

TRANSFER AGREEMENT

This Transfer Agreement (this “**Agreement**”) is effective as of June ____, 2022 (the “**Effective Date**”), by and between the COUNTY OF LOS ANGELES, a body corporate and politic (“**County**”), Bruce Family LLC, a California limited liability company (collectively, “**Bruce**”). Each of County and Bruce are sometimes referred to herein individually as a “**Party**” and collectively, as the “**Parties**.”

RECITALS

A. County is the fee owner of certain real property commonly referred to as “Bruce’s Beach,” which is described as Lots 8 and 9 of Block 5, located between 26th and 27th Street and the Strand and Ocean Drive, in the City of Manhattan Beach, County of Los Angeles, State of California, as more particularly described on Exhibit A attached hereto (the “**Land**”).

B. The Land is currently improved with a County building (the “**Building**”) that is situated on the Land, in part, and on the parcel of land described as Lot 10 of Block 5, which is adjacent to the Land, in part. The Building is operated by County as a lifeguard training center and governmental offices.

C. In order to effectuate the purposes set forth in, and pursuant to, California Senate Bill 796 (effective September 30, 2021), County desires to transfer the Land, which shall not include the Building, to the legal heirs of Willa and Charles Bruce.

D. The legal heirs of Willa and Charles Bruce have created Bruce for the benefit of the living descendants of Willa and Charles Bruce, including themselves and their legal heirs, and desire that the County transfer the Land (which shall not include the Building), to Bruce, pursuant to and in accordance with the terms of this Agreement.

E. Simultaneously upon consummation of the transfer of the Property (as defined below) to Bruce, Bruce desires to lease to County, and County desires to lease from Bruce, the Property, pursuant to and in accordance with the terms of that certain Lease Agreement attached hereto as Exhibit C (the “**Lease**”).

AGREEMENT

NOW, THEREFORE, in reliance upon the foregoing Recitals, which are hereby incorporated by this reference, and in consideration of the agreements and covenants set forth herein, and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Conveyance of the Property.**

1.1 The Property. Subject to satisfaction of the terms and conditions set forth in this Agreement, County agrees to transfer, assign, and convey to Bruce, and Bruce agrees to assume and accept all of the following (collectively, the “**Property**”): (a) the Land; and (b) all easements, rights of way and other rights appurtenant to the Land (the Land and all easements,

rights of way and other rights appurtenant to the Land are collectively referred to as the “**Real Property**”).

1.2 Deed. County shall transfer the Real Property to Bruce by grant deed in the form attached hereto as Exhibit B (the “**Deed**”).

2. Escrow; Instructions. The transfer of the Property (the “**Transfer**”) shall be consummated by means of an escrow (the “**Escrow**”) to be opened with First American Title Insurance Company (“**Escrow Holder**”), acting as both escrow agent and title agent (the “**Title Company**”), whose contact information is as follows: 777 S. Figueroa Street, 4th Floor, Los Angeles, California 90017, Attention: Brian Serikaku, Telephone: (213) 271-1774, E-mail: bmsarikaku@firstam.com. This Agreement, together with such further written instructions the Parties shall provide to Escrow Holder, if any, shall constitute the instructions to Escrow Holder (the “**Escrow Instructions**”) with respect to the transaction contemplated by this Agreement. Any additional or supplemental instructions given to Escrow Holder shall be consistent with the terms of this Agreement, and the terms of this Agreement shall prevail if there is any inconsistency. By executing this Agreement, Escrow Holder acknowledges that this Agreement constitutes the Escrow Instructions for the sale of the Property and agrees to follow the Escrow Instructions provided in this Agreement.

3. Title Policy.

3.1 Preliminary Title Report. As of the Effective Date, Bruce has (a) obtained a standard preliminary title report (the “**PTR**”) issued by Title Company, with respect to the Land, and copies of all recorded documents referred to in the PTR, and (b) approved of all matters shown in or disclosed by the PTR and set forth on Schedule 1 attached hereto. By not later than the Closing Date, County shall cause the removal as exceptions to the Title Policy any and all money judgments and liens arising from County’s activities, deeds of trust, mortgages, security interests, and related encumbrances and any delinquent real property taxes and assessments, but excluding any money judgments and liens (including any mechanic’s and materialmen’s liens or liens or other claims) arising from or related to Bruce, its officers, partners, shareholders, members, employees, contractors or agents, or their respective actions or failure to act.

3.2 Permitted Exceptions. At Closing, Bruce shall accept title to the Real Property subject to: (a) the Lease; (b) the encumbrances, reservations, and easements of record set forth on Schedule 1; (c) the lien of all ad valorem real estate taxes and assessments not yet due and payable as of the date of Closing (if any), subject to adjustment as herein provided; (d) covenants, conditions, restrictions, reservations, easements, rights, and rights-of-way of record, if any; (e) local, state, and federal laws, ordinances or governmental regulations, including but not limited to, building and zoning laws, ordinances and regulations, now or hereafter in effect relating to the Property; (f) such statement of facts as may be shown in an ALTA survey of the Real Property; and (g) such other exceptions as may be approved by Bruce pursuant to this Section 3.2 (clauses (a) through (g), collectively, the “**Permitted Exceptions**”).

3.3 Choice of Policy and Expenses. At Closing, County shall provide Bruce (at County’s sole cost and expense) a standard CLTA owner’s policy of title insurance issued by the Title Company or any other title company approved by County insuring fee title to the Real

Property (excluding the Building) vested in Bruce, subject only to the Permitted Exceptions with liability in the amount of twenty million dollars (\$20,000,000) (a “**CLTA Policy**”); provided, however, Bruce may elect to obtain from the Title Company an ALTA extended coverage owner’s policy of title insurance insuring fee title to the Real Property vested in Bruce, subject only to the Permitted Exceptions with liability in the amount of twenty million dollars (\$20,000,000) (an “**ALTA Policy**”). In the event that Bruce elects to obtain an ALTA Policy, Bruce shall pay the difference in cost between a CLTA Policy and an ALTA Policy and the cost of any related survey. Bruce shall pay the cost of any endorsements to the CLTA Policy or ALTA Policy that Bruce may elect to obtain.

3.4 Condition of Closing. The selected policy (whether it be a CLTA Policy or an ALTA Policy) shall be referred to herein as the “**Title Policy**,” and the issuance of, or commitment by Title Company to issue, the Title Policy shall be a condition to the Closing for the benefit of Bruce.

3.5 Covenant Not to Encumber. During the term of this Agreement, County shall not convey or encumber any portion of the Property or any rights therein, nor enter into any conveyance, security document, easement, or other agreement granting to any person or entity any rights with respect to the Property or any part thereof, or any interest whatsoever therein (except for this Agreement, as the same may be amended from time to time), or any option with respect thereto, without the prior written consent of Bruce, which may be withheld in Bruce’s sole and absolute discretion.

4. Closing Costs. Transaction costs (collectively, the “**Closing Costs**”) shall be paid by each of the Parties as set forth below in this Section 4, the provisions of which shall survive Closing and delivery and recording of the Deed:

4.1 Paid by County. At Closing, County shall pay the cost of the following:

4.1.1 A CLTA Policy;

4.1.2 Any documentary transfer taxes due with respect to recording of the Deed;

4.1.3 Any recording fees required in connection with the Transfer of the Property;

4.1.4 All actual and reasonable (a) fees, (b) costs and (c) any additional charges customarily charged by the Escrow Holder in accordance with common escrow practices in Los Angeles County; and

4.1.5 Any other charges, fees, taxes or costs relating to Closing that are customarily paid by sellers of commercial properties in the County.

4.2 Paid by Bruce. At Closing, Bruce shall pay the cost of:

4.2.1 the difference in cost between a CLTA Policy and an ALTA Policy (if an ALTA Policy is requested by Bruce);

4.2.2 any title endorsements requested by Bruce; and

4.2.3 any survey ordered by Bruce.

4.3 Legal Fees. Each Party shall be responsible for its own attorney fees, if any, incurred in connection with the negotiation of this Agreement. Notwithstanding the foregoing, County shall reimburse Bruce an amount up to a maximum of fifty thousand dollars (\$50,000) (the “**Legal Fees**”) for legal fees and costs actually incurred by Bruce in connection with the negotiation of this Agreement and the Lease, provided that any such Legal Fees are donated by Bruce to a nonprofit legal services provider assisting Bruce with the transactions contemplated thereby. County shall fund the Legal Fees into escrow at the Closing. In order to receive a reimbursement of Legal Fees, Bruce shall, by not later than ten (10) days prior to the Closing Date, provide County and Escrow Holder an invoice, and any other documentation reasonably requested by County and Escrow Holder, evidencing the Legal Fees actually incurred by Bruce in connection with the negotiation of this Agreement and the Lease and, upon receipt of written approval by County, Escrow Holder shall pay such amount pursuant to written instructions received from County.

5. **Taxes; Insurance**.

5.1 Property Taxes. Bruce shall be responsible for all real estate taxes and assessment on the Property payable in respect to, (x) in the current fiscal year of the applicable taxing authority in which the Closing Date occurs (the “**Current Tax Year**”), the period on and after the Closing Date (which shall be allocated to Bruce), and (y) all periods after the Current Tax Year.

5.2 Insurance. As of the Closing Date, Bruce shall be solely responsible for general liability and property insurance or any other insurance that Bruce elects to purchase and no such insurance charges shall be paid for by County.

5.3 This Section 5 shall survive the Closing.

6. **Conditions Precedent to Closing**. In addition to any other conditions precedent to Closing expressly set forth elsewhere in this Agreement, prior to the Closing Date, each as a condition precedent to Closing:

6.1 County’s Deliveries. As a condition precedent to Closing for the benefit of Bruce, County shall deliver to Escrow Holder:

6.1.1 The Deed in recordable form, duly executed by County and acknowledged by a notary;

6.1.2 The Lease, duly executed by County; and

6.1.3 Any other documents that may be reasonably requested by Escrow Holder and the Title Company and that are customarily delivered in connection with the closing of real estate transactions in Los Angeles County.

6.2 Bruce's Deliveries. As a condition precedent to Closing for the benefit of County, Bruce shall deliver to Escrow Holder:

6.2.1 any cash required for Closing from Bruce pursuant to this Agreement;

6.2.2 the Lease, duly executed by Bruce; and

6.2.3 Any other documents that may be reasonably requested by Escrow Holder and the Title Company and that are customarily delivered in connection with the closing of a real estate transaction in Los Angeles County.

6.3 Closing Documents. All documents and sums required to be deposited under Sections 6.1 and 6.2 may be singularly referred to as a "**Closing Document**" and collectively as the "**Closing Documents.**"

6.4 County's Performance. As a condition precedent to Closing for the benefit of Bruce, County shall have duly performed in all material respects each and every covenant of County hereunder.

6.5 Bruce's Performance. As a condition precedent to Closing for the benefit of County, Bruce shall have duly performed in all material respects each and every covenant of Bruce hereunder.

6.6 Accuracy of Representations and Warranties. On the Closing Date, all representations and warranties made by County and Bruce in Section 11 shall be true and correct in all material respects as if made on and as of the Closing Date.

6.7 Failure of Conditions Precedent to Bruce's Obligations. Bruce's obligations with respect to the transactions contemplated by this Agreement are subject to the satisfaction of the conditions precedent to such obligations for Bruce's benefit set forth in Sections 6.1, 6.4 and 6.6. If Bruce terminates this Agreement by notice to County because of the failure of a condition precedent, then County shall pay any escrow cancellation fees or charges, and except for obligations under this Agreement that expressly survive termination of this Agreement, the Parties shall have no further rights or obligations to one another under this Agreement.

7. Closing; Closing Date; Closing Procedure. The closing of the Transfer (the "**Closing**") shall be deemed to occur as of the date and time that the Deed is recorded in the Official Records of Los Angeles County ("**Recorded**").

7.1 The Closing shall occur by not later than the date that is thirty (30) days after the Effective Date, or such other date as County and Bruce may agree in writing (the "**Closing Date**").

7.2 By not later than one (1) Business Day prior to the Closing Date, Bruce and County shall deliver to Escrow Holder the Closing Documents. A "**Business Day**" shall mean any day of the year that is not a County holiday (as such County holidays are disclosed on

<https://www.lacounty.gov/government/about-la-county/county-holidays/>) and any other day in which commercial banks are either not required to open or are authorized to close in Los Angeles, California.

7.3 By not later than ten (10) days prior to the Closing Date (after notice of the Closing Date is communicated to Escrow Holder), Escrow Holder shall commence preparation of an estimated settlement statement (the “**Settlement Statement**”), which it shall provide to Bruce and County for review and approval no later than five (5) days prior to the Closing Date.

7.4 Upon (a) County’s and Bruce’s written approval of the Settlement Statement, (b) confirmation from County that all of County’s conditions precedent set forth in this Agreement below have been satisfied or waived, and (c) confirmation from Bruce that all of Bruce’s conditions precedent set forth in this Agreement have been satisfied or waived, Escrow Holder shall cause the Deed to be Recorded and then pay any funds due under this Agreement in accordance with the Settlement Statement to County.

8. **Acknowledgement of Condition of Property.**

8.1 **AS-IS SALE.**

8.1.1 Neither County (except as expressly set forth in this Agreement or in any Closing Documents), nor any parent, affiliate, advisor, broker, officer, elected official, director, trustee, member, employee, agent, attorney or contractor of or for County, nor any employee, agent or affiliate of any of the foregoing (all of the foregoing including County are referred to herein, individually and collectively, as the “**County Parties**”) is making or shall be deemed to have made, nor does any County Party have the authority to make, any express or implied representation, warranty, promise or statement, express or implied, of any kind or nature as to the Property (or its use or development thereof), County or the transaction provided for in this Agreement, including, without limitation, as to (A) the financial status of the Property, including without limitation, income or expenses generated, paid or incurred in connection with the Property, (B) the nature, physical or environmental condition, safety or any other aspect of the Property, including, without limitation, any patent or latent defects, surface or subsurface soil conditions, grading or construction defects or flaws, ground water issues, status of entitlements, adequacy of existing entitlements, availability of new entitlements, availability of water or other utilities or services at the Property, (C) the Property’s compliance with applicable federal, state or municipal laws, statutes, ordinances, orders, rules, regulations, codes or other requirements (collectively, “**Laws**”), including, without limitation, zoning ordinances, subdivision Laws, building codes (including, without limitation, the Americans With Disabilities Act) and environmental, hazardous material and endangered species statutes, (D) the accuracy or completeness of any information or data provided or to be provided by County Parties, including, without limitation, copies of any reports or documents prepared for County Parties whether by third parties or otherwise which may be included with such information, or (E) any other matter relating to the Property, County or the transaction provided for in this Agreement.

8.1.2 Bruce acknowledges and agrees that, except as otherwise expressly set forth in this Agreement or in any Closing Document: (1) Bruce has had a reasonable opportunity to inspect and investigate the Property, and all aspects relating thereto, either

independently or through agents and experts of Bruce's choosing; (2) Bruce shall rely upon Bruce's own due diligence in determining whether the Property is suitable for purchase by Bruce; (3) Bruce is acquiring the Property based exclusively upon Bruce's own investigations and inspections thereof; (4) County has no obligation to repair or correct any facts, circumstances, conditions or defects or compensate Bruce therefor; and (5) by reason of all of the foregoing except as set forth in this Agreement or in any Closing Documents, Bruce shall assume the full risk of any loss or damage occasioned by any fact, circumstance, condition or defect pertaining to the Property.

8.1.3 Without limiting the generality of the foregoing, Bruce hereby acknowledges that, except as expressly set forth in this Agreement or in any Closing Documents, the Property will be sold to Bruce "AS IS," "WHERE IS" and "WITH ALL FAULTS," and there are no representations or warranties, express or implied, made by County Parties in connection with the transaction contemplated in this Agreement.

8.2 RELEASE AND WAIVER. BRUCE HEREBY AGREES AND ACKNOWLEDGES THAT THIS AGREEMENT AND THE LEASE CONSTITUTE A FULL AND FINAL SETTLEMENT AND RESOLUTION OF ALL DISPUTES BETWEEN THE PARTIES RELATED TO THE OWNERSHIP OF THE PROPERTY AND BRUCE HEREBY WAIVES, RELINQUISHES, AND RELEASES EACH OF THE COUNTY PARTIES FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, CAUSES OF ACTION (INCLUDING CAUSES OF ACTION IN TORT), LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES OF ANY AND EVERY KIND OF CHARACTER, KNOWN OR UNKNOWN (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES AND COSTS) (COLLECTIVELY, "CLAIMS") ARISING THEREFROM AND RELATED THERETO. EFFECTIVE UPON THE CLOSING, BRUCE HEREBY WAIVES, RELINQUISHES AND RELEASES EACH OF THE COUNTY PARTIES FROM AND AGAINST ANY AND ALL CLAIMS ARISING FROM OR RELATING TO THE PROPERTY OR THE TRANSACTION DESCRIBED IN THIS AGREEMENT, WHICH, BUT FOR THIS RELEASE, BRUCE COULD ASSERT OR ALLEGE AGAINST THE COUNTY PARTIES AND ANY AND ALL ACTS, OMISSIONS, EVENTS, CIRCUMSTANCES OR MATTERS ARISING FROM OR RELATING TO OR OTHERWISE REGARDING THE PROPERTY WHATSOEVER, EXCEPT AS EXPRESSLY SET FORTH OTHERWISE IN THIS AGREEMENT OR IN ANY CLOSING DOCUMENT. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION 8.2, THE FOREGOING WAIVER, RELINQUISHMENT AND RELEASE SHALL NOT RELEASE COUNTY FROM (i) ANY TERMS OF, OR OBLIGATIONS UNDER, THIS AGREEMENT THAT EXPRESSLY SURVIVE THE CLOSING, OR (ii) COUNTY'S FRAUD, WILLFUL MISCONDUCT, OR INTENTIONAL MISREPRESENTATION, OR (iii) A BREACH BY COUNTY OF COUNTY'S EXPRESS REPRESENTATIONS IN SECTION 13.1 OF THIS AGREEMENT.

IN CONNECTION THEREWITH BRUCE EXPRESSLY WAIVES ALL RIGHTS AND PRIVILEGES UNDER SECTION 1542 OF THE CALIFORNIA CIVIL CODE (AND UNDER ANY OTHER SIMILAR APPLICABLE LAW OR LEGAL PRINCIPLE) WHICH PROVIDES AS FOLLOWS:

GENERAL RELEASE; EXTENT.

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

BRUCE SHALL PLACE ITS SIGNATURE BELOW TO AFFIRM ITS AGREEMENT WITH THE FOREGOING WAIVER AND RELEASE.

Bruce 

THE FOREGOING WAIVER AND RELEASE SHALL SURVIVE THE CLOSING AND THE DELIVERY AND RECORDING OF THE DEED.

8.3 Survival. This Section 8 shall survive indefinitely the Closing, and delivery and recording of the Deed, and shall remain in effect even if the other terms of the Agreement cease to be effective.

9. Cooperation. After the Effective Date and prior to the Closing Date, County shall use commercially reasonable efforts to cooperate with Bruce in the satisfaction or removal of contingencies to Closing; provided, however, except for County's express obligations under this Agreement, County shall not be obligated to take any actions that may be reasonably expected to (a) adversely affect the Property or its value if the Closing does not occur and (b) give rise to any liability by County. County shall cooperate in good faith with Bruce in defending against any third party lawsuits challenging the conveyance of the Property to Bruce.

10. Assignment. Bruce shall not have the right to assign this Agreement without the prior written consent of County, and any such prohibited assignment shall be void.

11. Representations and Warranties.

11.1 County's Representations and Warranties. County represents and warrants to Bruce that, except as otherwise disclosed to Bruce, the following matters are true and correct as of the Effective Date and shall also be true and correct as of the Closing:

11.1.1 Organization. County is a public body, corporate and politic.

11.1.2 Authority. County has the full power and authority to enter into and comply with the terms of this Agreement and has obtained all necessary consents and approvals required for County to enter into and consummate the transaction described in this Agreement.

11.1.3 Valid and Binding Obligations. This Agreement, and all instruments referenced herein to be executed by County in connection with the transaction described in this Agreement, are, or at the time of Closing will be, duly authorized, executed and delivered by

County, and are, or at Closing will be, legal, valid and binding obligations of County and do not, and at the time of Closing will not, violate any provisions of any agreement or judicial order to which County is a party or to which County is subject.

11.1.4 No Breach. The execution and delivery of this Agreement, the consummation of the transaction contemplated by this Agreement and the compliance with the terms of this Agreement, will not, to County's actual knowledge, constitute a default under any contract or agreement to which County is a party or to which any portion of the Property is bound.

11.1.5 Insolvency. County is not the subject of any bankruptcy, insolvency, or reorganization proceeding.

11.1.6 Authorized Signatory. The individual executing this Agreement on behalf of County and any other documents or agreements to be executed and/or delivered by County in connection with or pursuant to this Agreement has been duly authorized to do so.

As used herein, the term "**County's actual knowledge**" means the current, actual and personal knowledge of (and only of) D'Artagnan Scorza and does not include knowledge imputed to County from any other person or entity. County represents and warrants that the named individual is the person employed by the County most knowledgeable about the Property. The named individual is acting for and on behalf of County and in a capacity as an employee of County and is in no manner expressly or impliedly making any representations or warranties in an individual capacity. Bruce waives any right to sue or to seek any personal judgment or claim against the named individual.

11.2 Bruce's Representations and Warranties. Bruce represents and warrants to County that the following matters are true and correct as of the Effective Date and also shall be true and correct as of the Closing:

11.2.1 Organization of Bruce. Bruce is a limited liability company duly organized and existing in the State of California, and was created for the benefit of the living descendants of Willa and Charles Bruce. Bruce has the requisite right, power and authority to execute, deliver and perform the terms and conditions of this Agreement and to consummate the transactions contemplated in this Agreement.

11.2.2 Due Authorization, Execution and Delivery. Bruce has taken all actions necessary to authorize the execution, delivery and performance of the terms and conditions of this Agreement and all other documents and agreements to be executed and/or delivered in connection with or pursuant to this Agreement. No further consent of any person or entity is required in connection with the execution and delivery of, or performance by Bruce of its obligations under this Agreement.

11.2.3 Valid and Binding Obligations. This Agreement is, and all the Closing Documents executed by Bruce shall be legal, valid, and binding obligations of Bruce enforceable against Bruce in accordance with their respective terms (except to the extent that such enforcement may be limited by applicable bankruptcy, insolvency, moratorium and other principles relating to or limiting the right of contracting parties generally), and does not and shall not violate any provisions of any agreement to which Bruce is a party or to which it is subject.

11.2.4 Insolvency. Bruce is not the subject of any bankruptcy, insolvency, or reorganization proceeding.

11.2.5 No Breach. The execution and delivery of this Agreement, the consummation of the transaction contemplated by this Agreement and the compliance with the terms of this Agreement will not, to Bruce's actual knowledge, conflict with and will not, with or without notice or the passage of time, or both, result in a breach of any of the terms or provisions of or constitute a default under Bruce's articles of organization, operating agreement, or any contract, agreement, indenture, mortgage, loan agreement or instrument, judgment, order or decree to which Bruce is bound.

11.2.6 Authorized Signatory. The individual executing this Agreement on behalf of Bruce and any other documents or agreements to be executed and/or delivered by Bruce in connection with or pursuant to this Agreement has been duly authorized to do so.

11.2.7 OFAC Compliance. Bruce is not a person or entity with whom U.S. persons or entities are restricted from doing business under the Office of Foreign Assets Control ("OFAC") regulations of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List) or under and any U.S. statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action relating thereto.

As used herein, the term "**Bruce's actual knowledge**" means the current, actual and personal knowledge of (and only of) Anthony Bruce, and does not include knowledge imputed to Bruce from any other person or entity. Bruce represents and warrants that the named individual is the person employed by the Bruce most knowledgeable about Bruce. The named individual is acting for and on behalf of Bruce and in a capacity as a representative of Bruce and is in no manner expressly or impliedly making any representations or warranties in an individual capacity. County waives any right to sue or to seek any personal judgment or claim against the named individual.

11.3 Survival. The representations and warranties contained in this Section 11 shall survive Closing and delivery and recording of the Deed and the Closing for a period of twelve (12) months and shall be deemed to have been made again at Closing as a condition to the Closing, and shall remain in full force and effect regardless of any investigation made by or on behalf of any Party or of the actual or constructive knowledge by any Party of any inaccuracy or breach thereof; provided, however, that in the case of County's or Bruce's fraud or intentional or willful misrepresentation with respect to any representation or warranty, such representation and/or warranty shall survive until the expiration of the longest running applicable statute of limitations period.

12. Covenants. After the Effective Date, no part of the Property, or any interest therein, will be sold, further encumbered or otherwise transferred, and County will not, without

Bruce's prior written consent, which consent may be withheld in Bruce's sole discretion, enter into any contracts or agreements that will affect the Property after the Closing.

13. **Risk of Loss.** If prior to the Closing, the Real Property or any part thereof, is damaged, and such damage shall cost in excess of One Million Dollars (\$1,000,000.00) to repair, Bruce has the right, exercisable by giving written notice to County within ten (10) Business Days after receiving written notice of such damage or destruction (but in no event later than one (1) Business Day prior to the Closing), either to (a) terminate this Agreement, or (b) accept the Property in its then-current condition and to proceed with the Closing, and receive an assignment of all of County's right to any insurance proceeds payable by reason of such damage or destruction. In the event any damage occurs costing One Million Dollars (\$1,000,000.00) or less to repair, if the Closing occurs, Bruce shall receive an assignment of any insurance proceeds payable by reason of such damage or destruction. Notwithstanding anything to the contrary in the foregoing, if, prior to the Closing any damage to the Real Property occurs as the result of a release of Hazardous Substances to, on, under or in the Property (by a party other than Bruce or its agents or representatives), Bruce shall have the option to terminate this Agreement upon written notice to County given not later than twenty (20) Business Days after Bruce's receipt of written notice thereof from County. In the event that this Agreement is terminated in accordance with this Section 13, then this Agreement and the obligations of the Parties hereunder shall terminate (other than the obligations that survive the termination of this Agreement), and neither Party shall have any further right or obligation hereunder other than such surviving obligations.

14. **Default and Remedies.**

14.1 **Bruce's Remedies.** If the Closing does not occur on or before the Closing Date as a result of a material default by County under this Agreement (and Bruce is not otherwise in material default under this Agreement), then Bruce may provide County written notice of County's default under this Agreement (the "**Bruce Default Notice**"). The Bruce Default Notice shall set forth the nature of County's default in reasonable detail. County shall have ten (10) Business Days after receipt of the Bruce Default Notice (the "**County Cure Period**") to cure any defaults set forth in the Bruce Default Notice and any other defaults that may thereafter arise. In the event that County does not cure the default described in the Bruce Default Notice or any other County default that arises during the County Cure Period, then, upon expiration of the County Cure Period, as Bruce's sole and exclusive remedy, Bruce may elect any one of the following by delivering written notice to County within twenty (20) Business Days after the end of the County Cure Period: (a) pursuing specific performance of this Agreement so long as any petition for specific performance commenced by Bruce against County shall be filed with the Superior Court of Los Angeles County and served within sixty (60) days after the scheduled Closing Date; or (b) waive the County default and proceed to the Close of Escrow; or (c) terminate this Agreement, whereupon both Bruce and County will thereafter be relieved of any further obligations or liabilities under this Agreement, except for those obligations which expressly survive any termination hereof.

14.1.1 **Special Remedies.** County acknowledges the unique and special character of the Property and its utility to Bruce and agrees that specific performance is an appropriate remedy for County's default under this Agreement.

14.1.2 Waiver of Other Remedies. Bruce hereby waives all remedies not expressly set forth in this Section 14.2, including without limitation, any claim against County for damages of any type or kind (other than as expressly provided in this Section 14.1).

14.1.3 Time Periods. Failure of Bruce to make the election described above in Section 14.1 within the twenty (20) Business Day period set forth above shall be conclusively deemed an election by Bruce to pursue the remedy set forth in clause (b) above.

14.2 No Consequential or Punitive Damages. Notwithstanding anything to the contrary elsewhere in this Agreement, for matters arising under or related to this Agreement, Bruce waives any right to bring an action or proceeding against the other for any consequential or punitive damages (other than as expressly provided in Section 14.1). This Section 14 shall indefinitely survive Closing and delivery and recording of the Deed or termination of this Agreement.

15. Miscellaneous.

15.1 Exculpation of Certain Persons. No individual trustee, officer, elected official, director, shareholder, member, constituent partner, employee or agent of any Party, in his or her individual capacity as such, shall have any personal liability for the performance of any obligation of such Party under this Agreement solely by reason of such status.

15.2 Headings. Section headings of this Agreement are solely for convenience of reference and shall not govern the interpretation of any of the provisions of this Agreement. References to “Sections” are to sections of this Agreement, unless otherwise specifically provided.

15.3 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflicts of laws.

15.4 Entire Agreement. This Agreement (together with its exhibits) contains the entire agreement and understanding between Bruce and County with respect to the subject matter hereof. There are no oral understandings, terms or conditions, and neither Party has relied upon any representation, express or implied, that is not contained in this Agreement. This Agreement cannot be changed or supplemented orally, but only by an agreement in writing signed by both Parties.

15.5 Binding Effect. The covenants, terms, conditions, provisions, and undertakings in this Agreement shall extend to, and be binding upon, the successors and permitted assigns of the Parties.

15.6 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. The exchange of copies of this Agreement and of signature pages by facsimile transmission, .pdf or other electronic means shall constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes (and such signatures of the Parties transmitted by facsimile, .pdf or other electronic means shall be deemed to be their original signatures for all purposes).

15.7 Exhibits. All references in this Agreement to “Exhibits” shall be construed as though the words “hereby made a part hereof and incorporated herein by this reference” were, in each case, appended thereto.

15.8 Brokers. The Parties hereby warrant that they have dealt with no real estate broker in this transaction and that no broker or other person is entitled to any commission, finder’s fee or other similar compensation by virtue of the Parties entering into or consummating this Agreement. Each Party hereby defends and indemnifies the other Party against any claims, losses, liability and damages, including reasonable attorneys’ fees and costs, in connection with any commissions, finders’ fees or other similar compensation sought, based upon some obligation of the indemnifying Party with respect to this transaction. This Section 15.8 shall survive indefinitely the Closing and shall remain in effect even if the other terms of this Agreement cease to be effective.

15.9 Time of Essence. Time is of the essence of this Agreement and of the Escrow provided for herein.

15.10 Waiver. Any of the terms or conditions of this Agreement may be waived at any time by the Party entitled to the benefit thereof, but no such waiver shall affect or impair the right of the waiving Party to require observance, performance or satisfaction either of that term or condition as it applies on a subsequent occasion or of any other term or condition of this Agreement.

15.11 Severability. If (a) any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable and (b) the invalidity or unenforceability of such a provision does not deny a Party the material benefit of this Agreement, then the remainder of this Agreement which can be given effect without the invalid provision shall continue in full force and effect and shall in no way be impaired or invalidated.

15.12 Real Estate Reporting Person. The Escrow Holder is hereby designated the “real estate reporting person” for purposes of Section 6045 of Title 26 of the United States Code and Treasury Regulation 1.6045-4 and any instructions or settlement statement prepared by the Escrow Holder shall so provide. Upon the consummation of the transaction contemplated by this Agreement, the Escrow Holder shall file the Form 1099 information return and send the statement to County as required under the aforementioned statute and regulation.

15.13 Notice. All notices shall be in writing and either (a) personally served at the appropriate address (including by means of professional messenger service or recognized overnight delivery service, provided that any such delivery is confirmed by written receipts signed on behalf of the receiving Party or by adequate proof of service) or (b) deposited in the United States mail, postage prepaid, certified or registered mail, return receipt requested, or (c) sent via electronic mail (e-mail), addressed to the appropriate addressee and shall be deemed received and effective on the day such notice is actually received if received before 5:00 p.m. on a Business Day, or on the following Business Day if received at any other time. E-mail deliveries shall be deemed received upon entry of such message into the recipient’s e-mail server. All addresses of the Parties for receipt of any notice to be given pursuant to this Agreement are as follows:

If to County:

Chief Executive Office
Asset Management Branch
Real Estate Division
320 West Temple Street, 7th Floor
County of Los Angeles
Los Angeles, California 90012
Attention: Senior Manager

With a copy to:

Office of County Counsel
County of Los Angeles
648 Kenneth Hahn Hall of Administration
500 West Temple St.
Los Angeles, CA 90012-2713
Attention: Property Division

If to Bruce:

Bruce Family LLC
6161 Memorial Highway #2214
Tampa, Florida 33615
Attention: Anthony Bruce

With a copy to:

Sidley Austin LLP
555 West 5th Street, Suite 4000, 40th Floor
Los Angeles, California 90013
Attention: George C. Fatheree III
gfatheree@sidley.com


15.14 Further Assurances. In addition to the acts and deeds recited herein and contemplated to be performed, executed and/or delivered by either party at Closing, each Party agrees to perform, execute and deliver, but without any obligation to incur any additional liability or expense, on or after the Closing, any further deliveries and assurances as may be reasonably necessary to consummate the transactions contemplated hereby or to further perfect the conveyance, transfer and assignment of the Property to Bruce.

[Signatures on following page.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first set forth above.

BRUCE:

BRUCE FAMILY LLC.,
a California limited liability company

By: 
Name: Anthony Bruce
Title: Manager

COUNTY:

COUNTY OF LOS ANGELES,
a body corporate and politic

By: _____
HOLLY J. MITCHELL
Chair, Board of Supervisors

ATTEST:
CELIA ZAVALA
Executive Officer, Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON,
Acting County Counsel

By: 
Thomas J. Faughnan
Senior Assistant County Counsel

ACKNOWLEDGMENT OF RECEIPT AND AGREEMENT OF ESCROW HOLDER

_____ acknowledges receipt of a fully-executed copy or executed counterparties of this Agreement and agrees to act as Escrow Holder in accordance with the terms of this Agreement and to be bound by and perform the terms thereof as such terms apply to Escrow Holder.

First American Title Insurance Company

By: _____

Name: _____

Its: _____

Dated as of _____, 2022

ANNEX A

CONSENT TO CONVEYANCE

The undersigned, being the legal heirs to Willa and Charles Bruce, do hereby consent to the conveyance of the Property to Bruce Family LLC, a California limited liability company, created for the benefit of the living descendants of Willa and Charles Bruce.

DERRICK BRUCE, an individual

MARCUS BRUCE, an individual

EXHIBIT A

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOTS 8 AND 9 IN BLOCK 5 OF PECK'S MANHATTAN BEACH TRACT, IN THE CITY OF MANHATTAN BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 7, PAGE 34 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THAT PORTION OF THE EASTERLY 10 FEET OF "THE STRAND", ADJOINING SAID LOTS ON THE WEST AND LYING BETWEEN THE WESTERLY PROLONGATION OF THE NORTHERLY LINE OF LOT 8 AND WESTERLY PROLONGATION OF THE SOUTHERLY LINE OF LOT 9, AS VACATED BY ORDER OF THE BOARD OF TRUSTEES OF SAID CITY OF MANHATTAN BEACH, A CERTIFIED COPY OF WHICH SAID ORDER IS RECORDED IN BOOK 256 PAGE 39, OF MISCELLANEOUS RECORDS OF SAID COUNTY.

ALSO EXCEPT THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER THE PROPERTY ABOVE-DESCRIBED WITH THE RIGHT TO SLANT DRILL FROM ADJACENT OR OTHER PROPERTY AND TO REMOVE THE SAME BUT WITHOUT ANY RIGHT IN GRANTOR TO USE OR DISTURB THE SAID PROPERTY WITHIN 100 FEET OF THE SURFACE THEREOF FOR ANY SUCH PURPOSE, NOR TO DO ANY DRILLING WITHIN 1500 FEET OF THE UPLAND PROPERTY LINE DESCRIBED AND RESERVED IN DEED RECORDED MARCH 31, 1949 AS INSTRUMENT NO. 823, IN BOOK 29723 PAGE 156, OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM ALL MINERALS DEPOSITS NOT PREVIOUSLY RESERVED AS DEFINED IN SECTION 6407 OF THE PUBLIC RESOURCE CODE, BELOW A DEPTH OF 500 FEET, WITHOUT THE RIGHTS OF ENTRY, AS RESERVED BY THE STATE OF CALIFORNIA IN DEED RECORDED SEPTEMBER 19, 1995 AS INSTRUMENT NO. 95-1527005, OF OFFICIAL RECORDS.

ALSO LESS AND EXCEPT THE BUILDING SITUATED THEREON, WHICH BUILDING SHALL REMAIN REAL PROPERTY OF GRANTOR.

EXHIBIT B

FORM OF GRANT DEED

FREE RECORDING IN ACCORDANCE
WITH CALIFORNIA GOVERNMENT
CODE SECTIONS 6103 AND 27383

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO:

MAIL TAX STATEMENT TO:

(Space Above Line for Recorder’s Use Only)

Exempt from documentary transfer tax pursuant to California Public Resources Code Section 5002.6(h)(3)(C).

GRANT DEED

A. The County of Los Angeles, a body corporate and politic (“**County**”), is the fee owner of that certain real property situated in the City of Manhattan Beach, County of Los Angeles, State of California, legally described on Exhibit A attached hereto and by this reference incorporated herein (the “**Land**”), which is commonly referred to “Bruce’s Beach.”

B. In order to effectuate the purposes set forth in, and pursuant to, California Senate Bill 796 (effective September 30, 2021), County desires to transfer the Land to the legal heirs of Willa and Charles Bruce.

C. The County has determined to its satisfaction the identity of the sole legal heirs of Willa and Charles Bruce (the “**Legal Heirs**”).

D. The Legal Heirs have created Bruce Family LLC, a California limited liability company (“**Grantee**”) for the benefit of the living descendants of Willa and Charles Bruce, including themselves and their legal heirs, and desire that the County transfer the Land (which shall not include the improvements thereon), to Grantee.

ATTACHMENT B

E. Section 5002.6 of the California Public Resources Code provides that, “[n]otwithstanding any other law, easement, covenant, restriction, or servitude, the [Land] may be sold, transferred, or encumbered upon terms and conditions determined by the Board of Supervisors of the County of Los Angeles to be in the best interest of the County of Los Angeles and the general public.” Cal. Pub. Res. Code §5002.6(h)((2); amended by Stats. 2021, Ch. 435, Sec. 2. (SB 796), effective September 30, 2021.

F. On December 21, 2021, the Board of Supervisors of the County adopted a resolution approving and accepting the State of California’s Grant Deed Modification, which effectuated the removal of certain statutory use restrictions on the Land.

G. On _____, 2022, the Board of Supervisors of the County determined that it was in the public’s interest to convey the Property (as defined below) to Grantee and approved the transfer of the Property to Grantee free and clear of restrictions on the use of the Property.

NOW, THEREFORE, in reliance upon the foregoing, and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the undersigned grantor declares:

County, as Grantor, hereby grants and conveys to Grantee the Land, together with all easements, rights of way and other rights appurtenant thereto (but excluding any improvements upon the Land) (the “**Property**”), subject to: (a) all taxes, interest, penalties, and assessments of record, if any; (b) covenants, conditions, restrictions, reservations, easements, liens, rights of occupancy, and encumbrances of record; (c) all matters that may be disclosed by an inspection and/or by a current survey of the Property; and (d) subject to the terms and conditions set forth in this Grant Deed, any and all applicable laws, ordinances, rules regulations and permits affecting the Property or governing the use thereof.

[Signatures on Following Page]

ATTACHMENT B

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

Dated: _____, 2022

COUNTY OF LOS ANGELES,
a body corporate and politic

By: _____

Name: _____

Title: _____

ATTEST:

DEAN C. LOGAN
Registrar-Recorder\County Clerk

By: _____
Deputy

PUBLIC AGENCY CERTIFICATE OF ACKNOWLEDGEMENT (CC 1190)

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)
) SS.
County of Los Angeles)

On the ____ day of _____ 2022, before me, Roger W. Hernandez, Deputy Registrar-Recorder/County Clerk of the County of Los Angeles, personally appeared Fesia A. Davenport, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person 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.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal the day and year in this Certificate of Acknowledgement first written above.

DEAN C. LOGAN

Registrar-Recorder/County Clerk

By _____
Roger W. Hernandez
Deputy

EXHIBIT A TO FORM OF GRANT DEED

LEGAL DESCRIPTION OF THE PROPERTY

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOTS 8 AND 9 IN BLOCK 5 OF PECK'S MANHATTAN BEACH TRACT, IN THE CITY OF MANHATTAN BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 7, PAGE 34 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THAT PORTION OF THE EASTERLY 10 FEET OF "THE STRAND", ADJOINING SAID LOTS ON THE WEST AND LYING BETWEEN THE WESTERLY PROLONGATION OF THE NORTHERLY LINE OF LOT 8 AND WESTERLY PROLONGATION OF THE SOUTHERLY LINE OF LOT 9, AS VACATED BY ORDER OF THE BOARD OF TRUSTEES OF SAID CITY OF MANHATTAN BEACH, A CERTIFIED COPY OF WHICH SAID ORDER IS RECORDED IN BOOK 256 PAGE 39, OF MISCELLANEOUS RECORDS OF SAID COUNTY.

ALSO EXCEPT THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER THE PROPERTY ABOVE-DESCRIBED WITH THE RIGHT TO SLANT DRILL FROM ADJACENT OR OTHER PROPERTY AND TO REMOVE THE SAME BUT WITHOUT ANY RIGHT IN GRANTOR TO USE OR DISTURB THE SAID PROPERTY WITHIN 100 FEET OF THE SURFACE THEREOF FOR ANY SUCH PURPOSE, NOR TO DO ANY DRILLING WITHIN 1500 FEET OF THE UPLAND PROPERTY LINE DESCRIBED AND RESERVED IN DEED RECORDED MARCH 31, 1949 AS INSTRUMENT NO. 823, IN BOOK 29723 PAGE 156, OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM ALL MINERALS DEPOSITS NOT PREVIOUSLY RESERVED AS DEFINED IN SECTION 6407 OF THE PUBLIC RESOURCE CODE, BELOW A DEPTH OF 500 FEET, WITHOUT THE RIGHTS OF ENTRY, AS RESERVED BY THE STATE OF CALIFORNIA IN DEED RECORDED SEPTEMBER 19, 1995 AS INSTRUMENT NO. 95-1527005, OF OFFICIAL RECORDS.

ALSO LESS AND EXCEPT THE BUILDING SITUATED THEREON, WHICH BUILDING SHALL REMAIN REAL PROPERTY OF GRANTOR.

EXHIBIT C
LEASE AGREEMENT

[attached]

Exhibit C-1