, the undersigned has executed this Bill of Sale as of the day and year first above written.

Dated: _____, 2025 **ALDEA FONTANA Foothill, LLC, a California limited liability company**

By: _____

(Name)
(Title)

EXHIBIT "1" TO BILL OF SALE
LEGAL DESCRIPTION

LEGAL DESCRIPTION

Real property in the City of Fontana, County of San Bernardino, State of California, described as follows:

Parcel 1:

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Saving and excepting the South 20 feet of said Lot 52 in State Highway.

APN: 1110-161-09-0-000, (New APN: 1110-161-44-0-000, not yet assessed)

**EXHIBIT “D” TO
AGREEMENT FOR PURCHASE AND SALE
AND JOINT ESCROW INSTRUCTIONS**

Assignment and Assumption

[Attached]

EXHIBIT “D”

ASSIGNMENT AND ASSUMPTION

THIS ASSIGNMENT AND ASSUMPTION (the “Assignment”) is made as of the _____ day of _____, 20025, by and between **ALDEA FONTANA Foothill, LLC, a California limited liability company** (“Assignor”), in favor of **CITY OF FONTANA, a municipal corporation** (“Assignee”).

1. For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor hereby assigns and transfers to Assignee as of the date title to the property described on Exhibit 1 attached hereto and incorporated herein by this reference (the “Property”) is transferred to Assignee (the “Transfer Date”), all of the following relating to the Property, to the extent assignable, and without representation or warranty of any kind whatsoever, express or implied:

(a) any and all assignable governmental licenses, permits, certificates (including certificates of completion and certificates of occupancy), authorizations and approvals held by Assignor in connection with the current occupancy, use and operation of, and construction upon, the Property (collectively, the “Permits”); and

(b) any and all assignable warranties and guaranties including, without limitation, contractor’s, architect’s and manufacturer’s warranties and guaranties held by Assignor and given by third parties with respect to the Property (collectively, the “Warranties”).

2. Assignee accepts this Assignment and hereby assumes and agrees to perform from and after the Transfer Date all of Assignor’s covenants, agreements and obligations under the Permits, and Warranties.

3. The Parties shall engage in good faith non-binding mediation prior to initiation of any litigation. If legal action is commenced to enforce or to declare the effect of any provision of this Assignment, or any document executed in connection with this Assignment, the prevailing party shall be entitled to recover from the non-prevailing party attorneys’ fees and other litigation costs. In addition to the foregoing award of attorneys’ fees to the prevailing party, the prevailing party in any lawsuit on this Assignment or any document executed in connection with this Assignment shall be entitled to its attorneys’ fees incurred in any post judgment proceedings to collect or enforce the judgment. This provision is separate and several and shall survive the merger of this Assignment or any document executed in connection with this Assignment into any judgment on this Assignment or any document executed in connection with this Assignment.

4. This Assignment shall binding on and inure to the benefit of the parties herein, their heirs, executors, administrators, successors in interest and assigns.

5. This Assignment shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, this Assignment and Assumption is made as of the day and year first above written.

“ASSIGNOR”

**ALDEA FONTANA FOOTHILL, LLC,
a California limited liability company**

Dated: _____, 2025

By: _____

(Name)
(Title)

“ASSIGNEE”

**CITY OF FONTANA,
a municipal corporation**

Dated: _____, 2025

By: _____
Matthew C. Ballantyne, City Manager

Attest:

Germaine Key, City Clerk

Approved as to Form:

Best Best & Krieger LLP

EXHIBIT "1" TO ASSIGNMENT AND ASSUMPTION
LEGAL DESCRIPTION

LEGAL DESCRIPTION

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Parcel 2:

An easement for the purpose of laying and maintaining sewer pipes and erecting and maintaining poles and wires for electric service over that portion of Lot 52, Arrowhead Vineyard Tract #1, Section 2, Township 1 South, Range 6 West, San Bernardino Base and Meridian, recorded in [Book 16, Page 69](#) of Maps, records of said County, described as follows:

A strip of land 5 feet in width beginning at the intersection of Foothill Boulevard with the Westerly line of said Lot 52 and running Easterly along the Northerly boundary of Foothill Boulevard as established by Deed from Dalciade Laliberty and Ella F. Laliberty, husband and wife, dated July 29, 1927 and recorded in [Book 304 of Official Records, Page 314](#), a distance of 330 feet.

Saving and excepting the South 20 feet of said Lot 52 in State Highway.

APN: 1110-161-09-0-000, (New APN: 1110-161-44-0-000, not yet assessed)