

PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS

This PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS (the “**Agreement**”) is dated as of the “**Effective Date**”, defined below, and is entered into by and between the **City of Palm Desert**, a California charter city (“**SELLER**”) and **Blieu LLC**, a California limited liability company (“**BUYER**”). For purposes of this Agreement, the Effective Date is the date which is later to occur of: (i) the last date the BUYER and SELLER executes this Agreement, and (ii) the date the City Council of the SELLER approves this Agreement.

RECITALS

A. City owns the real property located at the northeast corner of Desert Willow Drive and Country Club Drive in the City of Palm Desert, County of Riverside, State of California, consisting of approximately 8.0 acres (APNs 620-370-002, 620-370-003, 620-370-004, 620-370-017, 620-370-018, 620-370-020, 620-370-033, and 620-370-043) (“**Property**”) as more particularly described in Exhibit A attached hereto and incorporated herein.

B. The SELLER desires to sell to BUYER, and BUYER desires to purchase the Property on the terms set forth in this Agreement for BUYER’s development of a multi-family affordable rental housing development of up to 130 units (the “**Project**”), or as otherwise approved by the City of Palm Desert during design of the Project.

C. SELLER and BUYER have reached mutual agreement and desire to voluntarily enter into this Agreement to transfer the Property subject to the conditions and requirements set forth herein.

NOW, THEREFORE, in consideration of the foregoing, and the terms and conditions of this Agreement, the SELLER and BUYER hereby agree as follows:

Section 1. Recitals.

The recitals set forth above are true and correct and incorporated herein as a substantive part of this Agreement by this reference.

Section 2. Purchase and Sale of Property.

(a) Subject to all of the terms, conditions and provisions of this Agreement and for the consideration set forth below, SELLER hereby agrees to sell, convey and transfer to BUYER and BUYER hereby agrees to acquire all of the right, title and interest of SELLER in and to the Property (the “**Transaction**”).

(b) The Property will be conveyed to BUYER when the Purchase Price is paid in full in accordance with this Agreement.

Section 3. Consideration; Deposit.

(a) The purchase price to be paid for the Property (the "**Purchase Price**") shall be an amount equal to FOUR MILLION FIVE HUNDRED THOUSAND AND 00/100 DOLLARS (**\$4,500,000.00**) ("**Purchase Price**") for the Property. The Purchase Price shall be payable in cash or Immediately Available Funds (hereinafter defined) at the Closing (hereinafter defined) subject to offsets and credits as described in this Agreement. On and after the Closing, BUYER is responsible for dedicating any public rights-of-way on the Property and granting any easements required in connection with the development and use of the Property. SELLER will cooperate in connection with any such dedication and the granting of easements necessary for the construction or development of the Property by BUYER, as provided in this Agreement, but SELLER shall not be required to incur any third-party costs or expenses in connection with such cooperation. The covenants and obligations of the parties set forth in this Section will survive the Closing.

(b) Contemporaneously with the execution and delivery of this Agreement, BUYER has delivered to SELLER and SELLER hereby acknowledges the receipt of One Hundred Dollars (\$100.00) (the "**Independent Consideration**"), which amount the parties bargained for and agreed to as adequate and sufficient consideration for BUYER's exclusive right to inspect and purchase the Property pursuant to this Agreement and for SELLER's execution, delivery and performance of this Agreement. The Independent Consideration is in addition to and independent of any other consideration or payment provided in this Agreement, is nonrefundable, is fully earned and shall be retained by SELLER notwithstanding any other provision of this Agreement.

(c) BUYER, the next business day after the Effective Date, shall deliver, in cash or Immediately Available Funds, an amount equal to NINETY THOUSAND AND 00/100 Dollars (\$90,000.00) (the "**Deposit**"), which equals 2.0% of the Purchase Price, to [Fidelity National Title Company, 4400 MacArthur Blvd., Suite 200, Newport Beach, CA, 92660 Attn: Brenna Ryan, Escrow Officer, Telephone: (949) 221-4763, Email: brenna.ryan@fnf.com] (the "**Title Company**"). Upon receipt of the Deposit from BUYER, the Title Company is hereby directed to immediately invest the Deposit in a federally-insured, interest-bearing account acceptable to BUYER and SELLER. The timely delivery of the Deposit is a condition precedent to the ongoing validity of this Agreement, and the failure of BUYER to timely deliver the Deposit as provided for herein shall at SELLER's option, subject to Section 17(a) below, cause this Agreement to be terminated, and thereafter neither party shall have any further right or obligation under this Agreement, unless expressly provided otherwise in this Agreement. The Deposit shall become immediately non-refundable to BUYER upon delivery to the Title Company, except only in the event of BUYER's termination of this Agreement as

a result of SELLER's Default (as such term is defined in Section 17(b) below) that remains uncured for the time period specified in Section 17(b), below, or a failure of any of Conditions to BUYER's Obligations set forth in Section 7(b) below or as otherwise set forth herein. The Deposit shall be applicable to the Purchase Price at the Closing. As used herein, the term "**Immediately Available Funds**" shall mean payment by cashier's check or certified check drawn on a national banking association acceptable to Seller or by wire transfer of cash, as BUYER may choose.

(d) If the Closing under this Agreement occurs, the Title Company shall apply the Deposit and any interest earned thereon against the Purchase Price due SELLER at Closing. In the event that this Agreement otherwise terminates, all interest earned on the Deposit shall be paid to the party entitled to receive such Deposit.

Section 4. Leases; Licenses.

SELLER and BUYER hereby acknowledge that the Property is subject to that certain License Agreement, by and between SELLER and Desert Wave Ventures, LLC, dated January 1, 2024 a copy of which have been delivered to BUYER (the "**License**"). SELLER, at its sole cost and expense, shall cause the License and all rights of use by the licensees thereunder to terminate and licensees shall vacate the Property as a condition for the benefit of BUYER to the Close of Escrow. SELLER shall be entitled to terminate the License at any time, however, in order to assure that the License has been terminated by the Close of Escrow, SELLER shall terminate the License and licensees shall vacate the Property no later than (i) one (1) business day following the expiration of the Entitlement Period (as defined in Section 8(b), below); or (ii) such later date as may be identified in a written notice from BUYER to SELLER given prior to the expiration of the Entitlement Period. Subsequent to the execution of this Agreement and continuing until the Close of Escrow or the earlier termination of this Agreement, SELLER shall not enter into any lease or license affecting the Property without obtaining the prior written consent of BUYER.

Section 5. Opening of Escrow.

(a) The transfer and sale of the Property shall take place through escrow (the "**Escrow**") and such Escrow shall be administered by Title Company. The Escrow shall be deemed open ("**Opening of Escrow**") upon the receipt by the Title Company of a copy of this Agreement executed by SELLER and BUYER. SELLER and BUYER shall each execute this Agreement and open escrow within seven (7) days after approval of this Agreement by the SELLER's City Council. The date of Opening of Escrow shall be memorialized by Title Company in writing delivered to the parties.

(b) If this Agreement is terminated or Escrow is cancelled as a result of a default by the SELLER, then SELLER shall be solely responsible to the

Title Company for payment of all customary and reasonable escrow cancellation charges to the Title Company without further or separate instruction to the Title Company. If this Agreement is terminated or Escrow is cancelled for any reason other than the SELLER's default, then BUYER shall be solely responsible to the Title Company for payment of all customary and reasonable escrow cancellation charges to the Title Company without further or separate instruction to the Title Company.

Section 6. Due Diligence Period

(a) As used in this Agreement, the term "**Due Diligence Period**" shall refer to a period of time to expire at 5:00 p.m., Pacific Time, on the date which is ninety (90) days from the Opening of Escrow to allow the BUYER the opportunity to investigate the condition and suitability of the Property and the Real Property Materials, defined below, for BUYER's intended use. In the event BUYER finds the Property unsatisfactory for any reason, at its sole discretion, BUYER shall notify SELLER and Title Company in writing prior to the expiration of the Due Diligence Period and, thereafter, SELLER and BUYER shall have no further obligation to each other, Escrow shall be cancelled and this Agreement shall automatically terminate on the date of such election and the parties shall each be relieved and discharged from all further responsibility or liability under this Agreement; provided however that SELLER shall promptly return any Deposit (including interest accrued thereon), less the Independent Contract Consideration, to BUYER and BUYER shall pay any Escrow cancellation charges. BUYER's failure to give written notice of termination to the SELLER on or before the expiration of the Due Diligence Period shall constitute an election by BUYER to waive the termination right contemplated under this Section 6(a) and proceed with this Agreement, subject to all of the other terms and conditions of this Agreement.

(b) SELLER hereby grants to BUYER for use by BUYER and its officers, directors, employees, agents, representatives, tenants, prospective tenants, contractors, and other persons accessing the Property by, through or with the permission or under the direction or auspices of BUYER, a limited and revocable license to enter upon the Property for purposes of (a) conducting BUYER's due diligence inspection and/or (b) obtaining data and making surveys and tests, including, without limitation, soil and groundwater testing, determined reasonably necessary by BUYER to permit it to determine the physical condition of the Property and any hazardous substances located thereon and to determine the suitability of the Property for development in accordance with BUYER's development plans, provided that, BUYER shall (i) give the SELLER forty eight (48) hours telephonic, electronic mail or written notice of any intended access which involves work on the Property; and (ii) conduct no Invasive Investigations without the written consent of the SELLER. In this regard, the term "**Invasive Investigations**" means and refers to environmental testing, sampling, invasive testing, or boring into the soils. If BUYER desires to conduct any Invasive Investigations it will first provide SELLER with a written statement describing the

scope of any such Invasive Investigations. SELLER will not unreasonably withhold, condition or delay its consent to any such Invasive Investigations and will be deemed to have given its consent to the specified scope of such Invasive Investigations if SELLER does not (within three (3) business days following receipt of the proposed scope of such Invasive Investigations) give BUYER a written statement identifying those items to which SELLER has an objection.

(c) SELLER shall, within five (5) calendar days of the Opening of Escrow, provide BUYER with copies of all plans, reports, studies, investigations and other materials SELLER may have in its possession or control that are pertinent to the Property and its use, condition or development ("Real Property Materials"), provided that to the extent that SELLER has provided BUYER with information relating to the condition of the Property, SELLER makes no representation or warranty with respect to the accuracy, completeness or methodology or content of such reports or information. Continuing until the Closing or earlier termination of this Agreement, SELLER shall deliver to BUYER additional Real Property Materials in SELLER's possession or reasonable control as and when SELLER acquires same.

(d) BUYER shall exercise its diligent and good faith efforts to cause the Title Company to issue and deliver to SELLER and BUYER a Preliminary Title Report ("**Title Report**") within ten (10) business days following the Effective Date and BUYER shall have twenty (20) days following receipt thereof, (the "**Title Review Period**"), within which to notify SELLER of any exceptions to title as shown in the Title Report which BUYER disapproves; provided, however, BUYER hereby approves the following exceptions: (a) the lien of any non-delinquent property taxes and assessments (which, if any exist, shall be prorated by the Title Company at Closing); (b) this Agreement, and (c) the covenants, conditions and restrictions set forth in the Deed, defined below (collectively, the "**Permitted Exceptions**"). Any exceptions, other than the Permitted Exceptions, which are timely disapproved by BUYER in writing pursuant to this Section 6(d) shall be referred to collectively as the "**Title Objections**". If BUYER fails to notify SELLER of its disapproval of any matters shown in the Title Report within the Title Review Period, BUYER shall conclusively be deemed to have approved such matters. Any such matter not disapproved in writing by BUYER within the Title Review Period shall also constitute a Permitted Exception hereunder.

(e) If BUYER notifies SELLER of any Title Objections within the Title Review Period then, at SELLER's sole discretion, SELLER may elect (but shall not be obligated) to remove or cause to be removed any of the Title Objections at SELLER's expense, which removal shall be subject to BUYER's reasonable approval. SELLER may notify BUYER in writing ("**SELLER's Title Notice**") within three (3) business days after receipt of BUYER's notice of Title Objections ("**SELLER's Cure Notice Period**") whether SELLER elects to remove the same, and, by the Closing, SELLER shall remove those Title Objections elected to be removed by SELLER in SELLER's Title Notice. SELLER's failure to

deliver SELLER's Title Notice to BUYER shall constitute SELLER's election not to cure such Title Objections. Notwithstanding the foregoing, SELLER agrees to remove as exceptions to title to the Property the following prior to the Closing Date (i) all delinquent taxes and assessments and interest and penalties thereon affecting the Property, if any, (ii) all Mortgages and deeds of trust if any, (iii) all mechanic's liens, if any, not created by BUYER or resulting from BUYER's Inspections, and (iv) any exceptions or encumbrances to title which are created after the Effective Date without the written consent of BUYER ("Required Removables"). If SELLER elects or is deemed to have elected not to cause any Title Objections to be removed, BUYER in its sole discretion shall be entitled to terminate this Agreement by delivery of written notice to SELLER of such termination within five (5) days after the expiration of the SELLER Cure Notice Period. If BUYER terminates this Agreement, BUYER shall be entitled to receive a refund of any Deposit plus any interest earned thereon and neither BUYER nor SELLER shall have any further obligation under this Agreement, except for the obligations which expressly survive the termination of this Agreement. If BUYER fails to give SELLER notice of its termination election prior to the date specified in the preceding sentence, BUYER shall be deemed to have approved the condition of title to the Property and all title exceptions in the Title Report and survey-related exceptions shall be deemed to be additional Permitted Exceptions, excluding only those impermissible exceptions SELLER elected to cure as provided above, and any Required Removables.

Section 7. Close of Escrow.

(a) As used herein, "**Close of Escrow**" means and refers to the close of Escrow for the Property and the transfer of fee title to the Property by the SELLER to the BUYER pursuant to grant deed in the form of Exhibit "B" attached hereto (the "**Deed**"). The Close of Escrow shall take place on the Closing Date. The "**Closing Date**" shall mean the date on which the conditions set forth in this Agreement for the Close of Escrow and for the transfer of the Property have been satisfied, and the Deed is recorded by the Title Company; provided that in no event shall BUYER be obligated to close unless it has received at least ten (10) days' advance notice from the SELLER of the anticipated date for satisfaction of such conditions to Close of Escrow. The Property shall be transferred to BUYER at the Close of Escrow; provided that, within the periods of time set forth in this Agreement: (i) BUYER has not terminated this Agreement, (ii) BUYER has accepted the Deed, and (iii) all other conditions of the Close of Escrow set forth in this Agreement, including without limitation as set forth in Sections 7(b) and 7(c) below, have been met and BUYER has paid, or caused to be paid to the Title Company all applicable Escrow costs relating to such closing for which BUYER is responsible pursuant to this Agreement. The Close of Escrow shall occur on a date that is no later than fifteen (15) days after the expiration of the Funding Contingency Period (defined below). The BUYER may elect to extend the Close of Escrow for two ninety (90) day periods. The effectiveness of either such 90-day

extension requires that BUYER deliver written notice of the exercise of an extension of the Close of Escrow to SELLER not less than thirty (30) days prior to (i) the expiration of the six (6) month period following BUYER's waiver of its Entitlement Contingency, or, (ii) the expiration of the first 90-day extension, as the case may be.

In the event all of the conditions set forth in Section 7(b) are not satisfied or waived as of the date that is fifteen (15) days following expiration of the Funding Contingency Period, as the same may be extended (the "**Outside Closing Date**"), BUYER may terminate this Agreement and/or exercise such rights and remedies, if any, that it may have pursuant to the terms of this Agreement. Likewise, in the event all of the conditions set forth in Section 7(c) are not satisfied or waived as of the Outside Closing Date, SELLER may terminate this Agreement and/or exercise such rights and remedies, if any, that it may have pursuant to the terms of this Agreement.

(b) Conditions to BUYER's Obligations. BUYER's obligation to consummate the Close of Escrow is conditioned on all of the following:

(1) SELLER's Closing Deliveries. At Close of Escrow, SELLER shall deliver the following to the Title Company:

(i) The Deed, executed and acknowledged by SELLER.

(ii) Documentation to establish to the Title Company's reasonable satisfaction the due authorization of the person(s) executing the instruments contemplated under this Section 7(b)(1) on behalf of SELLER.

(iii) an affidavit of non-foreign status of SELLER under the Foreign Investment in Real Property Tax Act.

(iv) a settlement statement showing both the SELLER's and the BUYER's credits and debits consistent with this Agreement (the "**Settlement Statement**").

(v) any transfer declarations required by applicable law;

(vi) a bring down certificate remaking the representations and warranties of SELLER under the Section 13(a), below.

(vii) a State of California Form 593 C.

(viii) an owner's affidavit in form and substance reasonably acceptable to Title Company to delete the non-survey related standard, pre-printed exceptions.

(ix) any other customary closing documents in form and substance reasonably satisfactory to SELLER to consummate the Transaction.

(2) Pre-Existing Obligations. There shall exist no leases, licenses (including, without limitation, the License), contracts or rights of occupancy or other agreements or contracts with respect to the Property entered into by SELLER that shall survive the Close of Escrow.

(3) Title Conditions Satisfied. The Title Company shall be in a position to issue the Title Policy to BUYER in the amount of the Purchase Price with respect to the Property subject only to the exceptions permitted by Section 11 of this Agreement.

(4) Entitlements. BUYER shall have received final approval (beyond any challenge or appeal period with no challenge or appeal then pending) of all necessary land-use approvals, (including but not limited to CEQA, specific plan, development agreement and tentative subdivision map for the Project), authorizations and entitlements, to develop the Property as an affordable multi-family residential subdivision.

(5) Funding Allocation. BUYER shall have secured an affordable housing funding allocation, or other sources of funding, that shall be ready to close concurrently with or promptly following the Close of Escrow.

(6) SELLER's Deliveries Complete. SELLER shall have delivered all of the documents and other items required pursuant to Section 7(b)(1) and shall have performed all other material obligations under this Agreement to be performed by SELLER at or prior to the Close of Escrow provided that SELLER shall have a reasonable opportunity to cure any such default after receiving written notice thereof from BUYER.

(7) Representations True. All representations and warranties made by SELLER in this Agreement shall be true and correct in all material respects on and as of the Closing Date, as if made on and as of such date.

(c) Conditions to SELLER's Obligations. SELLER's obligation to consummate the Close of Escrow is conditioned on all of the following:

(1) BUYER's Closing Deliveries. At the Close of Escrow, BUYER shall deliver the following:

(i) The Purchase Price less any Deposit and any Escrow Extension Deposit, if paid, as adjusted for apportionments and other adjustments required under this Agreement, plus any other amounts required to be paid by BUYER at the Close of Escrow.

(ii) Documentation to establish to the Title Company's reasonable satisfaction the due authorization of the person(s) executing the instruments contemplated under this Section 7(c)(1) on behalf of BUYER.

- (iii) The Settlement Statement.
- (iv) any transfer declarations required by applicable law;
- (v) any other customary closing documents in form and substance reasonably satisfactory to BUYER to consummate the Transaction.

(2) BUYER's Deliveries Complete. BUYER shall have delivered all of the documents and other items required pursuant to Section 7(c)(1) and shall have performed all other material obligations to be performed by BUYER at or prior to the Close of Escrow provided that BUYER shall have a reasonable opportunity to cure any such default after receiving written notice thereof from SELLER.

(3) Conformance with City Zoning Ordinance and Development Code. BUYER shall have received final approval (beyond any challenge or appeal period with no challenge or appeal then pending) of all necessary land-use approvals, (including but not limited to CEQA, specific plan, development agreement, precise plan, and tentative subdivision map for the Project), authorizations and entitlements, to develop the Property as an affordable multi-family residential subdivision, adhering to the requirements set forth in the City's Zoning Ordinance and the City's Development Code, which includes the Multifamily and Mixed-Use Objective Design Standards (Ordinance No. 1411)

(4) BUYER's Project Financing. BUYER shall have delivered to SELLER not less than sixty (60) days prior to Close of Escrow documentation evidencing funds and/or financing that in the sole reasonable determination of SELLER is sufficient to develop the Property as an affordable multi-family residential subdivision.

(5) Representations True. All representations and warranties made by BUYER in this Agreement shall be true and correct in all material respects on and as of the Closing Date, as if made on and as of such date.

(d) Waiver or Failure of Conditions Precedent. At any time on or before the date specified for the satisfaction of any condition, SELLER or BUYER may elect in writing to waive the benefit of any such condition to its obligations hereunder. By closing the Transaction, SELLER and BUYER shall be conclusively deemed to have waived the benefit of any remaining unfulfilled conditions set forth in this Section 7.

Section 8. Processing of Entitlements.

(a) SELLER covenants and agrees that SELLER will reasonably cooperate with BUYER in connection with the processing by BUYER of the Entitlements deemed necessary by BUYER for the development of the Property during Escrow. SELLER acknowledges that such cooperation shall include whatever actions may be reasonably necessary or helpful to enable BUYER to

process its Entitlements, provided that such assistance shall be at no cost or expense to SELLER and shall be performed in SELLER's proprietary capacity as the Property owner. Notwithstanding anything to the contrary in this section, nothing in this Agreement shall require SELLER to approve entitlements sought by BUYER in SELLER's regulatory capacity, and when acting in its regulatory capacity, SELLER may approve, conditionally approve, modify, or deny BUYER's applications in SELLER's sole discretion, to the extent permitted by law. Such entitlements to be processed by BUYER may include, without limitation, a zone change, a tentative subdivision map, a final subdivision map, an environmental impact report, associated development permits and related permits, agreements and approvals requested from the City of Palm Desert or any other governmental agency having jurisdiction over the Property as BUYER may determine to be necessary or helpful to enable BUYER to develop the Property in accordance with its development plans and in a manner permitting construction and operation on the Property consistent with BUYER's development and use plans (collectively "**Entitlements**"). Such cooperation shall include facilitating BUYER in entering into development agreements, investigating public financing and forming special improvement districts, executing, as may be requested by the City of Palm Desert or any other governmental agency having jurisdiction over the Property, applications, permits or approvals required for the submittal of the Entitlements and, if applicable, executing the final map, if requested by BUYER, and providing BUYER and BUYER's agents, employees and independent contractors access to the Property to perform any investigations or tests necessary for the processing of such Entitlements. The parties acknowledge that the intent of this provision is that SELLER will cooperate with BUYER and participate in such meetings if other governmental agencies require the owner of the Property to be in attendance at such meetings. To the extent such attendance is required, BUYER will use reasonable efforts to provide SELLER with advance notice and to schedule such meetings at a time which is reasonably acceptable to SELLER. Upon submittal of any such applications, permits, deeds or maps to SELLER, SELLER shall, no later than seven (7) days after delivery of such documents, deliver the same to BUYER.

(b) BUYER shall in good faith diligently make all reasonable efforts to (i) obtain Entitlements within the nine (9) month period following the Opening of Escrow pursuant to Section 5(a) (the "**Entitlement Period**").

(c) If BUYER is not otherwise in default or in breach of this Agreement, if BUYER should fail to obtain such Entitlements within the Entitlement Period for any reason or if such Entitlements are issued but are not Final by the end of such Entitlement Period, BUYER may cancel Escrow and receive a full refund of the Deposit together with any accrued interest thereon.

Section 9. Funding Approval Period; Funding Allocation Period.

BUYER shall in good faith diligently make all reasonable efforts to obtain affordable housing funding approval, or other sources of funding, within one (1) year from the expiration of the Entitlement Period. If BUYER is not otherwise in

default or in breach of this Agreement, if BUYER should fail to obtain such affordable housing funding approval, or other sources of funding within one (1) year from the expiration of the Entitlement Period on terms and conditions subject to BUYER's sole satisfaction (the "**Funding Approval Period**"), BUYER may cancel Escrow and receive a full refund of the Deposit together with any accrued interest thereon.

If BUYER has not received an affordable housing funding allocation, or other sources of funding, within six (6) months from the expiration of the Funding Approval Period (the "**Funding Contingency Period**"), BUYER may cancel Escrow. and receive a full refund of the Deposit together with any accrued interest thereon.

Section 10. Escrow Instructions.

SELLER and BUYER each agree to execute and deliver to the Title Company the customary supplemental written escrow instructions (consistent with the terms of this Agreement) of the Title Company. In the event of a conflict between the additional terms of such customary supplemental escrow instructions of the Title Company and the provisions of this Agreement, this Agreement shall supersede and be controlling.

Section 11. Conveyance of Title.

The Title Company shall be instructed to record the Deed in the Official Records of Riverside County, California, if and when the parties have (i) confirmed that the conditions to Close of Escrow have been satisfied, (ii) Title Company holds the funds for the SELLER as set forth on the Settlement Statement and as contemplated herein, (iii) Title Company is prepared to issue to BUYER an ALTA owner's extended coverage policy of title insurance ("**Title Policy**") with liability in an amount equal to the Purchase Price with respect to the Property and such other endorsements to the policy as may be reasonably requested by BUYER, insuring that fee title to the Property is vested in BUYER, free and clear of options, rights of first refusal or other purchase rights, leases or other possessory interests, lis pendens and monetary liens and/or encumbrances and subject only to:

- (a) non-delinquent real property taxes;
- (b) dedication of streets abutting the Property;
- (c) zoning ordinances;
- (d) utility easements common to any subdivision of which the Property is a part that are approved by BUYER; and

(e) such other title exceptions, if any, resulting from documents being recorded or delivered through Escrow in accordance with the provisions of this Agreement.

Section 12. Conveyance AS IS, WHERE IS and SUBJECT TO ALL FAULTS.

(a) BUYER shall accept the delivery of possession of the Property (including but not limited to, subterranean structures and soil conditions), in an **“AS IS,” “WHERE IS” and “SUBJECT TO ALL FAULTS” condition**. BUYER hereby acknowledges that it has relied solely upon its own investigation of the Property and its own review of such information and documentation as it deems appropriate. BUYER is not relying on any statement or representation by SELLER, any employee, official or consultant of SELLER relating to the condition of the Property. SELLER makes no representations or warranties as to whether the Property presently complies with environmental laws or whether the Property contains any hazardous substance.

(b) From and after the Close of Escrow, BUYER, on behalf of itself and its successors, waives and releases SELLER and its successors and assigns from any and all costs or expenses whatsoever (including, without limitation, attorneys’ fees and costs), whether direct or indirect, known or unknown, foreseen or unforeseen, arising from or relating to any of the following matters and conditions relating to the Property which exist as of the date of the Close of Escrow: (i) the physical condition of the Property or any above ground or underground improvements thereon, (ii) the condition of the soils, (iii) the suitability of the soils for the improvement of any proposed project, or (iv) any law or regulation applicable thereto; provided that the foregoing release shall not extend to (1) any breach by SELLER of any of the representations or warranties of the SELLER set forth in Section 14(a) of this Agreement, (2) any breach by SELLER of any of the covenants or obligations set forth in this Agreement or in any other instrument or document executed pursuant to this Agreement, (3) any claim that is the result of the negligence or willful misconduct of SELLER or (4) any actions of SELLER which occur following the Close of Escrow.

(c) BUYER expressly waives any rights or benefits available to it with respect to the foregoing release under any provision of applicable law which generally provides that 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 the release is agreed to, which, if known to such creditor, would materially affect a settlement. By execution of this Agreement, BUYER acknowledges that it fully understands the foregoing, and with this understanding, nonetheless elects to and does assume all risk for claims known or unknown, described in this Section 12 without limiting the generality of the foregoing:

The undersigned acknowledges that it has been advised by legal counsel and is familiar with the provisions of California Civil Code Section 1542, which provides as follows:

“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 HER SETTLEMENT WITH THE DEBTOR.”

The undersigned, being aware of this Code section, hereby expressly waives any rights it may have thereunder, as Well as under any other statutes or Common law principles of similar effect.

Initials of BUYER: _____

(d) The provisions of this Section 12 shall survive the Close of Escrow, and shall be binding upon BUYER.

(e) SELLER shall assist and cooperate with BUYER in endeavoring to remove title exceptions unacceptable to BUYER, but SELLER shall have no obligation to cause such objections to be removed or to expend any sums in such endeavor, except that SELLER shall remove all monetary liens and encumbrances created by or as a result of SELLER's activities, including, without limitation, any liens or encumbrances associated with (i) any delinquent tax or assessment applicable to the Property; (ii) any indebtedness secured by a deed of trust, assignment of rents or other similar encumbrance; and (iii) any labor or materials supplied to the Property that are not the result of any act or neglect of BUYER or anyone acting for or on behalf of BUYER.

(f) SELLER covenants not to further encumber and not to place any further liens or encumbrances on the Property, including, but not limited to, covenants, conditions, restrictions, easements, liens, options to purchase, rights of first offer options to lease, leases, tenancies, or other possessory interests.

(g) SELLER also covenants not to authorize or permit others to take any action that adversely affects the physical condition of the Property or its soils.

Section 13. Closing Costs, Prorations, Possession.

(a) BUYER shall pay the premium for the ALTA extended coverage Title Policy, cost of procuring a survey and all requested ALTA survey policy endorsements, and the cost of recording the Deed.

(b) SELLER shall pay 100% of any documentary or other transfer taxes payable on account of the conveyance of the Property to BUYER, CLTA portion of the Title premium, and the Title Company's charges and fees which may be charged by the Title Company in connection with the Close of Escrow.

(c) BUYER shall be entitled to exclusive possession of the Property immediately upon the Close of Escrow.

(d) All prorations shall be made in accordance with customary practice in Riverside County, except as otherwise expressly provided in this Agreement. All prorations shall be on an "actual day" basis and a three hundred sixty-five (365) day year.

Section 14. Representations and Warranties.

(a) SELLER hereby makes the following representations, covenants and warranties as of the Effective Date and as of the Closing Date:

(1) Power and Authority. SELLER has the legal power, right and authority to enter into this Agreement and to execute the instruments and documents referenced herein, and to consummate the Transaction contemplated hereby.

(2) Requisite Action. SELLER has taken all requisite action and obtained all requisite consents in connection with entering into this Agreement and the instruments and documents referenced herein and the consummation of the Transaction contemplated hereby, and no consent of any other party is required.

(3) Enforceability of Agreement. The persons executing this Agreement and any instrument or document referenced herein for or on behalf of SELLER have been duly authorized to so act on behalf of SELLER and this Agreement and any such instrument or document is valid and legally binding on SELLER and enforceable against SELLER in accordance with their respective terms.

(4) No Litigation. There is no pending or, to the best of SELLER's knowledge, threatened claims, action, allegations or lawsuit of any kind, whether for personal injury, property damage, property taxes, or otherwise, that could affect the Property.

(5) No Violation. Neither the execution of this Agreement or the other instruments and documents referenced herein nor the performance by SELLER of its obligations hereunder and thereunder shall result in a breach or constitute a default under any agreement, document, instrument or other obligation to which SELLER is a party or by which SELLER may be bound or a breach or violation under law, statute, ordinance, rule, governmental regulation, state constitution, or any writ, injunction, order or decree of any court or governmental body applicable to SELLER, the Property, or the transaction contemplated hereby.

(6) Leases. There are no leases affecting any portion of the property.

(7) Operation and Condition Pending Closing. Between the date of this Agreement and the Close of Escrow hereunder, SELLER will continue to manage, operate and maintain the Property in the same manner as existed prior to the execution of this Agreement.

(8) Contracts. The License comprises the only existing contract or agreement to which SELLER is a party related to the Property. There are no contracts or agreements to which SELLER is a party or rights of third parties relating to the operation, maintenance, development, improvement, lease, possession or ownership of the Property which will survive the Close of Escrow.

(9) Hazardous Substances. To SELLER's knowledge, except for violations cured or remedied on or before the Effective Date, SELLER has not received any written notice from any governmental authority of (and SELLER is not aware of) any violation of any laws, ordinance, rule, or regulation of any governmental authority affecting or relating to the Property, including any laws pertaining to Hazardous Substances (defined below) applicable to the Property. For the purposes of this Agreement, "Hazardous Substances" shall mean: (a) a "hazardous substance" pursuant to section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601(14), section 311 of the Federal Water Pollution Control Act, 33 U.S.C. §1321, as now or hereafter amended; (b) a "hazardous waste" pursuant to section 1004 or section 3001 of the Resource Conservation and Recovery Act, 42 U.S.C. §§6903, 6921, as now or hereafter amended; (c) a toxic pollutant under section 307(a)(1) of the Federal Water Pollution Control Act, 33 U.S.C. §1317(a)(1); (d) a "hazardous air pollutant" under section 112 of the Clean Air Act, 42 U.S.C. §7412, as now or hereafter amended; (e) a "hazardous material" under the Hazardous Materials Transportation Uniform Safety Act of 1990, 49 U.S.C. App. §1802(4), as now or hereafter amended; (f) toxic or hazardous pursuant to regulations promulgated now or hereafter under the aforementioned laws; or (g) presenting a risk to human health or the environment under other applicable federal, state or local laws, ordinances, or regulations, as now or as may be passed or promulgated in the future.

(10) Mechanic's Liens. There are no claims for labor performed for, or materials furnished to or with respect to, the Property which could give rise to a mechanic's lien on the Property.

(11) No Options. SELLER has not entered into any agreements currently in effect pursuant to which SELLER has granted any rights of first refusal to purchase all or any part of the Property, options to purchase all or any part of the Property or other rights whereby any individual or entity has the right to purchase all or any part of the Property.

All representations and warranties contained in this Section 14(a) are true and correct on the date hereof and on the Closing Date and shall survive the Close of Escrow.

(b) Warranties and Representations by BUYER. BUYER hereby makes the following representations, covenants and warranties and acknowledges that the execution of this Agreement by SELLER has been made in material reliance by SELLER on such covenants, representations and warranties:

(1) BUYER has the legal right, power and authority to enter into this Agreement and the instruments and documents referenced herein and to consummate the Transaction contemplated hereby. The persons executing this Agreement and such other instruments as may be referenced herein on behalf of BUYER hereby represent and warrant that such persons have the power, right and authority to bind BUYER.

(2) BUYER has taken all requisite action and obtained all requisite consents in connection with entering into this Agreement and the instruments and documents referenced herein and the consummation of the Transaction contemplated hereby, and no consent of any other party is required.

(3) This Agreement is, and all instruments and documents to be executed by BUYER pursuant to this Agreement shall be, duly executed by and are or shall be valid and legally binding upon BUYER and enforceable in accordance with their respective terms.

(4) Neither the execution of this Agreement nor the consummation of the Transaction contemplated hereby shall result in a breach of or constitute a default under any other agreement, document, instrument or other obligation to which BUYER is a party or by which BUYER may be bound, or a breach or violation under law, statute, ordinance, rule governmental regulation or any writ, injunction, order or decree of any court or governmental body applicable to BUYER.

All representations and warranties contained in this Section 14(b) are true and correct on the date hereof and on the Closing Date and shall survive the Close of Escrow.

Section 15. Conflict of Interest.

No member, official or employee of either party having any conflict of interest, direct or indirect, related to this Agreement and the use and development of the Property shall participate in any decision relating to the Agreement. The parties represent and warrant that they do not have knowledge of any such conflict of interest.

Section 16. Nonliability of Officials and Employees.

No officer, official or employee of SELLER shall be personally liable to BUYER, or any successor in interest of such other party, in the event of any default or breach or for any amount which may become due hereunder, or on any obligations under the terms of this Agreement.

Section 17. Indemnification.

BUYER agrees to indemnify and hold SELLER and its officers, employees and agents harmless from and against all damages, judgments, costs, expenses and attorney's fees arising from or related to any act or omission of BUYER in performing its due diligence investigations under Section 6(a) and (b), above; provided that the foregoing indemnity shall not apply to the extent of (a) the negligence or willful misconduct of SELLER; (b) breach of Seller's representations or warranties or (c) the existence of any hazardous materials which were at, in, under, over or upon the Property as of the Opening of Escrow, unless the condition of any such hazardous materials was exacerbated in a negligent manner by an affirmative act of BUYER. SELLER shall give BUYER written notice of the occurrence of a claim, litigation or other matters for which SELLER seeks indemnity under this Section as promptly as practicable following SELLER'S knowledge of the occurrence of such matter and SELLER shall reasonably cooperate with BUYER in the defense of any such claim or matter and shall not take any action that would adversely affect BUYER's defense of such matter.

Section 18. Default.

(a) Default by BUYER; Limitation on Liability; Liquidated Damages. **IN THE EVENT BUYER BREACHES THIS AGREEMENT AND IF BUYER FAILS TO CURE ANY SUCH FAILURE TO COMPLETE THE CLOSE OF ESCROW WITHIN TEN (10) DAYS FOLLOWING RECEIPT OF A WRITTEN NOTICE FROM SELLER INDICATING THE NATURE OF ANY DEFAULT ON THE PART OF BUYER, THE SELLER SHALL RETAIN ANY DEPOSIT, PLUS ANY INTEREST ACCRUED THEREON, AS SELLER'S SOLE REMEDY FOR BUYER'S FAILURE TO CLOSE OR FOR ANY DEFAULT ON THE PART OF BUYER UNDER THIS AGREEMENT, AND IN SUCH A CASE, BOTH PARTIES SHALL BE RELIEVED OF AND RELEASED FROM ANY FURTHER LIABILITY HEREUNDER. THE PARTIES HAVE AGREED THAT SELLER'S ACTUAL DAMAGES, IN THE EVENT OF A DEFAULT BY BUYER, WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE TO DETERMINE. SELLER AND BUYER AGREE THAT ANY DEPOSIT, PLUS ANY INTEREST ACCRUED THEREON IS A FAIR AND REASONABLE AMOUNT TO BE RETAINED BY SELLER AS AGREED AS LIQUIDATED DAMAGES IN LIGHT OF SELLER'S REMOVAL OF THE PROPERTY FROM THE MARKET AND THE COSTS INCURRED BY SELLER, AND SHALL NOT CONSTITUTE A PENALTY OR A FORFEITURE.**

BY PLACING ITS INITIALS BELOW, EACH PARTY SPECIFICALLY CONFIRMS THE ACCURACY OF THE STATEMENTS MADE ABOVE AND THE FACT THAT EACH PARTY WAS REPRESENTED BY COUNSEL WHO EXPLAINED, AT THE TIME THIS AGREEMENT WAS MADE, THE CONSEQUENCES OF THIS LIQUIDATED DAMAGES PROVISION.

INITIALS: SELLER: _____ BUYER: _____

1.1 (b) Default By SELLER; Other Failure To Consummate Agreement. IN THE EVENT OF ANY DEFAULT ON THE PART OF SELLER UNDER THIS AGREEMENT, WHICH SELLER FAILS TO CURE WITHIN TEN (10) DAYS FOLLOWING RECEIPT OF A WRITTEN NOTICE, BUYER SHALL HAVE THE RIGHT, IN BUYER'S SOLE DISCRETION AND AS ITS SOLE AND ONLY REMEDIES HEREUNDER TO THE EXCLUSION OF ALL OTHER POTENTIAL REMEDIES, TO EITHER (I) TERMINATE THIS AGREEMENT AND RECEIVE ANY DEPOSIT, PLUS ANY INTEREST ACCRUED THEREON, IN WHICH EVENT THIS AGREEMENT SHALL AUTOMATICALLY TERMINATE AND BE OF NO FURTHER FORCE OR EFFECT AND NEITHER PARTY SHALL HAVE ANY FURTHER RIGHTS OR OBLIGATIONS HEREUNDER, OTHER THAN PURSUANT TO ANY PROVISION HEREOF WHICH EXPRESSLY SURVIVES THE TERMINATION OF THIS AGREEMENT; or (II) BRING AN ACTION FOR SPECIFIC PERFORMANCE.

INITIALS: SELLER: _____ BUYER: _____

Section 19. Assignment/Binding Contract.

BUYER shall not assign this Agreement to any party without the prior written consent of SELLER, provided that the BUYER may assign this Agreement to one of its Affiliates. For purposes of this provision, "Affiliate" shall mean any parent or subsidiary of BUYER, any partnership including BUYER or any entity which BUYER has a direct ownership interest, or any entity which BUYER indirectly controls, is controlled by, or is under common control with BUYER, including any partnership, joint venture, corporation, trust or other entity, which is directly or indirectly, through one or more intermediaries, controlled or managed in whole or in part by BUYER. This Agreement may be not assigned by SELLER without the prior written consent of BUYER which consent BUYER shall not unreasonably withhold. No assignment of this Agreement shall release the assignor from its obligations hereunder unless and until the assignee agrees to be bound by the relevant terms of this Agreement and assumes assignor's obligations in a written Assignment and Assumption Agreement and that shall be subject to the SELLER's reasonable approval.

Section 20. Notices, Demands and Communications Between the Parties.

Any approval, disapproval, demand, document or other notice ("**Notice**") which either party may desire or be required to give to the other party under this Agreement must be in writing and shall be given by certified mail, return receipt requested and postage prepaid, personal delivery, or reputable overnight courier (but not by facsimile), to the party to whom the Notice is directed at the address of the party as set forth below, or at any other address as that party may later designate by Notice.

To SELLER: City of Palm Desert
73510 Fred Waring Drive
Palm Desert, CA 92260
Attn: City Manager
Email: cescobedo@palmdesert.gov

With a copy to: Robert F. Messinger, Esq.
Burke, Williams & Sorensen, LLP
18300 Von Karman Avenue, Suite 650
Irvine, CA 92612

To BUYER: Blieu LLC
2000 E. 4th Street, Suite 205
Santa Ana, CA 92705-3907
Attn: Mark Bigley, Vice President
Email: mbigley@blieu.com

Notice may also be perfected by email by sending to the relevant email address set forth above.

Section 21. Proprietary and Governmental Roles; Actions by Parties.

Except where clearly and expressly provided otherwise in this Agreement, the capacity of the SELLER in this Agreement shall be as owner, lessor, assembler, redeveloper and/or seller of property only ("**Proprietary Capacity**"), and any obligations or restrictions imposed by this Agreement on the SELLER, shall be limited to that capacity and shall not relate to, constitute a waiver of, supersede or otherwise limit or affect the exercise by the SELLER of its governmental authority ("**Governmental Capacity**") with respect to any matter related to this Agreement. Determinations of the SELLER in its Proprietary Capacity shall be made by SELLER in its reasonable discretion. In any instance in which a Party shall be requested to consent to or approve of any matter with respect to which such Party's consent or approval is required by any of the provisions of this Agreement, such consent or approval shall be given in writing. In addition, whenever not expressly otherwise stated: (a) the SELLER when acting in its Governmental Capacity shall be permitted to utilize its sole discretion with respect to matters requiring its approval except as otherwise specified in any

applicable Governmental Requirements; (b) the SELLER when acting in its Proprietary Capacity shall not unreasonably withhold, condition or delay its approvals with respect to matters requiring its approval under this Agreement; and (c) BUYER shall not unreasonably withhold, delay or condition its consent with respect to matters requiring its approval under this Agreement.

Section 22. Time of the Essence.

Time is of the essence with respect to the Close of Escrow and all of the provisions of this Agreement.

Section 23. Miscellaneous.

(a) This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and together shall constitute one and the same agreement, with one counterpart being delivered to each party hereto.

(b) All periods of time referred to in this Agreement shall include all Saturdays, Sundays and state or national holidays, provided that if the date or last date to perform any act or give any notice with respect to this Agreement shall fall on a Saturday, Sunday or state or national holiday, such act or notice may be timely performed or given on the next succeeding day which is not a Saturday, Sunday or state or national holiday.

(c) The unenforceability, invalidity, or illegality of any provision of this Agreement shall not render the other provisions hereof unenforceable, invalid or illegal.

(d) SELLER and BUYER each represents to the other that it has not engaged the services of any finder or broker and that it is not liable for any real estate commissions, broker's fees, or finder's fees which may accrue by means of the conveyance of the Property as described in this Agreement, or the negotiation and execution of this Agreement. Each party shall indemnify, defend, protect and hold the other party harmless from any and all Claims based upon any assertion that such commissions or fees are allegedly due from the party making such representations.

Section 24. Additional Agreements; Further Assurances.

Each of the parties hereto shall execute and deliver such documents as the other party shall reasonably request in order to consummate and make effective the Transaction; provided, however, the execution and delivery of such documents shall not result in any additional liability or cost to the executing party.

Section 25. Entire Agreement.

(a) This Agreement and the exhibits attached hereto constitute the entire understanding and Agreement of the parties.

(b) This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto with respect to the Property.

(c) The headings to the sections and paragraphs of this Agreement are for convenience of reference only, do not form a part of this Agreement and shall not in any way affect its interpretation.

(d) Unless otherwise indicated, references in this Agreement to Sections, paragraphs, clauses and exhibits are to the same contained in or attached to this Agreement and all attachments referenced in this Agreement are incorporated in this Agreement by this reference as though fully set forth in this Section.

Section 26. Approval.

(a) City Council. This Agreement is subject to, and will have no force or effect until and unless first approved by the City Council of the City of Palm Desert. All amendments of this Agreement shall be in writing and shall require the approval of the City Council on behalf of SELLER and the approval of BUYER.

(b) Administrative Approvals. Following its approval by the City Council, this Agreement shall be administered by the City Manager or his or her designee. Except where the terms of this Agreement expressly require the approval of a matter or the taking of any action by the City Council, any matter to be approved by the SELLER shall be deemed approved, and any action to be taken by the SELLER shall be deemed taken, upon the written approval by the City Manager (or designee). The City Manager or designee shall have the authority to issue interpretations with respect to this Agreement and to determine whether any action requires the approval of the City Council.

[Signatures on following pages]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the dates set forth below.

SELLER Signatory Page

SELLER:

CITY OF PALM DESERT, a charter city
and municipal corporation

Date: June 12, 2025

By: _____

CHRIS ESCOBEDO
INTERIM CITY MANAGER

APPROVED AS TO FORM:

By: _____

ISRA SHAH
BEST BEST & KRIEGER
CITY ATTORNEY

BUYER Signatory Page

BUYER:

Date: _____ 2025

BLIEU LLC, a California limited liability
company

By: _____

MARK BIGLEY
VICE PRESIDENT

APPROVED AS TO FORM:

By: _____
, Counsel

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

That certain real property located in the City of Palm Desert, Riverside County, State of California consisting of eight parcels as more particularly described as follows:

Parcel 1 (APN 620-370-002)

Parcel 2 (APN 620-370-003)

Parcel 3 (APN 620-370-004)

Parcel 4 (APN 620-370-017)

Parcel 5 (APN 620-370-018)

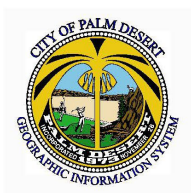
Parcel 6 (APN 620-370-020)

Parcel 7 (APN 620-370-033)

Parcel 8 (APN 620-370-043)

EXHIBIT "A-1"

PROPERTY DEPICTION



Lot E



Portion being sold to Blieu

EXHIBIT "B"

FORM OF DEED

GRANT DEED

RECORDING REQUESTED BY:

Title Company

MAIL TAX STATEMENTS TO:
AND WHEN RECORDED MAIL TO:

Attn: _____

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

APNS:

Documentary Transfer Tax: \$ _____

Based on full value of property conveyed.

☐ unincorporated area; ☒ City of Palm Desert.

GRANT DEED

For valuable consideration, receipt of which is hereby acknowledged,

The CITY OF PALM DESERT, a California charter city (the "**Seller**"), hereby grants and conveys to BLIEU LLC, a California limited liability company ("**Buyer**"), the real property hereinafter referred to as the "**Property**", described in **Exhibit A** attached hereto and incorporated herein, subject to the existing easements, restrictions and covenants of record, and the covenants set forth in this Grant Deed.

1. The Buyer covenants by and for itself and any successors in interest that not less than twenty-five percent (25%) of the total number of residential units developed on the Property shall be sold or rented at affordable housing cost, as defined in Section 50052.5 of the California Health and Safety Code, or affordable rent, as defined in Section 50053 of the California Health and Safety Code, to lower income households, as defined in Section 50079.5 of the California Health and Safety Code. Rental units shall remain affordable to and occupied by lower income households for a period of 55 years for rental housing and 45 years for ownership

housing. The initial occupants of all ownership units shall be lower income households, and the units shall be subject to an equity sharing agreement consistent with the provisions of paragraph (2) of subdivision (c) of 65915 of the California Government Code. These requirements shall be covenants or restrictions running with the land and shall be enforceable against any owner who violates a covenant or restriction and each successor-in-interest who continues the violation by any of the entities described in subdivisions (a) to (f), inclusive, of Section 54222.5 of the California Government Code.

2. The Buyer covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall the Buyer itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Property. The foregoing covenants shall run with the land.

The Buyer shall refrain from restricting the rental, sale or lease of the Property on the basis of race, color, religion, sex, marital status, ancestry or national origin of any person. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

(a) In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land."

(b) In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to

the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased.”

(c) In contracts: “There shall be no discrimination against or segregation of, any person, or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises, nor shall the transferee himself or herself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the premises.”

[Signature Block Begins on Following Page]

SELLER:

**CITY OF PALM DESERT, a California
charter city**

By: _____ Date: _____
Chris Escobedo, Interim City Manager

Attest:

By: _____ Date: _____
Anthony J. Mejia, City Clerk

Approved as to form:

By: _____ Date: _____
Isra Shah, City Attorney

[Signatures Continued on Following Page]

BUYER:

BLIEU LLC,
a California limited liability company

By: _____

Date: _____

Mark Bigley, Vice President