

Exclusive Right to Negotiate Agreement

Parties and Effective Date

This Exclusive Right to Negotiate Agreement ("Agreement") is made this 23rd day of September 2025, by and between the City of Beaumont, a municipal corporation ("City"), and LANDMARK COFFEE ROASTERS LLC, a California limited liability company ("Tenant"). For purposes of this Agreement, City's principal address is 550 E. 6th Street, Beaumont, California, 92223. Tenant's principal address is 404 E Redlands Blvd, Redlands, California, 92372.

Recitals

- The Tenant is a California business operating under the brand LANDMARK COFFEE ROASTERS LLC, with plans to expand its concept into a dual-purpose venue branded as Landmark Coffee Roasters & Slice Society Pizza + Wine Bar.
- Tenant proposes to establish this hybrid concept in Beaumont, offering a specialty coffeehouse during the day and a pizza and wine bar during the evening. The coffeehouse will feature house-roasted coffee, espresso beverages, and light breakfast and lunch options, while the evening service will feature wood-fired artisan pizzas, curated wines, and small plates. Community programming will include live music, wine tastings, and pizza-making workshops.
- The City of Beaumont ("City") owns approximately 6,100 square feet of land located at 105 West 6th Street developed with an approximately 1,281 square foot building ("Site") constructed in 1946 and last hosting a dry cleaner.
- The City proposes to lease the Site for economic development purposes, to create jobs, produce municipal revenues, and provide new dining and community gathering opportunities for residents.
- Subject to the terms of this Agreement, City and Tenant desire to enter into a period of exclusive negotiations for development of the Site as a specialty coffee, pizza, and wine establishment in accordance with the Beaumont Municipal Code.
- Tenant represents and warrants to City that it has the expertise and financial capacity to lease the Site and develop the Project as generally described in this Agreement.

Scope of Negotiations

The City and Tenant acknowledge that the goal of the negotiations is to prepare a Lease Agreement acceptable to both parties that will then be submitted to the City Council. The City encourages development of the Site into a quality commercial project that will increase tax revenues, create job opportunities, and provide goods and services currently

lacking in the community. Tenant proposes to create a day-to-night dual concept: a specialty coffee roastery and café in the morning and a pizza and wine bar in the evening, with additional community engagement such as open mic nights, wine education events, and art showcases.

The Lease negotiations will include:

- Tenant obligations to prepare plans for tenant improvements, furnishings, fixtures, and equipment necessary for operation; secure financing for such improvements and working capital; and submit financial disclosures if requested.
- City obligations to review facility conditions, prepare an assessment of required base improvements, finance and complete such improvements if deemed reasonable, and coordinate environmental review and entitlement processing.
- A lease term not to exceed fifteen (15) years inclusive of any renewals, consistent with Surplus Land Act exemptions.

Environmental Review and CEQA Compliance

Any environmental review, analysis, or documentation necessary to adequately assess the environmental effects of the proposed Project in accordance with the California Environmental Quality Act (CEQA) shall be prepared at the direction of the City by persons or entities selected solely by the City. The City shall pay for all third-party costs associated therewith. Based upon the character of the proposed Project, the City does not expect significant environmental impacts; however, this determination shall be confirmed through the review process.

Project Financing

The City has completed the Facility Conditions Assessment to determine the scope of improvements required to satisfy applicable building codes and deliver a functional and safe facility ready for Tenant's operational improvements. A copy of this assessment has been provided to the Tenant for reference and transparency. Based upon this completed assessment, the City anticipates it will prepare plans, solicit bids, finance, and complete construction in accordance with terms to be negotiated. The City reserves the right to terminate negotiations if it determines in its sole discretion that the cost of repairs is excessive or unreasonable.

Tenant shall prepare plans for tenant improvements, furnishings, fixtures, and equipment (FFE), and arrange for financing of its obligations. Tenant shall disclose the proposed financing in writing to City and submit documentation if requested. The City may provide financing for some or all of this work in accordance with existing programs.

Confidentiality and Financial Disclosures

The Tenant acknowledges that it may be requested to provide confidential financial disclosures to the City as part of due diligence. The City agrees to maintain confidentiality of such information to the maximum extent permitted by law, including protections afforded under Government Code Section 6254.15, and shall not release such records without Tenant's written consent or unless compelled by court order.

Termination

Either party may terminate this Agreement, with or without cause, by providing the other party with at least thirty (30) days' prior written notice of termination. Additionally, this Agreement shall terminate upon the earliest to occur of the following:

- On June 30th, 2026, unless mutually extended by the City Manager and Tenant up to ninety (90) days; or

At such time as a Lease, acceptable in form and content to both the City and Tenant, is approved by the City Council of the City of Beaumont.

Limitation on Remedies

City and Tenant acknowledge that their exclusive remedy for breach of this Agreement is termination without cost, expense, or liability to either Party. Each Party waives rights to monetary damages or equitable relief for such breach, and expressly waives the protections of California Civil Code Section 1542 with respect to unknown claims.

Solicitation and Conflicts of Interest

Tenant warrants that it has not paid or agreed to pay any fee or commission to secure this Agreement, other than to a bona fide employee or licensed broker. For any breach of this warranty, the City may rescind this Agreement without liability. No City officer or employee shall have any direct or indirect interest in this Agreement during their service with the City.

Parties to Lease

For the purposes of this Agreement, the Tenant shall be LANDMARK COFFEE ROASTERS LLC.

Attorneys' Fees

In the event that either Party brings any legal action to interpret or enforce any provision of this Agreement, the prevailing Party shall be entitled to recover its costs of litigation and

reasonable attorneys' fees, including costs and fees incurred on appeal and in enforcing any judgment.

Governing Law; Jurisdiction and Venue

This Agreement shall be interpreted and enforced in accordance with the laws of the State of California, without regard to conflicts of law provisions. Any action brought concerning this Agreement shall be filed in the appropriate court in Riverside County, California. Tenant expressly waives provisions of law providing for a change of venue due to the City's involvement and waives any right to transfer to federal court based on diversity of citizenship or federal questions.

No Third-Party Beneficiaries

City and Tenant expressly acknowledge and agree that this Agreement is not intended to benefit any third parties, including brokers or other intermediaries. No person or entity that is not a signatory to this Agreement shall have any rights or causes of action arising from or related to this Agreement.

Counterparts

This Agreement may be executed in two or more counterpart originals, each of which shall be deemed an original, but all of which together shall constitute the same instrument.

Exhibits

- **Exhibit A:** Site Map of 105 West 6th Street, Beaumont, California, depicting the boundaries of the Site and any associated improvements.
- **Exhibit B:** Facility Conditions Assessment Report (Summary), outlining the completed evaluation of the building's condition, required code upgrades, and recommended base improvements.

Signatures

(See following signature page)

Signature Page to Exclusive Right to Negotiate Agreement

(Signature Page to Exclusive Right to Negotiate Agreement — City of Beaumont and LANDMARK COFFEE ROASTERS LLC)

CITY OF BEAUMONT

By: _____

Name: _____

Title: _____

Date: _____

TENANT: LANDMARK COFFEE ROASTERS LLC

By: _____

Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

By: _____

Name: _____

Title: City Attorney

Date: _____

Exhibit A to Exclusive Right to Negotiate Agreement

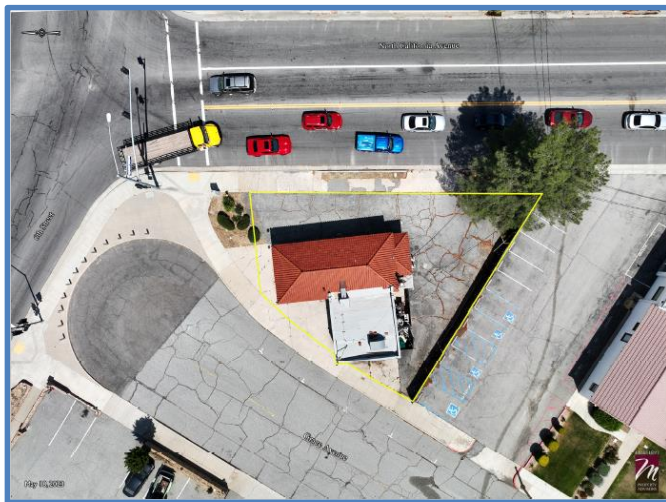
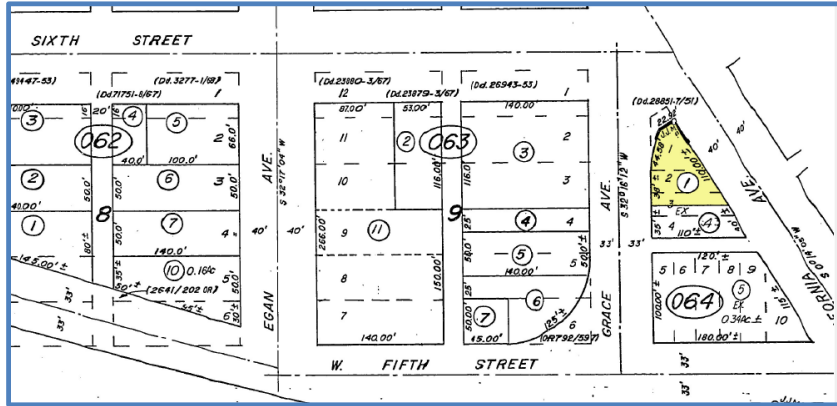


Exhibit B to Exclusive Right to Negotiate Agreement