

PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS

This PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS (this "Agreement") is dated as of _____, 2026 and is entered into by and between PALM DESERT UNIVERSITY GATEWAY, LLC, a Nebraska limited liability company ("SELLER") and the CITY OF PALM DESERT, a California municipal corporation ("BUYER").

RECITALS

A. SELLER is the owner of the fee simple interest in that certain real property constituting a portion of Assessor's Parcel No. 694-120-030 in the City of Palm Desert, and consisting of approximately 2,112 square feet of vacant land (the "Property"), as legally described on Exhibit "A," attached hereto and made a part hereof by this reference, and depicted on Exhibit "B," attached hereto and made a part hereof by this reference.

B. SELLER desires to sell the Property to BUYER, and BUYER desires to purchase the Property from SELLER, on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises, the mutual covenants and obligations contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, SELLER and BUYER hereto agree as follows:

Section 1. Recitals.

The recitals set forth above are true and correct and incorporated herein by this reference.

Section 2. Purchase and Sale of Property.

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

Section 3. Consideration.

The total consideration to be paid by BUYER for the acquisition of the Property shall be Twenty Three Thousand Two Hundred Thirty Two Dollars (\$23,232.00) (the "Purchase Price"). The Purchase Price shall be payable by BUYER to SELLER in accordance with the following terms and conditions:

(a) Initial Deposit. Within three (3) Business Days following the Opening of Escrow (as defined below), BUYER shall deposit into Escrow (as defined below) the sum of One Thousand Dollars (\$1,000.00), in the form of cash, which amount shall serve as an earnest money deposit (the "Earnest Money Deposit").

(b) Closing Payment. The Purchase Price, less the Earnest Money Deposit shall be paid by BUYER to Escrow Agent, in the form of cash, pursuant to Section 7.

(c) Independent Consideration. Notwithstanding anything herein to the contrary, One Hundred Dollars (\$100.00) of the Earnest Money Deposit (the "Independent Consideration") shall not be refundable to BUYER (except as provided in Section 16(b)) but shall represent consideration for the granting of the time periods herein contained for BUYER to exercise BUYER's right to satisfy and approve all of BUYER's conditions herein contained, and shall not be applied toward the Purchase Price.

Section 4. 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 _____ of _____ (the "Escrow Agent"). The Escrow for the Property shall be deemed open ("Opening of Escrow") upon the receipt by the Escrow Agent of a copy of this Agreement executed by SELLER and BUYER. The date of Opening of Escrow shall be memorialized by Escrow Agent in writing delivered to the parties.

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

Section 5. Due Diligence Period.

(a) As used in this Agreement, the term "Due Diligence Period" means the period of time that will expire at 5:00 p.m. Pacific Time on the date that is forty-five (45) days after the date of the Opening of Escrow. The purpose of the Due Diligence Period is to allow BUYER the opportunity to investigate the condition and suitability of the Property for BUYER's intended use. If BUYER finds the Property unsatisfactory for any reason, at its sole discretion, BUYER shall notify SELLER and Escrow Agent 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 at BUYER's expense, this Agreement shall automatically terminate, and the parties shall each be relieved and discharged from all further responsibility or liability under this Agreement. If BUYER does not give written notice of termination to SELLER before the expiration of the Due Diligence Period, then BUYER will be deemed to have waived the termination right contemplated under this Section 5 and shall proceed with this Agreement, subject to all the other terms and conditions of this Agreement.

(b) SELLER hereby grants to BUYER for use by BUYER and its employees, agents, representatives, 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 (b) obtaining data and making surveys and tests that are determined by BUYER to be reasonably necessary to determine (1) the physical condition of the Property, (2) whether any hazardous substances are present on the property, and (3) whether the Property is suitable for BUYER's purposes. However, BUYER shall give SELLER forty-eight hours' advance notice by email or

telephone of any planned access that involves work on the Property and BUYER shall not conduct Invasive Investigations without the written consent of SELLER. The term "Invasive Investigations" includes environmental testing, sampling, invasive testing, and 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. If SELLER permits any Invasive Investigations during the Due Diligence Period, and those Invasive Investigations compromises any agent applied to prevent dust migration or blowing, such as a soil stabilizer or dust control agent, BUYER shall promptly restore the Property to substantially the same condition that existed prior to the Invasive Investigation. BUYER shall conduct any restoration work in a commercially reasonable manner and in compliance with all applicable laws and regulations.

(c) If not already provided by SELLER to BUYER, within five (5) days following the Opening of Escrow, SELLER shall deliver to BUYER copies of the following materials (the "Property Information") which SELLER has in its possession:

(i) Copies of any existing title policy/commitment and any existing survey in SELLER's possession or control that relate to the Property, including complete and legible copies of all instruments referred to in the title policy or commitment as conditions or exceptions to the title of the Property;

(ii) All environmental reports, engineering studies, soil-bearing test data, and any similar reports and studies with respect to the Property; and

(iii) Such other items in SELLER's possession or under SELLER's control reasonably related to BUYER's investigation of the Property.

(d) BUYER has the unrestricted right to use the Property Information, including reports and studies, in connection with BUYER's review of the Property and BUYER's efforts to obtain its permits and approvals. BUYER may make copies of the Property Information at BUYER's expense and may share the Property Information with its attorneys and consultants who have an obligation of confidentiality to BUYER regarding the Property Information. If SELLER obtains new information about the Property during the Due Diligence Period that is material, SELLER shall promptly deliver a copy of that information or otherwise disclose such information in writing to BUYER.

(e) ***BUYER acknowledges that the Property Information is being provided without any representation or warranty from SELLER. BUYER shall not hold SELLER liable for any claim regarding the accuracy or completeness of the information contained in the Property Information.***

Section 6. Contingencies.

(a) Certificate of Compliance. Notwithstanding anything in this Agreement to the contrary, BUYER's obligation to purchase and SELLER's obligation to sell the Property shall be subject to BUYER recording a Certificate of Compliance (the "COC") for the Property that (1) conforms the legal description of the Property to

the depiction contained in Exhibit A, and (2) results in a lot line adjustment that is satisfactory to BUYER and SELLER.

Section 7. Close of Escrow.

(a) As used herein, "Close of Escrow" means the date on which the conditions contained in this Agreement for the transfer of the Property have been satisfied and the Deed is recorded by the Escrow Agent. The Property shall be transferred to BUYER at the Close of Escrow. BUYER shall designate a date for the Close of Escrow that is no later than twenty (20) days after the later of (i) the expiration of the due diligence period, and (ii) the recording of the COC.

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

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

- (i) the Deed in recordable form executed by SELLER;
- (ii) an affidavit of non-foreign status of SELLER under the Foreign Investment in Real Property Tax Act;
- (iii) SELLER's signature on a settlement statement prepared by the Escrow Agent that shows both SELLER's and BUYER's credits and debits consistent with this Agreement (the "Settlement Statement");
- (iv) any transfer declarations required by applicable law;
- (v) an owner's affidavit in form and substance reasonably acceptable to the Escrow Agent to delete the non-survey related standard, pre-printed exceptions; and
- (vi) any other customary closing documents in form and substance reasonably satisfactory to SELLER to consummate the sale of the Property.

(2) Pre-Existing Obligations. SELLER shall have terminated any leases, contracts, rights of occupancy, and other agreements regarding the Property prior to the Close of Escrow.

(3) Title Conditions Satisfied. The Escrow Agent shall be in a position to issue the Title Policy to BUYER in the amount of the Purchase Price with respect to the Property and subject only to the exceptions permitted by Section 9 of this Agreement.

(4) 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.

(5) 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 Close of Escrow, as if made on and as of such date.

(6) Contingencies. Each of the contingencies set forth in Section 6 shall have been satisfied or waived.

(c) Conditions to SELLER's Performance. 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 the Deposit, as adjusted for apportionments and other adjustments required under this Agreement;

(ii) a payment for all other amounts BUYER is required to pay at the Close of Escrow, such as all escrow costs;

(iii) BUYER's signature on the Settlement Statement;

(iv) any transfer declarations required by applicable law; and

(v) any other customary closing documents in form and substance reasonably satisfactory to BUYER to consummate the sale of the Property.

(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) 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 Close of Escrow, as if made on and as of such date.

(4) Contingencies. Each of the contingencies set forth in Section 6 shall have been satisfied or waived.

Section 8. Escrow Instructions.

SELLER and BUYER each agree to execute and deliver to the Escrow Agent the customary supplemental written escrow instructions (consistent with the terms of this Agreement) of the Escrow Agent. In the event of a conflict between the additional terms of such customary supplemental escrow instructions of the Escrow Agent and the provisions of this Agreement, this Agreement shall supersede and be controlling. Upon any termination of this Agreement or cancellation of the Escrow, except as results from the default of SELLER, BUYER shall be solely responsible for the payment of the escrow cancellation charges of the Escrow Agent.

Section 9. Title Report; Survey; Conveyance of Title.

(a) On or before the Close of Escrow, SELLER shall deliver to the Escrow Agent the Grant Deed, in form attached hereto as Exhibit "C" (the "Deed") duly executed and acknowledged by SELLER. The Deed shall grant fee simple marketable title to the Property to BUYER. The Escrow Agent shall record the Deed in the Official Records of Riverside County, California at the Close of Escrow.

(b) Within five (5) days following the Opening of Escrow, SELLER shall use commercially reasonable efforts to cause to be delivered or otherwise made available to BUYER a current preliminary report from a title company of BUYER's choice (the "Title Company")

covering the Property, together with full and legible copies of all supporting documents (collectively, "Preliminary Report"). BUYER may further order a survey of the Property from a licensed surveyor sufficient to obtain an ALTA title insurance policy ("Survey"). The Title Company shall issue an ALTA Owner's policy ("Title Policy") at the Close of Escrow insuring fee title in BUYER, subject only to the Permitted Exceptions as determined hereunder, and together with such commercially reasonable endorsements as are required by BUYER:

(c) BUYER shall notify SELLER in writing of BUYER's disapproval of any exceptions, encumbrances, encroachments, or other defects shown in the Preliminary Report or the Survey (collectively, "Unpermitted Exceptions") within fifteen (15) business days after receipt thereof, and any title exceptions which are not Unpermitted Exceptions will be considered permitted exceptions ("Permitted Exceptions"). Notwithstanding anything in this Agreement to the contrary, the following are deemed to be Unpermitted Exceptions: (i) monetary liens affecting title; and (ii) liens or encumbrances evidenced in any supplemental title report or additional Preliminary Title Report (and not reflected in the Preliminary Title Report) (items in (i) and (ii) collectively, the "Mandatory Removal Items"). SELLER shall cause Mandatory Removal Items to be removed as matters affecting title to the Property unless BUYER expressly assumes in writing the Mandatory Removal Items at the Close of Escrow. SELLER shall notify BUYER by the end of ten (10) business days after receipt of BUYER's notice which Unpermitted Exceptions (other than the Mandatory Removal Items) that SELLER will not cure. If SELLER notifies BUYER that SELLER will not cure certain Unpermitted Exceptions (other than the Mandatory Removal Items), BUYER may, at its sole option, either: (i) terminate this Agreement; or (ii) elect to approve those Unpermitted Exceptions as Permitted Exceptions (other than the Mandatory Removal Items, which will never be deemed Permitted Exceptions). If title to the Property is not insurable subject only to the then Permitted Exceptions and cannot be made so insurable by the date designated for the Close of Escrow, BUYER may, at its sole option, terminate this Agreement or BUYER may waive its prior disapproval and elect to approve those Unpermitted Exception(s) as a Permitted Exception(s), whereupon this Agreement shall remain in full force and effect. If BUYER elects to terminate this Agreement because of Unpermitted Exceptions that SELLER refuses to cure, then SELLER shall pay any cancellation fee charged by the Title Company for the Preliminary Title Report and any escrow cancellation charges.

Section 10. "As-Is" Sale; Covenants Regarding Condition.

(a) BUYER acknowledges and agrees that the Property is being conveyed in an "AS IS", "WHERE IS" condition and "WITH ALL FAULTS" as of the date of this Agreement and the date of Close of Escrow. Except as expressly set forth in this Agreement, no representations or warranties have been made or are made and no responsibility has been or is assumed by SELLER or by any officer, person, firm, agent, or representative acting or purporting to act on behalf of SELLER as to the condition or repair of the Property or the value, expense of operation, or income potential thereof, or as to any other fact or condition which has or might affect the Property or the condition, repair, value, expense of operation, or income potential of the Property or any portion thereof. BUYER further acknowledges and agrees that it has relied solely upon its own investigations of the Property and its own review of such information and documentation as it has deemed appropriate and is satisfied with the opportunity afforded for investigation. BUYER is not relying upon any statement or representation by SELLER or by any officer, person, firm, agent or representative acting or purporting to act on behalf of SELLER unless such statement or representation is specifically embodied in this Agreement, or the Exhibits attached hereto. Except as expressly set forth herein, SELLER makes no representations or warranties (1) as to whether the Property contains any Hazardous Substances, or (2) pertaining to the extent, location, or nature of any Hazardous Substances. Further, to the extent that SELLER has provided to BUYER

information from any inspection, engineering, or environmental reports concerning any Hazardous Substances, SELLER makes no representations or warranties with respect to any aspect of those reports, such as their contents, accuracy, completeness, or methodology of preparation.

(b) Beginning at the Opening of Escrow and during the term of this Agreement, SELLER shall: (1) 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, leases, tenancies, or other possessory interests; (2) not authorize anyone other than BUYER to take an action that materially and adversely affects the physical condition of the Property or its soils; and (3) continue to manage, operate, and maintain the Property in substantially the same manner as SELLER performed those duties prior to the execution of this Agreement.

Section 11. Closing Costs, Possession.

(a) SELLER shall pay: (i) the cost of recording any releases of mortgages, liens, or encumbrances as required hereunder; (ii) the cost of an ALTA Standard Owner's Policy in the amount of the Purchase Price; (iii) SELLER's share of prorations, and (v) SELLER's attorneys' fees. BUYER shall pay: (i) the premium for any requested ALTA extended coverage title policy (to the extent the cost of such extended policy exceeds the cost of an ALTA Standard Owner's Policy); (ii) the costs of the Survey and all requested title policy endorsements; (iii) the cost of any documentary or other transfer taxes payable on account of the conveyance of the Property to BUYER; (iv) the Escrow Agent's fees and costs for the Escrow; (v) BUYER's share of prorations, and (vi) BUYER's attorneys' fees. Any other costs shall be divided among the parties in accordance with practices as are customary for similar transactions in the region where the Property is located.

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

Section 12. Representations and Warranties.

(a) SELLER hereby makes the following representations and warranties as of the date of this Agreement:

(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 transactions 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 on behalf of SELLER have been duly authorized to act on behalf of SELLER. This Agreement and any instrument or document delivered by SELLER under this Agreement is valid and legally binding on SELLER and enforceable against SELLER in accordance with its terms.

(4) 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 will result in a breach or constitute a default (1) under any agreement, document, instrument, or other obligation to which SELLER is a party or by which SELLER may be bound or (2) 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.

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

(6) Contracts. There are no contracts or agreements to which SELLER is a party relating to the operation, maintenance, development, improvement, or ownership of the Property that will survive the Close of Escrow.

(7) Hazardous Substances. To SELLER's knowledge, except as disclosed in any Phase I Environmental Inspection Report delivered by SELLER to BUYER, the Property has not been used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce, or process Hazardous Substances (defined below) or solid waste, except in compliance with all applicable federal, state, and local laws, rules, and regulations. SELLER has no knowledge of the presence, or of any Release (defined below), of any Hazardous Substances on the Property. For the purposes of this Agreement, "Hazardous Substances" includes, without limitation, asbestos, polychlorinated biphenyls, and petroleum (including crude oil or any fraction thereof), and materials or substances defined as "hazardous waste," "hazardous substances," "hazardous materials," "pollutants," or "toxic substances" in the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986 (PL 99-499); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, *et. seq.*; the Toxic Substance Control Act, 15 U.S.C. Section 2601, *et. seq.*; the Resource Conservation and Recovery Act, as amended, 42 U.S.C. Section 6901, *et. seq.*; the Federal Water Pollution Control Act, as amended, 33 U.S.C. Section 1251, *et. seq.*; any environmental law promulgated by the State of California; and in the rules or regulations adopted and guidelines promulgated pursuant to said laws. "Release" means releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing, or dumping.

All representations and warranties contained in this Section 12(a) are true and correct on the date hereof and will be true and correct in all material respects at the Close of Escrow. The representations and warranties in this Section 12(a) will survive as follows: (A) subsections (1) through and (4) shall survive indefinitely; (B) subsections (5) and (6) will survive for one year after the Close of Escrow; and (C) subsection (7) will survive for three years after the Close of Escrow.

(b) Warranties and Representations by BUYER. BUYER hereby makes the following representations and warranties as of the date of this Agreement:

(1) Power and Authority. BUYER 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. 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 transactions 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 on behalf of BUYER have been duly authorized to act on behalf of BUYER. This Agreement and any instrument or document delivered by BUYER under this Agreement is valid and legally binding on BUYER and enforceable against BUYER in accordance with its terms.

(4) No Violation. Neither the execution of this Agreement or the other instruments and documents referenced herein nor the performance by BUYER of its obligations hereunder and thereunder will result in a breach or constitute a default (1) under any agreement, document, instrument, or other obligation to which BUYER is a party or by which BUYER may be bound or (2) under law, statute, ordinance, rule, governmental regulation, state constitution, or any writ, injunction, order, or decree of any court or governmental body applicable to BUYER.

All representations and warranties contained in this Section 12(b) are true and correct on the date hereof and will be true and correct in all material respects on the date of the Close of Escrow. All representations and warranties contained in this Section 12(b) and shall survive indefinitely.

Section 13. Nonliability of Officials and Employees.

No officer, official, employee or agent of either party shall be personally liable to the other party, or any successor in interest of such other party, for any obligation, or breach of any obligation, contained in this Agreement.

Section 14. Indemnification.

BUYER agrees to indemnify and hold SELLER and its owners, managers, 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 investigations of the Property, except to the extent caused by the negligence or willful misconduct of SELLER. SELLER shall give BUYER written notice of the occurrence of a claim, litigation, or other matters for which SELLER seeks indemnity under this Section 14 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 SELLER knows is likely to adversely affect BUYER'S defense of such matter.

Section 16. Default.

(a) Default by Buyer; Limitation on Liability; Liquidated Damages. **IF BUYER REFUSES OR FAILS TO CONSUMMATE THE CLOSE OF ESCROW UNDER THIS AGREEMENT FOR ANY REASON OTHER THAN: (I) THE FAILURE OF AN EXPRESS CONDITION PRECEDENT TO BUYER'S OBLIGATION TO CLOSE, OR (II) ANY OTHER EXPRESS RIGHT OF BUYER SET FORTH IN THIS AGREEMENT TO TERMINATE 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, SELLER SHALL RETAIN THE EARNEST MONEY 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 THE EARNEST MONEY 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: _____

(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 THE EARNEST MONEY DEPOSIT (INCLUDING THE INDEPENDENT CONSIDERATION) PLUS ANY INTEREST ACCRUED THEREON, AND RECEIVE FROM SELLER ALL OF BUYER'S OUT OF POCKET THIRD PARTY COSTS AND EXPENSES IN CONNECTION WITH THIS TRANSACTION (BUT NOT TO EXCEED \$7,500), 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; (II) BRING AN ACTION FOR SPECIFIC PERFORMANCE; OR (III) WAIVE SUCH DEFAULT AND PROCEED TO CONSUMMATE THE PURCHASE OF THE PROPERTY, WAIVING ANY CLAIM AGAINST SELLER AND RELEASING SELLER FROM ANY LIABILITY OR OBLIGATIONS IN CONNECTION WITH SUCH DEFAULT (PROVIDED THAT IN NO EVENT SHALL BUYER HAVE THE RIGHT TO WAIVE ANY OF SELLER'S CONDITIONS PRECEDENT HEREUNDER).

INITIALS: SELLER: _____ BUYER: _____

Section 17. Broker Commissions. SELLER has an agency relationship with Lee and Associates and is being represented by Maggie Montez (the "SELLER's Broker"). SELLER shall be solely responsible for any commissions due to SELLER's Broker. SELLER and BUYER each represent and warrant to the other that, other than Lee and Associates, no other real estate agent or broker was involved in negotiating the transaction contemplated in this Agreement. If any claims for real estate commissions, fees or compensation arise in connection with this transaction, the party so incurring or causing such claims agrees to indemnify, defend, and hold harmless the

other party from any loss or damage, including attorneys' fees, which the other party suffers because of those claims.

Section 18. Natural Hazard Disclosures. As used herein, the term "Natural Hazard Area" means an area identified as natural hazard areas or natural hazards in the Natural Hazard Disclosure Act, California Government Code Sections 8589.3, 8589.4 and 51183.5, and California Public Resources Code Sections 2621.9, 2694 and 4136, and any successor statutes or laws (collectively, the "Natural Hazards Laws"). SELLER shall provide BUYER with a Natural Hazard Disclosure Statement ("Disclosure Statement") in a form required by the Natural Hazards Laws by not less than twenty (20) days prior to the end of the Due Diligence Period. BUYER acknowledges that SELLER will retain the services of the Escrow Agent, or its agent, to examine the maps and other information made available to the public by government agencies for the purpose of enabling SELLER to fulfill its disclosure obligations with respect to the Natural Hazards Laws and to prepare the written report of the result of its examination ("Natural Hazards Report"). BUYER acknowledges that the Natural Hazards Report will fully and completely discharge SELLER from its disclosure obligations under the Natural Hazards Laws and under California Civil Code Sections 1102 through 1102.17. BUYER acknowledges and agrees that nothing contained in the Disclosure Statement releases BUYER from its obligation to fully investigate and satisfy itself with the condition of the Property, including, without limitation, whether the Property is located in any Natural Hazard Area. BUYER further acknowledges and agrees that the matters set forth in the Disclosure Statement or Natural Hazards Report may change on or prior to the Closing and that SELLER has no obligation to update, modify or supplement the Disclosure Statement or Natural Hazards Report.

Section 19. 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 20. 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 Friday, 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 Friday, 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) This Agreement shall bind and inure to the benefit of the parties, their respective heirs, successors and assigns.

(e) This Agreement shall be construed, interpreted and applied in accordance with the laws of the State of California. Any litigation or arbitration regarding the Property or this Agreement will be brought in Riverside County Superior Court or conducted in Riverside County.

(f) No waiver of any breach or default shall be construed as a continuing waiver of any provision or as a waiver of any other or subsequent breach of any provision contained in this Agreement.

(g) In the event of any action or proceeding to enforce or construe any of the provisions of this Agreement, the prevailing party in any such action or proceeding shall be entitled to reasonable attorneys' fees and costs.

(h) Time is of the essence of this Agreement.

(i) No change or modification of the terms or provisions of this Agreement shall be deemed valid unless in writing and signed by both parties.

Section 21 Notices.

Any and all notices required or permitted to be given hereunder shall be in writing and shall be (i) personally delivered, (ii) sent by recognized overnight delivery service, or (iii) mailed by certified or registered mail, return receipt requested, postage prepaid. Any such notice or communication shall be effective when received by the addressee or upon refusal of such delivery to the parties at the addresses indicated below:

To BUYER: City of Palm Desert
73-510 Fred Waring Drive
Palm Desert, CA 92260
Attn: City Manager

With copy to: Best Best & Krieger LLP
74-760 Highway 111, Suite 200
Indian Wells, CA 92210
Attn: Isra Shah

To SELLER: Palm Desert University Gateway, LLC
Yonatan Dotan
15 E Oak Street, Suite 330
Chicago IL 60611

Any party may change its address by a notice given to the other party in the manner set forth above.

Section 21. 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 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.

REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY

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

BUYER:

CITY OF PALM DESERT,
a California municipal corporation

By: _____
Chris Escobedo, City Manager

Date: _____

ATTEST:

APPROVED AS TO LEGAL FORM:

By: _____
Anthony Mejia, MMC, City Clerk

By: _____
City Attorney, Best Best & Krieger LLP

Date: _____

Date: _____

SELLER:

PALM DESERT UNIVERSITY GATEWAY, LLC
By: 8405 Management, Inc., its manager

By: _____
Yonatan Dotan, President

Date: _____

CONSENT OF ESCROW AGENT

The undersigned Escrow Agent hereby agrees to: (i) accept the foregoing Agreement; (ii) be Escrow Agent under said Agreement; (iii) to make all filings required under Section 6045 of the Internal Revenue Code of 1986, as amended; and (iv) be bound by said Agreement in the performance of its duties as Escrow Agent; provided, however, the undersigned shall have no obligations, liability or responsibility under (a) this Consent or otherwise, unless and until said Agreement, fully signed by the parties, has been delivered to the undersigned, or (b) any amendment to said Agreement unless and until the same is accepted by the undersigned in writing.

Dated: _____, 2026

_____ TITLE COMPANY

By _____
Title _____

EXHIBIT "A"

Legal Description of Real Property

EXHIBIT "B"

Depiction of Real Property

EXHIBIT “C”

Form of Deed

[See attached]

**RECORDING REQUESTED BY AND
AFTER RECORDATION MAIL TO:**

City of Palm Desert
73510 Fred Waring Drive
Palm Desert, California 92260
Attention: Economic Development Director

*This document is exempt from the payment of
a recording fee pursuant to Government
Code §§ 6103, 27383*

EXEMPT FROM DOCUMENTARY
TRANSFER TAXES PURSUANT TO R & T
CODE SECTION 11922

(Space Above This Line for Recorder's Use Only)

GRANT DEED

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Palm Desert University Gateway, LLC, a Nebraska limited liability company, hereby grants to the City of Palm Desert, a California municipal corporation, the real property located in the City of Palm Desert, County of Riverside, California, and more particularly described in Attachment No. 1 attached hereto and incorporated herein by this reference, together with all interests, privileges and easements appurtenant thereto and any and all improvements located thereon.

PALM DESERT UNIVERSITY GATEWAY,
LLC

Date: _____, 20__

By: [form document – do not execute]

Name: _____
**[SIGNATURE MUST BE
NOTARIZED]**

Title: _____

ACKNOWLEDGMENTS

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of _____)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

ATTACHMENT NO. 1

LEGAL DESCRIPTION

**CERTIFICATE OF ACCEPTANCE
OF
GRANT DEED
(City of Palm Desert)**

This is to certify that the interest in real property conveyed by the foregoing Grant Deed from PALM DESERT UNIVERSITY GATEWAY, LLC, a Nebraska limited liability company, to the CITY OF PALM DESERT, a California municipal corporation ("City"), is hereby accepted by the undersigned authorized officer on behalf of City, pursuant to authority conferred on such authorized officer by City, and City consents to recordation of such Grant Deed in the Official Records of the Recorder of the County of Riverside, California.

CITY OF PALM DESERT, a California municipal corporation

By: _____
Name: _____
Title: _____

Dated: _____, 2026