

**AGREEMENT OF PURCHASE AND SALE  
AND JOINT ESCROW INSTRUCTIONS**  
(8190 13th St, Westminster, CA 92683)

TO: Commonwealth Land Title Company  
4400 MacArthur Blvd., Suite 800  
Newport Beach, CA 92660  
("Escrow Holder")

Escrow No.: \_\_\_\_\_  
Escrow Officer: Kim Hernandez  
Title Order No. \_\_\_\_\_  
Title Officer: David Noble

THIS AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS (this "**Agreement**") is entered into as of June 27, 2026 (the "**Effective Date**"), by and between Westminster Housing Authority, a public body, corporate and politic (the "**Seller**"), and Elderly Development Westminster, L.P., a California Limited Partnership (the "**Buyer**" including any assignee permitted in accordance with Section 21 below), with respect to the following:

A. Seller is the owner of certain real property located in the State of California, County of Orange, consisting of land (the "**Land**" which is described on Exhibit A attached hereto), located at 8190 13th St, Westminster, CA 92683, Westminster, and commonly known as "Rose Garden Apartments" (APNs: 097-090-50; 988-01-751). Seller has an existing ground lease with Buyer who has constructed a multi-family apartment building, associated drives and parking areas and other improvements located thereon (the "Improvements"). The Land, but not the Improvements, and all rights and appurtenances pertaining thereto, shall hereinafter be collectively referred to as the "**Property**."

B. Seller desires to sell the Property to Buyer and Buyer desires to purchase the Property from Seller upon the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer (each, individually, a "**Party**" and collectively, the "**Parties**") hereby agree that the terms and conditions of this Agreement and the instructions to Escrow Holder with regard to the escrow ("**Escrow**") created pursuant hereto are as follows:

**AGREEMENT**

**1. Purchase and Sale.** Seller agrees to sell, transfer and convey the Property to Buyer, and Buyer agrees to purchase the Property from Seller, upon the terms and conditions herein set forth. Buyer is acquiring the Property in "AS IS" condition, and without representation by Seller or its representatives as to any matter except for the express representations and warranties of Seller contained in this Agreement.

**2. Purchase Price and Further Consideration.**

(a) The purchase price ("**Purchase Price**") for the Property shall be Three Million and 00/100 Dollars (\$3,000,000.00).

(b) As additional consideration for the sale of the Property, Buyer, or Buyer's Future Purchaser, as defined in subsection 7(b)(iii), will enter into a Rehabilitation and Operations Agreement with Seller to ensure the Rose Garden Apartment complex undergoes a significant remodel and update of

the grounds, the exterior of the building, the building operating systems and the interiors of the apartments.

(c) As further consideration, Buyer will insert into any future purchase agreement for the sale of the Property and Improvements a commitment by the Future Purchaser obligating them to pay to the City the amount of 5% of net refinance or net sale proceeds should the Future Purchaser resell or refinance the Rose Garden Apartments complex as further set forth in the Rehabilitation and Operations Agreement referenced in section 2(b) above.

**3. Payment of Purchase Price.** The Purchase Price for the Property shall be paid by Buyer as follows:

(a) **Deposit.** Within three (3) Business Days after Buyer received notice from Escrow of the Opening of Escrow (as defined in Section 4(a) below), Buyer shall deposit, or cause to be deposited, with Escrow Holder, in cash, by certified or bank cashier's check made payable to Escrow Holder, or by a confirmed wire transfer of funds (hereinafter referred to as "***Immediately Available Funds***"), the sum of Thirty Thousand Dollars (\$30,000.00) (the "***Deposit***"). In the event that Escrow Holder does not receive the Deposit within three (3) Business Days after Buyer received notice from Escrow of the Opening of Escrow, Seller shall have the unilateral right to terminate this Agreement and Escrow upon notice to Buyer and to Escrow Holder. Escrow Holder shall place the Deposit in an interest bearing account. The Deposit and the interest accrued thereon shall be refundable to Buyer if Buyer terminates this Agreement in accordance with Buyer's right to do so pursuant to the express terms of this Agreement, including Sections 7(a)(i) - 7(a)(iii) below. The Deposit and all interest accrued thereon shall be applicable to the Purchase Price upon Close of Escrow and, except as otherwise provided for herein, nonrefundable to Buyer unless Seller fails to convey the Property to Buyer as provided herein and such failure constitutes a default by Seller hereunder.

(b) **Closing Funds.** At or prior to the Close of Escrow, Buyer shall cause to be deposited with Escrow Holder the balance of the Purchase Price plus Escrow Holder's estimate of Buyer's share of closing costs, prorations and charges payable pursuant to this Agreement.

**4. Escrow.**

(a) **Opening of Escrow.** For purposes of this Agreement, the Escrow shall be deemed opened on the date Escrow Holder shall have received a fully executed original or originally executed counterparts of this Agreement from Seller and Buyer (the "***Opening of Escrow***"), and Escrow Holder shall immediately notify Buyer and Seller, in writing, of the date Escrow is opened. Buyer and Seller agree to execute, deliver and be bound by any reasonable and customary supplemental escrow instructions of Escrow Holder or other instruments as may reasonably be required by Escrow Holder in order to consummate the transaction contemplated by this Agreement. Any such supplemental instructions shall not conflict with, amend or supersede any portions of this Agreement. To the extent of any inconsistency between the provisions of such supplemental instructions and the provisions of this Agreement, the provisions of this Agreement shall control.

(b) **Close of Escrow.** For purposes of this Agreement, the "***Closing***" shall be defined as the consummation of the transaction contemplated by this Agreement and "***Close of Escrow***" shall be defined as the date that a grant deed ("***Grant Deed***"), the form of which is attached hereto as **Exhibit B** conveying the Property to Buyer, is recorded in the Official Records. This Escrow shall close on or before the date which is the later of (i) thirty (30) days after the satisfaction of Section 7(a)(i)(C) below, and the satisfaction or Buyer's waiver of the last of the conditions to closing set forth in Sections 7(a)(i) - 7(a)(ii) below, or (ii) one hundred eighty (180) days following the receipt of an allocation of low-income housing tax credits from California Tax Credit Allocation Committee (the "***Outside Closing Date***").

Notwithstanding the foregoing, Buyer shall have the right to proceed to closing earlier by delivering to Seller thirty (30) days' written notice.

**5. Condition of Title.** It shall be a condition to the Close of Escrow for Buyer's benefit that title to the Property shall be conveyed to Buyer by the Grant Deed subject to the following condition of title ("**Condition of Title**"):

- (a) A lien to secure payment of general and special real property taxes and assessments, not delinquent.
- (b) Matters affecting the Condition of Title created by or with the written consent of Buyer.
- (c) All matters which a correct survey and inspection of the Property would disclose.
- (d) All exceptions which are disclosed by the "Report" described in Section 7(a)(ii)(A) below which are approved by Buyer as provided herein.

**6. Title Policy Upon Closing.** Title shall be evidenced by the willingness of Escrow Holder in its capacity as title insurer ("**Title Company**") to issue its Owner's Standard Form (CTLA) Policy of Title Insurance or, at Buyer's election, an ALTA Policy of Title Insurance ("**Title Policy**") in the amount of the Purchase Price showing title to the Property vested in Buyer and subject only to the Condition of Title.

**7. Conditions to Close of Escrow.**

(a) **Conditions to Buyer's Obligations.** Buyer's obligation to consummate the transaction contemplated by this Agreement is subject to the satisfaction of the following 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 dates designated below for the satisfaction of such conditions.

(i) **Property Investigation; Documents and Materials.** Buyer shall have until 5:00 p.m. (PST) on the thirtieth (30th) day following the date of Opening of Escrow (the "**General Contingency Period**") to satisfy itself, in Buyer's sole and absolute discretion, as to the following matters:

(A) **Buyer's Inspection of the Property and Related Matters.** Buyer shall be satisfied with all aspects of the Property and its condition and suitability for Buyer's intended use thereof, including, without limitation, the zoning for the Property and the availability of all permits, licenses, variances and the like necessary for Buyer's intended use of the Property. During the term of this Escrow, Buyer shall have the right (upon reasonable advance notice to Seller and during times reasonably designed to minimize any unreasonable interference with Seller and/or any tenant at the Property) to make such inspections, surveys and tests as may be necessary in Buyer's discretion, including, without limitation, soils tests, toxic waste analysis, geological studies, engineering studies (including testing of all structural and mechanical systems) and land use or related studies. Buyer shall restore the Property to its original condition after any and all tests and/or inspections and shall not permit any liens to attach to the Property by reason thereof. Buyer agrees to indemnify, defend, protect and hold Seller harmless from and against any and all liens, claims, losses, liabilities, damages,

costs, expenses, and causes of action (including reasonable attorneys' fees and court costs) arising out of Buyer's inspections of the Property pursuant hereto.

(B) Review of Documents and Materials.

Seller shall deliver to Buyer within three (3) Business Days of Buyer's request from time to time, any non-privileged documents and materials concerning the Property in Seller's possession or under Seller's control ("**Supplemental Information**"). Buyer agrees that if Buyer does not acquire the Property for any reason, Buyer shall promptly return to Seller all of the Documents and Materials and the Supplemental Information. All information obtained by Buyer from the Documents and Materials and/or Supplemental Information which is private, secret and proprietary information of Seller, other than information that was or becomes available to Buyer from a source other than Seller, or becomes generally available or known in the industry, shall be and remain confidential regardless of whether the Closing occurs; provided, however, the foregoing shall not prevent Buyer from disclosing such information, if any, as may reasonably be required to carry out its obligations hereunder (including without limitation disclosure to its attorneys or consultants retained for the purposes of this transaction).

(C) Satisfaction. If, during the General Contingency Period, Buyer determines that it is satisfied, in Buyer's sole and absolute discretion, with the Property (i.e., its condition and suitability for Buyer's intended use) and with the Documents and Materials and any Supplemental Information, then Buyer shall deliver written notice thereof to Seller and Escrow Holder on or before the expiration of the General Contingency Period. If Buyer fails to deliver any such notice to Seller and Escrow Holder on or before the expiration of the General Contingency Period, then Buyer shall be deemed to be dissatisfied with the Property, the Documents and Materials and the Supplemental Information, in which event (I) this Agreement and the Escrow created pursuant hereto shall terminate and be of no further force or effect, (II) Escrow Holder shall return to Buyer the Deposit and all interest accrued thereon, and (III) Buyer shall return to Seller all Documents and Materials and Supplemental Information previously delivered to Buyer by Seller.

(ii) Buyer's Review of Title.

(A) Buyer shall have until the expiration of the General Contingency Period (the "**Title Review Period**") in which to give Seller and Escrow Holder written notice of its approval of the condition of title to the Property ("**Buyer's Title Notice**") based on (I) a standard preliminary report from the Title Company with respect to the Land, together with complete and legible copies of the underlying documents relating to the Schedule B exceptions set forth in such report, and (II) any survey to be conducted on behalf of Buyer at Buyer's sole cost and expense (collectively, the "**Report**"). The failure of Buyer to give Buyer's Title Notice on or before the end of the General Contingency Period shall be deemed to constitute Buyer's disapproval of the condition of the title to the Property, in which event (XI) this Agreement and the Escrow created pursuant hereto shall terminate and be of no further force or effect, (XII) Escrow Holder shall return to Buyer the Deposit and all interest accrued thereon, and

(XIII) Buyer shall return to Seller all Documents and Materials and Supplemental Information previously delivered to Buyer by Seller.

(B) If Buyer disapproves or conditionally approves any matter of title shown in the Report, then Seller may, but shall have no obligation to, within five (5) Business Days after its receipt of Buyer's Title Notice ("***Seller's Election Period***"), elect to eliminate or ameliorate to Buyer's satisfaction the disapproved or conditionally approved title matters by giving Buyer written notice ("***Seller's Title Notice***") of those disapproved or conditionally approved title matters, if any, which Seller agrees to so eliminate or ameliorate by the Closing Date.

(C) If Seller does not elect to eliminate or ameliorate any disapproved or conditionally approved title matters, or if Buyer disapproves Seller's Title Notice, or if Seller fails to timely deliver Seller's Title Notice, then Buyer shall have the right, upon delivery to Seller and Escrow Holder, on or before five (5) Business Days following the expiration of Seller's Election Period, by written notice, to either (I) waive its prior disapproval or conditional approval, in which event said matters shall be deemed approved, or (II) terminate this Agreement and the Escrow created pursuant thereto. Failure to take either one of the actions described in clauses "(I)" and "(II)" above shall be deemed to be Buyer's election to take the action described in clause "(II)" above. In the event this Agreement is terminated by Buyer pursuant to the provision of this Section, then (1) this Agreement and the Escrow created pursuant hereto shall terminate and be of no further force or effect, (2) Escrow Holder shall return to Buyer the Deposit and all interest accrued thereon, and (3) Buyer shall return to Seller all Documents and Materials and Supplemental Information previously delivered to Buyer by Seller.

(D) Buyer may, at or prior to the Close of Escrow, notify Seller in writing ("***Gap Notice***") of any objections to title (I) first disclosed by the Title Company between the expiration of the Title Review Period and the Close of Escrow, and (II) not otherwise known to Buyer prior to the expiration of the Title Review Period; provided that Buyer must notify Seller in writing of such objection within three (3) Business Days of being made aware of the existence of such exception; otherwise the right to object thereto shall be waived. If Buyer delivers a Gap Notice to Seller, then Buyer and Seller shall have the same rights and obligations with respect to such notice as set forth in Sections 7(a)(ii)(B) and (C) above.

(iii) Seller's Obligations. As of the Close of Escrow: (A) Seller shall have timely performed or caused to be performed all of the obligations required to be performed under this Agreement, and (B) all representations and warranties of Seller expressly contained in this Agreement are true as of the Closing.

(b) Conditions to Seller's Obligations. For the benefit of Seller, the Close of Escrow shall be conditioned upon the occurrence or satisfaction (or Seller's waiver thereof, it being agreed that Seller may waive such condition) of the conditions that:

(i) Buyer shall have performed all of the obligations required by the terms of this Agreement to be performed by Buyer;

- (ii) all representations and warranties of Buyer expressly contained in this Agreement are true as of the Closing; and
- (iii) Seller has approved the sale of the Property and Improvements to any future purchaser, however, the Parties acknowledge that a concurrent sale of the Property and Improvements is anticipated following the close of escrow of this Agreement and Seller approves C&C Development and the Waterford Property Company as the “Future Purchaser” at this time.

**8. Deposits by Seller.** At least one (1) Business Day prior to the Close of Escrow, Seller shall deposit or cause to be deposited with Escrow Holder the following documents and instruments:

- (a) Grant Deed. The Grant Deed, in the form attached hereto as Exhibit B, duly executed by Seller and acknowledged.
- (b) Title Company Informational Affidavits. Such informational affidavits or certificates as are reasonably required by the Title Company to the determination by the Title Company of the condition of title to the Land.
- (c) Other Instruments. Such other documents and instruments as are contemplated under the terms of Section 22(b) below.
- (d) Termination of Ground Lease and related documents and the Disposition and Development Agreement. Buyer and Seller shall execute appropriate termination documents for the Ground Lease and Disposition and Development Agreement as approved by the City Attorney.

**9. Deposits by Buyer.** Buyer shall deposit or cause to be deposited with Escrow Holder the Deposit and the balance of the Purchase Price in the amounts and at the times set forth in Section 3 above. In addition, Buyer shall deposit with Escrow Holder prior to the Close of Escrow the following documents and instruments.

- (a) Other Instruments. Such other documents and instruments as are contemplated under the terms of Section 22(b) below.
- (b) Buyer’s counterparts to the Termination Agreement.

**10. Costs and Expenses.** The cost of the CLTA portion of the Title Policy shall be paid in equal share by Buyer and Seller, and the premium and any additional costs for the ALTA extended coverage (additional to the cost of the CLTA portions of the Title Policy) and the cost of any endorsements to the Title Policy shall be paid by Buyer. The escrow fee of Escrow Holder shall be shared equally by Seller and Buyer. Buyer shall pay all documentary transfer taxes and recording fees payable in connection with the recordation of the Grant Deed. Buyer and Seller shall pay, respectively, the Escrow Holder’s customary charges to buyers and sellers for document drafting and miscellaneous charges. If, as a result of no fault of Buyer and Seller, Escrow fails to close, Buyer and Seller shall share equally all of Escrow Holder’s fees and charges.

**11. Prorations.** The following prorations shall be made between Seller and Buyer on the Close of Escrow, computed as of the Close of Escrow:

(a) Post-Closing Adjustments. In the event that any prorations, apportionments or computations made under this Section 11 shall require final adjustment, then the Parties shall make the appropriate adjustments promptly when accurate information becomes available and either Party shall be entitled to an adjustment to correct the same. Any corrected adjustment or proration will be paid in cash and upon demand to the Party entitled thereto.

**12. Disbursements and Other Actions by Escrow Holder.** Upon the Close of Escrow, Escrow Holder shall promptly undertake all of the following in the manner indicated:

(a) Prorations. Prorate all matters referenced in Section 11 above, based upon the proration statement(s) signed by the Parties and delivered into Escrow.

(b) Recording. Cause the Grant Deed and any other documents which the Parties may mutually direct, to be recorded in the Official Records, in the order directed by the Parties.

(c) Funds. Disburse from funds deposited by Buyer with Escrow Holder towards payment of all items chargeable to the account of Buyer pursuant hereto in payment of such costs, including, without limitation, the payment of the Purchase Price to Seller, and disburse the balance of such funds, if any, to Buyer.

(d) Title Policy. Direct the Title Company to issue the Title Policy to Buyer.

**13. Seller's Representations and Warranties.** In consideration of Buyer entering into this Agreement and as an inducement to Buyer to purchase the Property from Seller, Seller represents to Buyer as follows and will be deemed to have so represented again at the Closing:

(a) Authority. Seller has the legal right, power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, and the execution, delivery and performance of this Agreement have been duly authorized and no other action by Seller is requisite to the valid and binding execution, delivery and performance of this Agreement.

(b) No Conflict. The consummation of the transaction contemplated hereby, shall not conflict with or result in the material breach of any terms, conditions, or provisions of, or constitute a default under any agreement or instrument to which Seller is a party or affecting the Property.

(c) Third Party Purchase Rights. There are no options or rights held by any third party to purchase the Property nor does the entering into this Agreement create a third-party right to make an offer to purchase the Property.

(d) Mechanic Liens. As of the Closing, there will be no outstanding contracts made by or on behalf of Seller for any material improvement to the Property which have not been fully performed and paid for, and Seller shall pay or shall cause to be discharged on or prior to the Closing any and all mechanic's or materialmen's liens arising from any labor performed or materials furnished to the Property at the direction of Seller (such discharge may be accomplished by bonding around such liens in accordance with applicable statutes).

(e) Legal Compliance. To Seller's knowledge, there is no action, suit, investigation or proceeding threatened against or affecting the Property or any portion thereof by any person or government agency, board or bureau. To Seller's knowledge, Seller has not received any notice

from any governmental authority requiring any public improvements or installations on or in connection with the Property, or asserting any violation of any applicable law, regulation or other governmental requirement, and Seller is not otherwise aware of any such violations or requirements of public improvements or installations.

(f) Condemnation. To Seller's knowledge, there is no pending or threatened condemnation or similar proceeding affecting the Property.

(g) Hazardous Substances. To Seller's knowledge and except as may be disclosed in the Documents and Materials, there are no hazardous substances, petroleum, hydrocarbons, underground storage tanks or toxic material of any kind ("**Hazardous Substances**") in, on or at the Property (excepting such de minimus amounts as may be the result of the operation of motor vehicles at the Property) in violation of applicable law, and Seller has not deposited or released (nor permitted the deposit or release of) Hazardous Substances on the Property in violation of applicable law.

**14. Buyer's Covenants, Representations and Warranties**. In consideration of Seller entering into this Agreement and as an inducement to Seller to sell the Property to Buyer, Buyer makes the following covenants, representations and warranties, each of which is material and is being relied upon by Seller and each of which shall survive for a period of one year following the Close of Escrow:

(a) Authority; Ability to Perform. Buyer has the legal right, power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, and the execution, delivery and performance of this Agreement have been duly authorized and no other action by Buyer is requisite to the valid and binding execution, delivery and performance of this Agreement.

(b) "AS-IS". Buyer is acquiring the Property "AS IS" and without representation by Seller or its representatives as to any matter except for the express representations and warranties of Seller contained in this Agreement.

**15. SELLER'S REMEDIES UPON DEFAULT**. BUYER AND SELLER AGREE THAT BASED UPON THE CIRCUMSTANCES NOW EXISTING, KNOWN OR UNKNOWN, IT WOULD BE IMPRACTICAL OR EXTREMELY DIFFICULT TO ESTABLISH SELLER'S DAMAGE BY REASON OF BUYER'S DEFAULT UNDER THIS AGREEMENT AND FAILURE TO CLOSE ESCROW. ACCORDINGLY, BUYER AND SELLER AGREE THAT IN THE EVENT OF DEFAULT AND FAILURE TO CLOSE ESCROW BY BUYER UNDER THIS AGREEMENT, IT WOULD BE REASONABLE AT SUCH TIME TO AWARD SELLER, AS SELLER'S SOLE AND EXCLUSIVE REMEDY AT LAW, "LIQUIDATED DAMAGES" EQUAL TO THE AMOUNT REPRESENTED BY THE DEPOSIT HELD BY ESCROW HOLDER. THEREFORE, IF BUYER COMMITS A DEFAULT UNDER THIS AGREEMENT AND FAILS TO CLOSE ESCROW, SELLER MAY INSTRUCT ESCROW HOLDER TO CANCEL THE ESCROW WHEREUPON ESCROW HOLDER SHALL IMMEDIATELY PAY OVER TO SELLER THE DEPOSIT HELD BY ESCROW HOLDER, TOGETHER WITH ALL INTEREST ACCRUED THEREON, AND SELLER SHALL BE RELIEVED FROM ALL OBLIGATIONS AND LIABILITIES HEREUNDER AND, PROMPTLY FOLLOWING ESCROW HOLDER'S RECEIPT OF SUCH INSTRUCTION, ESCROW HOLDER SHALL CANCEL THE ESCROW. AS MATERIAL CONSIDERATION TO EACH PARTY'S AGREEMENT TO THE LIQUIDATED DAMAGES PROVISIONS STATED ABOVE, EACH PARTY HEREBY AGREES TO WAIVE ANY AND ALL RIGHTS WHATSOEVER TO CONTEST THE VALIDITY OF THE LIQUIDATED DAMAGES PROVISIONS FOR ANY REASON WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, THAT SUCH PROVISION WAS UNREASONABLE UNDER THE

CIRCUMSTANCES EXISTING AT THE TIME THIS AGREEMENT WAS MADE. SELLER AND BUYER ACKNOWLEDGE THAT THEY HAVE READ AND UNDERSTAND THE PROVISIONS OF THIS SECTION 15 AND BY THEIR INITIALS IMMEDIATELY BELOW AGREE TO BE BOUND BY ITS TERMS.

\_\_\_\_\_  
Seller's Initials

\_\_\_\_\_  
Buyer's Initials

The Parties agree that any dispute concerning disposition of any deposit that is not resolved by their mutual agreement shall be submitted to final and binding arbitration in Orange County, California, before JAMS or its successor (the "*Arbitration Provider*") pursuant to the California Code of Civil Procedure, Section 1280 to 1294.2. Any Party may commence the arbitration process called for in this Section 15 by filing a written demand for arbitration with the Arbitration Provider, with a copy to all Parties. The arbitration shall be conducted by a single arbitrator ("*Arbitrator*") who shall be a former California Superior Court judge, and in accordance with the provisions of JAMS' Streamlined Arbitration Rules and Procedures in effect at the time of filing of the demand for arbitration. The arbitration hearing shall be commenced within thirty (30) days of the filing of the application with the Arbitration Provider and a decision shall be rendered by the Arbitrator within thirty (30) days of the conclusion of the hearing. The Parties will cooperate with the Arbitrator and with one another in selecting an arbitrator from the Arbitration Provider's panel of neutrals, and in scheduling the arbitration proceedings. The Parties covenant that they will participate in the arbitration in good faith, and, to the extent not otherwise prohibited by law, that they will share equally in its costs. The provisions of this Section 15 may be enforced by any Court of competent jurisdiction, and the Party seeking enforcement shall be entitled to an award of all costs, fees and expenses, including attorneys' fees, to be paid by the Party against whom enforcement is ordered.

**16. Other Agreements.**

(a) Partial Release of Deposit. The Deposit includes a sum equal to the amount of One Thousand Dollars (\$1,000.00) (the "*Independent Consideration*"). Notwithstanding anything to the contrary in this Agreement, the Independent Consideration shall be non-refundable to Buyer and independent consideration for the rights and options extended to Buyer under this Agreement, including, without limitation, the right and options to terminate the Agreement as provide herein. The Independent Consideration shall be released to Seller immediately following Buyer's deposit of such funds into Escrow. The Independent Consideration is non-refundable under all circumstances and is not applicable to the Purchase Price.

(b) Operation of the Property.

(i) From the date of this Agreement until the earlier of the date of expiration of the General Contingency Period or termination of this Agreement: (A) Seller shall not make any material alterations or changes to the Property, except in the ordinary course of business and following written notice to Buyer; (B) Seller shall not enter into any new agreements or contracts affecting the Property except following written notice to Buyer; and (C) Seller shall not sell, transfer, convey or encumber, or cause or permit to be sold, transferred, conveyed or encumbered, the Property or any part thereof or interest therein.

(ii) From the date of expiration of the General Contingency Period until the earlier of the Close of Escrow or termination of this Agreement: (A) Seller shall not make

any material alterations or changes to the Property; (C) Seller shall not enter into any new agreements or contracts affecting the Property without the written consent of Buyer first obtained; and (C) Seller shall not sell, transfer, convey or encumber, or cause or permit to be sold, transferred, conveyed or encumbered, the Property or any part thereof or interest therein.

**17. Damage or Condemnation Prior to Closing.** Seller shall promptly notify Buyer of any casualty to the Property or any condemnation proceeding commenced prior to the Close of Escrow. If any such damage or proceeding relates to or may result in the loss of any Material (as defined herein below) portion of the Property, Buyer shall, at its option, elect either to: (i) terminate this Agreement, in which event all funds deposited into Escrow by Buyer shall be returned to Buyer and neither Party shall have any further rights or obligations hereunder, or (ii) continue the Agreement in effect, in which event upon the Close of Escrow, Buyer shall be entitled to any compensation, awards, or other payments or relief resulting from such casualty or condemnation proceeding relating to the Property and there shall be no adjustment to the Purchase Price. Buyer shall notify Seller in writing of Buyer's election not later than ten (10) days following Buyer's receipt of notice from Seller as to the casualty or condemnation. As used herein, "**Material**" shall mean a casualty resulting in a loss in excess of \$100,000.00 or a condemnation proceeding with respect to any portion of the Property having a value in excess of \$100,000.00.

**18. Notices.** All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered or delivered by overnight courier such as FedEx, Express Mail, etc., for the next Business Day delivery, and shall be deemed received upon the earlier of (i) if personally delivered, the Business Day of delivery to the address of the person to receive such notice, and (ii) if delivered by overnight courier, the next Business Day.

If to Buyer: Elderly Development Westminster, L.P.  
c/o David D. Dahl  
1199 Harbour Cove Court  
Sparks, NV 89434  
Attn: David D. Dahl  
E-mail: [daviddahl46@gmail.com](mailto:daviddahl46@gmail.com)

With a copy to: Community Housing Assistance Program, Inc.  
10911 Lake Court Road  
Santa Ana, CA 92705-2524  
Attn: Kenneth S. Robertson  
E-mail: [ksr@chapausa.org](mailto:ksr@chapausa.org)

With a copy to: Hobson Bernardino + Davis LLP  
600 Corporate Pointe, Suite 215  
Attn: Jason A. Hobson, Esq.; Peter W. Marshall, Esq.  
E-mail: [jhobson@hbdlegal.com](mailto:jhobson@hbdlegal.com);  
[pmarshall@hbdlegal.com](mailto:pmarshall@hbdlegal.com)

With a copy to: C&C Development Co., LLC  
c/o Waterford Property Company  
14211 Yorba Street, Suite 200  
Tustin, CA 92780  
Attn: Todd Cottle

If to Seller: City of Westminster  
Attn.: City Manager  
8200 Westminster Boulevard  
Westminster, California 92683

With a copy to: Jones & Mayer  
Attention: Westminster City Attorney  
3777 North Harbor Boulevard  
Fullerton, California 92835

Notice of change of address shall be given by written notice in the manner detailed in this Section 18. 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, demand, request or communication sent.

**19. Brokers.** Seller and Buyer each represent and warrant to the other that there are no commissions, finder's fees or brokerage fees (collectively, a "**Commission**") arising out of the transaction contemplated by this Agreement. Buyer shall indemnify and hold Seller harmless from and against any and all liabilities, claims, damages, costs and expenses, including, without limitation, court costs and reasonable attorneys' fees, in connection with claims for any commissions, finder's fees or brokerage fees arising out of Buyer's conduct or the inaccuracy of the foregoing representations and/or warranty of Buyer. Seller shall likewise indemnify and hold Buyer harmless from and against any and all liabilities, claims, damages, costs and expenses, including, without limitation, court costs and reasonable attorneys' fees, in connection with claims for any commissions, finder's fees or brokerage fees arising out of Seller's conduct or the inaccuracy of the foregoing representations and/or warranty of Seller.

**20. Legal Fees.** In the event of the bringing of any action or suit by a Party against another Party by reason of any breach of any of the covenants or agreements or any inaccuracies in any of the representations and warranties on the part of the other Party arising out of this Agreement, then in that event, the prevailing Party in such action or dispute, 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 attorneys' fees. Any judgment or order entered in any final judgment shall contain a specific provision providing for the recovery of all costs and expenses of suit, including actual attorneys' fees (collectively "**Costs**") incurred in enforcing, perfecting and executing such judgment. For the purposes of this Section 20, Costs shall include bankruptcy litigation.

**21. Assignment.** Buyer may assign its rights under this Agreement to (i) C&C Development Co., LLC, (ii) Waterford Property Company, LLC, a California limited liability company, or (iii) an entity or entities (formed or to be formed), provided, however, such entity or entities is/are under the control of or have ownership in common with that of Elderly Development Westminster, L.P. Except as provided in this Section 21, Buyer shall not assign its rights under this Agreement without the prior written consent of Seller, which consent shall not be unreasonably withheld or delayed.

**22. Miscellaneous.**

(a) **Survival of Covenants.** The covenants, representations and warranties of Seller and Buyer set forth in this Agreement shall survive the recordation of the Grant Deed and the Close of Escrow, and shall not be deemed merged into the Grant Deed upon its recordation.

(b) **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 purchase and sale herein contemplated and shall use good faith efforts to accomplish the Close of Escrow in accordance with the provisions hereof.

(c) Time of Essence. Time is of the essence of each and every term, condition, obligation and provision hereof.

(d) Business Days. As used in this Agreement, the term “**Business Day**” or “**Business Days**” shall be defined as any day on which national banking institutions in Orange County, California, are open for the transaction of banking business (excepting any Saturday or Sunday).

(e) Captions. Any captions or headings of the sections, subsections, paragraphs or subparagraphs 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.

(f) No Obligation 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 either of Buyer or Seller to, any person or entity other than the Parties.

(g) Exhibits. The Exhibits attached hereto are hereby incorporated herein by this reference for all purposes.

(h) 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.

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

(j) Governing Law; Venue. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California, without giving effect to the conflict of laws rules thereof. The Parties hereto irrevocably submit to the jurisdiction of the courts of the State of California and the Federal courts of the United States of America located in Orange County, California, and agree that all claims with respect to this Agreement shall be heard and determined in such a State of California or Federal court. The Parties hereto hereby consent to and grant any such court jurisdiction over the person of such Parties and over the subject matter of any such dispute.

(k) Fees and Other Expenses. Except as otherwise provided herein, each of the Parties shall pay its own fees and expenses in connection with the negotiation and preparation of this Agreement.

(l) 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.

(m) Partial Invalidity. If any portion of this Agreement as applied to either Party or to any circumstances shall be adjudged by a court to be void or unenforceable, such portion shall

be deemed severed from this Agreement and shall in no way effect the validity or enforceability of the remaining portions of this Agreement.

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

(o) 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.

(p) Transmission by E-mail. With the exception of the Grant Deed, any and all documents to be executed by any Party (including this Agreement) may when executed be transmitted to the other Party and to Escrow Holder (as applicable) by e-mail and such transmission shall constitute delivery of such document, provided, however, that the original of such document bearing the original signature(s) is sent on the date of the e-mail transmission to the recipient via overnight courier for the next Business Day delivery.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURES FOLLOW]**

DRAFT

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement of Purchase and Sale and Joint Escrow Instructions as of the Effective Date.

**Buyer: ELDERLY DEVELOPMENT WESTMINSTER, L.P., a California limited partnership**

By: Elderly Development - Westminster Inc., a California corporation

Its: Administrative General Partner

By: \_\_\_\_\_  
David D. Dahl, President

By: Community Housing Assistance Program, Inc. a California nonprofit public benefit corporation

Its: Managing General Partner

By: \_\_\_\_\_  
Ken Robertson  
President

**[SIGNATURES CONTINUE ON NEXT PAGE]**

DRAFT

**Seller:**

**WESTMINSTER HOUSING AUTHORITY,  
a public body, corporate and politic**

By: \_\_\_\_\_  
Print Name: Christine Cordon  
Title: Executive Director/City Manager

Attest:

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: Westminster Housing Authority Secretary/City Clerk

Approved as to form:

JONES & MAYER

By: \_\_\_\_\_  
Print Name: Scott Porter  
Title: City Attorney and Westminster Housing Authority Legal Counsel

**[END OF SIGNATURES]**

**EXHIBIT A**  
**LEGAL DESCRIPTION OF LAND**

The Land referred to herein below is situated in the City of Westminster, County of Orange, State of California, and is described as follows:

PARCEL A:

THE EAST 426.38 FEET OF THAT PORTION OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 12, TOWNSHIP 5 SOUTH, RANGE 11 WEST, IN THE RANCHO LAS BOLSAS, IN THE CITY OF WESTMINSTER, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 51, PAGE 13 OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 12; THENCE ALONG THE NORTHERLY LINE OF SAID SOUTHWEST QUARTER NORTH 89° 22' 12" EAST 1317.94 FEET TO THE EASTERLY LINE OF SAID SOUTHWEST QUARTER; THENCE ALONG SAID EASTERLY LINE SOUTH 00° 33' 03" EAST 413.11 FEET TO THE NORTHERLY LINE OF THE SOUTH 15 ACRES OF THE NORTH 27.5 ACRES OF SAID SOUTHWEST QUARTER; THENCE ALONG SAID NORTHERLY LINE SOUTH 89° 22' 12" WEST 1318.16 FEET TO THE WESTERLY LINE OF SAID SOUTHWEST QUARTER; THENCE ALONG SAID WESTERLY LINE NORTH 00° 31' 03" WEST TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE NORTH 30.0 FEET THEREOF, LYING WITHIN THE LINES OF 13TH STREET, AND THE WESTERLY 228.00 FEET THEREOF.

PARCEL B:

A NON-EXCLUSIVE EASEMENT, APPURTENANT TO PARCEL A ABOVE, FOR INGRESS, EGRESS AND WITH THE RIGHT TO PAVE OVER THE LAND AS SET FORTH IN THE "EASEMENT DEED" RECORDED FEBRUARY 24, 1994 AS INSTRUMENT NO. 94-134481 OF OFFICIAL RECORDS, OVER THE FOLLOWING DESCRIBED LAND:

THE WEST 22.00 FEET OF THE NORTH 391.11 FEET OF THAT PORTION OF THE WEST 20.00 ACRES OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 12, TOWNSHIP 5 SOUTH, RANGE 11 WEST, IN THE RANCHO LAS BOLSAS, CITY OF WESTMINSTER, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 51, PAGE 13 OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING NORTHWESTERLY OF THE NORTHWESTERLY LINE OF THE LAND DESCRIBED AS PARCEL NO. 3 IN THE FINAL ORDER OF CONDEMNATION RECORDED MARCH 29, 1956, IN BOOK 3454, PAGE 515 OF OFFICIAL RECORDS IN THE OFFICE OF SAID COUNTY RECORDER.

EXCEPT THAT PORTION THEREOF LYING WITHIN THAT CERTAIN LAND DESCRIBED AS PARCEL NO. 2 IN A DEED TO THE CITY OF WESTMINSTER RECORDED JULY 28, 1966 IN BOOK 8002, PAGE 448 OF SAID OFFICIAL RECORDS.

APN: 097-090-50 AND 988-01-751

**EXHIBIT B**  
**GRANT DEED**

RECORDING REQUESTED BY:  
WHEN RECORDED MAIL TO:  
MAIL TAX STATEMENTS TO:

---

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

APNs: 097-090-50; 988-01-751

THE UNDERSIGNED GRANTOR DECLARES  
THAT DOCUMENTARY TRANSFER TAX IS:  
\$\_\_\_\_\_ computed on the full value  
of the interest or property conveyed.

**GRANT DEED**

For valuable consideration, receipt of which is hereby acknowledged, Westminster Housing Authority, a public body, corporate and politic (collectively "Grantor") hereby grants to Elderly Development Westminster, L.P. the real property located in the State of California, County of Orange, City of Westminster, described in Exhibit A attached hereto (the "Property"), together with all Grantor's right, title and interest, of, in and to all structures and improvements now located on the Property, subject to the following:

1. Taxes and assessments, not delinquent.
2. All other covenants, conditions, restrictions, reservations, rights, rights of way, easements, encumbrances, liens and title matters of record or visible from an inspection or survey of the Property.

[SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, the undersigned has executed this Grant Deed as of the date set forth below.

Dated: \_\_\_\_\_

Grantor: WESTMINSTER HOUSING AUTHORITY  
a public body, corporate and politic

By: \_\_\_\_\_  
Print Name: Christine Cordon  
Title: Executive Director/City Manager

Attest:

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: Westminster Housing Authority Secretary/City Clerk

Approved as to form:

By: \_\_\_\_\_  
Print Name: Scott Porter  
Title: City Attorney and Westminster Housing Authority Legal Counsel