



R. Rex Parris Mayor
Ronald D. Smith Vice Mayor
Ken Mann Council Member
Sherry Marquez Council Member
Ed Sileo Council Member
Mark V. Bozigian City Manager

April 29, 2010

Mr. Greg St. Clair
President
KFG Investment Company
16633 Ventura Boulevard, Suite 1330
Encino, CA 91436

RE: Fox Field Business Park – Extension of Option

Dear Mr. St. Clair,

The Lancaster Redevelopment Agency received your letter dated March 2, 2010 requesting an additional extension of the Option Term for the balance of Option Property comprising of the remaining nine (9) acres of the Fox Field Business Park. KFG Investment Company (Formerly doing business as Larwin Investment Company) proposed a thirty-six (36) month extension that will extend the outside date to exercise the option from December 31, 2010 to December 31, 2013.

Based on the firm's success with the first phase of the Fox Field Business Park, which is now completely sold out, the Agency will grant you the extension pending final approval of the Lancaster Redevelopment Agency. This agreement will be voted on by the Redevelopment Agency on Tuesday, May 11, 2010. The terms and conditions of the Agreement for Purchase and Sale and Option and Joint Escrow Instructions shall govern the closing of the Option Property, and remain unmodified.

Please indicate your approval in the space provided below.

Agreed as of this _____ day of _____, 2010

Buyer
KFG Investment Company

Seller
Lancaster Redevelopment Agency

Greg St. Clair
President

Mark Bozigian
Executive Director