

January 4, 2018

VIA EMAIL: nicoleb@ci.fullerton.ca.us

CITY OF FULLERTON  
303 W. COMMONWEALTH AVE.  
3RD FLOOR  
FULLERTON, CA 92832

**Re: APN Nos. 073-060-16 & 25**

City of Fullerton,

This letter will outline the basic terms and conditions by which PK 1 Fullerton Town Center, LP, ("Buyer"), shall purchase the property more fully described below (the "Property"). The general terms and conditions of this proposal are as follows:

1. Purchase Price: \$360,000 all cash.
2. Property: A fee simple interest in two contiguous parcels containing approximately 1.005 acres located within the Fullerton Town Center, as more particularly described as APN Nos. 073-060-16 & 25 and that area of the public street known as Pomona Avenue that runs north from Orangethorpe Blvd. to Costco as shown on the attached Exhibit A. Seller hereby agrees to vacate that portion of Pomona Avenue described above.
3. Purchase Agreement: The transaction is subject to the negotiation and execution of an agreement of purchase and sale (the "Purchase Agreement"), in form and substance satisfactory to both parties, setting forth all the obligations of the parties.
4. Earnest Money: Upon the execution of the Purchase Agreement, Buyer shall deposit, in escrow, the amount of \$2,100.00.
5. Conditions to Closing: The Purchase Agreement shall provide that Buyer's obligation to consummate the acquisition of the Property shall be subject to the satisfaction of the following conditions, as well as additional conditions to be negotiated in the Purchase Agreement. Buyer shall have thirty (30) days after Seller's execution of the Purchase Agreement and Buyer's receipt

of all requested information and documentation (the "Review Period") to determine in its sole discretion whether to pursue the transaction. If Buyer shall conclude that such is the case, Buyer shall so notify Seller prior to the expiration of the Review Period. Otherwise, the Purchase Agreement shall terminate without liability on the part of Buyer or Seller. Seller shall provide Buyer true and correct copies of all pertinent documents regarding the Property after signing this letter.

6. Closing: Thirty (30) days following the expiration of the Review Period. All closing costs shall be divided between Buyer and Seller according to local custom. Seller will be responsible for any transfer taxes.
7. Pro-rations: All income and expenses to be prorated as of the date of closing; provided that delinquent rents and other income items which are delinquent by more than thirty (30) days at the closing will not be prorated and shall be paid to Seller if and when received or, if not received within forty-five (45) days of the closing, at Seller's election, assigned to Seller. In addition, real property taxes payable directly by a tenant to the tax collector shall not be prorated, unless delinquent by more than thirty (30) days at the closing.
8. Brokerage Fees: Each party represents that it has not dealt with any broker or finder in connection with the transaction contemplated in this letter. In the Purchase Agreement, Buyer shall agree to pay a commission owed to any party which claim is based on the actions of Buyer. In the Purchase Agreement, Seller shall agree to pay a commission owed to any party which claim is based on the actions of Seller.
9. City Approval: It is agreed that this letter of interest and the Purchase Agreement will be subject to the City obtaining all necessary City Council or other approvals required by applicable law on or before a mutually agreed upon date.

This letter is not intended as, and does not constitute, a binding agreement by any party, nor an agreement by any party to enter into a binding agreement or to negotiate or to continue to negotiate exclusively, or otherwise, with the other, but is merely intended to specify some of the proposed terms and conditions of the transaction contemplated herein. Neither party may claim any legal rights against the other by reason of the signing of this letter of intent or by taking any action in reliance thereon. Each party hereto fully understands that no party shall have any legal obligations to the other, or with respect to the proposed transaction, unless and until all of the terms and conditions of the proposed transaction have been negotiated and agreed to by all parties and set forth in a definitive agreement which has been signed and delivered by all parties. The only legal obligations which any party shall have shall be those contained in such signed and delivered definitive agreement referred to above. Neither the expenditure of funds by either party in reliance on this letter nor part performance of any provision of this letter by either party shall alter the foregoing provisions of this paragraph. This offer is subject to RED Development's Investment Committee approval.

We look forward to working together towards a closing of this transaction. If the foregoing is acceptable to you, please indicate acceptance by signing the enclosed copy of this letter in the space provided and returning it to the undersigned.

If a signed copy of this letter is not returned by 5:00 PM PST on February 16, 2018, it shall expire and become void.

Sincerely yours,



RED Development, LLC  
Melissa Moseley, Vice President of Leasing, Peripheral Land


**City of Fullerton**

Agreed to and accepted this 6

day of February, 2018.

By:

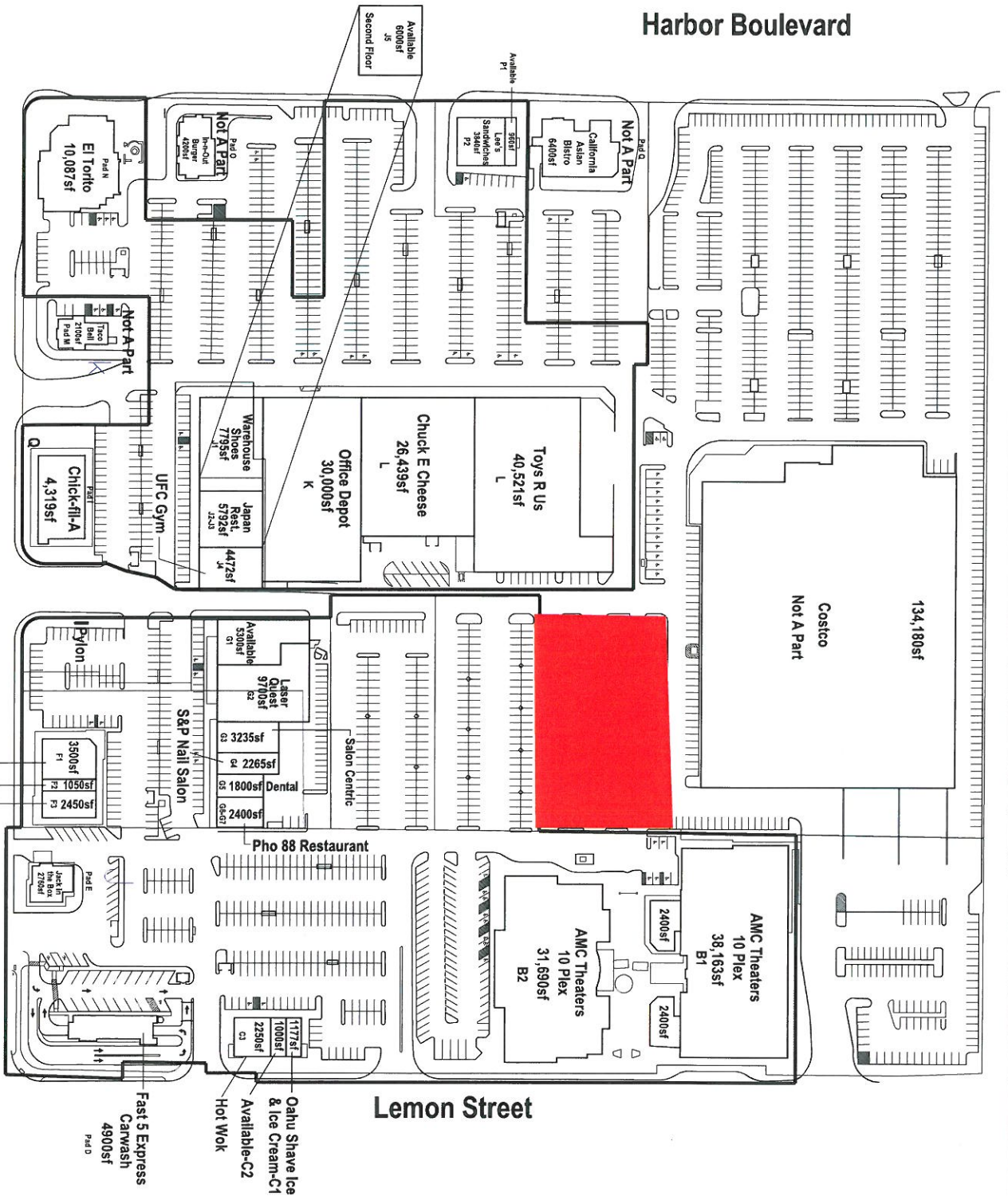
Its:

  
City Manager

## EXHIBIT A

Harbor Boulevard

Orangethorpe Boulevard



FULLERTON TOWN CENTER  
FULLERTON, CA  
SITE PLAN

PROJECT  
DESIGNER:  
**RED**  
Services

**RED**

RED DEVELOPMENT, LLC  
7700 COLLEGE BLVD., STE. 750  
OVERLAND PARK, KS 66210  
(913) 214-6099 FAX (913) 214-6099  
WWW.REDDEVTECHNOLOGY.COM

NOTE:  
THIS DOCUMENT IS FOR GENERAL INFORMATION ONLY.  
IT IS NOT TO BE USED FOR ANY OTHER PURPOSE.  
THE DESIGNER ASSUMES NO LIABILITY FOR ANY  
CONSTRUCTION OR FINANCIAL DECISIONS.

PROJECT OPENED	1991
UPDATED	27 JAN 15
SCALE	NOT TO SCALE

