

Project: Avenue 50 Widening Project
Project No.: Federal Project No.,
APN: 768-163-012

RIGHT OF WAY AGREEMENT FOR CONVEYANCE OF REAL PROPERTY AND ESCROW INSTRUCTIONS

THIS AGREEMENT FOR CONVEYANCE OF REAL PROPERTY AND ESCROW INSTRUCTIONS, (the "**Agreement**"), is made and entered into as of 10/11, 2023 by and between the **City of Coachella, a California charter City and municipal corporation** ("**Buyer**"), and **Nika Royal, LLC, a California limited liability company** ("**Seller**"), with references to the following facts. Buyer and Seller are individually referred to as "Party," and collectively referred to as the "Parties".

RECITALS

A. Seller is the owner of certain real property located in the City of Coachella, (the "**City**"), the County of Riverside, (the "**County**"), State of California, (the "**State**"), which is identified by Assessor Parcel Number(s) 768-163-012, (referred to as the "**Property**").

B. Buyer desires to acquire from Seller a portion of the Property, more particularly described and depicted on **Exhibits A and B** attached hereto, (collectively referred to as the "**Rights-of-Way**"), for various public purposes including street rights-of-way and public utilities.

C. Seller desires to convey to Buyer, and Buyer desires to acquire from Seller the Rights-of-Way in accordance with the terms and conditions contained in this Agreement.

NOW THEREFORE, for and in consideration of the mutual covenants and agreements contained in this Agreement, and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by Seller, Buyer and Seller hereby agree as follows:

AGREEMENT

1. PURCHASE AND SALE.

1.1 Agreement to Buy and Sell. Subject to the terms and conditions set forth herein, Seller hereby agrees to sell and convey to Buyer, and Buyer hereby agrees to acquire and purchase from Seller, the Rights-of-Way. As used herein the "Rights-of-Way" shall include the real property legally described on **Exhibit A** and depicted on **Exhibit B** and all of Seller's right, title and interest in and to any and all entitlements, tenements, hereditaments, easements, easement rights, rights to half-widths of all adjacent public streets and public rights of way, mineral rights, oil and gas rights, water, water rights, air

rights, development rights and privileges appurtenant thereto and all improvements located thereon.

1.2 Purchase Price. The purchase price, ("**Purchase Price**"), for the Rights-of-Way shall be **Thirty-Five Thousand Dollars and Zero Cents (\$35,000.00)** payable as cash at closing, plus applicable escrow, associated fees, and other charges.

1.3 Full and Complete Settlement. Seller hereby acknowledges that the compensation paid to Seller through this Agreement constitutes the full and complete settlement of any and all claims against Buyer, by reason of Buyer's acquisition of the Rights-of-Way, specifically including, but not limited to, any and all rights or claims that Seller has, may have or may in the future have under Article 1, Section 19 of the California Constitution, the Eminent Domain Law, or any other law or regulation, except as provided herein Seller, on behalf of itself and its successors and assigns, hereby expressly and unconditionally waives and releases and discharges Buyer and any and all of Buyer's employees, agents, officers, servants, representatives, contractors, attorneys, partner agencies and assigns from liability in regard to any and all claims for damages, severance damages, interest, loss of goodwill, lost profits, lost rents, damages to or loss of improvements pertaining to the realty, machinery, fixtures, inventory, equipment and/or personal property, claims for inverse condemnation, pre-condemnation damages, any right to challenge Buyer's adoption of a resolution of necessity, any right to receive notices pursuant to Code of Civil Procedure section 1245.235, any right to enforce any obligation placed upon Buyer pursuant to the Eminent Domain Law, any other rights conferred upon Seller pursuant to the Eminent Domain Law, any claims for litigation expenses, attorney's fees, statutory interest and/or costs or any other compensation or benefits, other than for payment of the Purchase Price, it being understood that the Purchase Price constitutes complete and full settlement of all acquisition claims, liabilities, or benefits of any type or nature whatsoever, whether known or unknown as of the date of this Agreement, relating to or in connection with the Rights-of-Way or any other rights granted under this Agreement.

2. ESCROW AND CLOSING.

2.1 Opening of Escrow. Within fourteen (14) business days after execution of this Agreement by the last of Seller or Buyer, Buyer shall open an escrow, (the "**Escrow**"), with Commonwealth Land Title, at the address set forth in Section 7.12, ("**Escrow Holder**"), by depositing with Escrow Holder this Agreement fully executed, or executed counterparts hereof. The date this fully executed Agreement is signed and accepted by Escrow Holder on the last page hereof shall be deemed the "**Opening of Escrow**" and Escrow Holder shall advise Buyer and Seller of such date in writing. The escrow instructions shall incorporate this Agreement as part thereof and shall contain such other standard and usual provisions as may be required by Escrow Holder, provided, however, that no escrow instructions shall modify or amend any provision of this Agreement, unless expressly set forth in writing by mutual consent of Buyer and Seller. In the event there is a conflict between any such standard or usual provisions and the provisions of this Agreement, the provisions of this Agreement shall control.

2.2 Escrow Fees and Other Charges. At the Close of Escrow, Buyer agrees to pay all of Seller's and Buyer's escrow fees, charges and costs incurred in this transaction.

2.3 Closing Date; Conditions Precedent to Close of Escrow. Provided all of the conditions precedent set forth in this Section 2.3 have been satisfied (or are in a position to be satisfied concurrently with the Close of Escrow), the Close of Escrow shall occur WITHIN 60 DAYS (the "**Closing Date**"), unless otherwise extended by mutual agreement. As used in this Agreement, the "**Close of Escrow**" shall mean the date a Grant Deed as provided in Section 2.4.2(a) hereof ("**Grant Deed**"), is recorded in the Official Records of the County.

2.3.1 Conditions to Buyer's Obligations. The Close of Escrow and Buyer's obligation to purchase the Rights-of-Way are subject to the satisfaction of the following conditions or Buyer's written waiver of such conditions on or before the Closing Date. Buyer may waive in writing any or all of such conditions in its sole and absolute discretion.

(a) The Purchase Price shall have been determined in accordance with Section 1.2; and

(b) Seller shall have performed all obligations to be performed by Seller pursuant to this Agreement; and

(c) No event or circumstance shall have occurred which would make any of Seller's representations, warranties and covenants set forth herein untrue as of the Close of Escrow; and

(d) There shall have occurred no material adverse change in the physical condition of the Property (such as those caused by natural disasters) which would render the Rights-of-Way unsuitable for Buyer's intended use or which would materially increase the cost or cause a material delay in the schedule for Buyer's planned improvements of the Rights-of-Way; and

(e) The Title Company shall be committed to issue to Buyer, as of the Closing Date, the Title Policy (defined below) covering the Rights-of-Way, subject only to the Permitted Exceptions; and

(f) All monetary encumbrances, if any, shall have been reconveyed and title shall be conveyed free of all monetary encumbrances. Title to the Rights-of-Way shall be conveyed to Buyer free and clear of all recorded and unrecorded liens, encumbrances, assessments, easements, leases and taxes except for any non-delinquent taxes for the fiscal year in which this transaction closes which shall be cleared and paid in the manner required by Section 4986 of the Revenue and Taxation Code, if unpaid at the close of this transaction.

2.3.2 Conditions to Seller's Obligations. The Close of Escrow and Seller's obligation to sell and convey the Rights-of-Way are subject to the satisfaction of the following conditions or Seller's written waiver of such conditions on or before the Closing

Date. Seller may waive in writing any or all of such conditions as a condition to the Close of Escrow in its sole and absolute discretion.

(a) The Purchase Price shall have been determined in accordance with Section 1.2;

(b) Buyer shall have performed all obligations to be performed by Buyer pursuant to this Agreement; and

(c) No event or circumstance shall have occurred which would make any of Buyer's representations, warranties and covenants set forth herein untrue as of the Close of Escrow.

2.3.3 Waiver of a Condition Does Not Excuse Performance. If any condition precedent to the Close of Escrow is expressly waived, in writing, as a condition to the Close of Escrow by the Party for whose benefit such condition exists, then, to the extent such condition is capable of being satisfied following the Close of Escrow, such condition shall become a condition subsequent to the Close of Escrow and shall be satisfied by the party whose performance is required to satisfy such condition as soon as reasonably possible following the Close of Escrow.

2.4 Closing Documents. The parties shall deposit the following with Escrow Holder prior to the Close of Escrow:

2.4.1 Buyer's Deposits. Buyer shall deposit:

(a) The Purchase Price together with Buyer's escrow and other cash charges; and

(b) A Certificate of Acceptance for the Grant Deed as in a legally sufficient form typically used by Buyer.

2.4.2 Seller's Deposits. Seller shall deposit:

(a) The Grant Deed as in the form of **Exhibit C** attached hereto; and

(b) Subject to Section 2.5.1 below, an executed Affidavit of Non-foreign Status in the form of **Exhibit D** attached hereto and such other documentation necessary to exempt Seller from the withholding requirements of Section 1445 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder; and

(c) Subject to Section 2.5.1 below, a Withholding Exemption Certificate Form 593 as contemplated by California Revenue and Taxation Code §18662 (the "**Withholding Affidavit**") duly executed by Seller.

2.4.3 Deposits of Additional Instruments. Seller and Buyer shall each deposit such other instruments as are reasonably required by Escrow Holder or otherwise required to proceed to the Close of Escrow and consummate the conveyance of the Rights-of-way from Seller to Buyer in accordance with the terms of this Agreement.

2.5 Closing.

2.5.1 Withholding. In the event that, pursuant to Section 2.4.2(b) above, Seller fails to deposit with Escrow Holder the executed Affidavit of Non-foreign Taxpayer Status which exempts Seller from the withholding requirements of Section 1445 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder, Seller hereby authorizes Escrow Holder to withhold ten percent (10%) of the Purchase Price of the Rights-of-Way less any applicable closing costs and to report and transmit the withheld amount to the Internal Revenue Service. Additionally, in the event that, pursuant to Section 2.4.2(c) above, Seller fails to deposit with Escrow Holder any applicable tax document which exempts Buyer from California withholding requirements, if any, Seller hereby authorizes Escrow Holder to withhold such additional percentage of the Purchase Price of the Rights-of-Way as is required by California law, and Escrow Holder shall report and transmit the withheld amount in the manner required by California law. By agreeing to act as Escrow Holder hereunder, Escrow Holder expressly agrees to undertake and be responsible for all withholding obligations imposed pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder and under any similar provisions of California law, and shall defend, indemnify and hold Buyer harmless in connection with such obligations.

2.5.2 Necessary Actions of Escrow Holder. On the Close of Escrow, Escrow Holder shall: (i) record the Grant Deed as in the Office of the County Recorder of the County, (ii) pay any transfer taxes, (iii) instruct the County Recorder to return the Grant Deed as to Buyer, (iv) distribute to Seller the Purchase Price, and (v) deliver to Buyer the Title Policy covering the Rights-of-Way subject only to the Permitted Exceptions, the Affidavit of Non-foreign Status and the applicable California withholding exemption form, if any.

2.5.3 Taxes and Assessments. Real property taxes and assessments shall be prorated as of the Close of Escrow on the basis of the most recent tax information and such proration shall be final. Said prorations shall be based on a three hundred sixty-five (365) day year.

2.5.4 Title and Possession. Upon the Close of Escrow, title to and exclusive possession of the Property shall be conveyed to Buyer, subject only to the Permitted Exceptions.

3. ACTIONS PENDING CLOSING.

3.1. Title Review.

3.1.1. Title Report. Within three (5) business days after the Opening of Escrow, Commonwealth Land Title (the "**Title Company**") will furnish Buyer and Seller with an updated Title Commitment on the Property together with legible copies of all documents referenced therein as exceptions to title and a plot plan for the Property showing all the locations of all easements referenced therein (collectively, the "**Title Commitment**").

3.1.2. Title Notices. Buyer shall have ten (10) business days after its actual receipt of the Title Commitment to deliver to Escrow Holder written notice (the "**Preliminary Title Notice**") of Buyer's approval, conditional approval or disapproval of the title matters disclosed in the Title Commitment. All matters not timely approved by Buyer will be deemed disapproved. All such exceptions disapproved by Buyer are referred to herein as "**Disapproved Exceptions**". All monetary encumbrances are hereby deemed Disapproved Exceptions and shall be removed and satisfied at the Close of Escrow.

3.1.3. Permitted Exceptions. "**Permitted Exceptions**" shall mean all exceptions appearing on the Title Commitment which are: (i) standard printed exceptions in the Title Policy issued by Title Company; (ii) general and special real property taxes and assessments, a lien not yet due and payable; and (iii) any other liens, easements, encumbrances, covenants, conditions and restrictions of record approved, or expressly waived by Buyer pursuant to this Section 3.1.

3.2. Title Policy. Buyer's obligation to proceed to the Close of Escrow shall be conditioned upon the commitment by Title Company to issue an ALTA Standard Coverage Owner's Policy of Title Insurance (the "**Standard Coverage Policy**"), showing title to the Property vested in Buyer with liability equal to the Purchase Price, subject only to the Permitted Exceptions. At Buyer's option, Buyer may require an ALTA Extended Coverage Owner's Policy instead of the Standard Coverage Policy provided that Buyer pays any additional premium on account thereof. The form of title policy selected by Buyer shall be referred to herein as the "**Title Policy**".

3.3. Right of Possession. It is agreed and confirmed by the parties hereto that notwithstanding other provisions in this contract, the right of possession and use of the subject property by the State (or other agency), including the right to remove and dispose of improvements, shall commence on the date the amount of funds as specified in Clause 1.2 herein are deposited into escrow controlling this transaction. The amount shown in Clause 1.2 herein includes, but is not limited to, full payment for such possession and use, including damages, if any, from said date.

3.4. Seller's Covenant Not to Further Encumber the Property. Seller shall not, directly or indirectly, alienate, encumber, transfer, option, lease, assign, sell, transfer or convey its interest or any portion of its interest in the Property, or any portion thereof, or enter into any agreement to do so, so long as this Agreement is in force. Seller shall timely discharge, prior to the Closing, any and all obligations relating to work performed on or conducted at or materials delivered to or for the Property from time to time by Seller, or at Seller's direction or on its behalf, in order to prevent the filing of any claim or mechanic's

lien with respect to such work or materials.

3.5. Loss or Damage to Improvements. Loss or damage to the Property, including any improvements existing thereon as of the date of this Agreement, by fire or other casualty, occurring prior to the recordation of the Grant Deed as shall be at the risk of Seller. In the event that loss or damage to the Property, or any such improvements thereon, by fire or other casualty, occurs prior to the recordation of the Grant Deed as Buyer may elect to require that the Seller pay to Buyer the proceeds of any insurance policy or policies which may become payable to Seller by reason thereof, or to permit such proceeds to be used for the restoration of the damage done, or to reduce the Purchase Price by an amount equal to the diminution in value of the Property by reason of such loss or damage or the amount of insurance payable to Seller, whichever is greater.

4. REPRESENTATIONS, WARRANTIES AND COVENANTS.

4.1. Seller's Representations, Warranties and Covenants. In addition to the representations, warranties and covenants of Seller contained in other sections of this Agreement, Seller hereby represents, warrants and covenants to Buyer as follows, all of which shall survive the Close of Escrow:

4.1.1 Seller's Authority. Seller is the sole owner in fee simple absolute of the Property and has the full right, capacity, power and authority to enter into and carry out the terms of this Agreement. Seller has not alienated, encumbered, transferred, leased, assigned or otherwise conveyed its interest in the Property or any portion thereof except as set forth in the Title Commitment, nor entered into any Agreement to do so, nor shall Seller do so during the term of this Agreement. The entering into and performance by Seller of the transactions contemplated by this Agreement will not violate or breach any other agreement, covenant or obligation binding on Seller, and there is no consent required from any third party before the Property may be conveyed to Buyer. This Agreement has been duly authorized and executed by Seller, and upon delivery to and execution by Buyer shall be a valid and binding agreement of Seller.

4.1.2 Hazardous Substances. To the best of Seller's knowledge the Property complies with all applicable laws and governmental regulations including, without limitation, all applicable federal, state, and local laws pertaining to air and water quality, hazardous waste, waste disposal, and other environmental matters, including, but not limited to, the Clean Water, Clean Air, Federal Water Pollution Control, Solid Waste Disposal, Resource Conservation Recovery and Comprehensive Environmental Response Compensation and Liability Acts, and the California Environment Quality Act, and the rules, regulations, and ordinances of the City, the California Department of Health Services, the Regional Water Quality Control Board, the State Water Resources Control Board, the Environmental Protection Agency, and all applicable federal, state, and local agencies and bureaus.

Seller agrees to indemnify, defend and hold Buyer harmless from and against any claim, action, suit, proceeding, loss, cost, damage, liability, deficiency, fine, penalty, punitive

damage, or expense (including, without limitation, attorneys' fees), resulting from, arising out of, or based upon (i) the presence, release, use, generation, discharge, storage, or disposal of any Hazardous Material on, under, in or about, or the transportation of any such materials to or from the Property, or (ii) the violation, or alleged violation, of any statute, ordinance, order, rule, regulation, permit, judgment, or license relating to the use, generation, release, discharge, storage, disposal, or transportation of Hazardous Materials on, under, in, or about, to or from the Property. This indemnity shall include, without limitation, any damage, liability, fine, penalty, punitive damage, cost, or expense arising from or out of any claim, action, suit or proceeding for personal injury (including sickness, disease, or death, tangible or intangible property damage, compensation for lost wages, business income, profits or other economic loss, damage to the natural resource or the environment, nuisance, pollution, contamination, leak, spill, release, or other adverse effect on the environment).

4.1.3 Mechanic's Liens. There are no mechanics', material men's or other claims or liens presently claimed or which will be claimed against the Property for work performed or commenced prior to the date of this Agreement or relating to the environmental condition of the Property. Seller agrees to hold Buyer harmless from all costs, expenses, liabilities, losses, charges and fees, including without limitation attorneys' fees, arising from or relating to any such lien or any similar lien claimed against the Property and arising from work performed or commenced prior to the Close of Escrow, unless performed by or at the request of Buyer.

4.1.4 Other Facts and Circumstances. There are no other facts or circumstances known to Seller that would preclude, prevent or impair the development of the Property.

4.1.5 No Untrue Statements or Omissions of Fact. Neither this Agreement, nor any of the exhibits hereto, nor any document, certificate, or statement referred to herein or furnished to Buyer in connection with the transaction contemplated herein (whether delivered prior to, simultaneously with, or subsequent to the execution of this Agreement) contains any untrue statement of material fact or, omits to state a material fact in any way concerning the Property, or otherwise affecting or concerning the transaction contemplated hereby.

Each of the representations and warranties made by Seller in this Agreement, or in any exhibit, or on any document or instrument delivered pursuant hereto shall be continuing representations and warranties which shall be true and correct in all material respects on the date hereof, and shall be deemed to be made again as of the Close of Escrow and shall then be true and correct in all material respects. The truth and accuracy of each of the representations and warranties, and the performance of all covenants of Seller contained in this Agreement, are conditions precedent to the Close of Escrow. Seller shall immediately notify Buyer of any fact or circumstance which becomes known to Seller which would make any of the foregoing representations or warranties untrue.

4.2. Buyer's Representations and Warranties. Buyer represents and warrants to Seller as follows, all of which shall survive the Close of Escrow:

4.2.1 Buyer's Authority. Buyer has the capacity and full power and authority to enter into and carry out the agreements contained in, and the transactions contemplated by, this Agreement, and that this Agreement has been duly authorized and executed by Buyer and, upon delivery to and execution by Seller, shall be a valid and binding Agreement of Buyer.

4.2.2 No Untrue Statements or Omissions of Fact. Neither this Agreement, nor any of the exhibits hereto, nor any document, certificate, or statement referred to herein or furnished to Seller in connection with the transaction contemplated herein (whether delivered prior to, simultaneously with, or subsequent to the execution of this Agreement) contains any untrue statement of material fact or, omits to state a material fact in any way concerning the Property, or otherwise affecting or concerning the transaction contemplated hereby.

Each of the representations and warranties made by Buyer in this Agreement, or in any exhibit or on any document or instrument delivered pursuant hereto, shall be continuing representations and warranties which shall be true and correct in all material respects on the date hereof, and shall be deemed to be made again as of the Close of Escrow, and shall then be true and correct in all material respects. The truth and accuracy of each of the representations and warranties, and the performance of all covenants of Buyer contained in this Agreement, are conditions precedent to the Close of Escrow. Buyer shall notify Seller immediately of any facts or circumstances which are contrary to the foregoing representations and warranties contained in this Section 4.2.

4.3. Mutual Indemnity. Seller and Buyer shall defend, indemnify and hold free and harmless the other from and against any losses, damages, costs and expenses (including attorneys' fees) resulting from any inaccuracy in or breach of any representation or warranty of the indemnifying party or any breach or default by such indemnifying party under any of such indemnifying party's covenants or agreements contained in this Agreement.

5. CONDEMNATION. Seller and Buyer acknowledge that this transaction is a negotiated settlement in lieu of condemnation, and Seller hereby agrees and consents to the dismissal or abandonment of any eminent domain action in the Superior Court of the State of California in and for the County of Riverside, wherein the herein described property is included and also waives any and all claims to any money on deposit in the action and further waives all attorneys' fees, costs, disbursements, and expenses incurred in connection therewith. If, prior to the close of the execution of this transaction, Seller (or Seller's Tenant) is served with a Summons and Complaint in Eminent Domain in which Seller (or Seller's Tenant) is a named defendant, upon the close of escrow, Seller agrees and consents to Buyer taking a default in the action. Moreover, the total compensation to be paid by Buyer to Seller is for all of Seller's interest in the Property and any rights which exist or may arise out of the acquisition of the Property for public purposes, including

without limitation, Seller's interest in the land and any improvements and fixtures and equipment located thereon, improvements pertaining to the realty (if any), severance damages, any alleged pre-condemnation damages, loss of business goodwill (if any), costs, interest, attorney's fees, and any claim whatsoever of Seller which might arise out of or relate in any respect to the acquisition of the Property by the Buyer. The compensation paid under this Agreement does not reflect any consideration of or allowance for any relocation assistance and payments or other benefits which Seller may be entitled to receive, if any. Relocation assistance, if any, will be handled via separate Agreement.

6. **BROKERS.** Seller and Buyer each represents and warrants to the other that they have not dealt with or been represented by any brokers or finders in connection with the purchase and sale of the Property and that no commissions or finder's fees are payable in connection with this transaction. Buyer and Seller each agree to indemnify and hold harmless the other against any loss, liability, damage, cost, claim or expense (including reasonable attorneys' fees) incurred by reason of breach of the foregoing representation by the indemnifying party. Notwithstanding anything to the contrary contained herein, the representations, warranties, indemnities and agreements contained in this Section 6 shall survive the Close of Escrow or earlier termination of this Agreement.

7. **MAINTENANCE AND REPAIR.** The Seller(s) and successors and assignees in interest shall maintain and repair the improvements including and without limitation all structures, sidewalks, parking areas, landscape, irrigation, lighting, signs, walls, and fences between the curb and property line, in a first class condition, free from waste and debris, and in accordance with all applicable law, rules, ordinances, and regulations of all federal, state, and local bodies and agencies having jurisdiction at the property owner's sole expense. This condition shall be included in the recorded covenant agreement for the property if required by the City.

8. GENERAL PROVISIONS.

8.1. Counterparts; Facsimile Signatures. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument and any executed counterpart may be delivered by facsimile transmission with the same effect as if an originally executed counterpart had been delivered.

8.2. Further Assurances. Each of the parties agrees to execute and deliver such other instruments and perform such acts, in addition to the matters herein specified, as may be appropriate or necessary to effectuate the agreements of the parties, whether the same occurs before or after the Close of Escrow.

8.3. Entire Agreement. This Agreement, together with all exhibits hereto and documents referred to herein, if any, constitute the entire agreement among the parties hereto with respect to the subject matter hereof, and supersede all prior understandings or agreements. This Agreement may be modified only by a writing signed by both parties. All

exhibits to which reference is made in this Agreement are deemed incorporated into this Agreement whether or not actually attached.

8.4. Headings. Headings used in this Agreement are for convenience of reference only and are not intended to govern, limit, or aid in the construction of any term or provision hereof.

8.5. Choice of Law. This Agreement and each and every related document are to be governed by, and construed in accordance with, the laws of the State of California.

8.6. Severability. If any term, covenant, condition or provision of this Agreement, or the application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction or rendered by the adoption of a statute by the State of California or the United States invalid, void or unenforceable, the remainder of the terms, covenants, conditions or provisions of this Agreement, or the application thereof to any person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby; provided that the invalidity or unenforceability of such provision does not materially adversely affect the benefits accruing to, or the obligations imposed upon, any party hereunder, and the parties agree to substitute for the invalid or unenforceable provision a valid and enforceable provision that most closely approximates the intent and economic effect of the invalid or unenforceable provision.

8.7. Waiver of Covenants, Conditions or Remedies. The waiver by one party of the performance of any covenant, condition or promise, or of the time for performing any act, under this Agreement shall not invalidate this Agreement nor shall it be considered a waiver by such party of any other covenant, condition or promise, or of the time for performing any other act required, under this Agreement. The exercise of any remedy provided in this Agreement shall not be a waiver of any other remedy provided by law, and the provisions of this Agreement for any remedy shall not exclude any other remedies unless they are expressly excluded.

8.8. Legal Advice. Each party has received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of the provisions hereof. The provisions of this Agreement shall be construed as to the fair meaning and not for or against any party based upon any attribution of such party as the sole source of the language in question.

8.9. Relationship of Parties. The parties agree that their relationship is that of Seller and Buyer, and that nothing contained herein shall constitute either party, the agent or legal representative of the other for any purpose whatsoever, nor shall this Agreement be deemed to create any form of business organization between the parties hereto, nor is either party granted the right or authority to assume or create any obligation or responsibility on behalf of the other party, nor shall either party be in any way liable for any debt of the other.

8.10. Attorneys' Fees. In the event that any party hereto institutes an action or proceeding for a declaration of the rights of the parties under this Agreement, for injunctive relief, for an alleged breach or default of, or any other action arising out of, this Agreement, or the transactions contemplated hereby, or in the event any party is in default of its obligations pursuant thereto, whether or not suit is filed or prosecuted to final judgment, the non-defaulting party or prevailing party shall be entitled to its actual attorneys' fees and to any court costs incurred, in addition to any other damages or relief awarded.

8.11. Assignment. Neither Seller nor Buyer shall assign its rights or delegate its obligations hereunder without the prior written consent of the other, which consent shall not be unreasonably withheld or delayed. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the parties to this Agreement.

8.12. Notices. No notice, request, demand, instruction, or other document to be given hereunder to any Party shall be effective for any purpose unless personally delivered to the person at the appropriate address set forth below (in which event such notice shall be deemed effective only upon such delivery), delivered by air courier next-day delivery (e.g. Federal Express), delivered by mail, sent by registered or certified mail, return receipt requested, or sent via telecopier, as follows:

If to Buyer, to: Attn: City Engineer
City of Coachella
53-990 Enterprise Way
Coachella, CA 92236
Telephone No.: (760) 398-3502

If to Seller, to: Nika Royal, LLC
1040 S. Vintage Ave. Ste A
Ontario, CA 91761

If to Escrow Holder, to: Grace Kim
Commonwealth Land Title
4100 Newport Place Dr
Newport Beach CA 92660
Facsimile No.: (714)459-7217
Telephone No.: (949)724-3141

Notices delivered by air courier shall be deemed to have been given the next business day after deposit with the courier and notices mailed shall be deemed to have been given on the second day following deposit of same in any United States Post Office mailbox in the state to which the notice is addressed or on the third day following deposit in any such post office box other than in the state to which the notice is addressed, postage prepaid, addressed as set forth above. Notices sent via telecopy shall be deemed delivered the same business day transmitted. The addresses, addressees, and telecopy numbers for the purpose of this Paragraph, may be changed by giving written notice of such change in the manner herein provided for giving notice. Unless and until such written notice of change is

received, the last address, addressee, and telecopy number stated by written notice, or provided herein if no such written notice of change has been received, shall be deemed to continue in effect for all purposes hereunder. Delivery of a copy of a notice as set forth above is as an accommodation only and is not required to effectuate notice hereunder.

8.13. Survivability. All covenants of Buyer or Seller which are intended hereunder to be performed in whole or in part after Close of Escrow and all representations, warranties, and indemnities by either Party to the other, shall survive Close of Escrow and delivery of the Deed, and be binding upon and inure to the benefit of the respective Parties.

7.14. Release. The total compensation to be paid by Buyer for the Property is the Purchase Price, which consideration covers all land and improvements, attached or detached furniture, fixtures and equipment, loss of business goodwill, and is the full and complete acquisition cost of the Property. Buyer is in compliance with the California Relocation Assistance and Real Property Acquisition statutes and guidelines and the Uniform Relocation Assistance and Real Property Acquisition Policies for Federal and Federally Assisted Programs. Except for any breach of terms or conditions contained in this Agreement, Seller waives and forever releases Buyer, including its successors, officers, employees, attorneys, agents, representatives and anyone else acting on Buyer's behalf, of and from any and all claims, demands, actions or causes of action, obligations, liabilities, or claims for further compensation, known or unknown, based upon or relating to the facts or allegations and circumstances arising from Buyer's acquisition of the Property. By such release, Seller expressly waives its rights, if any, under California Civil Code Section 1542 which provides:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HIS SETTLEMENT WITH THE DEBTOR."

7.15 City Council Approval of Agreement. This Agreement is subject to the approval of the Buyer's City Council. If this Agreement remains unapproved by the Buyer's City Council then the parties will have no further obligation under this Agreement.

7.16 Recording. Neither party shall have the right to record this Agreement in the Recorder's Office for Riverside County.

[SIGNATURES ON NEXT PAGE]

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


BUYER:

CITY OF COACHELLA

By: _____
City Manager

SELLER:

Nika Royal, LLC, a California limited liability company

By:  _____

Name: Albert Ghiam

Its: Owner

By: _____

Name: _____

Its: _____

EXHIBIT "C"

RECORDING REQUESTED BY

City of Coachella

WHEN RECORDED RETURN TO:

City Clerk
City of Coachella
53990 Enterprise Way
Coachella, CA 92236

**Exempt from recording fees
under Government Code §6103**

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**GRANT DEED
(Avenue 50)**

APN: 768-163-012

For a valuable consideration, receipt of which is hereby acknowledged, **Nika Royal, LLC, a California limited liability company**, (hereinafter "**Grantor**"), hereby GRANTS to the **City of Coachella**, (hereinafter "**Grantee**"), all rights, title and interest in the following described property for streets, highways, sanitary sewer lines, domestic water lines, public utilities, and other appurtenant uses, together with the right to construct, maintain, repair, operate, use, dedicate or declare the same for public use, in, on, under, over and across the real property in the City of Coachella, Riverside County, California, more particularly described on **Exhibit "A"** and shown on **Exhibit "B"** attached hereto and incorporated herein by this reference.

GRANTOR:

Nika Royal, LLC, a California limited liability company

Dated: 10/11/2023

By: 

Name: Albert Ghiam

Its: Owner

By: _____

Name: _____

Its: _____

ALL-PURPOSE ACKNOWLEDGMENT

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.

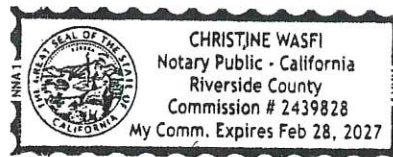
State of California
County of Los Angeles
On 10/11/2023 before me, Christine Wasfi, Notary Public
Date Name, Title of Officer
personally appeared Albert Ghiam
NAME(S) OF SIGNER(S)

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 signatures(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 identified herein, that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Christine Wasfi
Signature of Notary



ATTENTION NOTARY: Although the information requested below is **OPTIONAL**, it could prevent fraudulent attachment of this certificate to unauthorized document.

THIS CERTIFICATE Title or Type of Document _____
MUST BE ATTACHED
TO THE DOCUMENT Number of Pages _____ DATE of DOCUMENT _____
DESCRIBED AT RIGHT:
Signer(s) Other Than Named Above _____

EXHIBIT "C"

FORM OF GRANT DEED

(Exhibit "C" follows this page).

Exhibit "A"
to the Grant Deed

LEGAL DESCRIPTION OF THE RIGHT OF WAY

EXHIBIT "A"
RIGHT-OF-WAY EASEMENT

THAT REAL PROPERTY LYING IN PARCEL 4 OF LOT LINE ADJUSTMENT RECORDED MARCH 16, 1992 AS INSTRUMENT NO. 88259, IN THE CITY OF COACHELLA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL "A"

THE NORTHERLY MOST 23.00 FEET OF SAID PARCEL 4.

ALSO KNOWN AS:

APN: 768-163-012

EASEMENT AREA:

3,171 SQ. FT±. (0.07 ACRES ±)

AS SHOWN ON EXHIBIT "B", ATTACHED HERETO AND MADE PART HEREOF.

THIS LEGAL DESCRIPTION WAS PREPARED BY ME OR UNDER MY DIRECTION



CHARLES D. PLUTA

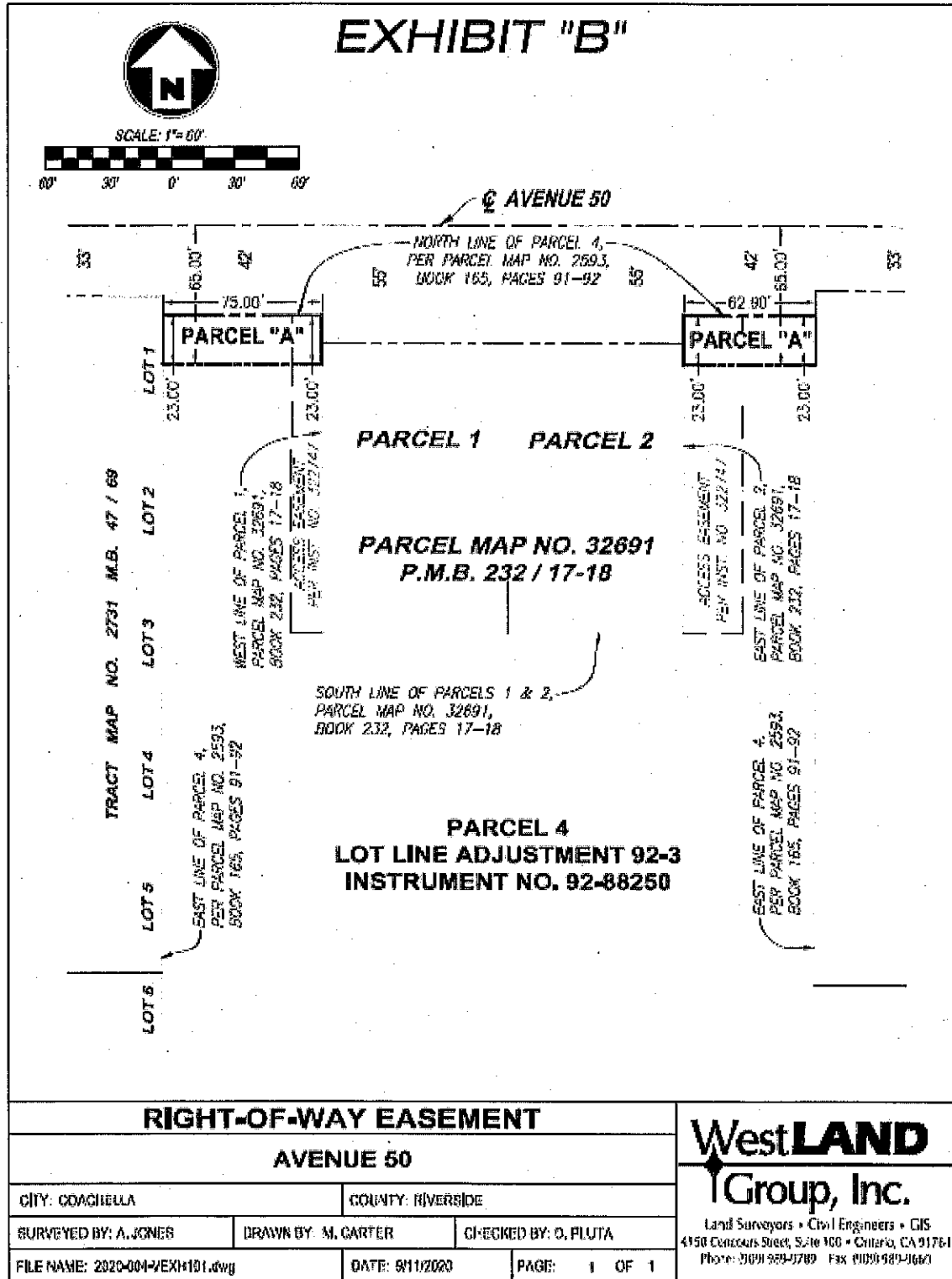
9/11/2020

DATE



Exhibit "B"
to the Grant Deed

DEPICTION OF THE RIGHT OF WAY



CERTIFICATE OF ACCEPTANCE

APN: 768-163-012

This is to certify that the interest in the Right Of Way Easement Deed conveyed by the within instrument to the City of Coachella is hereby accepted by the undersigned officer/agent on behalf of the Board of Directors.

CITY OF COACHELLA

By: _____

City Manager

Date: _____

EXHIBIT "D"

DO NOT RECORD.
DO NOT SEND
TO IRS.

TRANSFeree (BUYER)
MUST RETAIN FOR
SIX YEARS AFTER
THE TRANSACTION.

**CERTIFICATION OF NON-FOREIGN
STATUS BY TRANSFEROR**

1. Section 1445 of the Internal Revenue Code provides that a transferee (Buyer) of a U. S. real property interest must withhold tax if the transferor (Seller) is a foreign person.

2. In order to inform each transferee that withholding of tax is not required upon disposition of a U. S. real property interest by Albert Ghiam, Owner
Nika Royal (hereinafter referred to as "the Transferor"), the undersigned hereby certifies, and declares by means of this certification, the following on behalf of the Transferor:

A. The one item marked below is true and correct:

(I) The Transferor is not a foreign individual, foreign corporation, foreign partnership, foreign trust, or foreign estate (as these terms are defined in the Internal Revenue Code and Income Tax Regulations).

(II) The Transferor is a corporation incorporated under the laws of a foreign jurisdiction but has elected to be treated as a U. S. corporation under Section 897(i) of the Internal Revenue Code, AND HAS ATTACHED TO THIS CERTIFICATE A TRUE AND GENUINE COPY OF THE ACKNOWLEDGMENT OF SUCH ELECTION ISSUED BY THE IRS.

B. The Transferor's social security number is Tax ID 95-4011504.

C. The Transferor's address is 23402 Palm Dr.
Calabasas, CA 91302

3. The Transferor understands that this certificate may be disclosed to the Internal Revenue Service by the transferee and that any false statement contained in this certification may be punished by fine or imprisonment (or both).

4. The Transferor understands that each transferee is relying on this certificate in determining whether withholding is required and each transferee may face liabilities if any statement in this certificate is false.

5. The Transferor hereby indemnifies each transferee, and agrees to defend and hold each transferee harmless, from any liability, cost, damage, or expense which such transferee may incur as a result of:

A. the Transferor's failure to pay any U. S. Federal income tax which the Transferor is required to pay under applicable U. S. law, or

B. any false or misleading statement contained herein.

Under penalties of perjury, I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct, and complete; I further declare that I have authority to sign this document on behalf of the Transferor.

EXECUTED in Los Angeles County, State of California

on 10/11/2023.

Transferor:  _____

By: Albert Gihiam _____

Title: Owner _____

EXHIBIT "E"

HAZARDOUS SUBSTANCE DEFINITION

The term "Hazardous Substance" as used in this Agreement shall mean any toxic or hazardous substance, material or waste or any pollutant or contaminant or infectious or radioactive material, including but not limited to those substances, materials or wastes regulated now or in the future under any of the statutes or regulations listed below and any and all of those substances included within the definitions of "hazardous substances", "hazardous materials", "hazardous waste", "hazardous chemical substance or mixture", "imminently hazardous chemical substance or mixture", "toxic substances", "hazardous air pollutant", "toxic pollutant" or "solid waste" in the statutes or regulations listed below. Hazardous Substances shall also mean any and all other similar terms defined in other federal state and local laws, statutes, regulations, orders or rules and materials and wastes which are, or in the future become, regulated under applicable local, state or federal law for the protection of health or the environment or which are classified as hazardous or toxic substances, materials or waste, pollutants or contaminants, as defined, listed or regulated by any federal, state or local law, regulation or order or by common law decision, including, without limitation, (i) trichloroethylene, tetrachloroethylene, perchloroethylene and other chlorinated solvents, (ii) any petroleum products or fractions thereof, (iii) asbestos, (iv) polychlorinated biphenyls, (v) flammable explosives, (vi) urea formaldehyde, and (vii) radioactive materials and waste.

In addition, a Hazardous Substance shall include:

(1) A "Hazardous Substance", "Hazardous Material", "Hazardous Waste", or "Toxic Substance" under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. §§ 1801, et seq., or the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901, et seq.;

(2) "Oil" or a "Hazardous Substance" listed or identified pursuant to § 311 of the Federal Water Pollution Control Act, 33 U.S.C. § 1321, as well as any other hydrocarbonic substance or by-product;

(3) Listed by the State of California as a chemical known by the State to cause cancer or reproductive toxicity;

(4) A material which due to its characteristics or interaction with one or more other substances, chemical compounds, or mixtures, damages or threatens to damage, health, safety, or the environment, or is required by any law or public agency to be remediated, including remediation which such law or public agency requires in order for the property to be put to any lawful purpose;

(5) Any material the presence of which would require remediation, whether or not the presence of such material resulted from a leaking underground fuel tank;

(6) Pesticides regulated under the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. §§ 136 et seq.;

(7) Asbestos, PCBs, and other substances regulated under the Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq.;

(8) Any radioactive material including, without limitation, any "source material", "special nuclear material", "by-product material", "low-level wastes", "high-level radioactive waste", "spent nuclear fuel" or "transuranic waste", and any other radioactive materials or radioactive wastes, however produced, regulated under the Atomic Energy Act, 42 U.S.C. §§ 2011 et seq., or the Nuclear Waste Policy Act, 42 U.S.C. §§ 10101 et seq.

(9) Industrial process and pollution control wastes, whether or not "hazardous" within the meaning of the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq.;

All other laws, ordinances, codes, statutes, regulations, administrative rules, policies and orders, promulgated pursuant to said foregoing statutes and regulations or any amendments or replacement thereof, provided such amendments or replacements shall in no way limit the original scope and/or definition of Hazardous Substance defined herein.