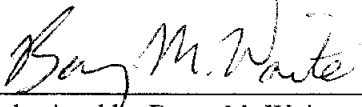


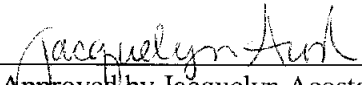


City of Carson Report to Successor Agency

May 6, 2014
New Business Consent

**SUBJECT: CONSIDER APPROVING AGENCY CONSENT AGREEMENT FOR THE SALE OF
501 E. ALBERTONI STREET BY 501 ALBERTONI, LLC.**


Submitted by Barry M. Waite
Acting Director of Community Development


Approved by Jacquelyn Acosta
Acting Executive Director

I. SUMMARY

The developer, 501 Albertoni, LLC, a Delaware limited liability company, desires to sell the University Square shopping center located at 501 E. Albertoni Street (Exhibit No. 1) to Pelican Investment Number 3, LLC. Because the developer received financial assistance from the former Redvelopment Agency, which was succeeded by the Carson Successor Agency, to develop the site and the site is still subject to the Agency promissory note, the sale of the site requires Agency approval. Upon approval of the transaction, the Agency will receive a \$350,000.00 payoff that will then be paid to the County Auditor-Controller for distribution to the affected taxing entities as determined by the state Department of Finance.

II. RECOMMENDATION

TAKE the following actions:

1. APPROVE the Agency Consent Agreement authorizing the sale of the property located at 501 E. Albertoni Street.
2. AUTHORIZE the Agency Chairman to execute the Agency Consent Agreement following approval as to form by Agency Counsel.

III. ALTERNATIVES

TAKE another action the Agency Board deems appropriate.

IV. BACKGROUND

On March 28, 2014, the developer submitted to the Agency a request for authorization to sell the site to the buyer. Staff, together with legal counsel and financial consultants, reviewed the deal points of the transaction and requested documentation to qualify the buyer as an eligible buyer. The documents needed to qualify the buyer were received and a review by staff and its consultants was conducted. The review determined that the buyer has the capability to acquire and manage the site. Staff therefore recommends approval of the transaction via the Agency Consent Agreement (Exhibit No. 2).

The sale of the site will be contingent upon evidence that the first lender has approved and agreed to buyer's assumption of the first loan and receipt of an estoppel certificate from the Agency.

Upon transfer of the site to the buyer, the Agency will receive the balance due on a settlement agreement that granted the Agency additional funds for the original purchase price paid by the developer. The balance of that settlement is \$350,000.00 and will be paid to the Agency, along with any accrued interest, at the time of closing. These funds will then be paid to the County Auditor-Controller for distribution to the affected taxing entities as determined by the state Department of Finance.

V. FISCAL IMPACT

The Successor Agency will receive \$350,000.00, plus any accrued interest at time of closing. The total due will then be paid to the Los Angeles County Auditor Controller for distribution to the affected taxing entities.

VI. EXHIBITS

1. Vicinity Map. (pg. 3)
2. Agency Consent Agreement. (pgs. 4-31)

Prepared by: Amelia Soto, Acting Redevelopment Project Manager

TO: Rev02-24-2014

Reviewed by:

City Clerk	City Treasurer
Administrative Services	Public Works
Community Development	Community Services

Action taken by Successor Agency

Date _____ Action _____

VICINITY MAP

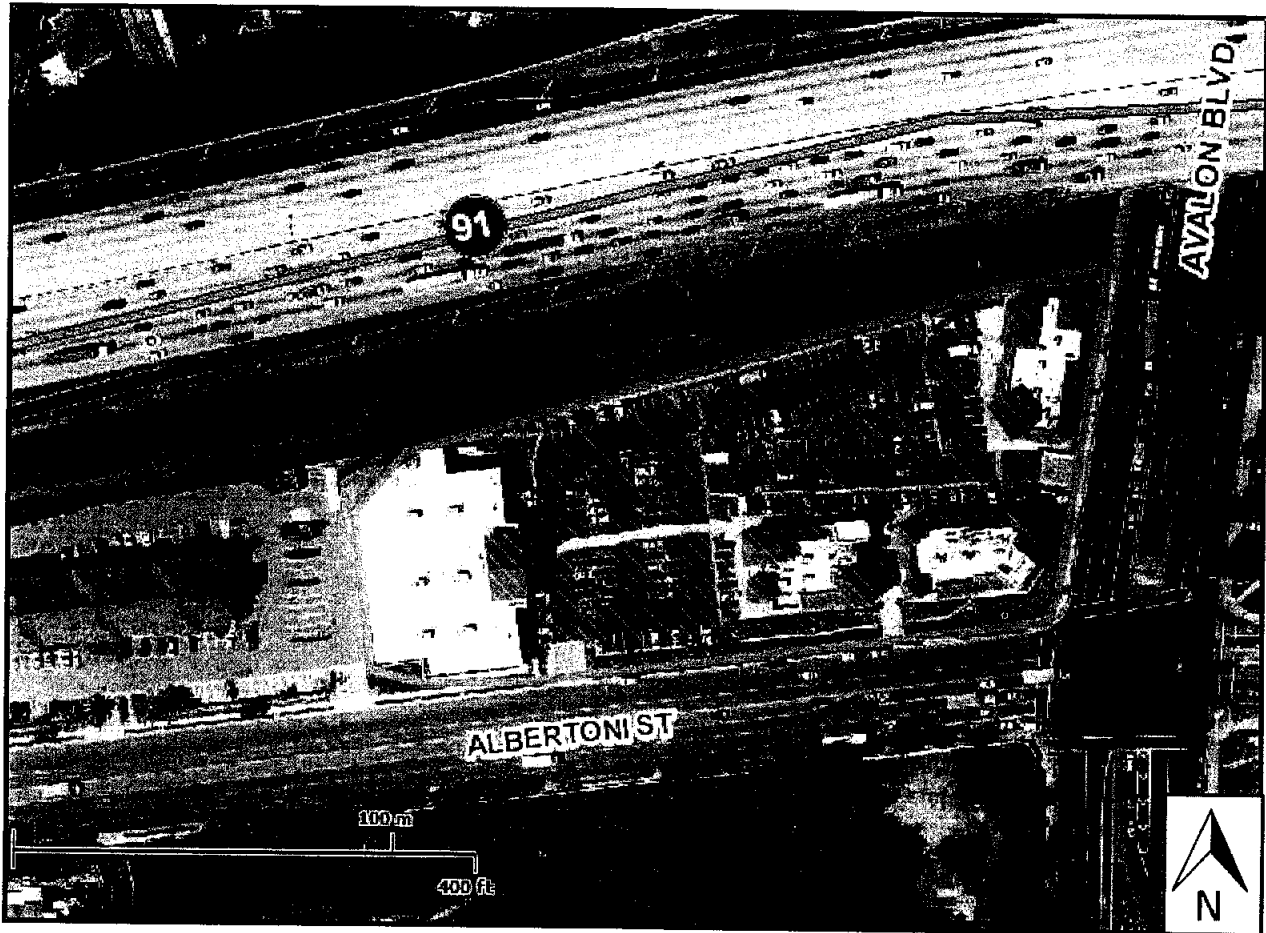


EXHIBIT NO. 1
501 E. Albertoni St.

EXHIBIT NO. 1



AGENCY CONSENT

This Agency Consent ("Consent") is entered into by the Carson Successor Agency to the dissolved Carson Redevelopment Agency, a public body (the "Agency") in reference to the following:

RECITALS

WHEREAS, the Agency and 501 Albertoni, LLC, a Delaware limited liability company ("Developer") entered into a Disposition and Development Agreement dated May 18, 2006 (the "DDA") relating to the acquisition and development of certain land located at 481 East Albertoni Avenue, Carson, California 90748 (the "Property");

WHEREAS, in connection with the DDA, Developer executed that certain Performance Promissory Note dated January 24, 2008 (the "Note") in the face amount of \$2,323,660 in favor of the Agency, which Note's principal balance has been reduced to \$600,000, and is secured by a subordinate Deed of Trust dated January 24, 2008 recorded in the Official Records of Los Angeles County on January 31, 2008 as Instrument No. 20080185776 ("Deed of Trust") encumbering the Property. The obligations under the Note are guaranteed by Arturo Sneider, Leandro Tyberg and Vicente Ortiz pursuant to a Guarantee dated January 24, 2008 (the "Guarantee");

WHEREAS, a dispute between the Agency and the Developer arose over the meaning of Attachment No. 9 to the DDA entitled "Purchase Price Adjustment" regarding the definition of "Development Cost" and whether Developer was required to pay the Agency an "additional purchase price" of \$586,654.00, and Developer and Agency entered into a Settlement Agreement and Release of All Claims on April 6, 2010 ("Settlement Agreement") whereby Developer would pay to Agency a total sum of \$400,000.00, of which \$350,000.00 remains outstanding;

WHEREAS, pursuant to Section 3.D of the Settlement Agreement, upon sale of the Property, Developer must pay the entire remaining balance owed under the Settlement as a condition to Agency's approval of a transfer of the Property pursuant to Paragraph 2.3 of the DDA;

WHEREAS, Developer has completed development of the Property pursuant to the DDA and desires to sell the Property to Pelican Investments #2 LLC, a California Limited Liability Company ("PI2"), and Pelican Investments #3 LLC, a California Limited Liability Company ("PI3" and, together with PI2, the "Buyer"), as co-owners and tenants-in-common, and in connection with such sale, Buyer shall assume the obligations of Developer under the Note;

WHEREAS, the Deed of Trust is subordinate to a senior mortgage recorded upon the Property in the amount of \$8,500,000.00 ("First Loan"), which is held by the Guggenheim Life and Annuity Company, a Delaware corporation ("First Lender"). As of the date Agency approves

this Consent, Developer has provided Agency with evidence that the First Lender has approved and agreed to Buyer's assumption of the First Loan;

WHEREAS, Developer has requested, as required under Paragraph 2.3 of the DDA, that the Agency consent to the sale of the Property to Buyer and the assumption of the Note and the DDA by Buyer, and the Agency, based on its review of the Buyer's financial statements and demonstrated capability to operate the Property in full conformance with the DDA, desires to grant such consent, subject to Section 4 herein;

NOW THEREFORE, in consideration of the above recitals, which are hereby incorporated into the terms hereof by this reference, and of the covenants contained in this Agreement, the parties hereto agree as follows:

1. The Agency does hereby consent to the sale and transfer of the Property by Developer to Buyer and to Buyer's assumption of Developer's obligations under the Note and the DDA, subject to Section 4 herein. It is understood that this consent is based upon Section 2.3 of the DDA, which Section provides that any interest in the Property and/or the DDA cannot be transferred from Developer to another entity without Agency's prior written consent. The identity of any proposed transferee/assignee to an interest in the DDA and/or Property is of particular concern to the Agency and the Agency will withhold written consent for such transfer or assignment, within reason, unless the proposed transferee/assignee demonstrates sufficient financial capacity and commercial experience to maintain and operate the Property in full conformance with the terms of the DDA. To this end, and prior to signing this Consent, the Agency has received sufficient evidence of Buyer's financial capacity and experience such that Agency is willing to authorize the proposed transfer/assignment of rights and obligations to Buyer as contemplated in this Consent and in the Assumption at Exhibit "A" hereto.

2. Subject to satisfaction of the conditions contained in Section 4 herein, the Agency (i) hereby releases Developer from any further obligations under the Note and the Deed of Trust, and (ii) hereby releases Developer from any obligations or liabilities under the DDA and all documents and instruments contemplated thereby or executed in connection therewith or otherwise with respect to the development of the Property.

3. Subject to satisfaction of the conditions contained in Section 4 herein, the Developer for itself (i) hereby releases Agency from any further rights and obligations under the Note and the Deed of Trust to Developer, (ii) hereby releases Agency from any obligations, rights or liabilities to Developer under the DDA and all documents and instruments contemplated thereby or executed in connection therewith or otherwise with respect to the development of the Property, and (iii) hereby releases Agency from any and all past, present and future obligations under the Guarantee (which Guarantee shall terminate as to them for all purposes except as otherwise set forth in Exhibit "B" hereto). Nothing in this Section or Section 2 is intended to extinguish or limit Agency's rights and obligations as to Buyer under the Note, Deed of Trust,

and/or DDA given that Buyer will be assuming all obligations of Developer under such instruments.

4. The provisions and authorization herein shall be effective upon satisfaction of the following conditions precedent:

(a) That, prior to satisfying any other condition precedent outlined in this Section, Developer and Buyer shall enter into a Real Property Purchase and Sale Agreement and Escrow Instructions (the "PSA"), and/or made an assignment through escrow such that the new Buyer is identified as Pelican Investments #2 LLC, a California Limited Liability Company, and Pelican Investments #3 LLC, a California Limited Liability Company, as co-owners and tenants-in-common, for all purposes of owning the Property.

(b) Delivery to the Agency and into escrow of a fully executed PSA and any amendments thereto, by which amendment the Buyer and Developer will agree to add the following condition to close of escrow (PSA Section 10): (i) the new Buyer's actual assumption of the Agency's Deed of Trust, Note and DDA, which assumption shall be made in the form attached hereto as Exhibit "A".

(c) Delivery to the Agency of a fully executed Assumption of Loan Agreement in the form of Exhibit "A" attached hereto.

(d) Delivery to the Agency of a fully executed Guaranty of the Note in the form of Exhibit "B" attached hereto.

(e) Delivery to the Agency of a fully executed Assumption of DDA Agreement in the form of Exhibit "C" attached hereto.

(f) Payment in full of all amounts owed, including any and all accrued interest owing, under that certain Settlement Agreement and Release of Claims and any and all accrued interest owing thereunder, dated as of April 6, 2010, by and between the Agency and Developer, pursuant to Section 3.D of the Settlement Agreement. Such amounts shall be paid as a first distribution from escrow from the proceeds of the sale of the Property, prior to any distribution being made to Developer or any other party, and such requirement shall be set forth and approved by Agency in instructions to the escrow agent.

(g) Delivery to the Agency of a Property Management Agreement executed by Buyer and Milan Capital Management, Inc. ("Milan") in the form attached hereto as Exhibit "D" and pursuant to which Milan shall manage the Property for a term of five (5) years commencing upon the transfer of the Property to Buyer.

(h) Closing of the transfer of the Property to Buyer.



5. This Consent is executed in favor of Developer and Buyer, each of whom shall have the right to rely on the provisions hereof and enforce its terms.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered as of the date first above written.

Date: _____, 2014

<p><u>“AGENCY”:</u></p> <p>Carson Successor Agency, successor agency to the dissolved Carson Redevelopment Agency, a public body</p> <p>_____</p> <p>Chairman James L. Dear</p> <p>ATTEST:</p> <p>_____</p> <p>Agency Secretary Donesia L. Gause, CMC</p> <p>APPROVE AS TO FORM:</p> <p>_____</p> <p>Agency Counsel</p>	<p><u>“DEVELOPER”:</u></p> <p>501 Albertoni LLC, a Delaware limited liability company</p> <p>By: _____</p> <p>Arturo Sneider, Manager</p> <p>By: _____</p> <p>Leandro Tyberg</p>
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Exhibit "A"

ASSUMPTION OF LOAN AGREEMENT

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

CARSON SUCCESSOR AGENCY
701 E. Carson Street
Carson, California 90745
Attention: Jeff F. Westbrook

This Assumption of Loan Agreement ("Agreement") is entered into by and between 501 Albertoni, LLC, a Delaware limited liability company ("Assignor"), Pelican Investments LLC #2, a California limited liability company, and Pelican Investments LLC #3, a California limited Liability Company, as co-owners and tenants-in-common (collectively, "Assignee"), and the Carson Successor Agency ("Agency" or "Lender"), with respect to the following recitals:

R E C I T A L S:

WHEREAS, Lender and Assignor entered into a Disposition and Development Agreement dated May 18, 2006 (the "DDA") relating to the acquisition and development of certain land located at 481 East Albertoni Avenue, Carson, California 90748 (the "Property");

WHEREAS, in connection with the DDA, Assignor executed that certain Performance Promissory Note dated January 24, 2008 (the "Note") in the face amount of \$2,323,660 in favor of the Lender, which Note's principal balance has been reduced to \$600,000, and is secured by a subordinate Deed of Trust dated January 24, 2008 recorded in the Official Records of Los Angeles County on January 31, 2008 as Instrument No. 20080185776 ("Deed of Trust") encumbering the Property. The obligations under the Note are guaranteed by Arturo Sneider, Leandro Tyberg and Vicente Ortiz pursuant to a Guarantee dated January 24, 2008 (the "Guarantee");

WHEREAS, Assignor has completed development of the Property pursuant to the DDA and desires to sell the Property to Assignee, and in connection with such sale, Assignee shall assume the obligations of Assignor under the Note;

WHEREAS, Assignor has requested that the Lender consent to the sale of the Property to Assignee;

WHEREAS, Assignor has agreed to pay all amounts owed under that certain Settlement Agreement and Release of All Claims, dated as of April 6, 2010, as is required under Section 3.D

of said agreement, as a first distribution from the proceeds of the sale of the Property prior to any distribution being made to any other party, and such agreement is embodied in escrow instructions to the escrow agent;

WHEREAS, as a condition to Agency's grant of consent to such sale of the Property, in addition to all condition set forth under Section 4 of the Agency Consent, dated as of _____, 2014, Assignor is required to assign all rights and obligations under the DDA and the Note to the buyer, and Assignor desires to assign such rights and obligations to Assignee.

NOW THEREFORE, in consideration of the foregoing Recitals, the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Assumption

As of the date hereof, the undersigned Assignee hereby assumes and agrees, for the benefit of the Lender, to be bound by, observe and perform all past (to the extent unsatisfied), present and future obligations, liabilities, terms, provisions, covenants and agreements of Assignor under the Note in the face amount of \$2,323,660 (which has been reduced to \$600,000.00) executed by Assignor in favor of Lender and that certain subordinate Deed of Trust encumbering the Property as identified therein in accordance with their respective terms and conditions, including without limitation, the obligation to pay all sums due under the Note and Deed of Trust. Assignee agrees that it will be bound by all of such obligations, liabilities, terms, provisions, covenants and agreements of Assignor under the Note and Deed of Trust all in the same manner, to the same extent and with the same force and effect as if Assignee had originally executed and delivered the Note and Deed of Trust instead of Assignor. Assignee shall pay all sums to be paid, and shall perform each and every obligation to be performed, by Assignor under and in accordance with the terms and conditions of the Note and Deed of Trust.

2. Assignment

As of the date hereof, Assignor grants, conveys, transfers and assigns unto Assignee, subject to the provisions of this Agreement, all of its right, title, interest, benefits, burdens and obligations in, to and under the Note and the Deed of Trust.

3. Effect of Documents

The terms and conditions of the Note and Deed of Trust shall remain unmodified and in full force and effect; provided, however, that such Note and Deed of Trust shall now apply to Assignee as if Assignee was one of the original parties thereto.

4. Financial Covenants

In addition to the provisions set forth in Section 3 above, Assignee shall be obligated to adhere to Section 4.1.3 of the DDA. Failure to do so shall constitute an Event of Default as defined under the DDA.

5. Restriction on Transferability.

Neither Assignee nor its successors or assigns shall transfer any right or obligation existing under the DDA without express written consent of the Lender.

6. Governing Law

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

7. Counterparts

This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. Signature and acknowledgment pages may be detached from the counterparts and attached to a single copy of this Agreement to physically form one document, which may be recorded.

8. Time of Essence

Time is of the essence with respect to each provision of this Agreement.

[SIGNATURES BEGIN ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered as of the date first above written.

LENDER/AGENCY:

Carson Successor Agency, successor agency
to the dissolved Carson Redevelopment
Agency, a public body

Chairman James L. Dear

ATTEST:

Agency Secretary Donesia L. Gause, CMC

APPROVE AS TO FORM:

Agency Counsel

ASSIGNOR:

501 Albertoni, LLC,
a Delaware limited liability company

By: _____
Arturo Sneider, Manager

By: _____
Leandro Tyberg

ASSIGNEE:

Pelican Investments #2 LLC,
a California limited liability company

By: _____
Huong Thien Le, Managing Member

Pelican Investments #3 LLC,
a California limited liability company

By: _____
Truc Trong Le, Manager



Exhibit "B"

GUARANTY

THIS GUARANTY (the "Guaranty") is executed as of _____, 2014, by ARTURO SNEIDER, an individual, LEANDRO TYBERG, an individual, and HUONG THIEN LE, an individual, TRUC TRONG LE, an individual, BACH LE, an individual, and ANTHONY HUYNH, an individual (each a "Guarantor"), as owners of the New Borrower, as that term is defined below, for the benefit of the CARSON SUCCESSOR AGENCY to the dissolved CARSON REDEVELOPMENT AGENCY, a public body (the "Agency") (collectively, the "Parties") with reference to the following facts:

RECITALS

A. The Agency and 501 Albertoni, LLC, a Delaware limited liability company ("Developer") entered into a Disposition and Development Agreement dated May 18, 2006, ("DDA") whereby the Agency sold to Developer in connection with the acquisition and development of the property located at 501 East Albertoni Street, in Carson, California ("Property"); and

B. In connection with the DDA, Developer executed that certain Performance Promissory Note dated January 24, 2008 (the "Note") in the face amount of \$2,323,660 in favor of the Agency, which Note was reduced to \$600,000, and is secured by a subordinate Deed of Trust (the "Deed of Trust") encumbering the Property;

C. Developer has completed development of the Property pursuant to the DDA and desires to sell the Property to Pelican Investments #2 LLC, a California Limited Liability Company ("PI2"), and Pelican Investments #3 LLC, a California Limited Liability Company ("PI3" and, together with PI2, the "New Borrower"), who shall own the Property as tenants-in-common, and in connection with such sale, Developer shall pay all amounts owed under that certain Settlement Agreement and Release of All Claims, dated as of April 6, 2010, New Borrower shall assume obligations under the DDA, and New Borrower shall assume the obligations under the Note;

D. Developer has requested that the Agency consent to the sale of the Property to New Borrower and the assumption of the Note by New Borrower, and as a condition to such consent, the Agency requires that Guarantor execute this Guaranty;

AGREEMENT

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and for other valuable consideration, the receipt and sufficiency of which are acknowledged, Guarantor hereby certifies, represents and warrants to the Agency, and agrees as follows:

ARTICLE I

REPRESENTATIONS AND WARRANTIES

Each Guarantor makes the following representations and warranties, which shall be continuing representations, and warranties until this Guaranty expires in accordance with the provisions contained herein:

1.1 No Conflict. The execution and delivery of this Guaranty are not, and the performance of this Guaranty will not be, in contravention of, or in conflict with, any agreement, indenture or undertaking to which such Guarantor is a party or by which it or any of its property is or may be bound or affected and do not, and will not cause any security interest, lien or other encumbrance to be created or imposed upon any such property.

1.2 Financial Condition. Such Guarantor's financial statements, which have heretofore been submitted in writing by Guarantor to the Agency in connection herewith, are true and correct and fairly present the financial condition of such Guarantor for the period covered thereby. Since the date of said financial statements, there has been no materially adverse change in such Guarantor's financial condition. Such Guarantor has no knowledge of any liabilities, contingent or otherwise, as of the date of said financial statements which are not reflected in said financial statements; and, other than in the ordinary course of its business, such Guarantor has not entered into any commitments or contracts which are not reflected in said financial statements or which may have a materially adverse effect upon its financial condition, operations or business as now conducted.

1.3 Solvency. The execution and delivery of this Guaranty will not (i) render such Guarantor insolvent under generally accepted accounting principles nor render such Guarantor Insolvent (as defined below), (ii) leave such Guarantor with remaining assets which constitute unreasonably small capital given the nature of such Guarantor's business, or (iii) result in the incurrence of Debts (as defined below) beyond such Guarantor's ability to pay them when and as they mature. For the purposes of this Section 1.4, "Insolvent" means that the present fair salable value of assets is less than the amount that will be required to pay the probable liability on existing Debts as they become absolute and matured. For the purposes of this Section 1.4, "Debts" includes any legal liability for indebtedness, whether matured or unmatured, liquidated or unliquidated, absolute, fixed or contingent.

1.4 Financial or other Benefit or Advantage. Each Guarantor hereby acknowledges and warrants that such Guarantor has derived or expects to derive a financial or other benefit or advantage from the consummation of the sale of the Property to New Borrower.

ARTICLE II

GUARANTEED OBLIGATIONS

2.1 Guaranty. Each Guarantor hereby unconditionally and irrevocably guarantees the full and faithful performance of all of the terms, covenants, conditions and agreements (and all renewals, extensions, modifications and assignments thereof) on the part of New Borrower to be performed and observed under the Note and Deed of Trust and the due and punctual payment of all amounts due under or required to be made by the New Borrower under or in connection therewith (collectively, the "Guaranteed Obligations"). This is a guaranty of payment and performance and not of collection only. Each one of the individuals named as "Guarantor" herein (i.e., ARTURO SNEIDER, LEANDRO TYBERG, HUONG THIEN LE, TRUC TRONG LE, BACH LE, ANTHONY HUYNH) shall be jointly and severally liable for the full amount under the under the Note and Deed of Trust should such amounts come due and the Agency may look to any one individual comprising "Guarantor" for such full amount.

2.2 Obligations Absolute. The obligations of Guarantor hereunder shall remain in full force and effect without regard to, and shall not be affected or impaired by the following, any of which may be taken without the consent of, or notice to, Guarantor, nor shall any of the following give Guarantor any recourse or right of action against New Borrower:

2.2.1 Any express or implied amendment, modification, renewal, addition, supplement, extension, acceleration or assignment of or to any of the Guaranteed Obligations;

2.2.2 Any exercise or non-exercise by the Agency of any right or privilege under this Guaranty or the documents evidencing the Guaranteed Obligations;

2.2.3 Any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Guarantor, New Borrower, or any other guarantor (which term shall, for the purposes of this Guaranty, include any other party at any time directly or contingently liable for any of the Guaranteed Obligations) or any affiliate of New Borrower, or any action taken with respect to this Guaranty by any trustee or receiver, or by any court, in any such proceeding, whether or not Guarantor shall have had notice or knowledge of any of the foregoing;

2.2.4 Any release or discharge of New Borrower from its liability under the Guaranteed Obligations or any release or discharge of any guarantor or of any other party at any time directly or contingently liable for the Guaranteed Obligations;

2.2.5 Any assignment or other transfer of this Guaranty in whole or in part;
and/or

2.2.6 Any acceptance of partial performance of the Guaranteed Obligations.

2.3 Waivers. Guarantor unconditionally waives any defense to the enforcement of this Guaranty, including, without limitation:

2.3.1 All presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, and notices of acceptance of this Guaranty;

2.3.2 Any right to require the Agency to proceed against New Borrower or any other guarantor at any time or to proceed against or exhaust any security held by the Agency at any time or to pursue any other remedy whatsoever at any time;

2.3.3 The defense of any statute of limitations affecting the liability of Guarantor hereunder, the liability of New Borrower or any guarantor in respect of the Guaranteed Obligations, or the enforcement hereof, to the extent permitted by law;

2.3.4 Any defense arising by reason of any invalidity or unenforceability of all or any portion of the Guaranteed Obligations, or any disability of New Borrower or any guarantor, or of any manner in which the Agency has exercised its rights and remedies in respect of the Guaranteed Obligations, or by any cessation from any cause whatsoever of the liability of New Borrower or any guarantor;

2.3.5 Any defense based upon an election of remedies by the Agency;

2.3.6 Any duty of the Agency to advise Guarantor of any information known to the Agency regarding the financial condition of New Borrower and all other circumstances affecting New Borrower's ability to perform its obligations to the Agency, it being agreed that Guarantor assumes the responsibility for being and keeping informed regarding such condition or any such circumstances;

2.3.7 Any rights of subrogation, reimbursement, exoneration, contribution and indemnity, and any rights or claims of any kind or nature against the New Borrower which arise out of or are caused by this Guaranty, and any rights to enforce any remedy which the Agency now has or may hereafter have against New Borrower and any benefit of, and any right to participate in, any security now or hereafter held by the Agency, until all of the Guaranteed Obligations have been fully paid and performed; and

2.3.8 Without limiting the generality of the foregoing or any other provision hereof, any rights and benefits which might otherwise be available to Guarantor under California Civil Code Sections 2809, 2810, 2819, 2839, 2845, 2848, 2849, 2850, 2899 and 3433, or any successor sections.

2.4 Subrogation. Guarantor understands that the exercise by the Agency of certain rights and remedies may affect or eliminate Guarantor's right of subrogation against New Borrower or any other guarantor and that Guarantor may therefore incur partially or totally nonreimbursable liability hereunder. Nevertheless, Guarantor hereby authorizes and empowers the Agency, its successors, endorsees and/or assigns, to exercise in its or their sole discretion, any rights and remedies, or any combination thereof, which may then be available, it being the purpose and intent of Guarantor that the obligations hereunder shall be absolute, continuing, independent and unconditional under any and all circumstances.

2.5 Independent and Separate Obligations. The obligations of Guarantor hereunder are independent of the obligations of New Borrower in respect of the Guaranteed Obligations and, in the event of any default hereunder, a separate action or actions may be brought and prosecuted against Guarantor whether or not Guarantor is the alter ego of New Borrower and whether or not New Borrower is joined therein or a separate action or actions are brought against New Borrower. Agency's rights hereunder shall not be exhausted until all of the Guaranteed Obligations have been fully paid and performed.

2.6 Bankruptcy No Discharge: Repayments. So long as any of the Guaranteed Obligations hereunder shall be owing to the Agency, Guarantor shall not, without the prior written consent of the Agency, commence or join with any other party in commencing any bankruptcy, reorganization or insolvency proceedings of or against New Borrower. Guarantor understands and acknowledges that by virtue of this Guaranty, it has specifically assumed any and all risks of a bankruptcy or reorganization case or proceeding with respect to New Borrower.

As an example and not in any way of limitation, a subsequent modification or assignment of the Guaranteed Obligations in any reorganization case concerning New Borrower shall not affect the obligation of Guarantor to pay and perform the Guaranteed Obligations in accordance with their respective original terms. If claim is ever made upon the Agency for repayment of any amount or amounts received by the Agency in payment of the obligations in respect of the Guaranteed Obligations and the Agency repays all or any part of said amount, then, notwithstanding any revocation or termination of this Guaranty or the cancellation of the Guaranteed Obligations, Guarantor shall be and remain liable to the Agency for the amount so repaid to the same extent as if such amount had never originally been received by the Agency.

2.7 Payments and Performance. Guarantor agrees that whenever Guarantor shall make any payment to the Agency or otherwise perform any of the Guaranteed Obligations hereunder on account of the liability hereunder, Guarantor will deliver such payment or tender such performance to the Agency at the address provided in Section 3.6 below or at such other address as may be required by the Agency and notify the Agency in writing that such payment is made or performance tendered under this Guaranty for such purpose. It is understood that the Agency, without impairing this Guaranty, may apply payments from New Borrower to the Guaranteed Obligations or to such other obligations owed by New Borrower to the Agency in

such amounts and in such order as the Agency in its complete discretion determines. No payment made hereunder by Guarantor to the Agency shall constitute Guarantor as a creditor of the Agency.

2.8 Minimum Tangible Net Worth. At all times Guarantor shall maintain a Tangible Net Worth (defined below) of at least \$2,000,000. If at any time Guarantor's Tangible Net Worth is less than \$2,000,000, Guarantor shall (i) deposit with the Agency an irrevocable direct pay letter of credit (in form and substance and from a bank or other financial institution acceptable to the Agency) or other security acceptable to the Agency in the amount of the difference between the Tangible Net Worth of Guarantor and \$2,000,000 or (ii) make other arrangements, in form and substance acceptable to the Agency, to achieve that Guarantor shall have a Tangible Net Worth of at least \$2,000,000. Upon Guarantor's obtaining a Tangible Net Worth of at least \$2,000,000, the Agency shall release any such letter of credit or security to Guarantor. As used herein "Tangible Net Worth" shall mean, with respect to Guarantor, the sum of Guarantor's total assets, less (i) all of Guarantor's intangible assets (including costs in excess of book value for acquisitions) and (ii) all of Guarantor's total liabilities, in each case as determined in accordance with generally accepted accounting principles as in effect on the date of this Guaranty and consistently applied throughout the periods covered by the applicable financial statements.

2.9 Financial Statements. Each Guarantor shall deliver to Agency: (i) on an annual basis, but no later than 30 days after the last day of each annual period, a prepared consolidated balance sheet and income statement, in a form reasonably acceptable to the Agency and certified by Guarantor.

2.10 Indemnity Under Purchase and Sale Agreement (Second Amendment). In addition to the guaranties made herein, Guarantors Arturo Sneider, an individual, and Leandro Tyberg, an individual, shall personally and individually guaranty and warrant those duties of indemnity set forth in Section 2 of that certain "Indemnification Agreement," by and between Primestor Urban Investments, LLC, a California Limited Liability Company, Pelican Investment #2 LLC, a California Limited Liability Company, and Pelican Investment #3 LLC, a California Limited Liability Company. More specifically, when the term "Indemnitor" is used in Section 2 of the Indemnification Agreement, such term shall be construed as including Arturo Sneider and Leandro Tyberg as individuals.

ARTICLE III

MISCELLANEOUS

3.1 Exercise of Remedies: Successors: Etc. No delay or failure by the Agency to exercise any remedy against New Borrower or Guarantor will be construed as a waiver of that

right or remedy. All remedies of the Agency are cumulative. When the context in which the words are used in this Guaranty indicates that such is the intent, words in the singular number shall include the plural and vice-versa. If anyone or more of the provisions of this Guaranty should be determined to be illegal or unenforceable, all other provisions shall remain effective. The Guarantor shall not have the right to assign any of its rights or obligations under this Guaranty.

3.2 Governing Law. This Guaranty shall be governed by and construed in accordance with the laws of the State of California.

3.3 Assignability by the Agency. The Agency may, at any time and from time to time, assign, conditionally or otherwise, all of the rights of the Agency, in respect of the Guaranteed Obligations under this Guaranty, whereupon such assignee shall succeed to all rights of the Agency hereunder. The Agency may give written notice to Guarantor of any such assignment, but any failure to give, or delay in giving, such notice shall not affect the validity or enforceability of any such assignment.

3.4 Demands. Each demand by the Agency for performance or payment hereunder shall be in writing and shall be made in the manner set forth in Section 3.6 below. A dated statement signed by an authorized representative of the Agency setting forth the amount at the time owing to the Agency by New Borrower in respect of the Guaranteed Obligations shall be conclusive evidence thereof as between Guarantor and the Agency in any legal proceedings against Guarantor in connection with this Guaranty.

3.5 Term. The obligations of Guarantor under this Guaranty shall terminate upon the Agency's issuance of the Certificate of Completion, unless as of such date (i) an Event of Default shall have occurred and be continuing or (ii) a Guaranteed Obligation shall be then due or owing, then in either of such cases the obligations of the Guarantor hereunder shall continue in full force and effect so long as such Event of Default remains uncured or such Guaranteed Obligations remain outstanding. Upon termination of this Guaranty, the Agency, upon receipt of a written request therefor from Guarantor, shall provide the Guarantor with written confirmation of the termination of this Guaranty.

3.6 Notices. All notices and demands hereunder shall be deemed to have been duly given if personally delivered or mailed by United States registered or certified mail, with return receipt requested, postage prepaid to the parties at the following addresses (or at such other addresses as shall be given by written notice by any party to the others) or if deposited with a nationally recognized overnight courier, with all charges prepaid, and shall be deemed complete upon any such mailing or deposit:

To Guarantors:

To the Agency:

Carson Successor Agency
Attn: Executive Director
701 East Carson Street
Carson, California 90745

With a copy to:

Aleshire & Wynder, LLP
Attn: Bill Wynder, Agency Counsel
18881 Von Karman Ave., Suite 400
Irvine, CA 92612

3.7 Complete Agreement. This Guaranty supersedes any prior negotiations, discussions or communications among Guarantor and the Agency and constitutes the entire agreement among the Agency and Guarantor with respect to the Guaranteed Obligations.

3.8 Counterparts. This Guaranty may be executed in any number of counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned has executed this Guaranty as of the date first above written.

"AGENCY"

CARSON SUCCESSOR AGENCY
successor agency to the dissolved CARSON
REDEVELOPMENT AGENCY

Date: _____

By: _____
Chairman James L. Dear

ATTEST:

By: _____
Agency Secretary Donesia L. Gause, CMC

APPROVED AS TO FORM:
ALESHIRE & WYNDER, LLP

By: _____
Agency Counsel

"GUARANTORS"

Date: _____

Arturo Sneider, an individual

Leandro Tyberg, an individual

Huong Thien Le, an individual

Truc Trong Le, an individual

Bach Le, an individual

Anthony Huynh, an individual

STATE OF CALIFORNIA)

) SS.

COUNTY OF LOS ANGELES)

On _____, 2014, 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 _____

(Seal)

Exhibit "C"

ASSUMPTION OF DDA

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

CARSON SUCCESSOR AGENCY
701 East Carson Street
Carson, California 90745
Attention: Jeff F. Westbrook

This Assumption of DDA Agreement ("Agreement") is entered into by and between 501 Albertoni, LLC, a Delaware limited liability company ("Assignor"), Pelican Investments #2 LLC, a California Limited Liability Company, and Pelican Investments #3 LLC, a California Limited Liability Company (collectively, "Assignee"), and the Carson Successor Agency ("Agency" or "Lender"), with respect to the following recitals:

R E C I T A L S:

WHEREAS, Agency and Assignor entered into a Disposition and Development Agreement dated May 18, 2006 (the "DDA") relating to the acquisition and development of certain land located at 481 East Albertoni Avenue, Carson, California 90748 (the "Property");

WHEREAS, Assignor has completed development of the Property pursuant to the DDA and desires to sell the Property to Pelican Investments #2 LLC, a California Limited Liability Company ("PI2"), and Pelican Investments #3 LLC, a California Limited Liability Company ("PI3" and, together with PI2, the "Assignee"), and in connection with such sale, Assignee shall assume the obligations of Assignor under the Note;

WHEREAS, Assignor has requested that the Lender consent to the sale of the Property to Assignee;

WHEREAS, Assignor has agreed to pay all amounts owed under that certain Settlement Agreement and Release of All Claims, dated as of April 6, 2010, as is required under Section 3.D of said agreement, as a first distribution from the proceeds of the sale of the Property prior to any distribution being made to any other party, and such agreement is embodied in escrow instructions to the escrow agent;

WHEREAS, as a condition to Agency's grant of consent to such sale of the Property, Assignor is required to assign all rights and obligations under the DDA and the Note to the buyer, and Assignor desires to assign such rights and obligations to Assignee.

NOW THEREFORE, in consideration of the foregoing Recitals, the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Assumption.

As of the date hereof, the undersigned Assignee hereby assumes and agrees, for the benefit of the Lender, to be bound by, observe and perform all past (to the extent unsatisfied), present and future obligations, liabilities, terms, provisions, covenants and agreements of Assignor under the DDA. Assignee agrees that it will be bound by all of such obligations, liabilities, terms, provisions, covenants and agreements of Assignor under the DDA all in the same manner, to the same extent and with the same force and effect as if Assignee had originally executed and delivered the DDA instead of Assignor. Assignee shall perform each and every obligation to be performed by Assignor under and in accordance with the terms and conditions of the DDA.

2. Assignment.

As of the date hereof, Assignor grants, conveys, transfers and assigns unto Assignee, subject to the provisions of this Agreement, all of its right, title, interest, benefits, burdens and obligations in, to and under the DDA.

3. Effect of Documents

The terms and conditions of the DDA shall remain unmodified and in full force and effect; provided, however, that such DDA shall now apply to Assignee as if Assignee was one of the original parties thereto.

4. Restriction on Transferability.

Neither Assignee nor its successors or assigns shall transfer any right or obligation existing under the DDA without express written consent of the Agency.

5. Financial Covenants

In addition to the provisions set forth in Section 3 above, Assignee shall be obligated to adhere to Section 4.1.3 of the DDA. Failure to do so shall constitute an Event of Default as defined under the DDA.

6. Governing Law

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

7. Counterparts

This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. Signature and acknowledgment pages may be detached from the counterparts and attached to a single copy of this Agreement to physically form one document, which may be recorded.

8. Time of Essence

Time is of the essence with respect to each provision of this Agreement.

[SIGNATURES BEGIN ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered as of the date first above written.

LENDER/AGENCY:

Carson Successor Agency, successor agency
to the dissolved Carson Redevelopment
Agency, a public body

Chairman James L. Dear

ATTEST:

Agency Secretary Donesia L. Gause, CMC

APPROVE AS TO FORM:

Agency Counsel

ASSIGNOR:

501 Albertoni, LLC,
a Delaware limited liability company

By: _____
Arturo Sneider, Manager

By: _____
Leandro Tyberg

ASSIGNEE:

Pelican Investments #2 LLC,
a California limited liability company

By: _____
Huong Thien Le, Manager

Pelican Investments #3 LLC,
a California limited liability company

By: _____
Truc Trong Le, Managing Member

Exhibit "D"

PROPERTY MANAGEMENT AGREEMENT