

OFFER FOR REAL PROPERTY

BRIXTON REDLANDS, LLC ("**Brixton**") hereby offers to enter into the following transaction with the CITY OF REDLANDS ("**City**"):

1. Brixton is the owner of three separate parcels ("**Parcel 1**", "**Parcel 2**", and "**Parcel 5**" on the Parcel Map No. 2998 attached hereto as Exhibit "A" ("**Parcel Map**") in the City of Redlands, which is the site of Redlands Mall (the "**Development Site**"). The Development Site is approximately 5.42 acres.

2. The City is the owner of three parcels ("**Parcel 3**", "**Parcel 4**", and "**Parcel 6**" on the Parcel Map) which surrounds the Development Site and which provides a parking area for the Redlands Mall. Parcel 3 is approximately 5.66 acres. Parcel 4 is the underground parking below Parcel 5 and Parcel 6 is the air right above Parcel 5. The City is also the owner of real property adjacent and south to the Development Site ("**Lots 1 through 17**" as noted in Exhibit "B" ("**Lot Map**") which also provides a parking area for the Redlands Mall. Lots 1 through 17 is approximately 1.32 acres. Parcel 4, Parcel 6, and Lots 1 through 17 are referred to herein as the "**City Site**."

3. The rights granted to Brixton hereunder are given for valuable consideration which includes a cash payment of \$1,000.00 and other valuable consideration including the performance of Brixton enumerated herein.

4. Promptly after the execution hereof, Brixton and City shall enter into a Purchase Agreement whereby Parcel 3 shall be sold to Brixton for \$1,000,000.00 with an expected closing date of February 28, 2017. The City shall convey to Brixton, or its designated assignee(s), fee title to Parcel 3, in its present as-is condition, free and clear of all liens and encumbrances; in this regard, the existing perpetual parking easement shall be removed of record on or before the closing. Upon the closing, Brixton shall receive a standard coverage title insurance policy, with coverage in the amount of the purchase price, insuring fee title in Parcel 3 vested in Brixton, or its assignee(s).

5. City does hereby grant to Brixton an option to acquire Parcel 4, Parcel 6, and Lots 1 through 17 ("**Option**"). The term of the Option shall be for twelve (12) months from the date the City executes this document ("**Option Term**"). So long as Brixton is pursuing the fulfillment of a new development in a commercially reasonable manner, then Brixton shall have the right, but not the obligation, to extend the Option Term for four (4) successive periods of six (6) months each. Notwithstanding the foregoing, the Option Period shall be extended, on a day-to-day basis, during any period when the issuance of the discretionary entitlements for the Project are delayed by governmental action or inaction or by any appeal or protest of the same (including litigation).

6. In further consideration for the grant of the Option, Brixton shall, at its cost and during the Option Term, devote commercially reasonable efforts to entitle and plan the development of a mixed-use real estate project on the Development Site and the City Site (the "**Project**"). The Project is planned to include amenities, improvements, common areas, retail facilities and retail tenants. The Project shall include: entry enhancements; sustainable

construction; public art displays; façade details; and street landscape enhancements including “walkable designs” and on-street parking alternatives.

7. The City and Brixton shall work with each other to develop and refine the scope and design of the Project to adhere to the parties’ mutual planning, operational and financial goals.

8. The purchase price for Parcel 4, Parcel 6, and Lots 1 through 17 shall be \$950,000.00.

9. During the Option Term:

(a) City shall reasonably cooperate with and support Brixton’s entitlement efforts for the Project by ensuring staff support and expedited processing.

(b) City shall not market the City Site, or solicit or accept any back-up offers or similar contractual arrangements with respect to the same.

(c) City shall terminate any existing tenancies as of each applicable closing date.

(d) City shall not agree to any new restrictions, dedications or easements, that affect the City Site, except to the extent relating to the entitlement of the Project.

(e) City shall allow Brixton and its contractors access to the City Site (to the extent not owned by Brixton or its designated assignees) for testing and other due diligence matters. In this regard, Brixton shall provide City with (i) evidence of liability insurance coverage, and (ii) an indemnity for claims arising out of such entity.

10. Brixton shall devote commercially reasonable efforts to include a specialty grocery as a tenant in the retail component of the Project. City acknowledges that a specialty grocer may engage in alcohol sales and, as a result thereof, shall require a Conditional Use Permit according to applicable laws.

11. Upon both closings: (a) City shall pay the premium for standard coverage title insurance, any transfer taxes or fees and one-half of the escrow fees; (b) Brixton shall pay one-half of the escrow fees; (c) all other costs shall be allocated consistent with the customs of the County in which the Development Site is situated; and (d) each party shall pay its own attorneys’ fees.

12. A Purchase Agreement shall be executed within 30 days after Brixton’s exercise of the Option.

13. In the event that the Option is exercised, then upon the closing, the City shall convey to Brixton, or its designated assignee(s), fee title to Parcel 4, Parcel 6 and Lots 1 through 17, free and clear of all liens and encumbrances; in this regard, the existing perpetual parking easement shall be removed of record on or before the closing.

14. Upon the closing for Parcel 4, Parcel 6, and Lots 1 through 17, Brixton shall receive a standard coverage title insurance policy, with coverage in the amount of the purchase price, insuring fee title to the City Site vested in Brixton, or its assignee(s), consistent with Section 13 above.

15. Lots 1 through 17 shall remain public parking and shall not be developed for a period of 5 years from the signing of this agreement, unless otherwise mutually agreed by both Brixton and the City.

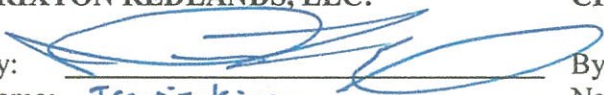
16. There shall be no broker for this transaction.

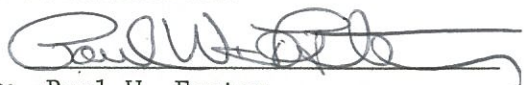
The City is asked to accept this offer by executing the same in the space below. Please note that this Offer shall expire, if not previously accepted by City and delivered to Brixton, by 10:00 a.m. (California time) on January 4, 2017.

Upon the mutual execution of this Offer, Brixton shall cause its counsel to prepare documentation consistent with the provisions and conditions hereof. Thereafter, the parties shall negotiate the documentation in good faith.

BRIXTON REDLANDS, LLC:

CITY OF REDLANDS:

By: 

By: 

Name: Travis King

Name: Paul W. Foster

Its: Authorized Signatory

Its: Mayor

Date: December 20, 2016

Date: 12/20, 2016

ATTEST:

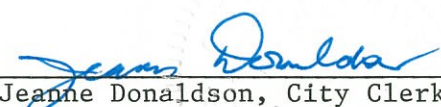

Jeanne Donaldson, City Clerk

Exhibit A

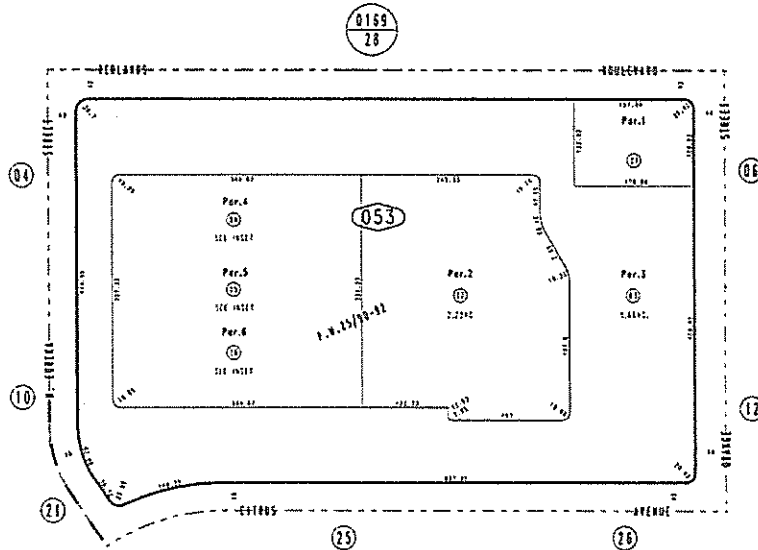
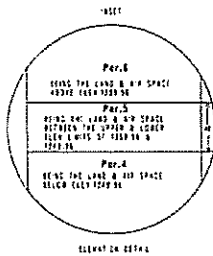
Parcel Map

THIS MAP IS FOR THE PURPOSE
OF AS VALUATION EXHIBITION ONLY.

Parcel Map No.2998, P.M.25/90-92

City of Redlands
Tax Rate Area
5002

0171 - 05



November 2023

Pin. N.W. 1/4, Sec. 27
T.1S., R.3W.

Assessor's Map
Book 0171 Page 05
San Bernardino County

VER-102
P-10112-00-001
00/2017-10-102

Asset Parcel Number (APN) of Parcel 1:
0171-053-010000

Asset Parcel Number (APN) of Parcel 2:
0171-053-020000

Asset Parcel Number (APN) of Parcel 3:
0171-053-030000

Asset Parcel Number (APN) of Parcel 4:
0171-053-040000

Asset Parcel Number (APN) of Parcel 5:
0171-053-050000

Asset Parcel Number (APN) of Parcel 6:
0171-053-060000

Exhibit B

Lot Map

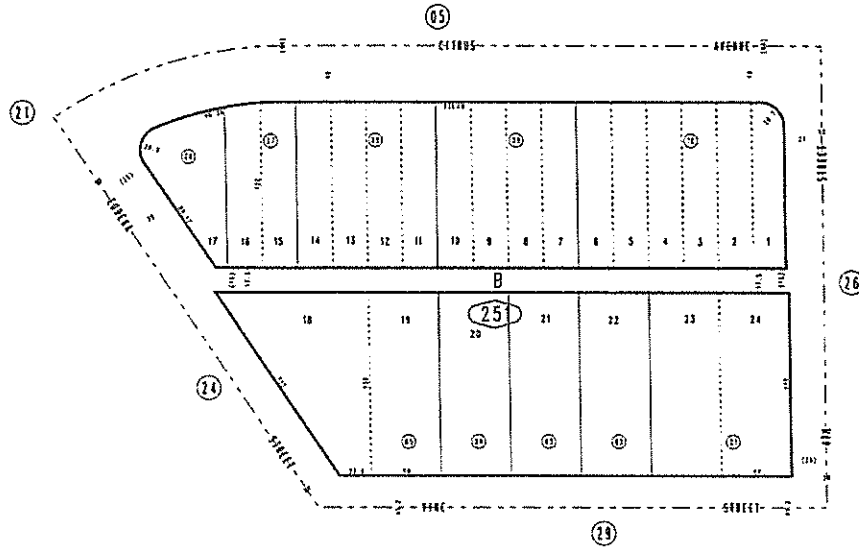
THIS MAP IS FOR THE PURPOSE
OF 15 PALMER LANSING TRACT

Pin. Orange Grove Add.
M.B.2/23

City of Redlands
Tax Rate Area
5002

0171 - 25

Assessor



November 2023

Assessor's Map
Book 0171 Page 25
San Bernardino County

Asset Parcel Numbers (APN) of Lots 1 through 17 of the Orange Grove Addition:

0171-251-060000

0171-251-070000

0171-251-080000

0171-251-090000

0171-251-100000